



**MUSIC BROADCAST LIMITED**

(Our Company was incorporated as ‘Music Broadcast Private Limited’ on November 4, 1999, at Kolkata as a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company pursuant to a resolution of our Shareholders at an extraordinary general meeting held on June 15, 2015 and consequently, the name of our Company was changed to Music Broadcast Limited and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Mumbai (“ROC”) on June 25, 2015. The Corporate Identification Number of the Company is L64200MH1999PLC137729 and PAN of our Company is AACCM4036H. For further details about our Company, see “History and Certain Other Corporate Matters” on page 35)

**Registered Office:** 5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (East) Mumbai 400 051  
**Tel:** +91 22 6696 9100

**E-mail:** [investor@myradiocity.com](mailto:investor@myradiocity.com); **Website:** [www.radiocity.in](http://www.radiocity.in)

**Company Secretary & Compliance Officer:** Ms. Arpita Kapoor, Tel.: +91 22 6696 9100; E-mail: [cs@myradiocity.com](mailto:cs@myradiocity.com)

**Chief Financial Officer:** Mr. Prashant Domadia, Tel.: +91 22 6696 9100; E-mail: [cfo@myradiocity.com](mailto:cfo@myradiocity.com)

**Statutory Auditor:** Price Waterhouse Chartered Accountants LLP, Building 8, Tower B, DLF Cyber City, Gurgaon - 122 002; Tel.: +91 124 4620 504;

E-mail: [amit.peswani@pwc.com](mailto:amit.peswani@pwc.com), Contact Person: Mr. Amit Peswani

**OUR PROMOTER:** Jagran Prakashan Limited, Tel.: +91 512 22216161; E-mail: [secretarial@jagran.com](mailto:secretarial@jagran.com)

**INFORMATION MEMORANDUM FOR LISTING OF 89,69,597 NON-CONVERTIBLE NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES (“NCRPS”) OF FACE VALUE RS. 10/- EACH ISSUED BY MUSIC BROADCAST LIMITED PURSUANT TO THE SCHEME OF ARRANGEMENT (THE “SCHEME”) BETWEEN MUSIC BROADCAST LIMITED AND ITS SHAREHOLDERS UNDER SECTIONS 230 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NON-PROMOTER SHAREHOLDERS OF THE COMPANY BY WAY OF BONUS**

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM**

**GENERAL RISKS**

Instruments offered through this Information Memorandum are Non-Convertible Redeemable Preference Shares and not debentures/bonds. They are riskier than debentures/bonds and may not carry any guaranteed coupon and can be redeemed only out of the distributable profits of the company or out of the proceeds of a fresh issue of shares made, if any, by the Company for the purposes of the redemption. Specific attention of investors is invited to statement of “Risk Factors” on page 8 of this Information Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the NCRPS.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading

**DIVIDEND RATE, DIVIDEND PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS**

For details relating to dividend rate, dividend payment frequency, redemption date, redemption amount & eligible investors of the NCRPS, please refer to “Issue Structure” on page 70.

**CREDIT RATING**

 <p><b>CRISIL</b> An S&amp;P Global Company</p>	<p><b>CRISIL Ratings Limited</b> CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Tel: +91 -22 4040 5800; E-mail: <a href="mailto:crisilratingdesk@crisil.com">crisilratingdesk@crisil.com</a>; Contact Person: <b>Mr. Rakshit Kachhal</b></p>
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The NCRPS issued and proposed to be listed under the Issue have been rated “AA/Stable (CRISIL double A rating) (Outlook: Stable)” for an amount of ₹ 120 crores by CRISIL Ratings Limited vide their rating letter dated September 16, 2022 (valid for 180 days) and press release for rating rationale dated September 13, 2022. The ratings provided by CRISIL Ratings Limited is valid as on the date of this Information Memorandum and shall remain valid on date of the Issue and Allotment of NCRPS and the listing of the NCRPS on Stock Exchanges. The ratings provided by CRISIL Ratings Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and Investors should take their own decisions. Please refer to Annexure II of this Information Memorandum for the rationale and press release for the above ratings.

**LISTING**

These NCRPS of our Company are proposed to be listed on the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). BSE shall be the Designated Stock Exchange for the issue. The Issuer shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time to the extent applicable to it on a continuous basis. The Company has submitted this Information Memorandum with BSE and NSE and same will be available at the website of the Company viz. [www.radiocity.in](http://www.radiocity.in). The Information Memorandum will also be available on the website of BSE at [www.bseindia.com](http://www.bseindia.com) and at NSE at [www.nseindia.com](http://www.nseindia.com). The issue shall be subject to the provisions of the Companies Act, 2013 the Rules notified thereunder, the Memorandum of Association and Articles of Association of the Issuer, the terms and conditions of the Information Memorandum filed with the Stock Exchanges and other documents in relation to the issue.

**REGISTRAR AND TRANSFER AGENT TO THE ISSUE**

	<p><b>KFin Technologies Limited</b> SEBI Registration No: INR000000221 Karvy Selenium Tower B Plot 31-32 Gachibowli, Financial District Nanakramguda, Hyderabad 500 032 Tel: (91 40) 6716 2222 Fax: (91 40) 2343 1551 E-mail: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a> Contact Person: Mr. Anandan K</p>
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## DEFINITIONS AND ABBREVIATIONS

In this Information Memorandum, unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time.

Further, unless the context otherwise indicates, all references in this Information Memorandum to “the Issuer”, “our Company”, “the Company” or “MBL” or “we” or “us” or “our” are to Music Broadcast Limited and references to “you” are to the Eligible Investors, as the case may be, in the NCRPS.

### COMPANY RELATED TERMS

Term	Description
₹ / Rs. / INR / Rupees / Indian Rupees	The lawful currency of the Republic of India
Articles / Articles of Association / AOA	The Articles of Association of our Company, as amended from time to time
the Board / our Board	The Board of Directors of Music Broadcast Limited
Company / our Company / MBL/ Issuer / we / us / our	Unless the context otherwise requires, refers to, Music Broadcast Limited, a public limited company incorporated under the Companies Act, 1956
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, Ms. Arpita Kapoor
Bonus Committee	Bonus Committee as constituted by the Board of Directors
Director(s)	Director of our Company, unless otherwise specified
Equity Shares	Equity shares of our Company of face value of ₹2 each
Independent Director	A Non-Executive, Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 who are currently on the Board of our Company
Key Managerial Personnel	The Key Managerial Personnel of the Company appointed in accordance with the provisions of SEBI ICDR Regulations and the Companies Act, 2013
JPL	Jagran Prakashan Limited, Holding Company of our Company
Memorandum of Association / MoA	Memorandum of Association of our Company
Promoter	Jagran Prakashan Limited
Promoter Group	Ms. Ruchi Gupta
Registered Office/ our Registered Office	5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (East) Mumbai 400 051, Maharashtra, India 400 051
RoC	Registrar of Companies, Maharashtra at Mumbai
Shareholder(s)	The holder(s) of Equity Shares of our Company, unless otherwise specified in the context thereof
Statutory Auditor	The current statutory auditors of our Company, Price Waterhouse Chartered Accountants LLP
Governmental Authority	Any (a) government (central, state or otherwise) or sovereign state; (b) any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, or any political subdivision thereof; and (c) international organisation, agency or authority, or including, without limitation, any stock exchange or any self-regulatory organization, established under any Applicable Law
Statutory Auditors	The Statutory Auditors of our Company, M/s. Price Waterhouse Chartered Accountants LLP, FRN: 012754N/ N500016, having office at Building 8, Tower B, DLF Cyber City, Gurgaon - 122 002

## ISSUE RELATED TERMS

Term	Description
Accumulated Profits	The undistributed profits of the Company as reflected in the accounts of the Company, which have been built over the years and which forms part of the reserves and surplus of the Company. The reserves and surplus of the Company includes the accumulated profits available in the General Reserve & Other Reserves as well the balance in profit and loss accounts (retained earnings)
Applicable Laws	Any statute, notification, by-laws, rules, regulations, guidelines, common law, policy, code, directives, ordinance, schemes, notices, orders or instructions, laws enacted or issued or sanctioned by any appropriate authority in India including any modifications or re-enactment thereof for the time being in force.
Allotment/ Allot/ Allotted	The issue and allotment of the NCRPS to non-promoter shareholders pursuant to the Scheme
Effective Date / upon the Scheme becoming effective / effectiveness of the Scheme / upon the Scheme coming into effect	December 29, 2022
Appointed Date	Appointed Date is the Effective Date of the Scheme, that is, December 29, 2022
Allottee(s)	The Other Shareholders to whom the NCRPS are Allotted, either in full or part, pursuant to the Scheme
BSE	BSE Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Dividend Rate	The rate of dividend payable in connection with the NCRPS in accordance with this Information Memorandum. Please see the section titled “Issue Structure” on page 70.
Credit Rating Agency	For the present Issue, the credit rating agency being CRISIL
CRISIL	CRISIL Ratings Limited
Date of Allotment	January 19, 2023
Depositories Act	The Depositories Act 1996
Depository(ies)	National Securities Depository Limited (NSDL) and /or Central Depository Services (India) Limited (CDSL)
DP / Depository Participant	A depository participant as defined under the Depositories Act
Designated Stock Exchange	BSE Limited
Eligible Shareholders	It shall have the meaning given to the term in “ <b>Issue Structure</b> ”
Information Memorandum	The Information Memorandum dated January 19, 2023, filed by our Company with the SEBI and Stock Exchanges in accordance with the provisions of the SEBI NCS Regulations in pursuance to the Scheme of Arrangement
Issue	Issuance of NCRPS by Music Broadcast Limited of 89,69,597 NCRPS of the face value of ₹10 each aggregating to ₹ 8,96,95,970/- in pursuance to the Scheme of Arrangement
Issue Size	89,69,597 NCRPS of the face value of ₹10 each, to be issued at a premium of ₹90 per NCRPS amounting to a total of ₹89,69,59,700/-
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of NCRPS of our Company
NCLT / Tribunal	The National Company Law Tribunal, Mumbai Bench
NCRPS	Non-Convertible Non-Cumulative Redeemable Preference Shares of face value of ₹10 each, being issued at a premium of ₹90 each, pursuant to the Scheme of Arrangement.
NSE	National Stock Exchange of India Limited
Other Shareholders	Shareholder other than shareholder residing outside India, Promoter and Promoter Group, as defined under the Scheme.

<b>Term</b>	<b>Description</b>
Recovery Expense Fund	The recovery expense fund created by our Company with the Designated Stock Exchange, in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and in Regulation 11 of SEBI NCS Regulations
Record Date	January 13, 2023
Redemption Amount	The amount repayable on redemption of the NCRPS, as specified in the Information Memorandum
Redemption Date	The date on which our Company is liable to redeem the NCRPS
Register of Preference Shareholders	The Register of preference shareholders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013
Registrar / RTA / Share Transfer Agent	KFin Technologies Limited
Scheme of Arrangement	Scheme of Arrangement between Music Broadcast Limited and its shareholders under Sections 230 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for issuance of NCRPS to the non-promoter shareholders of the Company by way of Bonus
Stock Exchange(s)	BSE and NSE
Tripartite Agreements	Tripartite agreement dated July 08, 2016 among our Company, the Registrar and CDSL and tripartite agreement dated September 22, 2016 among our Company, the Registrar and NSDL
Wilful Defaulter	Includes wilful defaulters as defined under Regulation 2(1)(III) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended

#### CONVENTIONAL AND GENERAL TERMS OR ABBREVIATION

<b>Term</b>	<b>Description</b>
AGM	Annual General Meeting
AS	Accounting Standards
CCP	The Code of Civil Procedure, 1908
CIN	Corporate Identification Number
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 2013, read with the rules, regulations, clarifications, and modifications thereunder, as amended from time to time
CRISIL	CRISIL Ratings Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL
Depository Participant / DP	Depository Participant as defined under the Depositories Act
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extra-ordinary General Meeting
ESOP	Employees Stock Option Scheme
ESP Scheme	Employees Stock Purchase Scheme
Financial Year / Fiscal Year / FY	Twelve months ending on March 31 of a particular year
GoI	Government of India
HUF	Hindu Undivided Family
Ind-AS	Indian Accounting Standards
IFRS	International Financial Reporting Standards issued by International Accounting Standards Board (IASB)
IT Act	Income-tax Act, 1961

Term	Description
KMP	Key Managerial Personnel
N.A.	Not Applicable
NEFT	National Electronic Funds Transfer
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulations) Rules, 1957 as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Circulars	SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, issued by SEBI and as amended from time to time or any other circular(s) issued by SEBI applicable to a scheme of arrangement by Listed Entities and Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended or any other circulars issued by SEBI applicable to schemes of arrangement from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended
SEBI Listing Regulations / SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Operational Circular	Circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022 issued by SEBI, as amended
SEBI Recovery Expense Fund Circular	The SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on " <i>Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund"</i> "
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time

## **CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

All references in this Information Memorandum to “India” are to the Republic of India and its territories and possessions and all references to the “Government”, the “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless stated otherwise, all references to page numbers in this Information Memorandum are to the page numbers of this Information Memorandum.

### **Presentation of Financial Information**

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12 months period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Information Memorandum are to a calendar year and references to a Financial Year are to the year ended on March 31 of that calendar year.

Our Company publishes its financial statements in Rupees in lakhs. Our Company’s financial statements as at and for the year ended March 31, 2022, 2021, and 2020 and Limited Review Financial Statements for the period ending December 31, 2022 have been prepared in accordance with Ind AS.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

- In the Information Memorandum, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “ten lac/lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”.
- Throughout the Information Memorandum, unless otherwise stated, all figures have been expressed in “₹ lakhs”. Unless indicated otherwise, the financial data in the Information Memorandum is derived from our financial statements prepared in accordance with Ind-AS and included in the Information Memorandum. In the Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.
- There may be some differences between Ind-AS and IFRS and / or US GAAP; accordingly, the degree to which the Ind-AS financial statements included in the Information Memorandum will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Ind-AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Information Memorandum should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.
- For additional definitions used in the Information Memorandum, see the section “Definitions, Abbreviations and Industry related terms” on page 1 of the Information Memorandum.

### **USE OF MARKET DATA**

- Unless stated otherwise, market data used throughout the Information Memorandum was obtained from internal Company reports and data, public websites and industry publications. Industry publication data and public website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured.

Although, we believe market data used in the Information Memorandum is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

**General Risk**

Investment in Non-Convertible Non- Cumulative Redeemable Preference Shares involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it.

Specific attention of investors is invited to statement of risk factors contained under Section “Risk Factors” of this offer document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities/non-convertible redeemable preference shares or investor’s decision to purchase such securities.



## FORWARD LOOKING STATEMENT

We have included statements in the Information Memorandum which contain words or phrases such as “will”, “believe”, “expect”, “anticipate”, “estimate”, “intend”, “future”, “objective”, “goal”, “project”, “should” and similar expressions or variations of such expressions, that are “forward-looking statements”.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industries in which we operate;
- Increased competition in these industries;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business;
- Challenges in meeting capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our actual results to differ, please refer to the sections titled “Risk Factors” and “Our Business” on pages 8 and 34 respectively, of the Information Memorandum, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Neither we nor our Directors, officers nor any of their respective affiliates or associates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

## RISK FACTORS

*The Company believes that the following factors may affect its ability to fulfil its obligations under the NCRPS. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective investors should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment. All of these factors are contingencies which may or may not occur and the Company is not in a position to express a view on the likelihood of any such contingency occurring.*

### INTERNAL RISK FACTORS

***1. Early Termination for Extraordinary Reasons, Illegality, etc.***

If the Issuer determines that, for reasons beyond its control, the performance of its obligations under the Bonus NCRPS has become illegal or impractical in whole or in part for any reason, the Issuer may without any obligation terminate early the Bonus NCRPS. If the Issuer terminates early the Bonus NCRPS, the Issuer will, if and to the extent permitted by applicable law, pay the holder of each such Bonus NCRPS an amount determined by the Issuer.

***2. Advertisement is our main source of income and we are heavily dependent on continuous flow of advertisements at effective rates.***

We are heavily dependent on advertisements as the main source of our revenue. Any reduction in ad-spend by the advertisers or a reduction in effective advertising rates due to market forces, competition, excess inventory, inability to maintain market position or the loss of advertising customers or our inability to attract new advertising customers could have a material adverse effect on our business, results of operations and financial condition.

***3. Radio may become obsolete and it will adversely affect our business, financial conditions and results of operation.***

In recent past, the music entertainment space has witnessed various technological developments including the introduction of internet radio and mobile applications for online radio and music. If radio as a medium becomes obsolete and new mediums overtake the radio space, such as online and mobile application based music, it will adversely affect our business, financial conditions and results of operation. We cannot assure you that we will be able to adapt to the technological advancements in future and successfully operate and/or continue our business.

***4. The FM radio broadcasting industry is highly competitive.***

We operate in a highly competitive industry. In the markets where we operate, and especially in the three major metro cities of Delhi, Mumbai and Bengaluru, we face intense competition from other private FM radio operators for listenership, utilisation of available broadcasting time for advertising, and advertising rates. Our existing and future competitors or new entrants into the market may result in a reduction in our effective advertisement rates and/or volume in the future and could have an adverse effect on our income and profitability. Other private FM radio broadcasting companies may be larger and may have more financial resources than we do, which may intensify the competition further. Our radio stations may also not be able to maintain or increase their current audience ratings, advertising revenues and advertising rates. Further, the level of competition we face may further increase due to future changes in policies of the Government. Our market position also largely depends upon effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry. Any failure by us to compete effectively, including in terms of pricing or providing innovative services, could have an adverse effect on our income and profitability. We cannot predict either the extent to which these competition will materialise or if it materialises, the extent of its effect on our business.

- 5. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

- 6. *In case the Company does not have adequate profits, the Company will not be able to pay dividends on the NCRPS.***

As per the provisions of the Companies Act, the dividends payable on the NCRPS can only be out of profits of the Company for that year, calculated in accordance with the provisions of the Companies Act. Further, it is clarified that the dividend on NCRPS is required to be paid out of respective current year's profit only. In case the Company does not have adequate profits, the Company will not be able to pay the dividends on the NCRPS.

- 7. *There could be adverse changes in the future to the credit rating assigned to the NCRPS, which will adversely affect the holders of the NCRPS.***

The current issue has been rated 'CRISIL AA (STABLE)'.

In the event of deterioration in the financial health of the Company, there is possibility that the rating agency may downgrade the ratings of the NCRPS. In such a case, a potential investor may incur losses on revaluation of the investments or may have to make provisions towards sub-standard / non-performing investment as per their standard norms. The rating is not a recommendation to purchase, hold or sell the NCRPS in as much as the ratings do not comment on the market price of the NCRPS or its suitability to a particular investor. There is no assurance either that the rating will remain at the same level any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency.

- 8. *There may not be an active secondary market for the NCRPS which will affect the tradability of NCRPS in the market.***

While the NCRPS are being issued, investors are requested to note that there may not be an active secondary market for NCRPS. There is no assurance that a trading market for the NCRPS will exist and no assurance as to the liquidity of any trading market. Further, the liquidity and market prices of NCRPS can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of such instruments.

- 9. *Failure to receive listing approval for issuance of NCRPS will affect the holders of NCRPS.***

An Issuer is desirous of making an offer of NCRPS and shall make an application for listing to the Stock Exchanges. The Issuer is required to comply with conditions of listing of such NCRPS as specified in the listing agreement with the Stock Exchanges where the NCRPS are sought to be listed. Failure to receive listing approval will adversely affect the holders of NCRPS.

- 10. *We are heavily dependent on our management team, qualified and experienced employees and our on-air talent and radio hosts. Our inability to attract and retain them may have an adverse impact on our business.***

The success of our business is dependent upon its ability to attract and retain qualified and experienced staff (including senior and middle management personnel with professional qualifications). We are led by a dedicated senior management team with several years of experience in the media and radio industry, along with experienced and qualified team of employees. Many of our personnel possess skills that would be valuable to other companies engaged in similar business as us. Whilst we offer compensation in line with the demand for such skills, some of our competitors may be able to pay our employees more than we are able to pay to retain them. Our ability to

profitably operate is substantially dependent upon our ability to locate, hire, train and retain our personnel. We may, therefore, incur additional costs in order to attract talented individuals and to retain existing experienced staff. If we are unable to attract or retain qualified and experienced staff, our ability to operate and expand our business may be affected, and our operating costs may increase. Our inability to recruit and retain qualified and experienced staff may limit our competitiveness, interrupt our operations and/or cause customer dissatisfaction, any of which could reduce our revenues and profitability.

Further, the performance and success of our radio stations, and their listenership are dependent on the expertise and services of our on-air talent and radio hosts. We independently contract with several on-air personalities that have significant loyalty and popularity among listeners in their respective markets. However, we can give no assurance that these personnel will remain with us and that the number of our listeners will not reduce if our popular on-air personalities terminate their services with us, and join a competitor. The loss of the services of such on-air talent and radio hosts could have an adverse effect on our listenership and consequently our business, financial condition and results of operation.

***11. We derive certain benefits from our Promoter which is actively involved in the media industry***

We depend on our relationship with our Promoter JPL in many ways. We have access to JPL's resources including relationships, expertise and experience and also have advertising arrangements on arm's length basis in relation to our businesses and certain property leasing arrangements. For details, see "Our Promoter" on page 45. We cannot assure you that JPL will continue to allow us to have access to the benefits of this relationship in the future. If JPL does not allow us access to such benefits, our business, financial condition and results of operations may be adversely affected.

***12. We are responsible for the content, which we broadcast on our radio stations. We may face libel, defamation or intellectual property rights infringement charges***

We have the primary responsibility to ensure that no objectionable, obscene, defamatory or racist comments or comments hurting any religious sentiment, including those forming part of a live interview, or any unauthorized or other content infringing any third party's intellectual property rights and any other broadcasting laws in any form are carried on our radio stations. In terms of the Phase III Policy and Grant of Permission Agreement, we are required to follow the Programme and Advertisement Code as followed by All India Radio, which prescribe standards of conduct to develop and promote advertising practices. Our failure to adhere to these regulations, codes and policies may lead to adverse consequences, including suspension, revocation and termination of our licenses.

We rely on our creative team, on-air talent and other artistes for our program content for our radio stations. Also, some of our programs include live interviews and interactive participation of our listeners, and some of such content may be construed as offensive or insensitive by a certain section of the society or certain individuals and may expose us and/or employees to litigation for libel, defamation or infringement of intellectual property rights, which could adversely affect our reputation as well as our business, operations and financial performance. Presently, our Company is involved in a defamation litigation. For details, see "Outstanding Litigations" on page 59.

***13. A decrease in our listenership may adversely affect our business and results of operations.***

Listenership of our FM radio channels is the prime indicator of our popularity compared to other operators in the FM radio broadcasting industry. Our listenership significantly influences the advertisement spend by our advertisers and our advertising rates. Listenership is dependent on various factors, including the program content quality of our broadcasts and the loyalty of our listeners. Any failure by us to meet to our listeners' preferences, including due to departure of our on-air talent, could adversely affect our income from advertising. A decline in our listenership for any reason may lead to decline in advertisement revenue, which could adversely affect our business, operations and financial performance.

***14. We may not be able to adequately protect our intellectual property***

Our commercial success depends in part on our ability to protect our existing intellectual property and to obtain other intellectual property rights. If we do not adequately protect our intellectual property, competitors may be able to imitate our programs and shows. We have obtained registrations for various trademarks in relation to our business. Further, we have entered into an assignment agreement for the use of the trademark “Radio City”. For details of this agreement see “History and Certain Corporate Matters” on page 35. We have obtained registrations for various trademarks in relation to our business activities.

***15. There are outstanding litigations against our Company, Promoter and Group Company. An adverse outcome in any of these proceedings may affect our reputation and standing and impact our future business and could have a material adverse effect on our business, financial condition, results of operations and cash flows***

As on the date of this Information Memorandum, we are involved in certain civil, tax and criminal legal proceedings that are pending at different levels of adjudication before various courts, tribunals, forums and appellate authorities. We cannot assure you that these legal proceedings will be decided in our favour. Decisions in proceedings adverse to our interests may have a significant adverse effect on our business, financial condition, results of operations and cash flows.

**EXTERNAL RISK FACTORS**

***16. Changing regulations in India could lead to new compliance requirements that are uncertain.***

As in most other businesses, the regulatory and policy framework in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose additional requirements.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy applicable to us, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

***17. Slowdown in economic growth in India***

The Company's performance, quality and growth of the Business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy could adversely affect the Business of the Company including but not limited to its ability to meet the significant sale targets of various products and ability to implement its strategy etc.

***18. Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

**19. Natural disasters, fires, epidemics, pandemics, acts of war, civil unrest and other events could materially and adversely affect our business.**

Natural disasters (such as typhoons, flood, earthquakes, etc.), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

**20. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.**

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

**21. Civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy.**

Certain events that are beyond the control of our Company, such as violence or war, including those involving India, the United Kingdom, the United States or other countries, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy.

Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, the Indian economy and consequently Company's operations might be significantly affected. India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. Events of this nature in the future could have an adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected.

<b>Issuer's Absolute Responsibility:</b>
The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this information memorandum contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the information memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

## GENERAL INFORMATION

Our Company was incorporated as Music Broadcast Private Limited on November 4, 1999, at Kolkata as a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company pursuant to a resolution of the Shareholders at an extraordinary general meeting held on June 15, 2015 and consequently, the name of our Company was changed to Music Broadcast Limited and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Mumbai on June 25, 2015. At present, the Equity Shares of our Company are listed on BSE and NSE. The CIN of our Company L64200MH1999PLC137729. The PAN is AACCM4036H.

Our Company is a widely held public listed company in which public shareholders hold 25.95% of the issued, subscribed, and paid-up equity share capital of the Company. MBL is a subsidiary of Jagran Prakashan Limited.

### **Registered of our Company:**

5<sup>th</sup> Floor, RNA Corporate Park  
Off Western Express Highway  
Kalanagar, Bandra (East)  
Mumbai 400 051  
Tel: (91 22) 6696 9100  
Fax: (91 22) 2642 9113  
E-mail: [investor@myradiocity.com](mailto:investor@myradiocity.com)  
Website: [www.radiocity.in](http://www.radiocity.in)

### **Registrar of Companies:**

Registrar of Companies, Mumbai  
100, Everest, Marine Drive  
Mumbai - 400 002, Maharashtra, India  
Tel. No.: +91 22 2281 2627 / 2202 0295 / 2284 6954  
Fax No.: +91 22 2281 1977  
E-mail: [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)

### **Company Secretary and Compliance Officer:**

#### **Ms. Arpita Kapoor**

Music Broadcast Limited  
5<sup>th</sup> Floor, RNA Corporate Park  
Off Western Express Highway  
Kalanagar, Bandra (East)  
Mumbai 400 051  
Tel: (91 22) 6696 9100  
Fax: (91 22) 6696 9175  
E-mail: [cs@myradiocity.com](mailto:cs@myradiocity.com)

### **Chief Financial Officer**

#### **Mr. Prashant Domadia**

Music Broadcast Limited  
5<sup>th</sup> Floor, RNA Corporate Park  
Off Western Express Highway  
Kalanagar, Bandra (East)  
Mumbai 400 051  
Tel: (91 22) 6696 9100  
Fax: (91 22) 6696 9175  
E-mail: [cfo@myradiocity.com](mailto:cfo@myradiocity.com)

Prospective Shareholders may contact the Company Secretary and Compliance Officer or the RTA to the Issue in case of any pre-issue or post-issue related problems such as credit confirmations on the allotted NCRPSs in beneficiary accounts etc., as the case may be.

All grievances relating to the Issue may be addressed to the RTA, giving full details such as name, address of the Applicant, Permanent Account Number, Depository Participant name and Client Identification Number.

#### **Debenture Trustee**

Not applicable

#### **Credit Rating Agency**



#### **CRISIL Ratings Limited**

SEBI Registration No.: IN/CRA/001/1999

CRISIL House, Central Avenue,  
Hiranandani Business Park, Powai,  
Mumbai 400 076

Tel No: +91 22 3342 3000

Email: [crisilratingdesk@crisil.com](mailto:crisilratingdesk@crisil.com)

Website: [www.crisil.com/ratings](http://www.crisil.com/ratings)

Contact Person: Mr. Rakshit Kachhal

#### **Credit Rating and Rationale**

The NCRPS proposed to be issued under the Issue have been rated “AA/Stable (CRISIL double A rating) (Outlook: Stable)” for an amount of ₹ 120 crores by CRISIL Ratings Limited vide their rating letter dated September 16, 2022 (valid for 180 days) and press release for rating rationale dated September 13, 2022. The ratings given by the Credit Rating Agency is valid as on the date of this Information Memorandum and shall remain valid until the ratings are revised or withdrawn. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information.

#### **Disclaimer clause of CRISIL**

A rating by CRISIL Ratings reflects CRISIL Ratings’ current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / Sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings criteria are available without charge to the public on the website, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the Company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800 – 267-1301

#### **Registrar and Transfer Agent to the Issue**



#### **KFin Technologies Limited**

SEBI Registration No: INR000000221

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

Tel: (91 40) 6716 2222

Fax: (91 40) 2343 1551

E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)



Website: [www.kfintech.com](http://www.kfintech.com)

Contact Person: Mr Anandan K

KFin Technologies Limited has entered into an agreement dated January 18, 2023 with the Company for its appointment as the Registrar and Transfer Agent to the Issue and in all the subsequent periodical communications to be sent to the holders of the NCRPS.

**Statutory Auditors**

**Price Waterhouse Chartered Accountants LLP**

Building 8, Tower B

DLF Cyber City

Gurgaon 122 002

Tel: (91 124) 4620 504

Fax: (91 124) 4620 620

E-mail: [amit.peswani@pwc.com](mailto:amit.peswani@pwc.com)

Firm registration number: 012754N/N500016

Auditors since: September 7, 2015

**Banker to the Issue**

There is no banker to the Issue

**Underwriting**

The Issue is not underwritten

**Arrangers to the Issue**

There are no arrangers to the Issue

**Guarantor to the Issue**

There are no guarantors to the Issue

**Recovery Expense Fund**

Our Company has created a Recovery Expense Fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended from time to time, and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange for the purpose of this Issue.

## CAPITAL STRUCTURE

### (a) Our Share Capital, pre-scheme and post-scheme:

#### Pre-Scheme:

Particulars	Amount (in ₹)
<b>Authorized Share Capital</b>	
40,00,00,000 Equity Shares of face value of ₹ 2 each	80,00,00,000
50,000 Preference Shares of ₹ 10/- each	5,00,000
<b>Total</b>	<b>80,05,00,000</b>
<b>Issued, Subscribed and paid-up share capital</b>	
34,56,85,625 Equity Shares of face value of ₹ 2 each	69,13,71,250

#### Post-Scheme:

Particulars	Amount (in ₹)
<b>Authorized Share Capital</b>	
40,00,00,000 Equity Shares of face value of ₹ 2 each	80,00,00,000
50,000 Preference Shares of face value of ₹ 10/- each	5,00,000
89,69,600 Non-Convertible Non-Cumulative Redeemable Preference Shares of face value of ₹ 10/- each	8,96,96,000
<b>Total</b>	<b>89,01,96,000</b>
<b>Issued, Subscribed and paid-up share capital</b>	
34,56,85,625 Equity Shares of face value of ₹ 2 each	69,13,71,250
89,69,597 Non-Convertible Non-Cumulative Redeemable Preference Shares of face value of ₹ 10/- each	8,96,95,970
<b>Total</b>	<b>78,10,67,220</b>

### (b) Changes in the Authorised Share Capital of our Company for the last three years preceding the date of this Information Memorandum:

Date of shareholders meeting	Authorised Share Capital (in Rs.)	Particulars of change	AGM / EGM / Postal Ballot
March 03, 2020	80,05,00,000	The authorized share capital of the Company was increased from Rs. 67,05,00,000 (Rupees Sixty Seven Crores and Five Lakhs Only) comprising of 33,50,00,000 (Thirty Three Crore and Fifty Lakh) equity shares of Rs 2 (Rupees Two only) each and 50,000 (Fifty Thousand) convertible redeemable preference shares of Rs. 10 (Rupees Ten each) each to Rs 80,05,00,000 (Rupees Eighty Crores and Five Lakhs Only) comprising of 40,00,00,000 (Forty Crore) Equity Shares of Rs. 2 (Rupees Two only) each and 50,000 (Fifty Thousand) convertible redeemable preference shares of Rs. 10 (Rupees Two only) each.	Postal Ballot
June 23, 2022	89,01,96,000	In pursuance to the Scheme, the authorized share capital of the Company was increased from Rs 80,05,00,000 (Rupees Eighty Crores and Five Lakhs Only) comprising of 40,00,00,000 (Forty Crore) Equity Shares of Rs. 2 (Rupees Two only) each and 50,000 (Fifty Thousand) Convertible Redeemable Preference Shares of Rs. 10 (Rupees Two only) each to Rs 89,01,96,000 (Rupees Eighty Crores and Five Lakhs Only) comprising of 40,00,00,000 (Forty Crore) Equity Shares of Rs. 2 (Rupees Two only) each, 50,000	NCLT Convened Meeting

(Fifty Thousand) Convertible Redeemable Preference Shares of Rs. 10 (Rupees Two only) each and 89,69,600 (Eighty-nine Lakhs, Sixty Thousand and Six-hundred) Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each.

**(c) Equity Share capital history of our Company for the last three years preceding the date of this Information Memorandum**

(in ₹, except share data)

Date of Allotment	No. of Equity Shares	Face Value	Issue Price	Consideration (Cash, Other than Cash, etc)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital	Equity Share Premium	
<b>As on December 31, 2019</b>						<b>27,65,48,500</b>	<b>55,30,97,000</b>	-	-
March 16, 2020	6,91,37,125	2.00	2.00	NA	Bonus Issue	34,56,85,625	69,13,71,250	-	Note 1
<b>As on date of Information Memorandum</b>						<b>34,56,85,625</b>	<b>69,13,71,250</b>	-	-

Note:

1. Bonus issue of equity shares in ratio of 1 bonus share for every 4 equity share held as on record date, March 13, 2020.

**(d) Preference Share capital history of our Company for the last three years preceding the date of this Information Memorandum**

(in ₹, except share data)

Date of Allotment	No. of Preference Shares	Face Value	Issue Price	Consideration (Cash, Other than Cash, etc)	Nature of Allotment	Non-Cumulative			Remarks
						No. of Preference Shares	Preference Shares Capital	Securities Premium *	
<b>As on January 18, 2021</b>						-	-	-	-
January 19, 2023	89,69,597	10.00	100.00	NA	Bonus Issue	89,69,597	8,96,95,970	80,72,63,730	Note 1
<b>As on date of Information Memorandum</b>						<b>89,69,597</b>	<b>8,96,95,970</b>	<b>80,72,63,730</b>	

Note:

1. Bonus issue of NCRPS in ratio of 1 (One) bonus NCRPS for every 10 (Ten) equity shares held as on record date, January 13, 2023 pursuant to Scheme of Arrangement.

**(e) Details of any acquisition or amalgamation in the last one year**

Our Company has not made any acquisition or undertaken any amalgamation in the last one year.

**(f) Details of any reorganization / reconstruction in the last one year**

Our Company has not made any reorganization / reconstruction in the last one year.

b. Details of the shareholding of Equity shares of the Company as on March 31, 2023 as per the format specified under the Listing Regulations:

Table I: Summary statement holding of specified securities

Category	Category of shareholders	No. of shareholders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities (including warrants)	No. of shares underlying convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form	
								No. of voting rights		Total as % of (A+B+C2)				No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
(A)(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(X) (a)	(XI) = (VII) + (X) as a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	1	255989649	-	-	255989649	74.05	255989649	-	255989649	74.05	-	-	74.05	-	-	-	-	255989649
(B)	Public	32645	89695976	-	-	89695976	25.95	89695976	-	89695976	25.95	-	-	25.95	-	-	-	-	89695739
(C)	Non promoter non public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	32646	345685625	-	-	345685625	100.00	345685625	-	345685625	100.00			100.00					345685388

Table II: Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category of shareholders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities	No. of shares underlying outstanding warrants	No. of shares underlying outstanding convertible securities and No. of warrants	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form (**)	
								(as a % of (A+B+C2))	No. of voting rights						Total as % of (A+B+C)	No.	As a % of total shares held (b)	No.		As a % of total shares held (b)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XI) (a)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)		(XIII)		(XIV)
A(1)	Indian																			
(a)	Individuals / HUF*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Central Govt / State Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Any other	1	255989649	-	-	255989649	74.05	255989649	-	255989649	74.05	-	-	-	74.05	-	-	-	-	255989649
	<b>Sub-total A(1)</b>	<b>1</b>	<b>255989649</b>	<b>-</b>	<b>-</b>	<b>255989649</b>	<b>74.05</b>	<b>255989649</b>	<b>-</b>	<b>255989649</b>	<b>74.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>255989649</b>
A(2)	Foreign																			
(a)	Individuals (Non resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(d)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any others (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total A(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total shareholding of Promoter &amp; Promoter Group (A) = (A)(1) + (A)(2)</b>	<b>1</b>	<b>255989649</b>			<b>255989649</b>		<b>255989649</b>		<b>255989649</b>	<b>74.05</b>				<b>74.05</b>					<b>255989649</b>

\*Ms. Ruchi Gupta, forms a part of the Promoter Group holding Nil Equity shares in the Company as on the date of this Shareholding pattern

Table III: Statement showing shareholding pattern of public shareholder

	Category of share-holders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities	No. of shares underlying outstanding warrants	No. of shares underlying outstanding convertible securities and No. Of warrants	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
								(as a % of (A+B+C 2)	Category	Total as % of (A+B+C 2)					No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(B)(1)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XI) (a)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)	(XIII)	(XIV)	
<b>1</b>	<b>Institutions(Domestic)</b>																		
(a)	Mutual Funds	1	17502803	-	-	17502803	5.06	17502803	-	-	5.06	-	-	-	5.06	-	-	-	17502803
(b)	Venture Capital Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternative Investment Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Provident funds / pension funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Asset Reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	NBFCs registered with RBI	1	56265	-	-	56265	0.02	56265	-	-	0.02	-	-	-	0.02	-	-	-	56265
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Any other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)(1)</b>	<b>2</b>	<b>17559068</b>			<b>17559068</b>	<b>5.08</b>	<b>17559068</b>		<b>18983985</b>	<b>5.08</b>			<b>5.08</b>					<b>17559068</b>
<b>(B)2</b>	<b>Institutions (Foreign)</b>																		
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	1	1344	-	-	1344	0.00	1344	-	1344	0.00	-	-	-	0.00	-	-	-	1344
(e)	Foreign Portfolio Investors Category II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Overseas Depositories (holding DRs) (balancing)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(g)	Any other	1	812	-	-	812	0.00	812	-	812	0.00	-	-	-	-	-	-	-	812
	<b>Sub Total (B)(2)</b>	<b>2</b>	<b>2156</b>	-	-	<b>2156</b>	<b>0.00</b>	<b>2156</b>	-	<b>2156</b>	<b>0.00</b>	-	-	-	-	-	-	-	<b>2156</b>
<b>(B)3</b>	<b>Central Government / State Government(s)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>(B)4</b>	<b>Non-Institutions</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Associate companies/Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Key Managerial Personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund(IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital upto Rs. 2 Lakhs	30853	27333850	-	-	27333850	7.91	27333850	-	27333850	7.91	-	-	-	7.91	-	-	-	27333613
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	58	15258951	-	-	15258951	4.41	15258951	-	15258951	4.41	-	-	-	4.41	-	-	-	15258951
(i)	Non Resident Indians (NRIs)	265	1216671	-	-	1216671	0.35	1216671	-	1216671	0.35	-	-	-	0.35	-	-	-	1216671
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	177	22461142	-	-	22461142	6.50	22461142	-	22461142	6.50	-	-	-	6.50	-	-	-	22461142



(m)	Any Other (Specify)	1288	586413 8			586413 8	1.70	586413 8		586413 8	1.70								5864138
	<b>Sub Total (B)(4)</b>	<b>32641</b>	<b>721347 52</b>			<b>721347 52</b>	<b>20.87</b>	<b>721347 52</b>		<b>721347 52</b>	<b>20.87</b>								<b>72134515</b>
	<b>Total shareholding of Public (B) = (B)(1) + (B)(2)+(B)(3)+(B)(4)</b>	<b>32645</b>	<b>896959 76</b>			<b>896959 76</b>	<b>25.95</b>	<b>896959 76</b>		<b>896959 76</b>	<b>25.95</b>								<b>89695739</b>

Table IV: Statement showing shareholding pattern of Non promoter Non public shareholder

Category	Category of share-holders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
								(as a % of (A+B+C))	No. of voting rights				Total as % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)	
(C)(1)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)	(XIII)	(XIV)	
1	Custodian / DR Holder																
2	Employees benefit trust (under SEBI (Share based employee benefit) Regulations, 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Total non promoter non public shareholding (C) = (C)(1) + (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (A+B+C)</b>	<b>32646</b>	<b>345685625</b>			<b>345685625</b>	<b>100.00</b>	<b>345685625</b>		<b>345685625</b>	<b>100.00</b>	<b>100.00</b>					<b>345685388</b>

c. Details of the shareholding of Non-Convertible Non-Cumulative Redeemable Preference Shares of the Company as on March 31, 2023 as per the format specified under the Listing Regulations:

Table I: Summary statement holding of specified securities

Category	Category of shareholders	No. of shareholders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as a %age of total no. of shares (calculated as per SCRR, 1957) (as a % of (A+B+C2))	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities (including warrants)	No. of shares underlying convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form	
								No. of voting rights		Total as % of (A+B+C2)				No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
(A)(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(X) (a)	(XI) = (VII) + (X) as a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(B)	Public	27849	8969597	-	-	8969597	100	8969597	-	8969597	100	-	-	100	-	-	-	-	8969597
(C)	Non promoter non public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	27849	8969597	-	-	8969597	100	8969597	-	8969597	100	-	-	100	-	-	-	-	8969597

Table II: Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category of shareholders	No. of shareholders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as a %age of total no. of shares (calculated as per SCRR, 1957) (as a % of (A+B+C2))	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities	No. of shares underlying outstanding warrants	No. of shares underlying outstanding convertible securities and No. of warrants	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form (**)
								Class X	Class Y	Total					(IX)	(X)	(XI)	(XI) (a)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XI) (a)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)	(XIII)	(XIV)	
<b>A(1)</b>	<b>Indian</b>																		
(a)	Individuals / HUF*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Central Govt / State Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Any other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub-total A(1)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>A(2)</b>	<b>Foreign</b>																		
(a)	Individuals (Non resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Any others (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub-total A(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total shareholding of Promoter &amp; Promoter Group (A) = (A)(1) + (A)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Table III: Statement showing shareholding pattern of public shareholder

Category	Category of share-holders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as a %age of total no. of shares (calculated as per SCRR, 1957) (as a % of (A+B+C 2))	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities	No. of shares underlying outstanding warrants	No. of shares underlying outstanding convertible securities and No. Of warrants	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form	
								Class X	Class Y	Total					(IX)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
<b>(B)(I)</b>	<b>(II)</b>	<b>(III)</b>	<b>(IV)</b>	<b>(V)</b>	<b>(VI)</b>	<b>(VII) = IV + V + VI</b>	<b>(VIII)</b>	<b>Class X</b>	<b>Class Y</b>	<b>Total</b>	<b>(IX)</b>	<b>(X)</b>	<b>(XI)</b>	<b>(XI) (a)</b>	<b>(XI) = (VII) + (X) as a % of (A+B+C)</b>	<b>(XII)</b>	<b>(XIII)</b>	<b>(XIV)</b>		
<b>I</b>	<b>Institutions (Domestic)</b>																			
(a)	Mutual Funds	1	18,92,146	-	-	18,92,146	21.10	18,92,146	-	-	21.10	-	-	21.10	-	-	-	-	18,92,146	
(b)	Venture Capital Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternative Investment Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Provident funds / pension funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(g)	Asset Reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	NBFCs registered with RBI	1	5626	-	-	5626	0.06	5626	-	-	0.06	-	-	0.06	-	-	-	-	5626	
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(k)	Any other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub Total (B)(I)</b>	<b>2</b>	<b>189772</b>			<b>189772</b>	<b>21.16</b>	<b>189772</b>		<b>189772</b>	<b>21.16</b>			<b>21.16</b>					<b>189772</b>	
<b>(B)2</b>	<b>Institutions (Foreign)</b>																			
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Portfolio Investors Category I	2	834	-	-	834	0.01	834	-	834	0.01	-	-	0.01	-	-	-	-	834	
(e)	Foreign Portfolio Investors Category II	1	24042	-	-	24042	0.27	24042	-	24042	0.27	-	-	0.27	-	-	-	-	24042	

(f)	Overseas Depositories (holding DRs) (balancing)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Any other	1	81	-	-	81	0.00	81	-	81	0.00	-	-	-	0.00	-	-	-	81
	<b>Sub Total (B)(2)</b>	<b>4</b>	<b>24957</b>	<b>-</b>	<b>-</b>	<b>24957</b>	<b>0.28</b>	<b>24957</b>	<b>-</b>	<b>24957</b>	<b>0.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24957</b>
<b>(B)3</b>	<b>Central Government / State Government(s)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>(B)4</b>	<b>Non-Institutions</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Associate companies/Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Key Managerial Personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital upto Rs. 2 Lakhs	26101	3368241	-	-	3368241	37.55	3368241	-	3368241	37.55	-	-	-	37.55	-	-	-	3368241

(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	22	831507	-	-	831507	9.27	831507	-	831507	9.27	-	-	-	9.27	-	-	-	-	831507
(i)	Non Resident Indians (NRIs)	251	128754			128754	1.44	128754	-	128754	1.44	-	-	-	1.44					128754
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	179	2207785	-	-	2207785	24.61	2207785		2207785	24.61	-	-	-	24.61	-	-	-	-	2207785
(m)	Any Other (Specify)	190	510581	-	-	510581	5.69	510581		510581	5.69	-	-	-	5.69	-	-	-	-	510581
	<b>Sub Total (B)(4)</b>	<b>27843</b>	<b>7046868</b>	<b>-</b>	<b>-</b>	<b>7046868</b>	<b>78.56</b>	<b>7046868</b>		<b>7046868</b>	<b>78.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78.56</b>	<b>-</b>	<b>-</b>	<b>7046868</b>	<b>78.56</b>	<b>7046868</b>
	<b>Total shareholding of Public (B) = (B)(1) + (B)(2)+(B)(3)+(B)(4)</b>	<b>28112</b>	<b>8969597</b>	<b>-</b>	<b>-</b>	<b>8969597</b>	<b>100.00</b>	<b>8969597</b>		<b>8969597</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8969597</b>	<b>100.00</b>	<b>8969597</b>

Table IV: Statement showing shareholding pattern of Non promoter Non public shareholder

Category	Category of share-holders	No. of share-holders	No. of fully paid up Equity Shares held	No. of partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Share-holding as a %age of total no. of shares (calculated as per SCRR, 1957)	No. of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital)	No. of locked in shares		No. of shares pledged		No. of Equity Shares held in dematerialised form
								(as a % of (A+B+C))	No. of voting rights				Total as % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)	
(C)(1)	(II)	(III)	(IV)	(V)	(VI)	(VII) = IV + V + VI	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI) = (VII) + (X) as a % of (A+B+C)	(XII)	(XIII)	(XIV)	
1	Custodian / DR Holder																
2	Employees benefit trust (under SEBI (Share based employee benefit) Regulations, 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Total non promoter non public shareholding (C) = (C)(1) + (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (A+B+C)</b>	<b>28,112</b>	<b>89,69,597</b>			<b>89,69,597</b>	<b>100.00</b>	<b>89,69,597</b>		<b>89,69,597</b>	<b>100.00</b>	<b>100.00</b>					<b>89,69,597</b>



(g) List of top 10 holders of equity shares, on fully diluted basis, of the Company as on March 31, 2023:

<b>Sr. No.</b>	<b>Name of Shareholders</b>	<b>No. of Equity Shares held</b>	<b>No. of Equity Shares held in demat form</b>	<b>Holding percentage</b>
1	Jagran Prakashan Limited	25,59,89,649	25,59,89,649	74.05%
2	Franklin India Smaller Companies Fund	1,75,02,803	1,75,02,803	5.06%
3	Rajasthan Global Securities Private Limited	1,32,83,009	1,32,83,009	3.84%
4	Misrilall Mines Private Limited	30,19,281	30,19,281	0.87%
5	Rohan Rohan Shah	946,366	946,366	0.27%
6	Sankaranarayanan Sangameswaran Deepa Sankaranarayanan	8,35,237	8,35,237	0.24%
7	Ajaykumar Bhaskar Patil	7,00,000	7,00,000	0.20%
8	Bharati Bharat Dattani	5,83,276	5,83,276	0.17%
9	Globe Capital Market Limited	5,73,071	5,73,071	0.17%
10	Alka Shah	5,18,456	5,18,456	0.15%

- d. None of the Equity Shares have been pledged or otherwise encumbered by our Promoter and Promoter Group.
- e. As on the date of the Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments.
- f. As on the date of the Information Memorandum, the issued capital of our Company is fully paid-up.
- g. Our Promoter, Promoter Group, Directors and their relatives have not sold or purchased any shares of our Company during the period of six months preceding the date of the Information Memorandum.
- h. Neither we, nor our Directors, Promoter, Promoter Group Entities have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person in past six months.
- i. We do not have any ESOP Scheme or ESP Scheme.
- j. There shall be only one denomination for the Equity Shares of the Company, subject to applicable regulations and Company shall comply with such disclosure and accounting norms, as specified by SEBI, from time to time.

## SCHEME OF ARRANGEMENT

*For definitions of the terms used herein, but if not defined, you may refer to the Scheme*

The Scheme of Arrangement was presented under Sections 230 of the Companies Act, 2013, other relevant provisions thereof, and the rules made thereunder and in accordance with the regulations of the Foreign Exchange Management (Debt Instruments) Regulations, 2019 issued vide RBI Notification No. FEMA 396/2019-RB dated October 17, 2019, for the issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares to the non-promoter shareholders of Music Broadcast Limited by way of bonus. In addition, the Scheme also provides for various other matters consequential and/or otherwise integrally connected herewith.

### A. Rationale for the Scheme of Arrangement

1. MBL is a subsidiary company of Jagran Prakashan Limited ("Promoter / Holding Company/ JPL") which holds 73.21 %\* of the equity shares of MBL. JPL is one of the leading media groups in India with interests spanning across print, radio, digital, out of home, and brand activations. JPL is a public Limited company and its equity shares are listed on BSE and NSE. JPL has a corporate governance framework that ensures transparency in all its dealings and in the functioning of its Management and the Board. JPL enjoys the reputation of being extremely investor-friendly and has been consistent in rewarding its shareholders meaningfully. It has been its philosophy to enrich the shareholders to the extent possible in all the circumstances. It was this reputation that helped MBL close successfully its initial public offering in 2017 at a premium which was over 32 times of the then face value of Rs 10 each.
2. The radio industry is undergoing a transformation right now and the turn of event in the industry has also impacted MBL. In the recent past, its performance has not been commensurate to the potential of the company and is reflected in its market performance as well.
3. MBL intends to ensure that it continues to get the support of its esteemed public shareholders who have supported the company so far.
4. In view of the above, the Board of Directors of MBL has formulated this Scheme of Arrangement for issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares ("NCRPS") to its non-promoter shareholders on a preferential basis by way of bonus. The face value of such NCRPS will be ₹10 (Rupees Ten) issued at a premium of ₹90 (Rupees Ninety) per NCRPS to be redeemed on expiry of 36 months at a premium of ₹20 (Rupees Twenty) pursuant to the provisions of Section 230 and other relevant provisions of the Companies Act, 2013.
5. The Company has a strong net worth with no debt. MBL is also confident in running the business profitably and generating sufficient cash to meet its future requirements. However, it is considered prudent to conserve the cash to meet any unforeseen requirement that may arise during and aftermath of the Covid 19 pandemic which has created an unprecedented challenging business environment.
6. The above-mentioned Scheme is beneficial to MBL, its promoter (JPL being the holding company of MBL), and non-promoter shareholders as it strengthens the image of MBL as well as JPL in the market as it commits itself for higher distributions going forward. This will also augur well for future fundraising requirement, if any, of JPL and MBL.

### B. Issuance of NCRPS to the Non-Promoter Shareholders of our Company

Each non-promoter Equity Shareholder is entitled to get 1 (one) Non-Convertible NCRPS for every 10 (Ten) Equity Shares held by them as on the record date, ie, January 13, 2023;

\*As on the date of Information Memorandum, JPL holds 74.05% of the Equity Share capital of the Company

Each NCRPS are face value of ₹10 each issued at the premium of ₹90 each carrying a dividend of 0.1% (zero point one percent) to be redeemed after 36 months from the date of allotment at a price of ₹120 each. These NCRPS are to be issued as Bonus to the non-promoter shareholders of the Company and are proposed to be listed at Stock Exchanges.

All such NCRPS shall be issued in dematerialized form only.

The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act and other applicable provisions.

### **C. Increase in the Authorised Share Capital**

The authorized share capital has been automatically increased from previous ₹80,05,00,000 (Rupees Eighty Crores and Five Lakhs only) to ₹89,01,96,000 (Rupees Eighty-Nine Crores One Lakh Ninety-Six Thousand Only).

### **D. Approvals with respect to Scheme**

#### **a. Approval from Board of Directors, Shareholders and Un-secured Creditors**

- The Scheme was approved by the Board of Directors of our Company vide resolution dated October 22, 2020.
- Further, the Shareholders and Un-secured Creditors of our Company approved the Scheme through the NCLT convened meetings on Thursday, June 23, 2022 through video conferencing.

#### **b. Approval from Hon'ble NCLT**

- The Hon'ble NCLT approved the Scheme, vide Order dated December 23, 2022 (certified copy received by the Company on December 27, 2022).

#### **c. Approval from stock exchanges and SEBI**

- The Company has received approval for listing of its NCRPS on BSE and NSE vide their letter no. DCS/AMAL/TL/IP/2655/2022-23 dated February 16, 2023 and letter no. NSE/LIST/34221 dated February 17, 2023, respectively.
- Further, the Company has also received a letter bearing no. SEBI/HO/CFD/CFD-RAC-DCR1/P/OW/2023/13890/1 dated April 05, 2023 from the SEBI in relation to relaxation from applicability of Rule 19(2)(b) of the SCRR for listing of the NCRPS on BSE and NSE.

## OUR BUSINESS

*The following information is qualified in its entirety and should be read together with the more detailed financial and other information included in this Information Memorandum, including the information contained in “Risk Factors” on page number 8, of this Information Memorandum.*

Music Broadcast Limited is the first FM radio broadcaster in India under the brand name *Radio City* with over two decades of expertise in the radio industry.

Music Broadcast Limited currently has 39 stations across 12 states, comprising 62% of the country’s FM population. Radio City reaches out to over 69 million listeners across India covered by AZ Research 2019 (Source: AZ Research Report). The network provides terrestrial programming along with 17 web-stations, through its digital interface, [www.radiocity.in](http://www.radiocity.in)

Radio City has spearheaded the evolution of FM radio by offering content that is unique, path-breaking and invokes city passion amongst listeners with its brand philosophy of “Rag Rag Mein Daude City”. The network introduced humour and the concept of agony aunt on radio with Babber Sher and Love Guru respectively. It also initiated Radio City Freedom Awards, a platform to recognize independent music and provided a launch pad to budding singers with Radio City Super Singer, the first singing talent hunt on radio. This year, the organization launched its first international property ‘Radio City Business Titans’ to recognize Indian businesses for their business excellence.

Radio City has bagged over 130 awards across national and international platforms such as New York Festival, ACEF Awards, Golden Mikes Radio Advertising Awards, India Radio Forum, etc. in the recent past. Recently, Music Broadcast Limited has received ‘India's Best Company of the Year 2022’ Award by Berkshire media. Radio City has consistently featured for the 7th time in ‘India’s Best Companies to Work For’ study conducted by Great Place to Work Institute. The company has also been recognized in ‘India’s Best Workplaces for Women – 2019’ and has ranked amongst the Top 75 organizations on the list. In 2020, Radio City ranked 4th in ‘Best Large Workplaces in Asia’, according to the GPTW survey.

## HISTORY AND CERTAIN CORPORATE MATTERS

### *Brief history of our Company*

Our Company was incorporated as Music Broadcast Private Limited on November 4, 1999, at Kolkata as a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company pursuant to approval of the shareholders at an extraordinary general meeting held on June 15, 2015 and consequently, the name of our Company was changed to Music Broadcast Limited and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Mumbai on June 25, 2015. Our Company came out with its public issue of equity shares in 2017. At present, the Equity Shares of our Company are listed at BSE and NSE. The Corporate Identification Number of our Company is L64200MH1999PLC137729.

The changes to the name of our Company were undertaken upon conversion of our Company from a private limited company to a public limited company.

### **Registered Office and Changes in the Registered Office**

At present our Registered Office is situated at 5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (East) Mumbai 400 051.

The details of change in the registered office are as under:

Date of Change	Address Changed	
	From	To
23/09/2002	Park Plaza, 6 <sup>th</sup> Floor, 71 Park Street, Kolkata 700 016	IL & FS Financial Center, 5 <sup>th</sup> Floor, Plot No. C-22, G-Block, North Quadrant, BKC, Bandra (East), Mumbai 400 051
28/05/2007	IL & FS Financial Center, 5 <sup>th</sup> Floor, Plot No. C-22, G-Block, North Quadrant, BKC, Bandra (East), Mumbai 400 051	5 <sup>th</sup> Floor, RNA Corporate Park, Western Express Highway, Kalanagar, Bandra (East), Mumbai 400 051

### **Key events, milestones and achievements**

Year	Particulars
1999	Incorporation of our Company
2001	Our Company won licenses for FM broadcasting in four cities under FM Policy Phase I
2005	IVF Trustee Company invests in our Company and attains a majority shareholding
2006	Our Company won licenses for FM broadcasting in 16 cities under FM Policy Phase II
2010	Our Company launched web radio in India
2014	JPL invested in our Company through Spectrum Broadcast Holdings Private Limited
2015	<ul style="list-style-type: none"> <li>• Issue of Listed NCDs and listing on BSE</li> <li>• 'CRISIL AA/Stable' rating of Listed NCDs by CRISIL Limited</li> </ul>
2016	<ul style="list-style-type: none"> <li>• Our Company won licenses for FM broadcasting in 11 cities under FM Policy Phase III</li> <li>• Re-affirmation of 'CRISIL AA/Stable' rating of Listed NCDs by CRISIL Limited</li> </ul>
2016	The radio division of Shri Puran Multimedia Limited was transferred to our Company pursuant to the Scheme of Arrangement
2017	Our Company made an initial public issue of Equity Shares

### **Main Objects of our Company**

The main objects contained in the Memorandum of Association include the following:

- To carry on the business of recording, filming and screening, relaying, producing, distribution of AM & FM Broadcast, Satellite Broadcast at Radio, Television, Internet, Cable Television, Computers and other equipment, and for that purpose to hire, lease, purchase and sell time, space on any Satellite, Antennas, Transponders,*

Radio station or Television Centre in India or abroad or any other media currently in vogue or which may be in vogue at any time and for that purpose to manufacture and/deal in all kinds of audio and video equipment including professional grade equipment such as editing control unit, special effects, generator, video cameras telecine etc. setting up and running of the Radio, Television, video studios, audio recording centre, making of video vans or like items, filled with electronic equipment and Broadcast programmes either by own production or production from others of every kind including intranet, E-commerce, E-business, E.R.P and multimedia activities.

2. To carry on business of all communities equipment like receivers, transmitters, trans-receivers, walkie-talkie, radio, relay equipment, point to point communication equipment, antennas and associated equipment, single channel, multichannel, fixed frequency, variable frequency, static, mobile, airborne, shipborn equipment in any frequency spectrum, TV systems, receivers, transmitters, pattern generators and associated equipment, amplifiers, oscillators, synthesizers, waveform generating, measuring and associated equipment, sonic, ultrasonic and radio frequency ranging and depth finding equipments and telemetry coding and data transmission equipment, data acquisition, processing and logging equipment, calculators, computers, minicomputers, microcomputers, printers, readers display terminal, facsimile transmitting and receiving equipments and systems.

#### Our Holding Company

As on date of this Information Memorandum, JPL, the Promoter of our Company is our holding company.

#### Our Subsidiaries

As on the date of this Information Memorandum, our Company does not have any subsidiary company.

#### Key terms of our material agreements

Our Company has not entered into any material agreement, more than two years before the date of this Information Memorandum, which are not in the ordinary course of business.

#### Related party transactions based on Financial Information

(All amounts ₹ Lakhs)

Nature of transactions	For the year ended March 31,		
	2022	2021	2020
<b>Particulars</b>			
<b>Sale and purchase of services:</b>			
<b>Purchase of advertisement space/material:</b>			
Jagran Prakashan Limited	80.15	27.40	304.98
Midday Infomedia Limited	6.52	52.97	166.97
<b>Advertisement income (net)</b>			
Jagran Prakashan Limited	189.58	108.59	243.41
Midday Infomedia Limited	8.12	17.35	183.62
<b>Other Income</b>			
Jagran Prakashan Limited	5.10	2.13	-
<b>Revenue from website designing, development &amp; maintenance services</b>			
Midday Infomedia Limited	-	-	75.00
<b>Purchase of fixed assets</b>			
Jagran Prakashan Limited	-	0.39	-
<b>Other transaction:</b>			
<b>Rent charged by related parties for use of common facilities / utilities:</b>			
Jagran Prakashan Limited	49.19	31.50	31.65
VRSM Enterprises LLP	44.67	43.64	38.10
<b>Staff welfare expenses</b>			
Jagran Prakashan Limited	-	-	5.45

Nature of transactions	For the year ended March 31,		
	2022	2021	2020
<b>Expenses reimbursement paid</b>			
Jagran Prakashan Limited	41.15	35.69	26.30
Midday Infomedia Limited	46.22	5.91	-
<b>Expenses reimbursement received</b>			
Jagran Prakashan Limited	0.33	3.59	7.71
Midday Infomedia Limited	70.59	58.75	9.58
MMI Online Limited	-	-	5.82
<b>Security deposit given</b>			
Jagran Prakashan Limited	-	50.00	-
VRSM Enterprises LLP	-	-	35.00

## OUR MANAGEMENT

The Board of Directors of the Company consist of 7 (Seven) Directors among which 5 (five) are Independent Directors and 2 (Two) are Non-Executive Directors. The following table sets forth the details regarding the Board of Directors as on the date of the Information Memorandum:

Sr. No.	Name, Designation, DIN, Address, occupation, Date of appointment	Nationality	Age (Yrs.)	Directorships in other Companies
1.	<b>Mr. Vijay Tandon</b> Chairman, Non-Executive Independent Director DIN: 00156305 Address: C-356, SFS Sheikh Sarai, Phase I, New Delhi 110 017 Occupation: Consultant Date of appointment: November 24, 2016	Indian	78	Jagran Prakashan Limited
2.	<b>Mr. Anuj Puri</b> Non-Executive Independent Director DIN: 00048386 Address: Flat 202, Second Floor, Raheja Haven, Road No. 10, JVPD Scheme, Juhu, Mumbai 400 049 Occupation: Business Date of appointment: May 30, 2016	Indian	56	Jagran Prakashan Limited Mahindra Lifespace Developers Limited Puri Crawford Insurance Surveyors & Loss Assessors India Private Limited Embassy Office Parks Management Services Private Limited Anarock Property Consultants Private Limited Trespect India Private Limited Joyville Shapoorji Housing Private Limited Homexchange Private Limited Upflex Anarock India Private Limited Anarock Investment Advisors Private Limited Anarock Group Business Services Private Limited Anarock Capital Advisors Private Limited HVS Anarock Hotel Advisory Services Private Limited
3.	<b>Mr. Rahul Gupta</b> Non-Executive Non-Independent Director DIN: 00359182 Address: 7/51, Puran Niwas, Tilak Nagar, Kanpur 208 002 Occupation: Business Date of appointment: June 10, 2015	Indian	42	Jagmini Micro Knit Private Limited Jagran Micro Motors Limited Shri Puran Multimedia Limited Jagran Infotech Limited
4.	<b>Mr. Shailesh Gupta</b> Non-Executive Non-Independent Director DIN: 00192466 Address: 7/51, Puran Niwas, Tilak Nagar, Kanpur 208 002 Occupation: Business Date of appointment: January 28, 2019	Indian	53	Jagran Prakashan Limited Midday Infomedia Limited Rave Real Estate Private Limited MMI Online Limited



Sr. No.	Name, Designation, DIN, Address, occupation, Date of appointment	Nationality	Age (Yrs.)	Directorships in other Companies
5.	<b>Mr. Madhukar Kamath</b> Non-Executive Independent Director DIN: 00230316 Address: A 1203/1204, Chaitanya Towers, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 Occupation: Consultant Date of appointment: May 25, 2017	Indian	68	Multiplier Brand Solutions Private Limited
6.	<b>Ms. Anita Nayyar</b> Non-Executive Independent Director DIN: 03317861 Address: Flat No. 8811, Sector C, Pocket 8, Vasant Kunj, New Delhi – 110 070 Occupation: Service Date of appointment: January 27, 2020	Indian	61	Midday Infomedia Limited
7.	<b>Mr. Ravi Sardana</b> Non-Executive Independent Director DIN: 06938773 Address: 7C, H Block, SFS Flats, Saket, New Delhi – 110 017 Occupation: Professional Date of appointment: May 24, 2022	Indian	57	Jagran Prakashan Limited

#### Relationship between the Directors

None of the Directors are related to each other.

#### Brief Profile of Directors

**Mr. Vijay Tandon**, is a Non-Executive Independent Director and Chairman of the Company since November 24, 2016. Mr. Tandon is a fellow member of the Institute of Chartered Accountants of India. Qualifying in 1969, Mr. Tandon was associated with a leading firm of Chartered Accountants (Thakur, Vaidyanath Aiyar & Co.) in New Delhi and was a partner of the firm between 1977 and 1999. As a Chartered Accountant and Financial Management Consultant, with over 41 years of professional experience in various capacities, Mr. Tandon has been associated with number of private and public sector companies and banks in the capacity of auditor. Mr. Tandon has extensive knowledge of corporate laws and headed the Corporate Division of the CA firm. Mr. Tandon has been associated with print media industry in various capacities, as publisher auditor, representing the Audit Bureau of Circulations and as director in Associated Journals Limited (The National Herald Group). Also, as a management consultant, Mr. Tandon has been associated with a number of consulting services in diverse sectors of economy, industry and public utilities funded by the Asian Development Bank, the World Bank and the UK Department of International Development in India as well as South & Central Asia. Between 2000-2015 Mr. Tandon was Principal Consultant/ Director India with ICF Consulting Services (earlier GHK Consulting) a UK based development consulting. Mr. Tandon is currently an advisor on Urban Governance and Management and a Non-Executive Independent Director of Jagran Prakashan Limited.

**Mr. Anuj Puri**, is a Non-Executive Independent Director of our Company and has been associated with the Company since May 30, 2016. Mr. Puri is Chairman of ANAROCK Group and is widely acknowledged for revolutionizing the real estate sector with his visionary outlook and tech-driven solutions. He has been the trusted advisor to developers, occupiers, and investors for decades. He holds a Bachelor's degree in Commerce, is an Associate of Institute of Chartered Accountants of India, Associate of Chartered Insurance Institute –UK, Associate of Insurance Institute of Surveyors &

Adjusters (India), and an Associate of Insurance Institute of India. Until February 2017, he was Chairman & Country Head of international property consultants – JLL India overseeing a team of over 9000 employees in 11 cities. Mr. Puri was also a key member of JLL's Asia Pacific Leadership Group and Head of its Global Retail Leasing Board. Anuj set up ANAROCK in 2017 which is now India's leading independent real estate consulting services company with 13 offices in India and Gulf Cooperation Council (GCC) and an employee strength of 1800+. Under his leadership, ANAROCK has added Residential Broking & Technology, Retail (in partnership with Vindico- UAE headquartered retail real estate specialist in tenant coordination and design review services), Commercial, Investment Banking, Hospitality (in partnership with HVS- a global leader in hospitality consulting & transaction advisory), Land Services, Industrial and Logistics (in partnership with Binswanger- US-headquartered industrial advisory & brokerage firm), Investment Management, Research, Strategic Advisory & Valuations, and Project Management Services (in partnership with Mace-UK headquartered project management and construction specialist), Flexi Spaces (in partnership with myHQ & Upflex) and Society Management Services (acquisition of Apna Complex) and is aggressively expanding to newer geographies and real estate business verticals. Mr. Puri has held various key positions in the real estate industry including MoHUA-Urban Expert Committee, Member of the Advisory Committee of Maharashtra Chamber of Housing Industry & Confederation of Real Estate Developers Association of India (MCHI-CREDAI), Member of Young Presidents Organization (YPO), Member of Construction Week India National Advisory Board, Member of Hotelier India Magazine's Advisory Board and Advisory Board Member of CREDAI MCHI Forum for Real Estate Marketing Experience & Innovations. He is also Fellow Member of Royal Institute of Chartered Surveyors, UK (FRICS). Mr. Puri is a Non-Executive Independent Director of Jagran Prakashan Limited and Mahindra Lifespace Developers Limited.

**Mr. Rahul Gupta**, is a Non-Executive Director of the Company and has been associated with the Company since June 10, 2015. He holds a Master's Degree in Business Administration from Lancaster University (UK) and a Bachelor's Degree in Science (Business and Management Studies) from the University of Bradford (UK). With almost two decades of experience in the media industry, Mr. Gupta has worked in top media groups in Ireland, UK & India. He started his career with Independent Newspapers (Ireland) and later worked in The Independent's advertising department in London. He has been instrumental in helping in building the radio business for the Jagran Group, which involved setting up the Radio Mantra Stations in 2006, and the acquisition of Radio City in 2015. Mr. Gupta also served as the Senior Vice President of the Association of Radio Operators for India (AROI). He headed the music committee, which helped rationalize music royalties for radio in India. Currently, he heads and manages the operations of Jagmini Micro Knit Private Limited, one of the largest producers and exporters of legwear in India. Leading the expansion and growth story of JMKPL, Mr. Gupta sets the company's strategic direction and is guiding its exponential growth in North America & mainland Europe. Driven by his strong entrepreneurial spirit, vision, and ability to forge best-industry partnerships, he has established "Balenzia" as one of the fastest-growing D2C brands in the apparel industry, collaborating with iconic brands like Disney, Marvel, Warner Brothers, and Cartoon Network.

**Mr. Shailesh Gupta** is a Non-Executive Director of the Company and has been associated with the Company since January 28, 2019. He holds a Bachelor's degree in Commerce. Mr. Gupta has more than 30 years of experience in the print media industry. Mr. Gupta holds various key positions in the industry including being the President of The Indian Newspaper Society (INS) and Chairman of Council of Audit Bureau of Circulations (ABC). He is currently member of the Governing Board/Council of INS, ABC and Vice Chairman of Media Research Users Council (MRUC), Director of Rave Real Estate Private Limited, MMI Online Limited and Mid-day Infomedia Limited. In December, 2017, The Indian Newspaper Society (INS) nominated Mr. Shailesh Gupta as INS Nominee on the Board of WAN-IFRA. Mr. Gupta is a Whole-time Director of Jagran Prakashan Limited.

**Mr. Madhukar Kamath** is a Non-Executive Independent Director of the Company and has been associated with the Company since May 25, 2017. Mr. Kamath is an Economics graduate from the Loyola Collage, Chennai. He studied Management at XLRI Jamshedpur, which has also conferred on him a Distinguished Alumnus award. Mr. Kamath has more than four decades of experience in Advertising and Marketing Services and has spent over 26 years in erstwhile Mudra now the DDB Mudra Group, in two separate stints. Under his leadership, Mudra Group transformed itself from an Advertising Agency into one of India's leading Integrated Marketing Communications Groups. Mr. Kamath also played a key role in the Omnicom acquisition of the Mudra Group and the integration with the Global DDB Network. Subsequently, he facilitated the entry of Interbrand, the leading Global Brand Consultancy into India, and functioned as its Chairman. In between his two stints at DDB Mudra Group, Mr. Kamath led Bates India as its CEO and was instrumental in the acquisition of Clarion. He also introduced Zenith Media into India.

Following his retirement, he has been appointed as the Chairman Emeritus of the DDB Mudra Group and as a Mentor by Interbrand India. He has also turned an entrepreneur and is now the Chairman of Multiplier, an Insights & Solutions company, connecting Brands with Shoppers. Mr. Kamath has served as the President of the AAAI (Advertising Agencies Association of India), the Chairman of ASCI (The Advertising Standards Council of India) and the ABC (Audit Bureau of Circulation).

As the Chairman of the Mudra Foundation and the Chairperson of the Governing Council of MICA, for over a decade, Mr. Kamath helped build MICA into India's foremost Strategic Marketing and Communications Management Institute. Mr. Kamath also served as the President of MICA, for the academic year 2016-17. In 2013, he became an Executive Board member of the NGO, Plan India. In 2020 he was elected to the Global Board of Plan International and currently is the Vice-Chair.

**Ms. Anita Nayyar** is a Non-Executive Independent Director of our Company and has been associated with the Company since January 27, 2020. Ms. Nayyar holds a Bachelor's degree in Microbiology and has a PG in Advertising and Marketing Management & Business Management along with a Masters in Management. Ms. Nayyar has an experience of 35+ years in the Advertising, Marketing & Media industry having worked for top advertising agencies like Saatchi & Saatchi, Ogilvy & Mather, Initiative Media, Media Com, Starcom Worldwide & Havas Media Group. She has also worked with publishers like The Times of India & Zee 5.

Ms. Nayyar was voted the 2<sup>nd</sup> most influential media person in India by The Brand Equity Survey in 2006 and has always been in the top list of the influential media personalities ever since. She is on the list of Impact top 50 women in Media, Marketing and Advertising and also the top 100 by Campaign Asia in APAC, along with – APAC VISION LEADER of the Year 2019 & APAC CEO of the Year 2018 by Campaign Asia Women Leading Change. She has immense respect and credibility in the industry and has been recently conferred with Women Disruptors 2022 Life Time Achievement Award 2022 and 20 Most Influential Women in India in Marketing & Advertising 2022. Ms. Nayyar is currently the COO-Media & Communication at Patanjali Ayurved Limited, largest Indian FMCG Company. Ms. Nayyar was also Non-Executive Independent Director of Jagran Prakashan Limited from 2014 to 2019.

**Mr. Ravi Sardana** is a Non-Executive Independent Director of the Company and has been associated with the Company w.e.f. May 24, 2022. He is a Chartered Accountant and a Chevening Scholar. He has over three decades of experience in investment banking and corporate finance and has contributed to more than two hundred successful transactions. He was the past Executive Vice President in ICICI Securities Limited. Mr. Sardana is presently a Consultant with Ebner Stolz, an accounting and management consulting firm as part of their India desk. Mr. Sardana has worked extensively in the media sector advising companies on advisory and fundraising assignments. Also, he is a Non-Executive Independent Director of Jagran Prakashan Limited.

### **Confirmations**

No Director in our Company is a director, or is otherwise associated in any manner, with any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, wilful defaulter list maintained by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority.

None of our Directors have committed any violation of securities laws in the past and no proceedings in such regard by SEBI, RBI are pending against any of our Directors.

None of our Director is restrained or prohibited or debarred by the Board from accessing the securities market or dealing in securities in any other manner.

None of our Director is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI.

None of our Director is in default of payment of interest or repayment of principal amount, in respect of debt securities issued to the public, for a period of more than six months.

None of the Director has any interest in the promotion of our Company. For details of the Promoter of the Company, please refer to "Our Promoter" on page 45.

## Compensation of Directors

### Non-Executive Directors

The Non-Executive Directors, other than Independent Directors, are not entitled to receive sitting fees.

The Independent Directors are paid remuneration in the form of sitting fees within the limits prescribed under the Act and decided by the Board of Directors.

(All amounts ₹ Lakhs)						
Sr. No.	Name of the Independent Director	Nine Months Period ended December 31, 2022	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	
1.	Mr. Vijay Tandon	2.40	2.40	2.40	3.00	
2.	Mr. Anuj Puri	1.80	3.00	2.40	3.00	
3.	Mr. Madhukar Prabhakar Kamath	2.40	2.40	2.40	2.40	
4.	Ms. Anita Nayyar	2.00	2.50	2.00	0.50	
5.	Mr. Ravi Sardana	1.00	-	-	-	

### Interest of our Directors

All of our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board and Committees thereof. All of our Directors are interested to the extent of reimbursement of expenses payable to them by our Company.

None of the other Directors have any interest in immovable property acquired or proposed to be acquired by the Company in the preceding two years as of the date of this Information Memorandum.

As on date of this Information Memorandum, none of the Directors are interested in any contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations.

None of the relatives of our Directors have been appointed to an office or to a place of profit in our Company.

None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

Our Directors or their relatives have not purchased or sold any Equity Shares of our Company in the six month preceding the date of this Information Memorandum.

### Shareholding of Directors including details of qualification shares held by Directors as on the date of the Information memorandum

As on the date of this Information Memorandum, none of the Directors hold any equity shares in our Company.

### Changes in the Directors of our Company during the last three years

The changes in the Board of Directors of our Company in the three years preceding the date of this Information Memorandum are as follows:

<b>Name of the Director, Designation and DIN</b>	<b>Date of Appointment</b>	<b>Date of Cessation, if applicable</b>	<b>Date of Resignation, if applicable</b>	<b>Remarks</b>
Ms. Anita Nayyar Non-Executive Independent Director DIN: 03317861	September 15, 2020	-	-	Appointed
Ms. Apurva Purohit Non-Executive Director DIN: 00190097	July 1, 2016	July 1, 2021	July 1, 2021	Resigned
Mr. Ravi Sardana Non-Executive Independent Director DIN: 06938773	May 25, 2022	-	-	Appointed

### **Corporate Governance**

Our Company is in compliance with the corporate governance code in accordance with Companies Act and SEBI LODR Regulations, as amended from time to time, particularly those relating to composition of Board of Directors and constitution of committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. Our Board has been constituted in compliance with the Companies Act and the SEBI LODR Regulations. The Board functions either as a full board, or through various committees constituted to oversee specific operational areas.

### **Key Managerial Personnel**

Following are the KMP of our Company:

<b>Names</b>	<b>Designation</b>
Mr. Ashit Kukian	Chief Executive Officer
Ms. Arpita Kapoor	Company Secretary
Mr. Prashant Domadia	Chief Finance Officer

### **Shareholding of Key Managerial Personnel**

Certain of our Key Managerial Personnel may also be regarded as interested in our Company to the extent of the Shares, Stock Options and/or Share Appreciation Rights, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of such Shares held by them.

None of our Key Managerial Personnel hold any Equity Shares as on the date of this Information Memorandum.

### **Other confirmations**

None of the Directors, Promoter or Key Managerial Personnel of our Company has any financial or other material interest in the Issue.

Our Company does not have any bonus or profit-sharing plan with its Directors or Key Managerial Personnel.

Neither our Company, nor our Promoter or the companies with which our Promoter is or has been associated with a promoter or a person in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental or regulatory or judicial authority.

Neither our Company nor Promoter have been declared as a Wilful Defaulter in the last ten years.

None of our Directors or Promoter have been declared as a Fugitive Economic Offender.

**Related Party Transaction**

For details of the related party transactions for the Financial Years ending 2022, 2021 and 2020 in accordance with the requirements under Ind AS 24 “Related Party Disclosures” notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see “Related Party Transactions” under “History and Certain Corporate Matters” on page 36.

## OUR PROMOTER

**Jagran Prakashan Limited** (JPL) is the Promoter of our Company. The details of our Promoter is provided below:

### **Jagran Prakashan Limited**

Our Promoter was incorporated on July 18, 1975 having Corporate Identification Number L22219UP1975PLC004147.

The registered office of our Company is situated at Jagran Building, 2, Sarvodaya Nagar, Kanpur 208 005.

As on the date, the Promoter holds 25,59,89,649 Equity Shares representing 74.05% of the issued, subscribed and paid-up capital of our Company.

<b>Name of the Promoter</b>	Jagran Prakashan Limited
<b>Date of Birth /Incorporation</b>	July 18, 1975
<b>Personal/ Registered Office Addresses</b>	Jagran Building, 2, Sarvodaya Nagar, Kanpur 208 005, India
<b>Age</b>	Not Applicable
<b>Educational Qualifications</b>	
<b>Experience in the business or employment</b>	
<b>Positions/Posts held in the past</b>	
<b>Directorships held</b>	
<b>Other Ventures of each Promoter</b>	
<b>Special achievements</b>	Not Applicable
<b>Business and Financial activities</b>	The principal business of JPL is publication of newspapers, magazines and journals, outdoor advertisement, event management, digital business including value added services through mobile and maintenance and running of web portals.
<b>Photograph</b>	Not Applicable
<b>PAN</b>	AAACJ3404A

### **Board of Directors**

The Board of Directors of JPL comprises of:

1. Mr. Mahendra Mohan Gupta, Chairman and Managing Director;
2. Mr. Dharendra Mohan Gupta, Whole-Time Director;
3. Mr. Sanjay Gupta, Whole-Time Director;
4. Mr. Sandeep Gupta, Whole-Time Director;
5. Mr. Shailesh Gupta, Whole-Time Director;
6. Mr. Sunil Gupta, Whole-Time Director;
7. Mr. Satish Chandra Mishra, Whole-Time Director;
8. Mr. Devendra Mohan Gupta, Non-Executive Director;
9. Mr. Shailendra Mohan Gupta, Non-Executive Director;
10. Ms. Divya Rupchand Karani, Independent Director;
11. Mr. Shailendra Swarup, Independent Director;
12. Mr. Anuj Puri, Independent Director;

13. Mr. Shashidhar Sinha, Independent Director;
14. Mr. Vijay Tandon, Independent Director;
15. Mr. Dilip Cherian, Independent Director;
16. Mr. Jayant Davar, Independent Director;
17. Mr. Ravi Sardana, Independent Director; and
18. Mr. Vikram Sakhuja, Independent Director.

The equity shares of JPL are currently listed on BSE and NSE.

### **Other Confirmations**

Our Promoter has confirmed that it has not been identified as wilful defaulter by any financial institution or bank or consortium in accordance with the guidelines issued by RBI. Our Promoter have not been identified as a wilful defaulter by any other governmental authority and are not Promoter of any such Company which has been identified as a wilful defaulter by the RBI or any other governmental authority or which has been in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.

Further, no violation of securities laws has been committed by our Promoter in the past three years and no regulatory action before SEBI or RBI is currently pending against our Promoter.

The Promoter have not been debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad and are not promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter has not been declared as a fugitive economic offender.

### **Interest of our Promoter in our Company**

Other than as our shareholder, to the extent of promoter or the companies in which they are promoter holding Equity Shares and also to the extent of any dividend payable to them on the aforesaid shareholding, our Promoter does not have any other interest in our Company's business.

There are no Loans due by the Promoter to the Company.

### **Promoter holding in the Company as on the date of Information Memorandum:**

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>Total No. of Equity Shares held</b>	<b>% of shareholding to the total equity share capital</b>	<b>No. of Shares Pledged</b>	<b>% of Shares Pledged</b>
1.	Jagran Prakashan Limited	25,59,89,649	74.05	Nil	Nil

*\*All Equity Shares held by the Promoter are in dematerialised form.*

*For aggregate equity shareholding of the promoter refer to "Capital Structure" on page 16.*

### **Payment of benefit to the Promoter in last three years**

Except as stated on page 36, no amounts or benefits have been paid or given or intended to be paid or given to our Promoters within the three Financial Years preceding the date of this Information Memorandum.

Except as mentioned under the chapter "Capital Structure" on page 16 of this Information Memorandum, our Promoter and Promoter Group of our Company have not purchased or sold any securities in our Company, in six months immediately preceding the date of this Information Memorandum.



## GROUP COMPANIES

As per Regulation 2(t) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Group companies, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, i.e. March 31, 2022 and as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer.

Midday Infomedia Limited (“Midday”) and MMI Online Limited (MMI) are our Group Companies, details of which are provided below:

### 1. Midday Infomedia Limited (“Midday”)

Corporate Information Midday was incorporated on January 16, 2008 under the Companies Act, 1956. The registered office of Midday is situated at 6<sup>th</sup> Floor, RNA Corporate Park, Off. Western Express Highway, Kalanagar, Bandra East, Mumbai 400 051. Midday is engaged in the business of printing and publishing of newspapers in English, Gujarati and Urdu Language.

### Shareholding Pattern

The shareholding pattern of Midday is as follows:

S. No.	Name of shareholder	No. of equity shares of Rs. 10 each	Percentage of issued capital (%)
1.	Jagran Prakashan Limited	2,98,70,321	100
2.	Mr. Sanjay Gupta (Nominee shareholder for Jagran Prakashan Limited)	1	-
3.	Mr. Shailesh Gupta (Nominee shareholder for Jagran Prakashan Limited)	1	-
4.	Mr. R. K. Agarwal (Nominee shareholder for Jagran Prakashan Limited)	1	-
5.	Mr. Jimmy Oza (Nominee shareholder for Jagran Prakashan Limited)	1	-
6.	Mr. Ashish Shah (Nominee shareholder for Jagran Prakashan Limited)	1	-
7.	Ms. Tinaz Nooshian (Nominee shareholder for Jagran Prakashan Limited)	1	-
<b>TOTAL</b>		<b>2,98,70,327</b>	<b>100%</b>

\* Nominee shareholders for JPL

### Board of Directors

The Board of Directors of Midday comprises the following persons:

1. Mr. Sanjay Gupta
2. Mr. Vikas Joshi
3. Mr. Shailesh Gupta
4. Mr. Shashidhar Sinha
5. Ms. Anita Nayyar

## Financial Information

The following information has been derived from the audited financial statements of Middy for the last three audited Financial Years:

(All amounts in Rs. Lakhs unless stated otherwise)

Particulars	For the year ended March 31,		
	2022	2021	2020
Equity Capital	2,987.03	2,787.03	1,987.03
Reserves and surplus (excluding revaluation reserves)	2,849.62	3,792.35	4,767.34
Sales/Turnover from operations	4,926.06	3,042.56	8,773.16
Net Profit/(Loss) available to equity shareholders	(1,100.90)	(1,792.73)	(807.27)
Basic EPS (in ₹)	(3.80)	(8.32)	(4.06)
Diluted EPS (in ₹)	(3.80)	(8.32)	(4.06)
Net asset value per share (in ₹) *	19.54	23.61	34.00
			(rounded off)

\* Net asset value per Equity Share (₹) is net worth at the end of the period/year excluding preference share capital but including share capital suspense account and shares held by Trust / total number of equity shares outstanding at the end of the year (including share capital suspense account).

## 2. MMI Online Limited (“MMI”)

### Corporate Information

MMI was incorporated on November 03, 2008 under the Companies Act, 1956. The registered office of MMI is situated at Jagran Building 2, Sarvodaya Nagar, Kanpur, Uttar Pradesh - 208005. MMI is engaged in the business of digital media & online content services in sectors like news, education, medicine, travel and tourism.

### Shareholding Pattern

The shareholding pattern of MMI is as follows:

S. No.	Name of shareholder	No. of Equity shares of Rs. 10 each	Percentage of issued capital (%)
1.	Jagran Prakashan Limited	2,19,55,000	44.92
2.	Kanchan Properties Limited	2,39,22,230	48.95
3.	Sarvodaya MFD Services Private Limited	29,89,450	6.12
4.	Pramod Kumar Nigam	1,000	0.00
5.	Narendra Kumar Gupta	1,000	0.00
6.	Padam Kumar Jain	1,000	0.00
7.	Bhanwar Lal Kothiwal	1,000	0.00
8.	Anil Kothiwal	1,000	0.00
	<b>TOTAL</b>	<b>4,88,71,680</b>	<b>100</b>

### Board of Directors

The board of directors of MMI comprises the following persons:

1. Sanjay Gupta
2. Shailesh Gupta
3. Bharat Gupta

### Financial Information

The following information has been derived from the audited financial statements of MMI for the last three audited Financial Years:

(All amounts in Rs. lakhs unless stated otherwise)

Particulars	For the year ended March 31,2022		
	2022	2021	2020
Equity Share Capital	488.72	488.72	488.72
Reserves and surplus (excluding revaluation reserves)	-127.99	-162.55	-226.45
Sales/Turnover from operations	2786.47	2380.93	2583.16
Net Profit/(Loss) available to equity shareholders	20.49	54.19	9.64
Basic EPS (in ₹)	0.42	1.11	0.20
Diluted EPS (in ₹)	0.42	1.11	0.20
Net asset value per share (in ₹) *	7.38	6.67	5.37

\* Net asset value per Equity Share (₹) is net worth at the end of the period/year excluding preference share capital but including share capital suspense account and shares held by Trust / total number of equity shares outstanding at the end of the year (including share capital suspense account).

#### **Interest of our Promoter in our Group Company**

Our Promoter has entered into certain transactions with our Group Companies, Midday and MMI in the ordinary course of business and may continue to do so, from time to time. Further, our Promoter is interested to the extent of its shareholding in our Group Companies, as detailed above. Except as aforesaid, our Promoter has no other interest therein.

## KEY OPERATIONAL AND FINANCIAL PARAMETERS

Our financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year. Unless otherwise in dictated or the context otherwise requires, the financial information included herein is derived from our Financial Information included in this Information Memorandum.

### Key Performance Indicators

(All amounts in Rs. lakhs unless stated otherwise)

Particulars	For period ended December 31, 2022*	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Balance Sheet</b>				
Net Fixed assets	NA	25,497.73	28,293.66	30,912.48
Current assets	NA	15,255.88	29,186.46	34,878.26
Non-Current assets	NA	24,653.01	8,187.09	2,986.20
<b>Total Assets</b>	<b>NA</b>	<b>65,406.62</b>	<b>65,667.21</b>	<b>68,776.94</b>
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings)				
Financial (borrowings, trade payables, and other financial liabilities)	NA	1,345.53	1,845.57	1,828.82
Provisions	-	-	-	-
Deferred tax liabilities (net)	-	-	-	-
Other non-current liabilities	NA	188.41	136.73	376.02
Current Liabilities				
Financial (borrowings, trade payables, and other financial liabilities)	NA	2,459.41	1,923.00	2,721.04
Provisions	-	-	-	-
Current tax liabilities (net)	-	-	-	-
Other current liabilities	NA	1,053.78	785.27	672.24
Equity (equity and other equity)	NA	60,359.49	60,976.64	63,178.82
<b>Total equity and liabilities</b>	<b>NA</b>	<b>65,406.62</b>	<b>65,667.21</b>	<b>68,776.94</b>
<b>Profit and Loss</b>				
<b>Total revenue</b>				
- Revenue from operations	14,745.50	16,843.02	12,759.48	24,782.14
- Other income	1,453.42	1,679.85	1,492.34	1,630.54
<b>Total Expenses</b>	<b>15,599.31</b>	<b>19,279.04</b>	<b>17,527.55</b>	<b>23,520.93</b>
Profit / (loss) before tax	599.61	(756.17)	(3,275.73)	2,891.75
Total comprehensive income				
- Profit / (loss) after tax	420.75	(570.11)	(2418.92)	2,820.75
- Other comprehensive income	21.54	(47.04)	216.74	26.18
<b>Total comprehensive income</b>	<b>442.29</b>	<b>(617.15)</b>	<b>(2,202.18)</b>	<b>2,846.93</b>
Earnings per equity share: Basic; (Continuing operations) (in Rs.)	0.00	(0.16)	(0.70)	0.82
Earnings per equity share: Diluted (Continuing operations) (in Rs.)	0.00	(0.16)	(0.70)	0.82
Earnings per equity share: Basic (Discontinued operations) (in Rs.)	-	-	-	-
Earnings per equity share: Basic (Total Continuing and discontinued operations) (in Rs.)	0.00	(0.16)	(0.70)	0.82

Particulars	For period ended December 31, 2022*	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Earnings per equity share: Diluted (Total Continuing and discontinued operations) (in Rs.)	0.00	(0.16)	(0.70)	0.82
<b>Cash Flow</b>				
Net cash (used in) operating activities	NA	2,273.52	545.08	4,928.93
Net cash generated from / (used in) investing activities	NA	(1,761.36)	383.52	3,221.07
Net cash generated from financing activities	NA	(737.59)	(700.60)	(8,870.52)
Cash and cash equivalents (opening balance)	NA	989.37	761.37	1,481.89
Balance as per statement of cash flows	NA	763.94	989.37	761.37
<b>Additional Information</b>				
Net worth	NA	60,359.49	60,976.64	63,178.82
Cash and Cash Equivalents	NA	763.94	989.37	761.37
Current Investments	NA	4,519.80	18,139.87	21,331.82
Net Sales	14745.50	16,843.02	12,759.48	24,782.14
EBITDA	1765.00	1,102.59	(1,122.84)	5,714.29
EBIT	(672.69)	(2,172.19)	(4,445.91)	2,235.88
Dividend amounts	-	-	-	-
Long term debt to working capital	NA	0.11	0.07	0.06
Current Liability ratio- Current Liabilities/Non-Current Liabilities	NA	2.29	1.37	1.54
Total Debts to Total assets (times)	NA	0.03	0.04	0.03
Debt Service Coverage Ratios (times) (including lease liability)	NA	3.92	1.65	4.95
Interest Income	1248.52	1,282.69	737.38	477.33
Interest Expense	156.12	263.83	322.16	974.67
Interest service coverage ratio (times) (including interest on lease liabilities)	NA	4.18	(3.49)	5.86

\*Since the above figures are based on unaudited limited reviewed financials for the nine months period ended December 31, 2022, therefore, the figures under balance sheet and cash flow statement, are not available.

**COLUMNAR REPRESENTATION OF THE AUDITED FINANCIAL STATEMENTS**

(All amounts in Rs. lakhs unless stated otherwise)

<b>BALANCE SHEET</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6,524.07	6,780.18	7,355.76
Right-of-use assets	1,708.62	2,180.84	2,132.40
Intangible assets	17,265.04	19,332.64	21,424.32
Financial assets			
i. Investments	19,233.26	4,098.93	-
ii. Other financial assets	2,416.86	1,285.60	1,135.94
Deferred tax assets (net)	1,972.02	1,766.64	998.87
Other non-current assets	326.36	370.19	403.3
Non-current tax assets (net)	704.51	665.73	448.09
<b>Total non-current assets</b>	<b>50,150.74</b>	<b>36,480.75</b>	<b>33,898.68</b>
<b>Current assets</b>			
Financial assets			
i. Investments	2,676.20	16,093.53	20,835.83
ii. Trade receivables	7,561.54	7,726.95	10,624.46
iii. Cash and cash equivalents	763.94	989.37	761.37
iv. Bank balances other than (iii) above	1,843.60	2,046.34	495.99
v. Other financial assets	625.03	211.41	185.48
Other current assets	1,785.57	2,118.86	1,975.13
<b>Total current assets</b>	<b>15,255.88</b>	<b>29,186.46</b>	<b>34,878.26</b>
<b>Total assets</b>	<b>65,406.62</b>	<b>65,667.21</b>	<b>68,776.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	6,913.71	6,913.71	6,913.71
<b>Other equity</b>			
Reserves and surplus	39,248.44	39,865.59	42,067.77
Other reserves	14,197.34	14,197.34	14,197.34
<b>Total equity</b>	<b>60,359.49</b>	<b>60,976.64</b>	<b>63,178.82</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	1,345.53	1,845.57	1,828.82
Employee benefit obligations	188.41	136.73	376.02
<b>Total non-current liabilities</b>	<b>1,533.94</b>	<b>1,982.30</b>	<b>2,204.84</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	50.99	48.74	35.42

(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,593.68	1,166.89	2,043.02
ii. Lease liabilities	599.43	497.38	383.64
iii. Other financial liabilities	215.31	209.99	258.46
Employee benefit obligations	111.46	33.71	44.6
Other current liabilities	942.32	751.56	628.14
<b>Total current liabilities</b>	<b>3,513.19</b>	<b>2,708.27</b>	<b>3,393.28</b>
<b>Total liabilities</b>	<b>5,047.13</b>	<b>4,690.57</b>	<b>5,598.12</b>
<b>Total equity and liabilities</b>	<b>65,406.62</b>	<b>65,667.21</b>	<b>68,776.94</b>

(All amounts in Rs. lakhs unless stated otherwise)

<b>STATEMENT OF PROFIT AND LOSS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<b>Income</b>			
Revenue from operations	16,843.02	12,759.48	24,782.14
Other income (net)	1,282.69	737.38	477.33
Other gains/(losses) - net	397.16	754.96	1,153.21
<b>Total income</b>	<b>18,522.87</b>	<b>14,251.82</b>	<b>26,412.68</b>
<b>Expenses</b>			
License fees	1,910.00	1,860.97	1,967.99
Employee benefit expense	5,309.61	4,740.57	5,538.74
Depreciation and amortisation expense	3,274.78	3,323.07	3,478.41
Other expenses	8,520.82	7,280.78	11,561.12
Finance costs	263.83	322.16	974.67
<b>Total expenses</b>	<b>19,279.04</b>	<b>17,527.55</b>	<b>23,520.93</b>
<b>Profit/(Loss) before tax</b>	<b>(756.17)</b>	<b>(3,275.73)</b>	<b>2,891.75</b>
Income tax expense			
-Current tax	-	-	616.64
-Deferred tax	(186.06)	(856.81)	(545.64)
Total tax expense	(186.06)	(856.81)	71.00
<b>Profit/(Loss) for the year</b>	<b>(570.11)</b>	<b>(2,418.92)</b>	<b>2,820.75</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of post-employment benefit obligations	(66.36)	305.78	36.94
Income tax relating to this item	19.32	(89.04)	(10.76)
Other comprehensive income for the year, net of tax	(47.04)	216.74	26.18
<b>Total comprehensive income for the year</b>	<b>(617.15)</b>	<b>(2,202.18)</b>	<b>2,846.93</b>
<b>Earnings per equity share attributable to owners of Music Broadcast Limited:</b>			
Nominal value of shares (Rs. per share)	2.00	2.00	2.00
Basic earnings Rs. per share	(0.16)	(0.70)	(0.82)
Diluted earnings Rs. per share	(0.16)	(0.70)	(0.82)

(All amounts in Rs. lakhs unless stated otherwise)

<b>STATEMENT OF CASH FLOWS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>	<b>(756.17)</b>	<b>(3,275.73)</b>	<b>2891.75</b>
<b>Adjustments for:</b>			
Depreciation and amortisation expense	3,274.78	3,323.07	3,478.41
Finance costs	263.83	322.16	974.67
Interest income	(1,230.50)	(667.43)	(427.72)
Interest on income tax refund	-	(22.49)	3.78
Changes in fair value of financial assets at fair value through profit or loss	(22.67)	(358.24)	(72.61)
Unwinding of discount on security deposits	(52.19)	(47.46)	(49.61)
Net gain on disposal of property, plant and equipment	(7.16)	(1.49)	(19.86)
Net gain on sale of investments	(362.23)	(392.90)	(1,055.31)
Bad debts written off	254.90	-	-
Lease liabilities no longer required written back	(37.47)	(80.60)	-
Loss allowance for doubtful debts and advances	418.54	452.46	557.78
	<b>2,499.83</b>	<b>2,527.08</b>	<b>3389.53</b>
<b>Operating Profit Before Change in Operating Assets and Liabilities</b>	<b>1,743.66</b>	<b>(748.65)</b>	<b>6281.28</b>
<b>Change in operating assets and liabilities:</b>			
- (Decrease)/Increase in trade payables	429.04	(862.81)	(388.80)
- Increase in other current liabilities	190.76	123.42	(426.40)
- (Decrease) in other financial liabilities	(27.81)	(97.37)	(840.57)
- (Decrease)/Increase in employee benefit obligations	129.43	(250.18)	(71.57)
- (Increase)/Decrease in other financial assets	56.91	(30.13)	(8.32)
- Decrease in other non-current assets	31.41	35.79	38.60
- Decrease in other current assets	266.93	125.11	(191.87)
- (Increase)/Decrease in trade receivables	(508.03)	2,445.05	1,640.91
	<b>568.64</b>	<b>1488.88</b>	<b>(248.02)</b>
<b>Cash generated from operations</b>	<b>2,312.30</b>	<b>740.23</b>	<b>6,033.26</b>
Income taxes (paid)/refund received (net)	(38.78)	(195.15)	(1,104.33)
<b>Net cash inflow from operating activities</b>	<b>2,273.52</b>	<b>545.08</b>	<b>4,928.93</b>
<b>Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment	(320.83)	(22.24)	(548.90)
Payments for purchase of intangible assets	-	-	(39.39)
Proceeds from sale of property, plant and equipment	7.95	5.98	19.86
Proceeds from sale of investments	24,801.68	20,112.97	18,861.20
Payments for purchase of investments	(26,133.80)	(18,718.68)	(21,400.00)
Investment in bank deposits	(906.41)	(1,551.57)	5,909.55
Interest received	790.05	557.06	418.75
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(1,761.36)</b>	<b>383.52</b>	<b>3,221.07</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings			(7,378.54)
Principal element of lease payments	(473.76)	(378.44)	(489.49)
Interest and other finance costs paid	(263.83)	(322.16)	(1,002.49)



<b>Net cash outflow from financing activities</b>	<b>(737.59)</b>	<b>(700.60)</b>	<b>(8,870.52)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(225.43)</b>	<b>228.00</b>	<b>(720.52)</b>
Cash and cash equivalents at the beginning of the year	<b>989.37</b>	<b>761.37</b>	<b>1,481.89</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>763.94</b>	<b>989.37</b>	<b>761.37</b>

## FINANCIAL INFORMATION

Sr. No.	Particulars	Page Nos.
1.	Audited Financial Statements of the Company for Financial Year 2022	F 1 – F 62
2.	Audited Financial Statements of the Company for Financial Year 2021	F 63 – F 104
3.	Audited Financial Statements of the Company for Financial Year 2020	F 105 – F 160
4.	Limited Review Report for the period ended December 31, 2022	F 161 – F163

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

### To the Members of Music Broadcast Limited

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of Music Broadcast Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-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)

**Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>i) Assessment of carrying amount of deferred tax balances</b></p>	<p>Our procedures in relation to the management’s assessment of carrying value of deferred tax balances included the following:</p>
<p>[Refer to the notes 1(o), 12 and 20 to the financial statements]</p>	<ul style="list-style-type: none"> <li>• Understanding and evaluation of the process and controls designed and implemented by the management in relation to ‘Income Taxes’ and testing their operating effectiveness.</li> <li>• Evaluating the Company’s accounting policy in respect of recognising deferred tax assets/ liabilities, including MAT credit.</li> <li>• Evaluating the management’s assessment of availing benefits and exemptions under the Income-tax laws.</li> <li>• Assessing appropriateness of the tax rate applied to future taxable profits in light of current tax laws and substantively enacted tax rates.</li> <li>• With the involvement of our experts, evaluating the management’s assessment on the availability of future taxable profits to support measurement of deferred tax balances as at the year-end.</li> <li>• Assessing the reasonableness of the assumptions underlying the management’s forecasts of future profits by comparing with the historical results and the approved business plans in light of the relevant economic and industry indicators.</li> <li>• Performing sensitivity analyses on the projected taxable profits by varying key assumptions, within reasonable range.</li> <li>• Assessing the adequacy of disclosures [notes 1(o), 12 and 20] in the financial statements on deferred tax, MAT credit and the basis of management estimates.</li> </ul>
<p>Pursuant to the enactment of the Finance Act, 2019 and the Taxation Laws (Amendment) Act, 2019, announcing key changes to corporate tax rates in the Income-tax Act, 1961, the management carried out an assessment to consider the implications of the amendments providing an option to pay tax at a concessional rate, subject to compliance with conditions prescribed therein, specifically surrender of specified deductions/ incentives. Based on the management’s assessment, projections of future taxable profits and the impact on carrying amount of deferred tax balances, including Minimum Alternate Tax (MAT) credit, the Company has estimated to adopt the lower rate of tax in a future year after utilising the available MAT credit balance. The deferred tax balances have, accordingly, been measured as at March 31, 2022.</p>	<p>Based on the above procedures performed, the management’s assessment of carrying amount of deferred tax balances was considered to be reasonable.</p>
<p>We considered this as a key audit matter because of the significance of the amounts involved, significant judgments involved in estimation of future taxable profits, the period over which MAT credit would be utilised and the expected year of adoption of the concessional tax rate.</p>	



**ii) Assessment of recoverability of trade receivables**

[Refer to the notes 1(k)(iv), 5(b) and 22 to the financial statements]

The Company recognises provision against trade receivables based on expected credit loss (ECL) model as per Ind AS 109 'Financial Instruments'.

The ECL is computed by the Company based on historical credit loss experience, specific reviews of customer accounts as well as experience with such customers, current economic and business conditions.

The recoverability of trade receivables and the valuation of the allowances for ECL against trade receivables has been considered a key audit matter due to the judgement involved in determining the provision which requires evaluation of various factors such as the financial condition of the counterparty, probability of default, loss given default, expected future cash flows and other related factors, and also considering the significant balance of the trade receivables as at the year-end.

Our procedures in relation to the management's assessment of recoverability of trade receivables included the following:

- Obtaining an understanding of the process and testing the design, implementation and operating effectiveness of relevant internal controls for evaluating the recoverability of trade receivables including collection process and the methodology for determining the allowances for impaired trade receivables.
- Evaluating reasonableness of the method and assumptions and judgements used by the management with respect to recoverability of trade receivables, including assessment of the profile of trade receivables, financial condition of the counterparty, probability of default, loss given default, expected future cash flows and the economic environment applicable to these debtors.
- Evaluating the simplified approach applied by the Company to identify lifetime ECL. In doing so, obtained the schedule of receivables aging, inquired into aged balances and assessed management's explanation for collectability. Also tested the management's computation of the provision for ECL.
- Comparing receipts subsequent to the financial year-end relating to trade receivable balances as at March 31, 2022 with bank statements and relevant underlying documentation for selected samples.
- Evaluating the presentation and disclosure of the trade receivable balances and the related allowances in the financial statements.

Based on the above procedures performed, the management's assessment of recoverability of trade receivables was considered to be reasonable.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on Audit of the Financial Statements  
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### Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Management and Those Charged With Governance for the Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on Audit of the Financial Statements  
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9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on Audit of the Financial Statements  
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14. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 25(a) and 25(b) to the financial statements.
  - ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it did not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2022.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 32(ii)(A) to the financial statements);  
  
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 32(ii)(B) to the financial statements); and





INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
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(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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



Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 22078571AJNBTF2942  
Place: Mumbai  
Date: May 24, 2022

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2022

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### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Music Broadcast Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system with reference to financial statements.



## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2022

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### **Meaning of Internal Financial Controls with reference to Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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



Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 22078571AJNBTF2942  
Place: Mumbai  
Date: May 24, 2022

## Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Music Broadcast Limited on the financial statements as of and for the year ended March 31, 2022  
Page 1 of 5

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) to the financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets. Consequently, as stated in Note 32(vi) to the financial statements, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.
- (e) Based on the information and explanations furnished to us, as stated in Note 32(i) to the financial statements, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 32(viii) to the financial statements).
- iii. (a) The Company has made investments in seven companies and two other parties during the year. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii)(a), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.



**Annexure B to Independent Auditor's Report**

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2022

Page 2 of 5

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Companies Act, 2013. Therefore, the provisions of clause 3(iv) of the said Order to that extent are not applicable to the Company. (Also refer Note 32(vii) to the financial statements).
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and goods and services tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 25(c) to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax, provident fund, employees' state insurance, duty of customs and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	5.02	A.Y. 2009-10	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income tax	53.93	A.Y. 2017-18	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Tax deducted at source	79.99	A.Y. 2013-14	Bombay High Court
Total		138.94		



## Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2022

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- viii. According to the information and explanations given to us, as stated in Note 32(iv) to the financial statements, and the records of the Company examined by us, there are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that have not been recorded in the books of account.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company. (Also refer Note 32(xii) to the financial statements).
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority. (Also refer Note 32(ix) to the financial statements).
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no



## Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2022

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- whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group, as defined in Core Investment Companies (Reserve Bank) Directions 2016, does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 30 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We



**Annexure B to Independent Auditor's Report**

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2022

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further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 22078571AJNBTF2942  
Place: Mumbai  
Date: May 24, 2022



**MUSIC BROADCAST LIMITED****BALANCE SHEET**

(All amounts in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3 (a)	6,524.07	6,780.18
Right-of-use assets	3 (b)	1,708.62	2,180.84
Intangible assets	4	17,265.04	19,332.64
<b>Financial assets</b>			
i. Investments	5 (a) (i)	19,233.26	4,098.93
ii. Other financial assets	5 (e)	2,416.86	1,285.60
Deferred tax assets (net)	12	1,972.02	1,766.64
Other non-current assets	6	326.36	370.19
Non current tax assets (net)	7 (a)	704.51	665.73
<b>Total non-current assets</b>		<b>50,150.74</b>	<b>36,480.75</b>
<b>Current assets</b>			
<b>Financial assets</b>			
i. Investments	5 (a) (ii)	2,676.20	16,093.53
ii. Trade receivables	5 (b)	7,561.54	7,726.95
iii. Cash and cash equivalents	5 (c)	763.94	989.37
iv. Bank balances other than (iii) above	5 (d)	1,843.60	2,046.34
v. Other financial assets	5 (e)	625.03	211.41
Other current assets	8	1,785.57	2,118.86
<b>Total current assets</b>		<b>15,255.88</b>	<b>29,186.46</b>
<b>Total assets</b>		<b>65,406.62</b>	<b>65,667.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9 (a)(i)	6,913.71	6,913.71
<b>Other equity</b>			
Reserves and surplus	9 (b)	39,248.44	39,865.59
Other reserves	9 (c)	14,197.34	14,197.34
<b>Total equity</b>		<b>60,359.49</b>	<b>60,976.64</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	10 (b)	1,345.53	1,845.57
Employee benefit obligations	11	188.41	136.73
<b>Total non-current liabilities</b>		<b>1,533.94</b>	<b>1,982.30</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
i. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	10 (a)	50.99	48.74
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	10 (a)	1,593.68	1,166.89
ii. Lease liabilities	10 (b)	599.43	497.38
iii. Other financial liabilities	10 (c)	215.31	209.99
Employee benefit obligations	11	111.46	33.71
Other current liabilities	13	942.32	751.56
<b>Total current liabilities</b>		<b>3,513.19</b>	<b>2,708.27</b>
<b>Total liabilities</b>		<b>5,047.13</b>	<b>4,690.57</b>
<b>Total equity and liabilities</b>		<b>65,406.62</b>	<b>65,667.21</b>

The above Balance Sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date attached.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016Anurag Khandelwal  
Partner  
Membership Number: 078571

For and on behalf of the Board of Directors

Shalish Gupta  
Director  
DIN: 00192486Vijay Tandon  
Chairman  
DIN 00156305Ashit Kukian  
Chief Executive OfficerPrashant Domadia  
Chief Financial OfficerAnita Kapoor  
Company SecretaryPlace: Mumbai  
Dated: May 24, 2022Place: Mumbai  
Dated: May 24, 2022

**MUSIC BROADCAST LIMITED**

**STATEMENT OF PROFIT AND LOSS**

(All amounts in INR lakhs, unless otherwise stated)

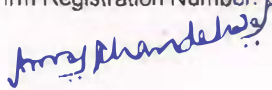
	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>Income</b>			
Revenue from operations	14	16,843.02	12,759.48
Other income (net)	15 (a)	1,282.69	737.38
Other gains/(losses) - net	15 (b)	397.16	754.96
<b>Total income</b>		<b>18,522.87</b>	<b>14,251.82</b>
<b>Expenses</b>			
License fees		1,910.00	1,860.97
Employee benefit expense	16	5,309.61	4,740.57
Depreciation and amortisation expense	17	3,274.78	3,323.07
Other expenses	18	8,520.82	7,280.78
Finance costs	19	263.83	322.16
<b>Total expenses</b>		<b>19,279.04</b>	<b>17,527.55</b>
<b>Profit/(Loss) before tax</b>		<b>(756.17)</b>	<b>(3,275.73)</b>
Income tax expense			
-Current tax	20 (a)		
-Deferred tax	20 (a)	(186.06)	(856.81)
<b>Total tax expense</b>		<b>(186.06)</b>	<b>(856.81)</b>
<b>Profit/(Loss) for the year</b>		<b>(570.11)</b>	<b>(2,418.92)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of post-employment benefit obligations		(66.36)	305.78
Income tax relating to this item		19.32	(89.04)
<b>Other comprehensive income for the year, net of tax</b>		<b>(47.04)</b>	<b>216.74</b>
<b>Total comprehensive income for the year</b>		<b>(617.15)</b>	<b>(2,202.18)</b>
<b>Earnings per equity share attributable to owners of Music Broadcast Limited:</b>			
Nominal value of shares (Rs. per share)		2.00	2.00
Basic earnings Rs. per share		(0.16)	(0.70)
Diluted earnings Rs. per share	27	(0.16)	(0.70)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss (including Other Comprehensive Income) referred to in our report of even date attached.

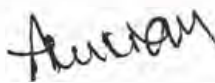
For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

  
Anurag Khandelwal  
Partner  
Membership Number: 078571

  
Shailesh Gupta  
Director  
DIN: 00192466

  
Vijay Tandon  
Chairman  
DIN 00156305

  
Ashit Kukian  
Chief Executive Officer

  
Prashant Domadia  
Chief Financial Officer

  
Apita Kapoor  
Company Secretary

Place: Mumbai  
Dated: May 24, 2022

Place: Mumbai  
Dated: May 24, 2022

**MUSIC BROADCAST LIMITED**  
**STATEMENT OF CASH FLOWS**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>A. Cash flows from operating activities</b>			
Profit before tax		(756.17)	(3,275.73)
Adjustments for:			
Depreciation and amortisation expense	17	3,274.78	3,323.07
Finance costs	19	263.83	322.16
Interest income	15 (a)	(1,230.50)	(667.43)
Interest on income tax refund			(22.49)
Changes in fair value of financial assets at fair value through profit or loss	15 (b)	(22.67)	(358.24)
Unwinding of discount on security deposits	15 (a)	(52.19)	(47.46)
Net gain on disposal of property, plant and equipment	15 (b)	(7.16)	(1.49)
Net gain on sale of investments	15 (b)	(362.23)	(392.90)
Bad debts written off	18	254.90	
Lease liabilities no longer required written back		(37.47)	(80.60)
Loss allowance for doubtful debts and advances	18	418.54	452.46
		<b>2,499.83</b>	<b>2,527.08</b>
<b>Operating Profit Before Change in Operating Assets and Liabilities</b>		<b>1,743.66</b>	<b>(748.65)</b>
<b>Change in operating assets and liabilities :</b>			
- (Decrease)/Increase in trade payables		429.04	(862.81)
- Increase in other current liabilities		190.76	123.42
- (Decrease) in other financial liabilities		(27.81)	(97.37)
- (Decrease)/Increase in employee benefit obligations		129.43	(250.18)
- (Increase)/Decrease in other financial assets		56.91	(30.13)
- Decrease in other non-current assets		31.41	35.79
- Decrease in other current assets		266.93	125.11
- (Increase)/Decrease in trade receivables		(508.03)	2,445.05
<b>Cash generated from operations</b>		<b>2,312.30</b>	<b>740.23</b>
Income taxes (paid)/refund received (net)		(38.78)	(195.15)
<b>Net cash inflow from operating activities</b>		<b>2,273.52</b>	<b>545.08</b>
<b>B. Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment		(320.83)	(22.24)
Proceeds from sale of property, plant and equipment		7.95	5.98
Proceeds from sale of investments		24,801.68	20,112.97
Payments for purchase of investments		(26,133.80)	(18,718.68)
Investment in bank deposits		(906.41)	(1,551.57)
Interest received		790.05	557.06
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(1,761.36)</b>	<b>383.52</b>
<b>C. Cash flows from financing activities</b>			
Principal element of lease payments		(473.76)	(378.44)
Interest and other finance costs paid		(263.83)	(322.18)
<b>Net cash outflow from financing activities</b>		<b>(737.59)</b>	<b>(700.60)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(225.43)</b>	<b>228.00</b>
Cash and cash equivalents at the beginning of the year		989.37	761.37
Cash and cash equivalents at the end of the year		<b>763.94</b>	<b>989.37</b>
<b>Non-cash investing activities</b>			
- Acquisition of right-of-use assets		118.14	640.28
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>			
Bank balances	5 (c)		
- in current accounts		595.78	989.32
- Cheques in hand		168.15	
Cash on hand	5 (c)	0.01	0.05
		<b>763.94</b>	<b>989.37</b>

Notes

- Figures in brackets indicate cash outflow.
- The above Statement of Cash Flows has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) 7 - "Statement of Cash Flows".

This is the Statement of Cash Flows referred to in our report of even date attached.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754/N/500016



Anurag Khandelwal  
Partner  
Membership Number: 078571

For and on behalf of the Board of Directors

  
Shalish Gupta  
Director  
DIN: 00192466

  
Vijay Tandon  
Chairman  
DIN: 00156305

  
Ashil Kuklan  
Chief Executive Officer

  
Prashant Domadia  
Chief Financial Officer

  
Arpita Kapoor  
Company Secretary

Place: Mumbai  
Dated: May 24, 2022

Place: Mumbai  
Dated: May 24, 2022

**STATEMENT OF CHANGES IN EQUITY**

(All amounts in INR lakhs, unless otherwise stated)

**A. Equity share capital**

Particulars	Notes	Amount
As at April 1, 2020		6,913.71
Changes in equity share capital	9(a)	
<b>As at March 31, 2021</b>		<b>6,913.71</b>
Changes in equity share capital	9(a)	
<b>As at March 31, 2022</b>		<b>6,913.71</b>

**B. Other equity**

Particulars	Notes	Reserves and surplus				Other Reserves	Total other equity
		Capital reserve	Securities premium	General reserve	Retained earnings		
Balance as at April 1, 2020	9(b)	1,482.73	34,002.35	4,908.50	1,674.19	14,197.34	56,265.11
Profit/(Loss) for the year		-	-	-	(2,418.92)	-	(2,418.92)
Other comprehensive income		-	-	-	216.74	-	216.74
<b>Total comprehensive income for the year</b>		-	-	-	<b>(2,202.18)</b>	-	<b>(2,202.18)</b>
<b>Balance as at March 31, 2021</b>		<b>1,482.73</b>	<b>34,002.35</b>	<b>4,908.50</b>	<b>(527.99)</b>	<b>14,197.34</b>	<b>54,062.93</b>

Particulars	Notes	Reserves and surplus				Other Reserves	Total other equity
		Capital reserve	Securities premium	General reserve	Retained earnings		
Balance as at April 1, 2021	9(b)	1,482.73	34,002.35	4,908.50	(527.99)	14,197.34	54,062.93
Profit/(Loss) for the year		-	-	-	(570.11)	-	(570.11)
Other comprehensive income		-	-	-	(47.04)	-	(47.04)
<b>Total comprehensive income for the year</b>		-	-	-	<b>(617.15)</b>	-	<b>(617.15)</b>
<b>Balance as at March 31, 2022</b>		<b>1,482.73</b>	<b>34,002.35</b>	<b>4,908.50</b>	<b>(1,145.14)</b>	<b>14,197.34</b>	<b>53,445.78</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date attached

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

*Anurag Khandelwal*

Anurag Khandelwal  
Partner  
Membership Number: 078571

*Shailesh Gupta*  
For and on behalf of the Board of Directors

Shailesh Gupta  
Director  
DIN: 00192466

*Vijay Tando*

Vijay Tando  
Chairman  
DIN 00156305

*Ashit Kukian*  
Ashit Kukian  
Chief Executive Officer

*Prashant Domadia*  
Prashant Domadia  
Company Secretary

*Arpita Kapoor*  
Arpita Kapoor  
Company Secretary

Place: Mumbai  
Dated: May 24, 2022

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## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### Background

Music Broadcast Limited (“the Company”) was incorporated on November 4, 1999 and is domiciled in India. The Company is engaged in the business of operating Private FM radio stations through the brand ‘Radio City’. The Company started its operations in India in July 2001 in Bangalore and operates radio stations in 39 cities across India. During the year ended March 31, 2017, the Company raised money from public by issue of equity shares, which were listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) on March 17, 2017. The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 24, 2022.

#### Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### a) Basis of preparation

###### (i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) [Companies (Indian Accounting Standards) Rules, 2015], other relevant provisions of the Act and other accounting principles generally accepted in India.

###### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities which have been measured at fair value;
- defined benefit plans – plan assets measured at fair value

###### (iii) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing April 1, 2021:

- Extension of COVID 19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform- amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures and Ind AS 116, Leases.

The amendments listed above, except those relating to Extension of COVID 19 related concessions, did not have any impact on the amounts recognised in prior and current periods and are not expected to significantly affect the future periods. Refer Note 3(b) for the impact of Extension of COVID 19 related concessions in the current year.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(iv) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the current or future reporting periods and on foreseeable future transactions.

(v) Reclassification consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase transparency and provide additional disclosure to users of financial statements. These amendments are effective from April 01, 2021.

However, the above did not result in any change in classification/presentation in the financial statements, either in the current year or previous year.

#### b) Business combinations

- i) The acquisition method of accounting is used to account for all business combinations, other than those described in (ii) below, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of the transferor companies comprises the
- fair values of the assets transferred;
  - liabilities incurred to the former owners of the acquired business;
  - equity interests issued by the Company; and
  - fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. There is no contingent consideration in respect of all the years presented.



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### NOTES TO THE FINANCIAL STATEMENTS

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

(ii) Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method as follows

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

#### c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker viz. the Board of Directors, who are responsible for making strategic decisions and assessing the financial performance and position of the Company. Refer note 33 for segment information presented.

#### d) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).

#### e) License fees

License fees is charged to the statement of profit and loss at the rate of 4% of gross revenue for the year or 2.5% of Non-Refundable One Time Entry Fee (NOTEF) for the concerned FM radio station, whichever is higher. Gross revenue is the revenue on the basis of billing rates inclusive of any taxes and without deduction of any commission paid to advertising agencies, net of discounts to advertisers.

#### f) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### *Transition to Ind AS*

On transition to Ind AS, the Company elected to continue with the carrying value of all its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### *Depreciation methods, estimated useful lives and residual value*

Leasehold improvements included in furniture and fixtures, are depreciated on a straight-line basis over the total period of lease including renewals, or useful life, whichever is shorter.

The property, plant and equipment are depreciated on pro-rata basis on a straight-line method over the estimated useful lives of the assets prescribed in Schedule II to the Companies Act, 2013, which are as follows:





## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Nature of asset	Useful life (in years)
Buildings	60 *
Towers, antenna and transmitters	13
Furniture and fixtures	5-10
Studio equipment	3-15
Vehicles	8
Office equipment	3-15
Computers	3-6

\* further adjusted for life already expired at the time of acquisition

The same represents the consumption patterns and/or useful lives of the assets or its components. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains/ (losses) – net' in the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under non-current assets.

#### **g) Intangible assets**

Intangible assets are stated at historical cost less accumulated amortisation and impairment losses. Historical cost includes any directly attributable expenditure on making the asset ready for its intended use.

#### *Transition to Ind AS*

On transition to Ind AS, the Company elected to continue with the carrying value of all its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

Intangible assets, other than one-time entry fees and migration fees, are amortised on a straight-line basis over their estimated useful life of five years.

One-time entry fees capitalised is being amortised on a straight-line basis over a period of fifteen years, being the period of license, from the date of operationalisation of the respective stations.

The migration fee capitalised is being amortised with effect from April 1, 2015 on a straight-line basis over a period of fifteen years, being the period of license.



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### NOTES TO THE FINANCIAL STATEMENTS

#### **h) Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **i) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **Other Bank Balances**

Other Bank Balances consist of term deposits with banks, which have original maturities of more than three months. Such assets are recognised and measured at amortised cost (including directly attributable transaction costs) using effective interest rate method, less impairment losses, if any.

#### **j) Trade receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

#### **k) Investments and other financial assets**

##### **i. Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.



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### NOTES TO THE FINANCIAL STATEMENTS

#### ii. Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the financial asset.

#### iii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

For debt instruments, subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

For equity instruments, the Company measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/ (losses) in the statement of profit and loss. Impairment losses (and reversal of



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### NOTES TO THE FINANCIAL STATEMENTS

impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### iv. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 22 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### v. Derecognition of financial assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### vi. Income recognition

Interest income: Interest income from financial assets at fair value through profit and loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment and extension) but does not consider the expected credit losses.

Dividends: Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably..



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### NOTES TO THE FINANCIAL STATEMENTS

#### l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within due dates. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability, a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



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#### o) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### p) Employee benefits

##### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### (ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service and they are calculated annually by the actuaries. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related



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obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

#### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plan such as gratuity
- (b) Defined contribution plans such as provident fund.

#### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined contribution plans

The Company's contributions to employee provident fund, employee state insurance fund and employees' pension scheme, are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due. The Company deposits these amounts with the fund administered and managed by the provident fund/employee state insurance authorities. The Company has no further payment obligations once the contributions have been paid.

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.



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#### q) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### r) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amount collected on behalf of third parties. The Company recognises revenue in the accounting period in which the services are rendered.

Revenue is recognised when the advertisements are aired based on the price specified in the contract, net of the estimated volume discounts and goods and services tax billed to the customers. Accumulated experience is used to estimate and provide for such variable consideration, and the revenue is only recognised to the extent that it is highly probable that a significant reversal in the revenue will not occur. A refund liability (included in other current liabilities) is recognised for the variable consideration payable to the customers in relation to sales made until the end of the reporting period. The validity of assumptions used to estimate variable consideration is reassessed annually.

#### s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

#### t) Leases

As a lessee:

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves:

- The use of an identified asset,
- The right to obtain substantially all the economic benefits from use of the identified asset, and
- The right to direct the use of the identified asset.





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The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less). For short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company uses that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease less any lease incentives received, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

#### u) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.



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### NOTES TO THE FINANCIAL STATEMENTS

#### w) Earnings per share

##### (i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares, if any, issued during the year.

##### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### x) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees lakhs and two decimals thereof, as per the requirement of Schedule III, unless otherwise stated.

#### Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Defined and other long-term employee benefit obligations -- Note 11
- Loss allowance on trade receivables – Note 22
- Estimated useful lives of tangible and intangible assets – Notes 3, 4
- Contingencies – Note 25 – Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.
- Estimation of current tax expense and deferred tax – Notes 12 and 20

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Also refer Note 29 of the Financial Statements.



## NOTES TO THE FINANCIAL STATEMENTS

## Note 3 (a) : Property, plant and equipment

(All amounts in INR lakhs, unless otherwise stated)

	Freehold land	Buildings	Towers, antenna and transmitters	Furniture and fixtures	Studio equipment	Vehicles	Office equipment	Computers	Total
<b>Year ended March 31, 2021</b>									
Gross carrying amount									
Opening gross carrying amount	1.86	3,569.11	1,878.72	1,030.83	1,181.20	40.60	922.94	903.39	9,528.65
Additions	-	-	31.87	-	3.18	-	30.22	3.19	68.46
Disposals	-	-	-	6.49	-	-	14.72	1.24	22.45
Closing gross carrying amount	1.86	3,569.11	1,910.59	1,024.34	1,184.38	40.60	938.44	905.34	9,574.66
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	-	77.56	514.33	383.45	255.52	25.23	352.06	564.74	2,172.89
Depreciation charge during the year	-	74.33	143.72	108.40	82.05	5.19	102.56	123.30	639.55
Disposals	-	-	-	2.00	-	-	14.72	1.24	17.96
Closing accumulated depreciation	-	151.89	658.05	489.85	337.57	30.42	439.90	686.80	2,794.48
Net carrying amount	1.86	3,417.22	1,252.54	534.49	846.81	10.18	498.54	218.54	6,780.18
<b>Year ended March 31, 2022</b>									
Gross carrying amount									
Opening gross carrying amount	1.86	3,569.11	1,910.59	1,024.34	1,184.38	40.60	938.44	905.34	9,574.66
Additions	-	-	188.62	-	33.25	11.46	48.19	79.98	361.50
Disposals	-	-	-	0.44	0.09	3.18	1.98	0.89	6.58
Closing gross carrying amount	1.86	3,569.11	2,099.21	1,023.90	1,217.54	48.88	984.65	984.43	9,929.58
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	-	151.89	658.05	489.85	337.57	30.42	439.90	686.80	2,794.48
Depreciation charge during the year	-	74.33	146.51	104.42	83.55	2.44	101.94	103.63	616.82
Disposals	-	-	-	0.44	0.06	3.18	1.98	0.13	5.79
Closing accumulated depreciation	-	226.22	804.56	593.83	421.06	29.68	539.86	790.30	3,405.51
Net carrying amount	1.86	3,342.89	1,294.65	430.07	796.48	19.20	444.79	194.13	6,524.07

## Note:

- (i) Contractual obligations - Refer note 26 (i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.  
(ii) The title deeds of immovable properties, i.e. under freehold land and buildings are held in the name of the Company.

## Note 3 (b) : Right-of-use assets

Particulars	Category of right-of-use assets	
	Building leases	
	As at March 31, 2022	As at March 31, 2021
Opening balance	2,180.84	2,132.40
Additions during the year	118.14	640.28
Depreciation during the year	(590.36)	(591.84)
Closing balance	1,708.62	2,180.84

## Note:

- (i) The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.  
(ii) The total cash outflow for leases for the year ended March 31, 2022 is INR 667.95 lakhs (March 31, 2021 INR 596.59 lakhs).  
(iii) Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.  
(iv) In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercising a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated)

For leases of buildings, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in building/ office leases have been included in the lease liability, because the Company could not replace the assets without significant cost or business disruption

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

## COVID-19-Related Rent Concessions (Amendments to Ind AS 116)

Amendment to Ind AS 116 provides a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

- (a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;  
(b) The reduction in use lease payments affects only payments originally due on or before June 30, 2022; and  
(c) There are no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessee applies other requirements in Ind 116 in accounting for the concession.

The Company has elected to apply the practical expedient introduced by the amendments to Ind AS 116 to all rent concessions that satisfy the criteria. Substantially all of the rent concessions entered into during the year satisfy the criteria to apply the practical expedient

The application of the practical expedient has resulted in the reduction of total lease liabilities by INR 37.47 lakhs ( March 31, 2021 INR 80.60 lakhs). The effect of this reduction has been recorded in profit or loss in the period in which the event or condition that triggers those payments occurred.



## NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

## Note 4: Intangible assets

	One time entry / migration fees	Software	Total
<b>Year ended March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	30,669.34	344.25	31,013.59
Additions	-	-	-
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>30,669.34</b>	<b>344.25</b>	<b>31,013.59</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	9,310.41	278.86	9,589.27
Amortisation charge for the year	2,049.88	41.80	2,091.68
Disposals	-	-	-
<b>Closing accumulated amortisation</b>	<b>11,360.29</b>	<b>320.66</b>	<b>11,680.95</b>
<b>Net carrying amount</b>	<b>19,309.05</b>	<b>23.59</b>	<b>19,332.64</b>
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	30,669.34	344.25	31,013.59
Additions	-	-	-
Disposals	-	14.47	14.47
<b>Closing gross carrying amount</b>	<b>30,669.34</b>	<b>329.78</b>	<b>30,999.12</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	11,360.29	320.66	11,680.95
Amortisation charge for the year	2,049.88	17.72	2,067.60
Disposals	-	14.47	14.47
<b>Closing accumulated amortisation</b>	<b>13,410.17</b>	<b>323.91</b>	<b>13,734.08</b>
<b>Net carrying amount</b>	<b>17,259.17</b>	<b>5.87</b>	<b>17,265.04</b>

Details of assets material to the Company's financial statements:

Description of assets	As at March 31, 2022		As at March 31, 2021	
	Carrying amount of one time entry/migration fees	Average remaining useful life (In years)	Carrying amount of one time entry/migration fees	Average remaining useful life (In years)
Stations acquired under a composite scheme of arrangement	843.02	8	948.40	9
New stations acquired under Phase III	4,628.89	9.7	5,099.99	10.7
Existing stations renewed under Phase III	11,787.26	8	13,260.66	9
<b>Total</b>	<b>17,259.17</b>		<b>19,309.05</b>	



## NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

**Note 5: Financial assets****5 (a) Investments****(i) Non-current Investments****Quoted**

Investment in bonds [refer note 5(a)(i)(A)] (at amortised cost)

19,133.26

4,098.93

**Unquoted**

Investment in alternative investment fund [refer note 5(a)(i)(B)]

100.00

**Total****19,233.26****4,098.93****Total non-current investments****19,233.26****4,098.93**

Aggregate amount of quoted investments

19,133.26

4,098.93

Aggregate market value of quoted investments

19,341.62

4,131.69

Aggregate amount of unquoted investments

100.00

Aggregate amount of impairment in the value of investments

**As at  
March 31, 2022****As at  
March 31, 2021****(ii) Current Investments****Quoted**

Investment in mutual funds [refer note 5(a)(ii)(A)]

2,676.20

8,623.53

**Unquoted**

Investment in corporate fixed deposits [refer note 5(a)(ii)(B)]

7,470.00

**Total (mutual funds and corporate deposits)****2,676.20****16,093.53****Total current investments****2,676.20****16,093.53**

Aggregate amount of quoted investments

2,676.20

8,623.53

Aggregate market value of quoted investments

2,676.20

8,623.53

Aggregate amount of unquoted investments

7,470.00

Aggregate amount of impairment in the value of investments



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**5(a)(i)(A) Details of investment in bonds**

	As at March 31, 2022	As at March 31, 2021
100 (March 31, 2021:100) units of Rs 10,00,000 each held in 8.70% Bank of Baroda Perpetual Bond (Series X) (ISIN code INE028A08174)	1,025.10	1,032.35
200 (March 21: 100) units of Rs 10,00,000 each held in 8.50% State Bank of India Perpetual Bond (Series II) (ISIN code INE062A08223)	2,069.63	1,038.58
100 (March 31, 2021: 100) units of Rs 10,00,000 each held in 8.15% Bank of Baroda Perpetual Bond (Series XV) (ISIN code INE028A08240)	1,005.42	1,005.90
100 (March 31, 2021: 100) units of Rs 10,00,000 each held in 7.73% State Bank of India Perpetual Bond (Series II) (ISIN code INE062A08272)	1,019.72	1,022.10
10 (March 31, 2021: Nil) units of Rs 1,00,00,000 each held in 7.72% State Bank of India Perpetual Bond (Series I) (ISIN code INE062A08280)	1,006.77	-
12 (March 31, 2021: Nil) units of Rs 1,00,00,000 each held in 7.72% State Bank of India Perpetual Bond (Series II) (ISIN code INE062A08298)	1,208.47	-
50 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 9.75% U.P. Power Corporation Limited (Series I) (ISIN code INE540P07244)	513.19	-
50 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 9.75% U.P. Power Corporation Limited (Series I) (ISIN code INE540P07251)	514.81	-
100 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 8.99% Bank of Baroda Perpetual Bond (Series XI) (ISIN code INE028A08182)	1,037.17	-
330 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 7.70% LIC Housing Finance Limited (Series 2) (ISIN code INE115A08377)	3,441.20	-
200 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 6.88% HDFC Limited (Series Z004) (ISIN code INE001A07TB5)	1,985.04	-
100 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 6.65% Food Corporation of India (Series IX) (ISIN code INE861G08076)	977.55	-
50 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 8.95% IDFC Bank Limited (Series OBB 18) (ISIN code INE092T08527)	527.08	-
25 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 8.67% IDFC Bank Limited (Series OBB 14) (ISIN code INE092T08BS4)	259.05	-
20 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 8.70% IDFC Bank Limited (Series OBB 06) (ISIN code INE092T08BU0 )	208.32	-
25 (March 31, 2021: Nil) units of Rs 10,00,000 each held in 7.05% LIC Housing Finance Limited (Series LOA 21DC 30) (ISIN code INE115A08369 )	250.04	-
200,000 (March 31, 2021: Nil) units of Rs 1,000 each held in 8.20% India Grid Trust (Series V CAT III&IV) (ISIN code INE219X07264 )	2,084.70	-
<b>Total</b>	<b>19,133.26</b>	<b>4,098.93</b>

**5(a)(i)(B) Details of investment in alternative investment fund**

	As at March 31, 2022	As at March 31, 2021
99,995 (March 31, 2021: Nil) ICICI Prudential Corporate Credit Opportunities Fund	100.00	-
<b>Total</b>	<b>100.00</b>	<b>-</b>

**5(a)(ii)(A) Details of investment in mutual funds**

	As at March 31, 2022	As at March 31, 2021
Nil (March 31, 2021: 38,86,298.62) units in Axis Dynamic Bond Fund -Direct Plan- Growth	-	964.25
Nil (March 31, 2021: 59,27,774.52) units in L&T Triple Ace Bond Fund - Direct Plan- Growth	-	3,535.27
Nil (March 31, 2021: 44,54,687.99) units in Edelweiss Arbitrage Fund - Direct Plan - Growth	-	701.49
Nil (March 31, 2021: 43,71,787.30) units in Kotak Dynamic Bond - Direct Plan- Growth	-	1,334.29
Nil (March 31, 2021: 48,50,476.60) units in Nippon India Short Term Fund - Direct Plan - Growth	-	2,088.23
1,11,92,402.50 (March 31, 2021: Nil) units in ICICI Prudential Ultra Short term Fund - Direct Plan - Growth	2,676.20	-
<b>Total</b>	<b>2,676.20</b>	<b>8,623.53</b>

**5(a)(ii)(B) Details of investment in corporate fixed deposits**

	As at March 31, 2022	As at March 31, 2021
7.5% LIC Housing Finance Limited -1 year fixed deposits	-	1,990.00
7.0% LIC Housing Finance Limited -1 year fixed deposits	-	3,980.00
6.0% LIC Housing Finance Limited -1 year fixed deposits	-	1,500.00
<b>Total</b>	<b>-</b>	<b>7,470.00</b>



NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

5 (b) Trade receivables

Trade receivables  
Trade receivables from related parties (refer note 24 (h))  
Less: Loss allowance  
Total trade receivables  
Current portion  
Non-current portion

As at March 31, 2022	As at March 31, 2021
10,218.94	9,888.43
82.09	157.47
2,717.40	2,298.95
<b>7,581.54</b>	<b>7,728.95</b>

Break up of security details

Trade receivables considered good - Secured  
Trade receivables considered good - Unsecured  
Trade receivables which have significant increase in credit risk  
Trade receivables - credit impaired  
Total

As at March 31, 2022	As at March 31, 2021
10,189.79	10,025.90
89.24	-
<b>10,279.03</b>	<b>10,025.90</b>

Loss allowance

(2,717.49) (2,298.95)

Total trade receivables

**7,581.54** **7,728.95**

Trade receivables ageing schedule

Particulars	Unbilled	Not due	Outstanding as on March 31, 2021 from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	-	3,584.04	1,235.89	915.33	1,162.81	852.02	2,275.81	10,025.90
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>3,584.04</b>	<b>1,235.89</b>	<b>915.33</b>	<b>1,162.81</b>	<b>852.02</b>	<b>2,275.81</b>	<b>10,025.90</b>

Particulars	Unbilled	Not due	Outstanding as on March 31, 2022 from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	-	4,387.89	1,588.88	283.26	484.70	813.14	2,651.94	10,189.79
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	89.24	89.24
<b>Total</b>	-	<b>4,387.89</b>	<b>1,588.88</b>	<b>283.26</b>	<b>484.70</b>	<b>813.14</b>	<b>2,741.18</b>	<b>10,279.03</b>

5 (c) Cash and cash equivalents

Balances with banks  
- In current accounts  
- Cheques in hand  
Cash on hand  
Total cash and cash equivalents

As at March 31, 2022	As at March 31, 2021
595.78	989.32
168.15	-
0.01	0.05
<b>763.94</b>	<b>989.37</b>

5 (d) Other bank balances

- In fixed deposits held as margin money (refer note below)  
- In fixed deposits with original maturity for more than 3 months but less than 12 months  
- Interest accrued on fixed deposits  
Total other bank balances

1,819.83	585.01
-	1,450.00
23.77	31.33
<b>1,843.60</b>	<b>2,046.34</b>

Note: These deposits are under lien against the guarantees issued and overdraft facilities availed from the banks.

5 (e) Other financial assets

Security deposits  
- Secured, considered good  
- Unsecured, considered good  
- Doubtful

As at March 31, 2022		As at March 31, 2021	
Current	Non-current	Current	Non-current
80.87	1,070.88	115.06	1,041.19
280.42	83.97	280.42	83.97
361.09	1,154.83	395.48	1,125.16
280.42	83.97	280.42	83.97
<b>80.07</b>	<b>1,070.88</b>	<b>115.06</b>	<b>1,041.19</b>

Bank balances:

- in fixed deposits with original maturity of more than twelve months  
- in fixed deposit with bank held as margin money (refer note below)

-	1,096.00	-	-
-	250.00	-	244.41
-	<b>1,346.00</b>	-	<b>244.41</b>

Others:

- Interest accrued on investment in bonds and corporate deposits  
Total other financial assets

544.36	-	98.35	-
<b>625.03</b>	<b>2,416.88</b>	<b>211.41</b>	<b>1,285.60</b>

Note: These deposits are under lien against the guarantees issued by banks.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

#### **Note 6: Other non-current assets**

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Capital advances	-	7.54
Prepayments	326.36	362.65
<b>Total other non-current assets</b>	<b>326.36</b>	<b>370.19</b>

#### **Note 7: Non-current tax assets**

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>(a) Non-current tax assets (net)</b>		
Opening balance	665.73	448.09
Less: Current tax payable for the year (net of MAT credit utilised)	-	-
Add: Taxes paid (net of refund received INR 397.37 (March 31, 2021: 5.78))	38.78	217.64
<b>Total non-current tax assets</b>	<b>704.51</b>	<b>665.73</b>

(b) For analysis of Company's income tax expense, refer Note 20.

#### **Note 8: Other current assets**

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Prepayments	866.12	808.53
Balances with statutory/government authorities	121.56	168.97
Advances to others		
- Considered good	28.76	50.25
- Considered doubtful	26.67	26.67
Less: Loss allowance for advance to others	26.67	26.67
Advance with gratuity fund	-	308.14
Advance paid under protest		
- Considered good (refer note 25 (a))	200.00	200.00
- Considered doubtful	290.70	290.70
Less: Loss allowance for advance paid under protest	290.70	290.70
Other receivables [including related party balances, refer note 24 (h)]	569.13	582.97
<b>Total other current assets</b>	<b>1,785.57</b>	<b>2,118.86</b>





**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 9: Equity share capital and other equity****9(a) Equity share capital****Authorised equity share capital****Particulars**

As at April 1, 2020

Increase during the year

**As at March 31, 2021**

Increase during the year

**As at March 31, 2022****Number of shares**

400,000,000

**Amount**

8,000.00

-

**400,000,000****8,000.00**

-

**400,000,000****8,000.00****Authorised preference share capital****Particulars**

As at April 1, 2020

Increase during the year

**As at March 31, 2021**

Increase during the year

**As at March 31, 2022****Number of shares**

50,000

**Amount**

5.00

-

**50,000****5.00**

-

**50,000****5.00****(i) Issued, subscribed and paid up equity share capital****Particulars**

As at April 1, 2020

Increase during the year

**As at March 31, 2021**

Increase during the year

**As at March 31, 2022****Number of shares**

345,685,625

**Equity share capital****(par value)**

6,913.71

-

**345,685,625****6,913.71**

-

**345,685,625****6,913.71****Terms and rights attached to equity shares**

The Company has only one class of equity shares having a face value of Rs. 2 per share (March 31, 2021: Rs. 2 per share). Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(ii) Shares of the Company held by holding company****Particulars****As at****March 31, 2022****As at****March 31, 2021****Number of shares**

253,074,137

**Number of shares**

253,074,137

Jagran Prakashan Limited, the holding company



(All amounts in INR lakhs, unless otherwise stated)

## (iii) Details of shareholding of promoters

Name of promoter	Number of shares	As at March 31, 2021	
		% of total shares	% of change during the year
Ruchi Gupta (face value Rs. 2 per share (March 31, 2021: Rs. 2 per share))	2,915,512	0.84%	No change
Jagran Prakashan Limited (face value Rs. 2 per share (March 31, 2021: Rs. 2 per share))	253,074,137	73.21%	No change
<b>Total</b>	<b>255,989,649</b>	<b>74.05%</b>	

Name of promoter	Number of shares	As at March 31, 2022	
		% of total shares	% of change during the year
Ruchi Gupta (face value Rs. 2 per share (March 31, 2021: Rs. 2 per share))			-100.00%
Jagran Prakashan Limited (face value Rs. 2 per share (March 31, 2021: Rs. 2 per share))	253,074,137	73.21%	0.00%
RSMA Advisors Private Limited (face value Rs. 2 per share (March 31, 2021: Rs. 2 per share))	2,915,512	0.84%	100.00%
<b>Total</b>	<b>255,989,649</b>	<b>74.05%</b>	<b>0.00%</b>

## (iv) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Jagran Prakashan Limited, the holding company (face value Rs. 2 per share (March 31, 2021: Rs. 2 per share))	253,074,137	73.21%	253,074,137	73.21%
Franklin Templeton Mutual Fund (face value Rs. 2 per share (March 31, 2021: Rs. 2 per share))	18,921,468	5.47%	24,421,468	7.06%
<b>Total</b>	<b>271,995,605</b>	<b>78.68%</b>	<b>277,495,605</b>	<b>80.27%</b>

## (v) Aggregate number of shares issued for consideration other than cash

- (a) 3,125,000 equity shares of Rs. 10 each fully paid up were allotted as consideration on November 24, 2016 pursuant to the scheme of arrangement with Shri Puran Multimedia Limited. These were converted into 15,625,000 equity shares of Rs. 2 each fully paid-up.
- (b) 55,309,700 equity shares of Rs. 10 each were converted into 276,548,500 equity shares of Rs. 2 each on account of sub-division of each share of Rs. 10 each into five shares of Rs. 2 each.
- (c) 69,137,125 equity shares of Rs. 2 each fully paid up were issued to shareholders in March 2020 as bonus shares.

## (vi) Sub-division of equity shares

The Board of Directors at its meeting held on December 31, 2018 approved the sub-division of equity shares of the Company from the face value of Rs. 10 per share to face value of Rs. 2 per share, which was approved by shareholders in February 2019. Accordingly, 221,238,800 equity shares of Rs. 2 each fully paid-up were allotted against 55,309,700 equity shares of Rs. 10 each fully paid-up remaining outstanding after completion of buy back [refer note (v)(b) above].

## (vii) Buy Back of equity shares

The Board of Directors at its meeting held on July 24, 2018 approved the buyback of fully paid-up equity shares of the Company for an aggregate amount not exceeding INR 5,700, for a price not exceeding Rs. 385 per equity share, out of free reserves / securities premium account. The Company completed the buyback of 1,745,079 equity shares at an average price of Rs. 326.61 per equity share in December 2018 and, accordingly, utilised INR 5,699.63 (excluding transaction costs) towards the buyback of shares.

Further, the Company transferred a sum equal to the nominal value of the shares so purchased, i.e., INR 174.51, from the general reserve to the capital redemption reserve account.

## (viii) Issue of bonus shares

The Board of Directors at its meeting held on January 27, 2020 recommended issue of one bonus share for every four equity shares held by the equity shareholders. The shareholders approved such issue of bonus shares on March 03, 2020. Accordingly on March 16, 2020, 69,137,125 equity shares of Rs. 2 each fully paid up were allotted to the members.

Further, the Company has utilised a sum equal to the nominal value of the shares so issued, i.e., INR 1,382.74, from the securities premium and capital redemption reserve amounting to INR 1,208.23 and INR 174.51 respectively for the purpose.

## (ix) Preference share capital

The Company has only one class of preference shares having a par value of Rs. 10 per share.

## (x) Proposed issue of non-convertible non-cumulative redeemable preference shares

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 to be 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 and National Company Law Tribunal.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 9 (b) : Reserves and surplus**

	As at March 31, 2022	As at March 31, 2021
Capital reserve	1,482.73	1,482.73
Securities premium	34,002.35	34,002.35
General reserve	4,908.50	4,908.50
Retained earnings	(1,145.14)	(527.99)
<b>Total reserves and surplus</b>	<b>39,248.44</b>	<b>39,865.59</b>
<b>(i) Capital reserve</b>		
Opening balance	1,482.73	1,482.73
<b>Closing balance</b>	<b>1,482.73</b>	<b>1,482.73</b>
<b>(ii) Securities premium</b>		
Opening balance	34,002.35	34,002.35
<b>Closing balance</b>	<b>34,002.35</b>	<b>34,002.35</b>
<b>(iii) General reserve</b>		
Opening balance	4,908.50	4,908.50
<b>Closing balance</b>	<b>4,908.50</b>	<b>4,908.50</b>
<b>(iv) Retained earnings</b>		
Opening balance	(527.99)	1,674.19
Net loss for the year	(570.11)	(2,418.92)
Items of other comprehensive income recognised directly in retained earnings		
-Remeasurement of post employment benefit obligation, net of tax	(47.04)	216.74
<b>Closing balance</b>	<b>(1,145.14)</b>	<b>(527.99)</b>

**Nature and purpose of reserves****Capital reserve**

The profits earned by the Company through a special transaction, which is not available for distribution as dividend to shareholders. The reserve is utilised in accordance with the provisions of the Act.

**Securities premium**

Securities premium is used to record the premium received on issue of shares. The same is utilised in accordance with the provisions of the Act.

**Note 9 (c): Other reserves**

	As at March 31, 2022	As at March 31, 2021
Other reserves	14,197.34	14,197.34
<b>Total other reserves</b>	<b>14,197.34</b>	<b>14,197.34</b>

**Nature and purpose of reserves**

Reserve created on cessation of a loan in an earlier year available for distribution.



## NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

## Note 10: Financial liabilities

## Note 10 (a): Trade payables

## Current

Total outstanding dues of micro enterprises and small enterprises (refer note 28)  
 Total outstanding dues of creditors other than micro enterprises and small enterprises  
 Trade payables to related parties [refer note 24(h)]  
 Total trade payables

As at March 31, 2022	As at March 31, 2021
50.99	48.74
1,593.68	1,165.66
	1.23
<b>1,644.67</b>	<b>1,215.63</b>

## Ageing of trade payables

Particulars	Unbilled	Not due	Outstanding as on March 31, 2021 from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	8.09	40.65	-	-	-	48.74
Others	738.24	28.54	400.11	-	-	-	1,166.89
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>738.24</b>	<b>36.63</b>	<b>440.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,215.63</b>

Particulars	Unbilled	Not due	Outstanding as on March 31, 2022 from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	12.05	38.94	-	-	-	50.99
Others	1,159.21	31.40	402.14	0.93	-	-	1,593.68
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,159.21</b>	<b>43.45</b>	<b>441.08</b>	<b>0.93</b>	<b>-</b>	<b>-</b>	<b>1,644.67</b>

## Note 10 (b): Lease liabilities

## Lease liabilities

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
	599.43	1,345.53	497.38	1,845.57
	<b>599.43</b>	<b>1,345.53</b>	<b>497.38</b>	<b>1,845.57</b>

The following is the movement in lease liabilities during the year

	As at March 31, 2022	As at March 31, 2021
Opening balance	2,342.95	2,212.46
Additions during the year	113.24	589.53
Finance cost (interest) accrued during the year	194.19	218.15
Payment of lease liabilities (including interest)	(667.95)	(596.59)
Lease rent concessions	(37.47)	(80.60)
Closing balance	<b>1,944.96</b>	<b>2,342.95</b>

## Note 10 (c): Other financial liabilities

## Current

Capital creditors [refer note 28]  
 Employee benefits payable  
 Total other current financial liabilities

As at March 31, 2022	As at March 31, 2021
121.97	88.84
93.34	121.15
<b>215.31</b>	<b>209.99</b>

## Note 10 (d): Net debt reconciliation

Particulars	Other assets			Liabilities from financing activities	Total
	Current investments	Cash and cash equivalents	Fixed deposits with banks	Lease liabilities	
Net surplus/(debt) as at April 1, 2020	20,835.83	761.37	-	(2,212.46)	19,384.74
New leases	-	-	-	(589.53)	(589.53)
Cash flows	(4,742.30)	228.00	1,450.00	378.44	(2,685.86)
Lease rent concessions	-	-	-	80.60	80.60
Interest expense	-	-	-	(218.15)	(218.15)
Interest paid	-	-	-	218.15	218.15
<b>Net surplus/(debt) as at March 31, 2021</b>	<b>16,093.53</b>	<b>989.37</b>	<b>1,450.00</b>	<b>(2,342.95)</b>	<b>16,189.95</b>
New leases	-	-	-	(113.24)	(113.24)
Cash flows	(13,417.33)	(225.43)	(1,450.00)	473.76	(14,619.00)
Lease rent concessions	-	-	-	37.47	37.47
Interest expense	-	-	-	(194.19)	(194.19)
Interest paid	-	-	-	194.19	194.19
<b>Net surplus/(debt) as at March 31, 2022</b>	<b>2,676.20</b>	<b>763.94</b>	<b>-</b>	<b>(1,944.96)</b>	<b>1,495.18</b>



(All amounts in INR lakhs, unless otherwise stated)

Note 11: Employee benefit obligations

	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Leave obligations (i)	43.91	188.41	232.32	33.71	136.73	170.44
Gratuity (ii)	67.55		67.55			
<b>Total employee benefit obligations</b>	<b>111.46</b>	<b>188.41</b>	<b>299.87</b>	<b>33.71</b>	<b>136.73</b>	<b>170.44</b>

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave which are classified as other long term benefits.

(ii) Post-employment obligations

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972, except that there is no benefit ceiling. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company has taken a group gratuity policy for the purpose. The Company generally does not fully fund the liability and maintains a target level of funding over a period of time based on estimations of expected gratuity payments.

(iii) Defined contribution plans

Provident fund

The Company also has a defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the year towards defined contribution plan is INR 228.78 (March 31, 2021: INR 223.54).

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employer's contribution to provident fund	173.34	165.08
Employer's contribution to Employees' Pension Scheme, 1995	55.44	58.46
<b>Total</b>	<b>228.78</b>	<b>223.54</b>



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**MUSIC BROADCAST LIMITED**

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(All amounts in INR lakhs, unless otherwise stated)

**Balance sheet amounts - Gratuity**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2020</b>	<b>743.20</b>	<b>(789.18)</b>	<b>(45.98)</b>
Current service cost	94.59	-	94.59
Interest expense/(income)	44.30	(50.45)	(6.15)
<b>Total amount recognised in profit or loss</b>	<b>138.89</b>	<b>(50.45)</b>	<b>88.44</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(11.62)	(11.62)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(211.63)	-	(211.63)
Experience (gains)/losses	(82.53)	-	(82.53)
<b>Total amount recognised in other comprehensive income</b>	<b>(294.16)</b>	<b>(11.62)</b>	<b>(305.78)</b>
Employer contributions	-	(1.25)	(1.25)
Benefit payments	(43.57)	-	(43.57)
<b>March 31, 2021</b>	<b>544.36</b>	<b>(852.50)</b>	<b>(308.14)</b>

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2021</b>	<b>544.36</b>	<b>(852.50)</b>	<b>(308.14)</b>
Current service cost	69.93	-	69.93
Interest expense/(income)	33.16	(55.53)	(22.37)
<b>Total amount recognised in profit or loss</b>	<b>103.09</b>	<b>(55.53)</b>	<b>47.56</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	33.47	33.47
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	43.12	-	43.12
Experience (gains)/losses	(10.23)	-	(10.23)
<b>Total amount recognised in other comprehensive income</b>	<b>32.89</b>	<b>33.47</b>	<b>66.36</b>
Employer contributions	-	1.51	1.51
Benefit payments	(66.56)	326.82	260.26
<b>March 31, 2022</b>	<b>613.78</b>	<b>(546.23)</b>	<b>67.55</b>

The net (asset)/liability disclosed above relating to funded plan is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligation	613.78	544.36
Fair value of plan assets	(546.23)	(852.50)
<b>(Surplus)/ Deficit of funded plan (gratuity)</b>	<b>67.55</b>	<b>(308.14)</b>



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(All amounts in INR lakhs, unless otherwise stated)

(iv) Significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Discount rate		6.85%	
Salary growth rate		7.00%		5.50%
Withdrawal rate	25 years & below	25% p.a	25 years & below	25% p.a
	25 to 35 years	20% p.a	25 to 35 years	20% p.a
	35 to 45 years	15% p.a	35 to 45 years	15% p.a
	45 to 55 years	10% p.a	45 to 55 years	10% p.a
	55 years and above	2% p.a	55 years and above	2% p.a

Estimates of future salary increases are considered in actuarial valuation taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation					
	As at March 31, 2022	As at March 31, 2021	Increase in assumption		Decrease in assumption			
			As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021		
Discount rate	0.50%	0.50%	Decrease by	3.14%	3.04%	Increase by	3.33%	3.22%
Salary growth rate	0.50%	0.50%	Increase by	3.31%	3.23%	Decrease by	3.15%	3.07%
Withdrawal rate	10%	10%	Increase/(Decrease) by	(0.29%)	0.09%	Decrease/(Increase) by	0.31%	(0.14%)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



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(All amounts in INR lakhs, unless otherwise stated)

**(vi) The major categories of plan assets are as follows:**

Particulars	As at	
	March 31, 2022	March 31, 2021
Group gratuity policy	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**(vii) Risk exposure**

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility :**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. These are subject to interest rate risk.

**Changes in bond yields :**

A decrease in bond yields will increase plan liabilities.

**(viii) Defined benefit liability and employer contributions**

Funding levels are monitored on an annual basis.

Expected contribution to post-employment benefit plan for the year ending March 31, 2023 is INR 78.47 (March 31, 2022 is INR 69.93)

The weighted average duration of the defined benefit obligation is 6.9 years (March 31, 2021: 6.97 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at March 31, 2022	82.17	80.42	182.42	692.75	<b>1,037.76</b>
As at March 31, 2021	68.40	73.64	174.03	563.81	<b>879.88</b>

*check*



## Note 12: Deferred tax assets (net)

(All amounts in INR lakhs, unless otherwise stated)

The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax liabilities (DTL)</b>		
Property, plant and equipment	85.24	-
Intangible assets	3,453.21	3,608.43
Financial assets at fair value through profit or loss	88.74	200.12
Right-of-use assets	430.03	548.87
Employee benefit obligations	-	46.84
<b>Total</b>	<b>4,037.22</b>	<b>4,404.26</b>
<b>Deferred tax assets (DTA)</b>		
Property, plant and equipment	-	18.89
Unused tax credits (MAT credit)	3,559.05	3,559.05
Loss allowance on financial assets	860.20	738.32
Employee benefit obligations	78.14	-
Lease liabilities	489.51	589.87
Tax losses	865.95	1,106.01
Others	156.39	156.96
<b>Total</b>	<b>6,009.24</b>	<b>6,170.91</b>
<b>Net deferred tax assets</b>	<b>1,972.02</b>	<b>1,766.64</b>

## Movement in deferred tax assets and liabilities

	Property, plant and equipment and intangible assets	Intangible assets	Loss allowance on financial assets	Tax losses	Unused tax credits (MAT credit)	Other items	Total
At April 1, 2020 [DTA/(DTL)]	250.09	(3,821.72)	631.99	-	3,549.69	188.82	998.87
(Charged)/credited							
- to profit or loss	(231.19)	13.28	106.33	1,106.01	9.36	(146.98)	856.81
- to other comprehensive income						(89.04)	(89.04)
At March 31, 2021	18.90	(3,608.44)	738.32	1,106.01	3,559.05	(47.0)	1,766.84
(Charged)/credited							
- to profit or loss	(84.14)	155.23	121.88	(240.08)	-	233.16	186.06
- to other comprehensive income						19.32	19.32
At March 31, 2022	(65.24)	(3,453.21)	860.20	865.95	3,559.05	205.27	1,972.02

The Finance Act, 2019 reduced the Company's applicable tax rate from 30% to 25% plus applicable surcharge and cess, and further, the Taxation Laws (Amendment) Act, 2019 provided an option to pay taxes at a concessional rate of 22% plus applicable surcharge and cess, subject to complying with certain conditions.

Based on the assessment of future taxable profits, the Company has decided to continue applying a rate of 25% plus applicable surcharge and cess until the Minimum Alternate Tax (MAT) credit asset balance is utilised and opt for the concessional rate of 22% plus applicable surcharge and cess thereafter.

Accordingly, the Company has measured its deferred tax balance as on March 31, 2022, which resulted in increase in deferred tax liability by INR Nil (March 31, 2021: INR 123.08).

## Note 13: Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Advance from customers	-	8.74
Statutory dues payable	320.34	242.92
Refund liabilities [refer note below]	79.82	34.04
Other liabilities [including related party balances refer note 24 (h)]	542.16	465.86
<b>Total other current liabilities</b>	<b>942.32</b>	<b>751.56</b>

Note: Refund liabilities are recognised for volume discounts payable to customers



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 14: Revenue from operations**

**Revenue from contract with customers**

**Sale of services**

Advertisement income

**Total revenue from operations**

Notes	Year ended March 31, 2022	Year ended March 31, 2021
	16,843.02	12,759.48
	<b>16,843.02</b>	<b>12,759.48</b>

(i) The Company derives its revenue from contracts with customers for transfer of services at a point in time. The Company is engaged in the business of radio broadcasting and other related activities through its radio channels operating under brand name 'Radio City' in India.

**Performance obligation satisfied at a point in time**

Advertisement income

**Total revenue from operations**

Year ended March 31, 2022	Year ended March 31, 2021
16,843.02	12,759.48
<b>16,843.02</b>	<b>12,759.48</b>

(ii) Reconciliation of revenue recognised in the Statement of Profit and Loss with the contracted price on account of adjustments made to the contract price is as follows:

**Advertisement income**

Revenue as per contract price

Less: Rebates and discounts

**Total revenue from operations**

Year ended March 31, 2022	Year ended March 31, 2021
17,122.96	12,939.38
(279.94)	(179.90)
<b>16,843.02</b>	<b>12,759.48</b>

**Note 15 (a): Other income**

Interest on fixed deposits and bonds

Interest on income tax refund

Unwinding of discount on security deposits

**Total other income**

	Year ended March 31, 2022	Year ended March 31, 2021
5 (d)	1,230.50	667.43
		22.49
5 (e)	52.19	47.46
	<b>1,282.69</b>	<b>737.38</b>

**Note 15 (b): Other gains/(losses)**

Net fair value gains on financial assets mandatorily measured at fair value through profit or loss

Net gain on sale of investments

Net gain on disposal of property, plant and equipment

Miscellaneous income

**Total other gains/(losses)**

	Year ended March 31, 2022	Year ended March 31, 2021
5 (a)	22.67	358.24
	362.23	392.90
3 (a)	7.16	1.49
	5.10	2.33
	<b>397.16</b>	<b>754.96</b>

**Note 16: Employee benefit expense**

Salaries, wages and bonus

Contribution to provident and other funds

Gratuity

Leave compensation

Staff welfare expenses

**Total employee benefits expense**

	Year ended March 31, 2022	Year ended March 31, 2021
	4,869.16	4,626.45
	228.78	223.54
11	47.56	88.45
	98.78	(228.09)
	65.33	30.22
	<b>5,309.61</b>	<b>4,740.57</b>



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 17: Depreciation and amortisation expense**

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	3 (a)	616.82	639.55
Depreciation on right of use assets	3 (b)	590.36	591.84
Amortisation of intangible assets	4	2,067.60	2,091.68
<b>Total depreciation and amortisation expense</b>		<b>3,274.78</b>	<b>3,323.07</b>

**Note 18: Other expenses**

	Year ended March 31, 2022	Year ended March 31, 2021
Repairs and maintenance:		
Buildings	35.41	31.88
Plant and machinery	187.08	176.06
Office maintenance charges	464.61	462.79
Power and fuel expenses	754.31	783.21
Rates and taxes	28.51	35.90
Travelling and conveyance	84.20	71.55
Telephone and communication charges	96.66	113.98
Marketing and advertisement expenses	1,796.37	1,545.18
Insurance	37.53	32.94
Corporate social responsibility expenditure [refer note (b) below]	66.00	136.00
Loss allowance for doubtful debts and advances	418.54	452.46
Payments to auditors [refer note (a) below]	54.08	46.31
Royalty	492.12	243.80
Programming costs	1,240.06	1,055.03
Rent [refer note 3(b)]	(35.71)	(45.80)
Common transmission infrastructure usage charges	998.66	956.53
Annual software license maintenance fee	359.93	363.17
Legal and professional fees	229.32	228.17
Commission on sales	448.79	172.23
Procurement of air time	231.67	144.75
Bad debts written off	254.90	-
Miscellaneous expenses	277.78	274.64
<b>Total other expenses</b>	<b>8,520.82</b>	<b>7,280.78</b>

**(a) Details of payments to auditors (excluding tax)**

**Payments to auditors**

**As auditor:**

Statutory audit fees (including quarterly limited reviews)	49.00	43.00
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**In other capacities**

Certification fees (including other services)	3.00	3.00
Reimbursement of expenses	2.08	0.31

**Total payments to auditors**

**54.08                      46.31**

In addition to the above, during the year ended March 31, 2021, the Company paid an amount of INR 8.00 to the auditors for issuing certificates relating to the proposed issue of NCRPS, which is included under other current assets.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

<b>(b) Corporate social responsibility expenditure</b>		
Promotion of Education and Livelihood Skills to Visually Impaired and Orphan Students with better infrastructure facilities along with support to Cancer Patients and neglected senior citizens	66.00	136.00
<b>Total</b>	<b>66.00</b>	<b>136.00</b>
(i) Amount required to be spent as per Section 135 of the Act	66.00	136.00
(ii) Amount approved by the Board to be spent during the year	66.00	136.00
(iii) Amount spent during the year on		
(a) Construction/acquisition of an asset	-	-
(b) On purposes other than (a) above	66.00	136.00
(iv) Related party transactions	-	-
(v) Shortfall at the end of year	-	-
(vi) Total of previous years shortfall	-	-
(vii) Movements in the provision during the year	-	-

**Note 19: Finance costs**

	Year ended March 31, 2022	Year ended March 31, 2021
Interest and finance charges on financial liabilities not at fair value through profit or loss	0.27	32.06
Interest expense on lease liabilities	194.19	218.15
Other borrowing costs	69.37	71.95
<b>Total finance costs</b>	<b>263.83</b>	<b>322.16</b>

**Note 20: Income tax expense**

	Year ended March 31, 2022	Year ended March 31, 2021
<b>(a) Income tax expense</b>		
Current tax		
Current year tax on profits	-	-
Adjustments for current tax of prior periods	-	-
<b>Total current tax expense</b>	<b>-</b>	<b>-</b>
<b>Deferred tax expense</b>		
Decrease/(increase) in deferred tax assets	118.19	(1,212.34)
(Decrease)/increase in deferred tax liabilities	(304.25)	364.89
Adjustments for deferred tax of prior periods	-	(9.36)
<b>Total deferred tax expense/(benefit)</b>	<b>(186.06)</b>	<b>(856.81)</b>
<b>Income tax expense</b>	<b>(186.06)</b>	<b>(856.81)</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax expense	(756.17)	(3,275.73)
Tax rate	29.12%	29.12%
<b>Tax at the Indian tax rate of 29.12% (March 31, 2021 – 29.12%)</b>	<b>(220.20)</b>	<b>(953.89)</b>
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	19.22	39.60
Corporate social responsibility expenditure		
Re-measurement of net deferred tax asset /(liability) on account of changes in tax rate [refer note 12]	-	123.08
Expenses allowed under tax but not debited to Statement of Profit and Loss	-	(45.40)
Other items	14.92	(20.20)
<b>Income tax expense</b>	<b>(186.06)</b>	<b>(856.81)</b>



## Note 21: Fair value measurements

The financial instruments are classified in the following categories and are summarised in the table below:

- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)
- Amortised cost

## Financial instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Mutual funds, bonds, corporate deposits & alternative investment fund	2,776.20	-	19,133.26	8,623.53	-	11,568.93
Trade receivables	-	-	7,561.54	-	-	7,726.95
Cash and cash equivalents	-	-	763.94	-	-	989.37
Security and other deposits	-	-	3,041.89	-	-	1,497.01
Other bank balances	-	-	1,843.60	-	-	2,046.34
<b>Total financial assets</b>	<b>2,776.20</b>	<b>-</b>	<b>32,344.23</b>	<b>8,623.53</b>	<b>-</b>	<b>23,828.60</b>
Financial liabilities						
Trade payables	-	-	1,644.67	-	-	1,215.63
Capital creditors	-	-	121.97	-	-	88.84
Employee benefits payable	-	-	93.34	-	-	121.15
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,859.98</b>	<b>-</b>	<b>-</b>	<b>1,425.62</b>

(i) Fair value hierarchy: The following table summarises the financial instruments at fair value by valuation methods. The different levels have been defined as follows:-

Level 1: Includes financial instruments measured using quoted prices. This includes mutual funds and bonds that have quoted price. The mutual funds are valued using the closing NAV and bonds, although quoted, are carried at amortised cost.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. There are no financial instruments measured using level 2 valuation techniques.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Notes	As at March 31, 2022				As at March 31, 2021			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Financial Investments at FVPL:									
Mutual funds and alternative investment fund	5 (a)	2,776.20	-	-	2,776.20	8,623.53	-	-	8,623.53
<b>Total financial assets</b>		<b>2,776.20</b>	<b>-</b>	<b>-</b>	<b>2,776.20</b>	<b>8,623.53</b>	<b>-</b>	<b>-</b>	<b>8,623.53</b>

Note: There are no financial liabilities in the category, measured at fair value - recurring fair value measurements

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between levels 1, 2 and 3 during the year.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:  
- the use of quoted market prices or dealer quotes for similar instruments.

(iii) Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.



## Note 22: Financial risk management

(All amounts in INR lakhs, unless otherwise stated)

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out under policies approved by the board of directors which provide principles for overall risk management.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and fair value through profit or loss	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and periodic monitoring of market/fair value of mutual fund investments, corporate deposits and bonds.
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange risk	Future commercial transactions, recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	By minimising the exposure in foreign currency

## (A) Credit risk

The credit risk arises from cash and cash equivalents, contractual cash flows, mutual fund investments carried at fair value through profit or loss, bonds and corporate deposits carried at amortised cost and deposits with banks, as well as credit exposures to customers including outstanding receivables.

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers.

The Company's investments in mutual funds, bonds and corporate deposits are considered to be low risk investments. The credit rating of the investments are monitored for credit deterioration.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonably available current and forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due or when the extended credit period expires. This definition of default is determined by considering the business environment in which the Company operates and other macro-economic factors.

The Company provides for expected credit loss when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where receivables have been impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses, which is Nil (March 31, 2021: Nil). Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.



## (i) Reconciliation of loss allowance - Deposits

	Amount
Loss allowance on April 1, 2020	364.39
Changes in loss allowances	-
<b>Loss allowance on March 31, 2021</b>	<b>364.39</b>
Changes in loss allowances	-
<b>Loss allowance on March 31, 2022</b>	<b>364.39</b>

## (ii) Reconciliation of loss allowance – Trade receivables

Loss allowance on April 1, 2020	1,846.49
Changes in loss allowance	452.46
<b>Loss allowance on March 31, 2021</b>	<b>2,298.95</b>
Changes in loss allowance	418.54
<b>Loss allowance on March 31, 2022</b>	<b>2,717.49</b>

## (iii) Financial assets at fair value through profit and loss

The Company is also exposed to credit risk in relation to mutual fund investments that are measured at fair value through profit or loss.

## Significant estimates and judgements

## Impairment of financial assets

The loss allowance for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## (B) Liquidity risk

The Company relies on a mix of excess operating cash flows, investments in marketable securities, borrowings and capital infusion to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of the liquidity position, cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

## (i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at March 31, 2022	As at March 31, 2021
<b>Floating rate</b>		
Expiring within one year (bank overdraft and other facilities)		
- Fund based	1,100.00	10,100.00
- Non fund based	234.00	234.00
	<b>1,334.00</b>	<b>10,334.00</b>

The cash credit / overdraft facilities and bank guarantee may be drawn at any time and may be terminated by the bank without notice.

## (ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. There are no derivative financial instruments in respect of reporting periods disclosed under these financial statements.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>March 31, 2022</b>					
Non-derivatives					
Trade payables	1,644.67	-	-	-	1,644.67
Other financial liabilities	215.31	-	-	-	215.31
Lease liabilities	739.13	661.65	732.95	107.34	2,241.08
<b>Total non-derivative liabilities</b>	<b>2,599.11</b>	<b>661.65</b>	<b>732.95</b>	<b>107.34</b>	<b>4,101.06</b>

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>March 31, 2021</b>					
Non-derivatives					
Trade payables	1,215.63	-	-	-	1,215.63
Other financial liabilities	209.99	-	-	-	209.99
Lease liabilities	689.25	712.77	1,311.70	138.01	2,851.73
<b>Total non-derivative liabilities</b>	<b>2,114.87</b>	<b>712.77</b>	<b>1,311.70</b>	<b>138.01</b>	<b>4,277.35</b>



(All amounts in INR lakhs, unless otherwise stated)

**(C) Market risk****(i) Foreign exchange risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

**(a) Foreign currency risk exposure:**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, is as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets:		
Trade receivables	11.57	3.87
<b>Net exposure to foreign currency risk</b>	<b>11.57</b>	<b>3.87</b>

**(b) Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

Particulars	Impact on profit after tax	
	March 31, 2022	March 31, 2021
INR/USD Increase by 2% (March 31, 2021 - 2%)*	0.23	0.08
INR/USD Decrease by 2% (March 31, 2021 - 2%)*	(0.23)	(0.08)

\*Holding all other variables constant





**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 23: Capital management**

(All amounts in INR lakhs, unless otherwise stated)

**Risk management**

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Consistent with the industry standards the Company monitors capital on the basis of debt to equity ratio where net debt comprises total borrowings and lease liabilities net of cash and cash equivalents and equity comprises equity share capital, reserves and surplus and other reserves.

The net debt to equity position at the reporting date is as follows:

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Debt including lease liabilities (a)	1,944.96	2,342.95
Net debt including lease liabilities (b)	1,181.02	1,353.58
Total equity (c)	60,359.48	60,976.64
Debt to equity ratio (a)/(c)	0.03	0.04
Net debt to equity ratio (b)/(c)	0.02	0.02



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 24: Related party transactions**

(All amounts in INR lakhs, unless otherwise stated)

**(a) Parent entities**

The Company is controlled by the following:

Name	Type	Place of incorporation	Ownership interest	
			March 31, 2022	March 31, 2021
Jagran Media Network Investment Private Limited	Ultimate Parent Company	India	0.00%	0.00%
Jagran Prakashan Limited	Immediate Parent Company	India	73.21%	73.21%

**(b) Fellow subsidiary**

Name	Type	Place of incorporation
Meddy Infomedia Limited	Fellow subsidiary	India

**(c) Entity over which parent company exercises significant influence**

Name	Place of Incorporation
MMAI Online Limited	India

**(d) Entities over which KMP/relatives of KMP can exercise significant influence**

Name	Type	Place of incorporation
VRSM Enterprises LLP	Other related party	India

**(e) Other related parties**

Type	Name	Relationship
Key management personnel (KMP)	Rahul Gupta	Non executive director
	Sharesh Gupta	Non executive director
	Anuj Puri	Non executive director
	Apurva Purohit	Non executive director (upto July 1, 2021)
	Vijay Tandon	Chairman, Non executive director
	Madhukar Kamath	Non executive director
	Anita Nayyar	Non executive director
	Asht Kulkarni	Chief Executive Officer
	Prashant Domadia	Chief Financial Officer
	Chirag Bagadia	Company Secretary (upto August 27, 2021)
	Arpita Kapoor	Company Secretary (w.e.f October 21, 2021)

**(f) Key management personnel compensation**

**(i) Remuneration paid to Key Management Personnel**

	Year ended March 31, 2022	Year ended March 31, 2021
Short term employee benefits	190.71	164.09
Post employment benefits*	7.10	(3.89)
Long term employee benefits*	5.45	(11.48)
<b>Total compensation</b>	<b>203.26</b>	<b>148.72</b>

\* Post and long term employment benefits are negative due to change in basis of valuation and leave policy in the year ended March 31, 2021.

**(ii) Transactions with non executive directors**

	Year ended March 31, 2022	Year ended March 31, 2021
Sitting fees	10.30	9.20
<b>Total</b>	<b>10.30</b>	<b>9.20</b>



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**(g) Transactions with related parties**

(All amounts in INR lakhs, unless otherwise stated)

The following are the transactions with related parties

	Year ended March 31, 2022	Year ended March 31, 2021
Sale and purchase of services:		
Purchase of advertisement space / material:		
- Jagran Prakashan Limited	80.15	27.40
- Midday Infomedia Limited	6.52	52.97
Advertisement income		
- Jagran Prakashan Limited	189.58	108.59
- Midday Infomedia Limited	8.12	17.35
Other Income		
- Jagran Prakashan Limited	5.10	2.13
Purchase of fixed assets		
- Jagran Prakashan Limited	-	0.39
Other transactions:		
Rent charged by related parties for use of common facilities / utilities:		
- Jagran Prakashan Limited	49.19	31.50
- VRSM Enterprises LLP	44.67	43.64
Expenses reimbursement paid		
- Jagran Prakashan Limited	41.15	35.69
- Midday Infomedia Limited	46.22	5.91
Expenses reimbursement received		
- Jagran Prakashan Limited	0.33	3.59
- Midday Infomedia Limited	70.59	58.75
Security deposit given		
- Jagran Prakashan Limited	-	50.00

**(h) Outstanding balances arising from sale/purchase of services**

The following balances are outstanding at the end of the reporting period in respect of transactions with related parties:

	As at March 31, 2022	As at March 31, 2021
Trade payables:		
- Midday Infomedia Limited	-	1.23
Total payables to related parties [note 10(a)]	-	1.23
Other liabilities:		
- Midday Infomedia Limited	-	2.34
Other liabilities to related parties [note 13]	-	2.34
Trade receivables:		
- Jagran Prakashan Limited	27.04	63.88
- Midday Infomedia Limited	35.05	93.59
Total receivables from related parties [note 5(b)]	62.09	157.47
Other receivables:		
- Jagran Prakashan Limited	17.44	2.10
- Midday Infomedia Limited	29.98	34.59
Other receivables from related parties [note 8]	47.42	36.69
Security deposit given		
- VRSM Enterprises LLP	35.00	35.00
- Jagran Prakashan Limited	50.00	50.00
Security deposits to related parties [note 5 (e)]	85.00	85.00

**(i) Terms and conditions**

The sales, purchases and other transactions with related parties were made on normal commercial terms and conditions and at market rates. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 25: Contingent liabilities**

a) Claim against the Company not acknowledged as debt: The Company has received certain claims towards royalty for use of sound recordings over its radio stations amounting to INR 429.17 (March 31, 2021: INR 429.17). Out of the above, the Company has paid INR 200 (March 31, 2021: INR 200) under protest (refer note 8) and issued bank guarantee for remaining amount. Based on the external legal counsel advice, the Company believes that more likely than not, no outflow of resources will be required.

b) Claim against the Company not acknowledged as debt: In respect of defamation cases, it is either not quantifiable or cannot be reliably estimated. Hence the same has not been disclosed.

c) The amount of provident fund payable, if any, in relation to certain allowances cannot be estimated reliably, though not likely to be significant. Hence, this amount has not been disclosed.

**Note 26: Capital and other commitments**

(i) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment	84.52	16.18
<b>Total</b>	<b>84.52</b>	<b>16.18</b>

(ii) As per the Grant of Permission Agreements ("GOPA") with the Ministry of Information and Broadcasting, Government of India, the Company is required to pay license fee at the rate of 4% of Gross Revenue of its FM radio channel for the financial year or 2.5% of the Non-refundable One Time Entry Fees ("NOTEF") for the city, whichever is higher, for each of its 39 radio stations.

The minimum commitment in the form of 2.5% of NOTEF payable over the remaining license period is as follows:

Particulars	March 31, 2022	March 31, 2021
Within 1 year	1,760.72	1,760.72
Later than one year but not later than five years	7,042.88	7,042.88
Later than five years	5,568.17	7,328.89
	<b>14,371.77</b>	<b>16,132.49</b>

**Note 27: Earnings per share**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>a Basic earnings Rs. per share</b>		
Basic earnings Rs. per share attributable to the equity holders of the Company	(0.16)	(0.70)
<b>b Diluted earnings Rs. per share</b>		
Diluted earnings Rs. per share attributable to the equity holders of the Company	(0.16)	(0.70)
<b>c Reconciliations of earnings used in calculating earnings Rs. per share</b>		
Basic earnings Rs. per share		
Profit attributable to the equity holders of the Company used in calculating basic earnings Rs. per share	(570.11)	(2,418.92)
Diluted earnings Rs. per share:		
Profit attributable to the equity holders of the Company used in calculating diluted earnings Rs. per share	(570.11)	(2,418.92)
<b>d Weighted average number of equity shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings Rs. per share	345,685,625	345,685,625



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 28: Dues to micro and small enterprises**

Disclosures pursuant to The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') are as follows:

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end (includes amount payable to capital creditors INR 10.76 lakhs (March 2021: Nil)).	61.75	48.74
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
4	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
5	Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6	Amount of interest due and payable for the period of delay in making (which have been paid but beyond the appointment day during the year) but without adding the interest specified under MSMED Act.	-	-
7	Interest accrued and remaining unpaid at the end of each accounting year.	-	-
8	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

**Note 29 Impact of COVID-19**

In preparation of the financial statements for the year ended March 31, 2022, the Company has taken into account the possible impact of Covid-19 pandemic and the related internal and external factors known to the management upto the date of approval of these financial statements to assess the carrying amount of its assets and liabilities. The Company does not expect any material impact of the pandemic in the future periods, while it will continue to monitor the changes in future economic conditions, as they arise.

**Note 30: Financial ratios**

Ratio	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance	Reason of variance
Current ratio (times)	Current assets	Current liabilities	4.34	10.78	-60%	Refer Note (ii) (a)
Debt equity ratio (times)	Total debt (including lease liabilities)	Total equity	0.03	0.04	-16%	
Debt service coverage ratio (times)	Earnings available for debt service (Refer Note (i) (a))	Debt service (Refer Note (i) (b))	3.92	1.65	138%	Refer Note (ii) (b)
Return on equity (%)	Net profit after tax	Average shareholders' equity	-0.94%	-3.90%	76%	Refer Note (ii) (c)
Inventory turnover ratio (times)	Cost of good sold	Average inventory	Not applicable	Not applicable	Not applicable	Not applicable
Trade receivables turnover ratio (times)	Revenue from operations	Average trade receivable	2.20	1.39	58%	Refer Note (ii) (d)
Trade payable turnover ratio (times)	Other expenses	Average trade payable	5.96	4.42	35%	Refer Note (ii) (e)
Net capital turnover ratio (times)	Revenue from operations	Working capital (current assets-current liabilities)	1.43	0.48	198%	Refer Note (ii) (f)
Net profit ratio (%)	Net profit after tax	Revenue from operations	-3.38%	-16.96%	82%	Refer Note (ii) (g)
Return on capital employed	Earnings before interest and tax	Capital employed (Refer Note (i) (c))	-1.09%	-6.71%	84%	Refer Note (ii) (h)
Return on capital employed (including Intangible assets) (%)	Earnings before interest and tax	Capital employed (Refer Note (i) (d))	-0.79%	-4.66%	83%	Refer Note (ii) (h)
Return on investments (%)	Earnings before interest and tax	Closing total assets	-0.75%	-4.50%	83%	Refer Note (ii) (h)

**Note (i)**

- (a) Earnings available for debt service = Net profit after taxes + Non-cash operating expenses (depreciation and amortisation) + Interest - profit on sale of PP&E  
 (b) Debt service = Interest and principal repayments including lease payments  
 (c) Capital employed = Tangible net worth + total debt  
 (d) Capital employed (including intangible assets) = Net worth + total debt

**Note (ii)**

- (a) Current ratio: Significant investments made in marketable securities with the intention of holding for more than one year and hence classified as Non-current [note 5(a)(i)]  
 (b) Debt service coverage ratio: Increase in earnings available for debt service  
 (c) Return on equity: Reduction in losses for the current financial year as compared to previous financial year.  
 (d) Trade receivables turnover ratio: Increase in revenue from operations for the current financial year as compared to previous financial year.  
 (e) Trade payable turnover ratio: Decline in average trade payable during for the current financial year as compared to previous financial year.  
 (f) Net capital turnover ratio: Increase in revenue and reduced working capital due to investments made in marketable securities with the intention of holding for more than one year and hence classified as Non-current [note 5(a)(i)]  
 (g) Net profit ratio: Increase in revenue and reduction in losses for the current financial year as compared to previous financial year.  
 (h) Return on capital employed/ Return on capital employed (including Intangible assets)/ Return on investments: Reduction in losses for the current financial year as compared to previous financial year.



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 31: Relationship with struck off companies**

Name of struck off company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2022	Balance outstanding as on March 31, 2021	Relationship with struck off company
None	Investments in securities	-	-	Not applicable
Astral Polymers Private Limited	Receivables	0.01	0.01	Not applicable
Columbia Asia Neighborhood Hospital Private Limited	Receivables	-	0.16	Not applicable
Hi Bond Cement (India) Private Limited	Receivables	1.38	1.38	Not applicable
Sosyo Hajoori Beverages Private Limited	Receivables	0.55	0.61	Not applicable
College And Campus Education Services Private Limited	Receivables	0.08	0.08	Not applicable
DNRC Media Private Limited	Receivables	0.27	0.27	Not applicable
Dreamz Event Management Private Limited	Receivables	0.87	0.87	Not applicable
Eternal Heart Care Centre And Research Institute Private Limited	Receivables	0.02	0.02	Not applicable
FIT JEE Coaching Centre Private Limited	Receivables	1.17	1.17	Not applicable
Promenade Hospitality Private Limited	Receivables	0.02	0.02	Not applicable
Friends Track Cabs Private Limited	Receivables	0.12	0.12	Not applicable
High Power Publications Private Limited	Receivables	0.56	0.56	Not applicable
Kris Mediaworks Private Limited	Receivables	3.89	0.67	Not applicable
L K Media Private Limited	Receivables	0.55	0.55	Not applicable
Multimedia Informatics Private Limited	Receivables	0.08	0.08	Not applicable
Naim Studios Private Limited	Receivables	1.61	1.61	Not applicable
Orange Holidays Private Limited	Receivables	2.75	2.75	Not applicable
PGR Infracity Private Limited	Receivables	0.32	0.32	Not applicable
Quick Cabs Services Private Limited	Receivables	1.15	1.15	Not applicable
Samphire Food and Pharma Private Limited	Receivables	0.43	0.04	Not applicable
Shamsheer Communications Private Limited	Receivables	0.01	0.01	Not applicable
Sunberries Hotels and Resorts Private Limited	Receivables	0.13	0.13	Not applicable
Tesmay Events & Media Private Limited	Receivables	0.01	0.01	Not applicable
Visual Communications (India) Private Limited	Receivables	1.07	1.45	Not applicable
Worthwhile Gases Private Limited	Receivables	4.80	4.80	Not applicable
None	Shares held by struck off Company	-	-	Not applicable
None	Pavables	-	-	Not applicable
None	Other outstanding balances	-	-	Not applicable



NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

**Note 32** Additional regulatory information required by Schedule III of Companies Act, 2013

- (i) **Details of Benami property:**  
No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) **Utilisation of borrowed funds and share premium:**  
(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:  
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or  
b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.  
(B) The Company has not received any fund from any person(s)/ entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or  
b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (iii) **Compliance with approved scheme(s) of arrangements:** No scheme of arrangement has been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013, hence, this is not applicable.
- (iv) **Undisclosed income:** There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that have not been recorded in the books of account.
- (v) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year
- (vi) **Valuation of PP&E, intangible asset and investment property:** As the Company has chosen cost model for its Property, Plant and Equipment (including Right-of-Use assets) and Intangible Assets, the question of revaluation does not arise.
- (vii) **Loans or advances to specified persons:** The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs or the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.
- (viii) **Borrowings secured against current assets:** The Company had sanctioned borrowings of INR 10,334 during the year. The quarterly returns/ statements of current assets filed by the Company with the bank were in agreement with the books of account for the years ended March 31, 2022 and March 31, 2021.
- (ix) **Willful defaulter:** The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (x) **Registration of charges or satisfaction with Registrar of Companies:** There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- (xi) **Compliance with number of layers of companies:** The Company does not have any subsidiary, hence, this is not applicable.
- (xii) **Utilisation of borrowings availed from banks and financial institutions:** The Company does not have any borrowings from banks or financial institutions at the balance sheet date, hence, this is not applicable.



MUSIC BROADCAST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

Note 33 Segment information

The Company is engaged primarily in the business of operating private FM radio stations in India, which constitutes single reportable segment.


There is no single external customer from whom the Company derives 10% or more revenue.


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

  
Anurag Khandelwal  
Partner  
Membership Number: 078571

Place: Mumbai  
Date: May 24, 2022

For and on behalf of the Board of Directors

  
Shalish Gupta  
Director  
DIN: 00192466

  
Vijay Tandon  
Director  
DIN 00156305

  
Ashit Kukian  
Chief Executive Officer

  
Prashant Domadia  
Chief Financial Officer

  
Arpita Kapoor  
Company Secretary

Place: Mumbai  
Date: May 24, 2022



# Price Waterhouse Chartered Accountants LLP

## Independent auditor's report

### To the Members of Music Broadcast Limited

### Report on the audit of the financial statements

#### Opinion

1. We have audited the accompanying financial statements of Music Broadcast Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

4. We draw your attention to Note 2(b) to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) pandemic on the business operations of the Company. The management believes that no adjustments, other than those already made, are required in the financial statements, however, in view of the various preventive measures, restrictions etc. and highly 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.



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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)

**Key audit matter**

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Assessment of carrying amount of deferred tax balances and impact of changes in estimates</b></p> <p>[Refer to the accompanying notes 1(o) and 12 to the financial statements]</p> <p>Pursuant to the enactment of the Finance Act, 2019 and The Taxation Laws (Amendment) Act, 2019, announcing key changes to corporate tax rates in the Income-tax Act, 1961, the management has carried out an assessment to consider the implications of the amendments providing an option to pay tax at a concessional rate, subject to compliance with conditions prescribed therein, specifically surrender of specified deductions/ incentives. Basis the management's assessment including projections of future taxable profits and the impact on carrying amount of deferred tax, including Minimum Alternate Tax (MAT) credit, balances, the Company has estimated to adopt lower rate of tax in a future year after utilising the available MAT credit balance. Accordingly, the deferred tax balances were re-measured as at March 31, 2021 resulting in increase in deferred tax liability by Rs. 123.08 lakhs during the year.</p> <p>We considered this as a key audit matter because of the significance of the amounts involved, interpretation of the tax laws in assessing satisfaction of the prescribed conditions, significant judgments involved in estimation of future taxable profits, period over which MAT credit would be utilised and the expected year of adoption of the concessional tax rate.</p>	<p>Our procedures in relation to the management's assessment included the following:</p> <ul style="list-style-type: none"> <li>• Understanding and evaluation of the process and controls designed and implemented by the management in relation to 'Income Taxes'.</li> <li>• Reviewing the Company's accounting policy in respect of recognising deferred tax assets/ liabilities, including MAT credit.</li> <li>• Evaluating the management's assessment of availing benefits and exemptions under the Income-tax laws.</li> <li>• Assessing appropriateness of the tax rate applied to future taxable profits in light of current tax laws and substantively enacted tax rates.</li> <li>• With the involvement of our experts, evaluating the management's assessment on the availability of future taxable profits to support re-measurement of deferred tax balances as at the year-end.</li> <li>• Assessing the reasonableness of the assumptions underlying the management's forecasts of future profits by comparing to historical results and the approved business plans in light of the relevant economic and industry indicators.</li> <li>• Performed sensitivity analyses on the projected taxable profits by varying key assumptions, within reasonably foreseeable range.</li> <li>• Assessing the adequacy of disclosures (notes 12 and 20) in the financial statements on deferred tax and on basis of management estimates.</li> </ul> <p>Based on the above procedures performed, the management's assessment of carrying value of deferred tax balances was considered to be consistent with our understanding.</p>



## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on audit of the Financial Statements  
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### Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on audit of the Financial Statements  
Page 4 of 5

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



INDEPENDENT AUDITOR'S REPORT


To the Members of Music Broadcast Limited  
Report on audit of the Financial Statements  
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15. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 25(a) and 25(b) to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

16. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

  
Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 21078571AAAAAX1628  
Place: Gurugram  
Date: May 20, 2021

## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2021

Page 1 of 2

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Music Broadcast Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2021

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### **Meaning of Internal Financial Controls with reference to financial statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of the main audit report.

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



Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 21078571AAAAAX1628  
Place: Gurugram  
Date: May 20, 2021

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements as of and for the year ended March 31, 2021

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets (property, plant and equipment).
- (b) The fixed assets (property, plant and equipment) are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets (property, plant and equipment) has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3(a) on fixed assets (property, plant and equipment) to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 186. Further, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 25 (c) to the financial statements regarding management's assessment on certain matters relating to provident fund.





**Annexure B to Independent Auditors' Report**

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2021

Page 2 of 3

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service-tax, value added tax and goods and services tax, which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2021, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	5.02	A.Y. 2009-10	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income tax	98.92	A.Y. 2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	53.93	A.Y. 2017-18	Assistant Commissioner of Income Tax
<b>Total</b>		<b>157.87</b>		

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 16 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.




**Annexure B to Independent Auditors' Report**

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2021

Page 3 of 3

- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

  
Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 21078571AAAAAX1628  
Place: Gurugram  
Date: May 20, 2021

**MUSIC BROADCAST LIMITED****BALANCE SHEET**

(All amounts in INR lakhs, unless otherwise stated)


	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3 (a)	6,780.18	7,355.76
Right-of-use assets	3 (b)	2,180.84	2,132.40
Intangible assets	4	19,332.64	21,424.32
Financial assets			
i. Investments	5 (a) (i)	4,098.93	-
ii. Other financial assets	5 (e)	1,285.60	1,135.94
Deferred tax assets (net)	12	1,766.64	998.87
Other non-current assets	6	370.19	403.30
Non current tax assets (net)	7 (a)	665.73	448.09
<b>Total non-current assets</b>		<b>36,480.75</b>	<b>33,898.68</b>
<b>Current assets</b>			
Financial assets			
i. Investments	5 (a) (ii)	16,093.53	20,835.83
ii. Trade receivables	5 (b)	7,726.95	10,624.46
iii. Cash and cash equivalents	5 (c)	989.37	761.37
iv. Bank balances other than (iii) above	5 (d)	2,046.34	495.99
v. Other financial assets	5 (e)	211.41	185.48
Other current assets	8	2,118.86	1,975.13
<b>Total current assets</b>		<b>29,186.46</b>	<b>34,878.26</b>
<b>Total assets</b>		<b>65,667.21</b>	<b>68,776.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9 (a)	6,913.71	6,913.71
<b>Other equity</b>			
Reserves and surplus	9 (b)	39,865.59	42,067.77
Other reserves	9 (c)	14,197.34	14,197.34
<b>Total equity</b>		<b>60,976.64</b>	<b>63,178.82</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	10(b)	1,845.57	1,828.82
Employee benefit obligations	11	136.73	376.02
<b>Total non-current liabilities</b>		<b>1,982.30</b>	<b>2,204.84</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	10 (a)	48.74	35.42
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	10 (a)	1,166.89	2,043.02
ii. Lease liabilities	10(b)	497.38	383.64
iii. Other financial liabilities	10 (c)	209.99	258.46
Employee benefit obligations	11	33.71	44.60
Other current liabilities	13	751.56	628.14
<b>Total current liabilities</b>		<b>2,708.27</b>	<b>3,393.28</b>
<b>Total liabilities</b>		<b>4,690.57</b>	<b>5,598.12</b>
<b>Total equity and liabilities</b>		<b>65,667.21</b>	<b>68,776.94</b>

The above balance sheet should be read in conjunction with the accompanying notes.


As per our report of even date attached.

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

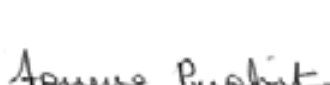
For and on behalf of the Board of Directors



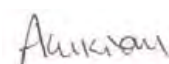
Anurag Khandelwal  
Partner  
Membership Number: 078571



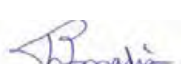
Shailesh Gupta  
Director  
DIN: 00192466



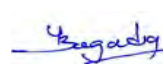
Apurva Purohit  
Director  
DIN: 00190097



Ashit Kukian  
Chief Executive Officer



Prashant Domadia  
Chief Financial Officer



Chirag Bagadia  
Company Secretary

Place: Gurugram  
Dated: May 20, 2021Place: Mumbai  
Date: May 20, 2021

**MUSIC BROADCAST LIMITED****STATEMENT OF PROFIT AND LOSS**

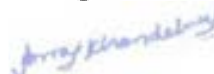
(All amounts in INR lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	14	12,759.48	24,782.14
Other income (net)	15 (a)	737.38	477.33
Other gains/(losses) - net	15 (b)	754.96	1,153.21
<b>Total income</b>		<b>14,251.82</b>	<b>26,412.68</b>
<b>Expenses</b>			
License fees		1,860.97	1,967.99
Employee benefit expense	16	4,740.57	5,538.74
Depreciation and amortisation expense	17	3,323.07	3,478.41
Other expenses	18	7,280.78	11,561.12
Finance costs	19	322.16	974.67
<b>Total expenses</b>		<b>17,527.55</b>	<b>23,520.93</b>
<b>Profit before tax</b>		<b>(3,275.73)</b>	<b>2,891.75</b>
Income tax expense			
-Current tax		-	616.64
-Deferred tax	20	(856.81)	(545.64)
<b>Total tax expense</b>		<b>(856.81)</b>	<b>71.00</b>
<b>Profit for the year</b>		<b>(2,418.92)</b>	<b>2,820.75</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
-Remeasurements of post-employment benefit obligations		305.78	36.94
Income tax relating to this item		(89.04)	(10.76)
Other comprehensive income for the year, net of tax		<b>216.74</b>	<b>26.18</b>
<b>Total comprehensive income for the year</b>		<b>(2,202.18)</b>	<b>2,846.93</b>
<b>Earnings per equity share for profit from operation attributable to owners of Music Broadcast Limited:</b>			
Nominal value of shares (Rs. per share)		2.00	2.00
Basic earnings Rs. per share		(0.70)	0.82
Diluted earnings Rs. per share	27	(0.70)	0.82

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date attached.

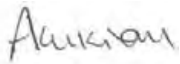
For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

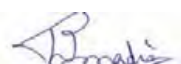
  
Anurag Khande  
Partner  
Membership Number: 078571

For and on behalf of the Board of Directors

  
Shailesh Gupta  
Director  
DIN: 00192466

  
Apurva Purohit  
Director  
DIN: 00190097

  
Ashit Kukian  
Chief Executive Officer

  
Prashant Domadia  
Chief Financial Officer

  
Chirag Bagadia  
Company Secretary

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021

**MUSIC BROADCAST LIMITED**  
**STATEMENT OF CASH FLOWS**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
<b>A. Cash flows from operating activities</b>			
Profit before tax		(3,275.73)	2,891.75
<b>Adjustments for:</b>			
Depreciation and amortisation expense	17	3,323.07	3,478.41
Finance costs	19	322.16	974.67
Interest income	15 (a)	(667.43)	(427.72)
Interest on income tax expense/(refund)		(22.49)	3.78
Changes in fair value of financial assets at fair value through profit or loss	15 (b)	(358.24)	(72.61)
Unwinding of discount on security deposits	15 (a)	(47.46)	(49.61)
Net gain on disposal of property, plant and equipment	15 (b)	(1.49)	(19.86)
Net gain on sale of investments	15 (b)	(392.90)	(1,055.31)
Lease liabilities no longer required written back		(80.60)	-
Loss allowance for doubtful debts and advances	18	452.46	557.78
		<b>2,527.08</b>	<b>3,389.53</b>
<b>Operating Profit Before Working Capital Changes</b>		<b>(748.65)</b>	<b>6,281.28</b>
<b>Change in operating assets and liabilities :</b>			
- (Decrease)/Increase in trade payables		(862.81)	(388.80)
- (Decrease)/Increase in other current liabilities		123.42	(426.40)
- (Decrease) in other financial liabilities		(97.37)	(840.57)
- (Decrease)/Increase in employee benefit obligations		(250.18)	(71.57)
- (Increase)/Decrease in other financial assets		(30.13)	(8.32)
- Decrease in other non-current assets		35.79	38.60
- (Increase)/Decrease in other current assets		125.11	(191.87)
- (Increase)/Decrease in trade receivables		2,445.05	1,640.91
<b>Cash generated from operations</b>		<b>740.23</b>	<b>6,033.26</b>
Income taxes paid (net)		(195.15)	(1,104.33)
<b>Net cash inflow from operating activities</b>		<b>545.08</b>	<b>4,928.93</b>
<b>B. Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment		(22.24)	(548.90)
Payments for purchase of intangible assets	4	-	(39.39)
Proceeds from sale of property, plant and equipment		5.98	19.86
Proceeds from sale of investments		20,112.97	18,861.20
Payments for purchase of investments		(18,718.68)	(21,400.00)
(Investment in)/proceeds from bank deposits		(1,551.57)	5,909.55
Interest received		557.06	418.75
<b>Net cash inflow/(outflow) from investing activities</b>		<b>383.52</b>	<b>3,221.07</b>
<b>C. Cash flows from financing activities</b>			
Repayment of borrowings		-	(7,378.54)
Principal element of lease payments		(378.44)	(489.49)
Interest and other finance costs paid		(322.16)	(1,002.49)
<b>Net cash outflow from financing activities</b>		<b>(700.60)</b>	<b>(8,870.52)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>228.00</b>	<b>(720.52)</b>
Cash and cash equivalents at the beginning of the year		761.37	1,481.89
<b>Cash and cash equivalents at the end of the year</b>		<b>989.37</b>	<b>761.37</b>
Non-cash investing activities			
- Acquisition of right-of-use assets		640.28	-
Reconciliation of cash and cash equivalents as per the cash flow statement			
Bank balances			
- in current accounts	5 (c)	989.32	661.27
- in Fixed Deposits (Less than three months maturity)		-	100.00
Cash on hand	5 (c)	0.05	0.10
		<b>989.37</b>	<b>761.37</b>

Notes :

1. Figures in brackets indicate cash outflow.

2. The above Statement of Cash Flows has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) 7 - "Statement of Cash Flows".



The above statement of cash flows should be read in conjunction with the accompanying notes.

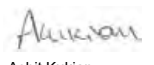
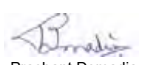
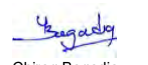
As per our report of even date attached.

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

  
Anuraag Khandeiwal  
Partner  
Membership Number: 078571

For and on behalf of the Board of Directors

   
Shailesh Gupta      Apurva Purohit  
Director                  Director  
DIN: 00192466      DIN 00190097

    
Ashit Kukian      Prashant Domadia      Chirag Bagadia  
Chief Executive Officer      Chief Financial Officer      Company Secretary

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021

**MUSIC BROADCAST LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

(All amounts in INR lakhs, unless otherwise stated)

A. Equity share capital	Notes	Amount
Particulars		
As at April 1, 2019		5,530.97
Changes in equity share capital	9(a)	1,382.74
<b>As at March 31, 2020</b>		<b>6,913.71</b>
Changes in equity share capital	9(a)	-
<b>As at March 31, 2021</b>		<b>6,913.71</b>

Particulars	Notes	Reserves and surplus						Total other equity	
		Capital reserve	Capital redemption reserve	Securities premium	Debenture redemption reserve	General reserve	Retained earnings		Other Reserves
<b>Balance as at April 1, 2019</b>	9(b)	1,482.73	174.51	35,210.58	1,020.83	3,658.50	(943.57)	14,197.34	54,800.92
Profit for the year		-	-	-	-	-	2,820.75	-	2,820.75
Other comprehensive income		-	-	-	-	-	26.18	-	26.18
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>2,846.93</b>	-	<b>2,846.93</b>
Transfer to debenture redemption reserve	9(b)(iv)	-	-	-	229.17	-	(229.17)	-	-
Transfer to general reserve		-	-	-	(1,250.00)	1,250.00	-	-	-
Utilisation for issue of bonus shares	9(b)(ii),(iii)	-	(174.51)	(1,208.23)	-	-	-	-	-
<b>Balance as at March 31, 2020</b>		<b>1,482.73</b>	-	<b>34,002.35</b>	-	<b>4,908.50</b>	<b>1,674.19</b>	<b>14,197.34</b>	<b>(1,382.74)</b>
									<b>56,265.11</b>

Particulars	Notes	Reserves and surplus						Total other equity	
		Capital reserve	Capital redemption reserve	Securities premium	Debenture redemption reserve	General reserve	Retained earnings		Other Reserves
<b>Balance as at April 1, 2020</b>	9(b)	1,482.73	-	34,002.35	-	4,908.50	1,674.19	14,197.34	56,265.11
Profit for the year		-	-	-	-	-	(2,418.92)	-	(2,418.92)
Other comprehensive income		-	-	-	-	-	216.74	-	216.74
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>(2,202.18)</b>	-	<b>(2,202.18)</b>
<b>Balance as at March 31, 2021</b>		<b>1,482.73</b>	-	<b>34,002.35</b>	-	<b>4,908.50</b>	<b>(527.99)</b>	<b>14,197.34</b>	<b>54,062.93</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date attached.

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

For and on behalf of the Board of Directors

Anurag Khandelwal  
Partner  
Membership Number: 078571

Shailesh Gupta  
Director  
DIN: 00192466

Apurva Purohit  
Director  
DIN 00190097

Membership Number: 078571

Prashant Domadia  
Chief Executive Officer

Chirag Bagadia  
Company Secretary

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 3 (a) : Property, plant and equipment**

(All amounts in INR lakhs, unless otherwise stated)

	Freehold land	Buildings	Towers, antenna and transmitters	Furniture and fixtures	Studio equipment	Vehicles	Office equipment	Computers	Total
<b>Year ended March 31, 2020</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	1.86	3,569.11	1,804.65	1,000.61	1,006.16	43.72	765.93	784.57	8,976.61
Additions	-	-	74.07	39.78	175.04	-	158.23	119.24	566.36
Disposals	-	-	-	9.56	-	3.12	1.22	0.42	14.32
<b>Closing gross carrying amount</b>	<b>1.86</b>	<b>3,569.11</b>	<b>1,878.72</b>	<b>1,030.83</b>	<b>1,181.20</b>	<b>40.60</b>	<b>922.94</b>	<b>903.39</b>	<b>9,528.65</b>
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	-	2.66	361.60	284.38	179.00	21.93	242.24	400.14	1,491.95
Depreciation charge during the year	-	74.90	152.73	108.63	76.52	6.42	111.04	165.02	695.26
Disposals	-	-	-	9.56	-	3.12	1.22	0.42	14.32
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>77.56</b>	<b>514.33</b>	<b>383.45</b>	<b>255.52</b>	<b>25.23</b>	<b>352.06</b>	<b>564.74</b>	<b>2,172.89</b>
<b>Net carrying amount</b>	<b>1.86</b>	<b>3,491.55</b>	<b>1,364.39</b>	<b>647.38</b>	<b>925.68</b>	<b>15.37</b>	<b>570.88</b>	<b>338.65</b>	<b>7,355.76</b>
<b>Year ended March 31, 2021</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	1.86	3,569.11	1,878.72	1,030.83	1,181.20	40.60	922.94	903.39	9,528.65
Additions	-	-	31.87	-	3.18	-	30.22	3.19	68.46
Disposals	-	-	-	6.49	-	-	14.72	1.24	22.45
<b>Closing gross carrying amount</b>	<b>1.86</b>	<b>3,569.11</b>	<b>1,910.59</b>	<b>1,024.34</b>	<b>1,184.38</b>	<b>40.60</b>	<b>938.44</b>	<b>905.34</b>	<b>9,574.66</b>
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	-	77.56	514.33	383.45	255.52	25.23	352.06	564.74	2,172.89
Depreciation charge during the year	-	74.33	143.72	108.40	82.05	5.19	102.56	123.30	639.55
Disposals	-	-	-	2.00	-	-	14.72	1.24	17.96
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>151.89</b>	<b>658.05</b>	<b>489.85</b>	<b>337.57</b>	<b>30.42</b>	<b>439.90</b>	<b>686.80</b>	<b>2,794.48</b>
<b>Net carrying amount</b>	<b>1.86</b>	<b>3,417.22</b>	<b>1,252.54</b>	<b>534.49</b>	<b>846.81</b>	<b>10.18</b>	<b>498.54</b>	<b>218.54</b>	<b>6,780.18</b>

**Note:**

Contractual obligations - Refer note 26 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**Note 3 (b) : Right-of-use assets**

**Particulars**

**Category of right-of-use assets**  
**Building leases**

	As at March 31, 2021	As at March 31, 2020
<b>Opening balance</b>	2,132.40	-
Reclassification on account of adoption of IND AS	-	2,790.06
Additions during the year	640.28	-
Depreciation during the year	(591.84)	(657.66)
<b>Closing balance</b>	<b>2,180.84</b>	<b>2,132.40</b>

**Note:**

(i) The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss

(ii) The total cash outflow for leases for the year ended March 31, 2021 INR 596.59 (March 31, 2020 was INR 719.57).

(iii) Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(iv) In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercising a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated)

For leases of buildings, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in building/ office leases have been included in the lease liability, because the Company could not replace the assets without significant cost or business disruption.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

**COVID-19-Related Rent Concessions (Amendments to Ind AS 116)**

Effective April 1, 2020, Ind AS 116 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- The reduction in use lease payments affects only payments originally due on or before June 30, 2021; and
- There are no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessee applies other requirements in Ind 116 in accounting for the concession.

The Company has elected to apply the practical expedient introduced by the amendments to Ind AS 116 to all rent concessions that satisfy the criteria. Substantially all of the rent concessions entered into during the year satisfy the criteria to apply the practical expedient.

The application of the practical expedient has resulted in the reduction of total lease liabilities of Rs. 80.60 lakhs. The effect of this reduction has been recorded in profit or loss in the period in which the event or condition that triggers those payments occurred.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS****Note 4: Intangible assets**

(All amounts in INR lakhs, unless otherwise stated)

	One time entry / migration fees	Software	Total
<b>Year ended March 31, 2020</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	30,669.34	304.86	30,974.20
Additions	-	39.39	39.39
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>30,669.34</b>	<b>344.25</b>	<b>31,013.59</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	7,260.53	203.25	7,463.78
Amortisation charge for the year	2,049.88	75.61	2,125.49
Disposals	-	-	-
<b>Closing accumulated amortisation</b>	<b>9,310.41</b>	<b>278.86</b>	<b>9,589.27</b>
<b>Net carrying amount</b>	<b>21,358.93</b>	<b>65.39</b>	<b>21,424.32</b>
<b>Year ended March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	30,669.34	344.25	31,013.59
Additions	-	-	-
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>30,669.34</b>	<b>344.25</b>	<b>31,013.59</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	9,310.41	278.86	9,589.27
Amortisation charge for the year	2,049.88	41.80	2,091.68
Disposals	-	-	-
<b>Closing accumulated amortisation</b>	<b>11,360.29</b>	<b>320.66</b>	<b>11,680.95</b>
<b>Net carrying amount</b>	<b>19,309.05</b>	<b>23.59</b>	<b>19,332.64</b>

Details of assets material to the Company's financial statements:

Description of assets	As at March 31, 2021		As at March 31, 2020	
	Carrying amount of one time entry/migration fees	Average remaining useful life (In years)	Carrying amount of one time entry/migration fees	Average remaining useful life (In years)
Stations acquired under a Composite scheme of arrangement	948.40	9	1,053.78	10
Stations acquired under Phase III	5,099.99	10.7	5,571.09	11.7
Existing stations renewed under Phase III	13,260.66	9	14,734.06	10
<b>Total</b>	<b>19,309.05</b>		<b>21,358.93</b>	





**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS****Note 5: Financial assets****5 (a) Investments****(i) Non-current Investments****Quoted**

Investment in bonds [refer note 5(a)(i)(A)] (at amortised cost)

4,098.93

-

**Total (bonds)****4,098.93****-****Total non-current investments****4,098.93****-**

Aggregate amount of quoted investments and market value thereof

4,131.69

-

Aggregate amount of unquoted investments

-

-

Aggregate amount of impairment in the value of investments

-

-

**As at  
March 31, 2021****As at  
March 31, 2020****(ii) Current Investments****Quoted**

Investment in mutual funds [refer note 5(a)(ii)(A)]

8,623.53

20,835.83

**Unquoted**

Investment in corporate fixed deposits [refer note 5(a)(ii)(B)]

7,470.00

-

**Total (mutual funds and corporate deposits)****16,093.53****20,835.83****Total current investments****16,093.53****20,835.83**

Aggregate amount of quoted investments and market value thereof

8,623.53

20,835.83

Aggregate amount of unquoted investments

7,470.00

-

Aggregate amount of impairment in the value of investments

-

-

(All amounts in INR lakhs, unless otherwise stated)



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**5(a)(i)(A) Details of investment in bonds**

Particulars	As at March 31, 2021	As at March 31, 2020
8.70% Bank of Baroda Perpetual Bond (ISIN code INE028A08174)	1,032.35	-
8.50% State Bank of India Perpetual Bond (ISIN code INE062A08223)	1,038.58	-
8.15% Bank of Baroda Perpetual Bond (ISIN code INE028A08240)	1,005.90	-
7.73% State Bank of India Perpetual Bond (ISIN code INE062A08272)	1,022.10	-
<b>Total</b>	<b>4,098.93</b>	<b>-</b>

**5(a)(ii)(A) Details of investment in mutual funds**

Particulars	As at March 31, 2021	As at March 31, 2020
38,86,298.62 (March 31, 2020: Nil) units in Axis Dynamic Bond Fund -Direct Plan- Growth	964.25	-
Nil (March 31, 2020: 12,244,588.38) units in IDFC Ultra Short Duration Fund - Direct Plan - Growth	-	1,396.67
Nil (March 31, 2020: 12,53,983.15) units in UTI FTIF - Series XXVII - VI - Direct Plan - Growth	-	140.70
Nil (March 31, 2020: 66,711.08) units in DSP Ultra Short Fund -Direct Plan - Growth	-	1,815.65
Nil (March 31, 2020: 129,324.45) units in Axis Banking and PSU Debt Fund - Direct Plan - Growth	-	2,510.19
59,27,774.52 (March 31, 2020: 4,551,662.61) units in L&T Triple Ace Bond Fund - Direct Plan- Growth	3,535.27	2,515.55
Nil (March 31, 2020: 125,314.36) units in Edelweiss Overnight Fund - Direct Plan - Growth	-	1,296.82
44,54,687.99 (March 31, 2020: Nil) units in Edelweiss Arbitrage Fund - Direct Plan - Growth	701.49	-
43,71,787.30 (March 31, 2020: Nil) units in Kotak Dynamic Bond - Direct Plan- Growth	1,334.29	-
48,50,476.60 (March 31, 2020: Nil) units in Nippon India Short Term Fund - Direct Plan - Growth	2,088.23	-
Nil (March 31, 2020: 303,912.83) units in Kotak Overnight Fund - Direct Plan - Growth	-	3,239.29
Nil (March 31, 2020: 3,706,461.41) units in Nippon India Overnight Fund - Direct Plan - Growth	-	3,972.84
Nil (March 31, 2020: 3,664,192.75) units in ICICI Overnight - Direct Plan - Growth	-	3,948.12
	<b>8,623.53</b>	<b>20,835.83</b>

**5(a)(ii)(B) Details of investment in corporate fixed deposits**

7.5% LIC Housing Finance Limited -1 year fixed deposits	1,990.00	-
7.0% LIC Housing Finance Limited -1 year fixed deposits	3,980.00	-
6.0% LIC Housing Finance Limited -1 year fixed deposits	1,500.00	-
	<b>7,470.00</b>	<b>-</b>



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**5 (b) Trade receivables**

	As at March 31, 2021	As at March 31, 2020
Trade receivables	9,868.43	12,413.21
Trade receivables from related parties (refer note 24)	157.47	57.74
Less: Loss allowance	2,298.95	1,846.49
<b>Total trade receivables</b>	<b>7,726.95</b>	<b>10,624.46</b>
Current portion	7,726.95	10,624.46
Non-current portion	-	-
<b>Break up of security details</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	10,025.90	12,470.95
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
<b>Total</b>	<b>10,025.90</b>	<b>12,470.95</b>
Loss allowance	(2,298.95)	(1,846.49)
<b>Total trade receivables</b>	<b>7,726.95</b>	<b>10,624.46</b>

**5 (c) Cash and cash equivalents**

	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- in current accounts	989.32	661.27
- in fixed deposits (maturity less than three months)	-	100.00
Cash on hand	0.05	0.10
<b>Total cash and cash equivalents</b>	<b>989.37</b>	<b>761.37</b>

**5 (d) Other bank balances**

- in fixed deposits held as margin money [refer note below]	565.01	478.68
- in fixed deposits with original maturity for more than 3 month and less than 12 months	1,450.00	-
- interest accrued on fixed deposits	31.33	17.31
<b>Total other bank balances</b>	<b>2,046.34</b>	<b>495.99</b>

Note : These deposits are under lien against the guarantees & overdraft facilities issued by banks.

**5 (e) Other financial assets**

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Security deposits				
-Secured, considered good	-	-	-	-
-Unsecured, considered good	115.06	1,041.19	185.48	906.77
-Doubtful	280.42	83.97	280.42	83.97
	395.48	1,125.16	465.90	990.74
Less : Loss allowance	280.42	83.97	280.42	83.97
	115.06	1,041.19	185.48	906.77
Others:				
- in fixed deposit with bank held as margin money [refer note below]	-	244.41	-	229.17
- interest accrued on investment in bonds	96.35	-	-	-
<b>Total other financial assets</b>	<b>211.41</b>	<b>1,285.60</b>	<b>185.48</b>	<b>1,135.94</b>

Note : These deposits are under lien against the guarantees issued by banks.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(All amounts in INR lakhs, unless otherwise stated)

<b>Note 6: Other non-current assets</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Capital advances	7.54	4.86
Prepayments	362.65	398.44
<b>Total other non-current assets</b>	<b>370.19</b>	<b>403.30</b>

<b>Note 7: Non-current tax assets/current tax liability (net)</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>(a) Non-current tax assets (net)</b>		
Opening balance	448.09	169.84
Less: Current tax payable for the year (net of MAT credit utilised)	-	(616.00)
Add: Taxes paid (net of refund received INR 5.78 (March 31, 2020: Nil)	217.64	894.89
Less: Provision for earlier years	-	(0.64)
<b>Total non-current tax assets</b>	<b>665.73</b>	<b>448.09</b>
<b>(b) Current tax liability (net)</b>		
Opening balance	-	205.67
Current tax payable for the year (net of MAT credit utilised)	-	-
Less; Taxes paid during the year	-	(205.67)
<b>Total current tax liability</b>	<b>-</b>	<b>-</b>

<b>Note 8: Other current assets</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Prepayments	808.53	786.29
Balances with statutory/government authorities	168.97	266.24
Advances to others		
- Considered good	50.25	62.22
- Considered doubtful	26.67	26.67
Less: Loss allowance for advance to others	26.67	26.67
Advance with gratuity fund	308.14	45.98
Advance paid under protest (including INR 200 (March 31, 2020: INR 200) referred in note 25 (a))	490.70	490.70
Less: Loss allowance for advance paid under protest	290.70	290.70
Other receivables [including related party balances refer note 24 (h)]	582.97	614.40
<b>Total other current assets</b>	<b>2,118.86</b>	<b>1,975.13</b>



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 9: Equity share capital and other equity****9(a) Equity share capital****Authorised equity share capital****Particulars**

As at April 1, 2019	
Increase on account of issue of bonus shares [refer note (viii) below]	
<b>As at March 31, 2020</b>	
Increase during the year	
<b>As at March 31, 2021</b>	

Number of shares	Amount
335,000,000	6,700.00
65,000,000	1,300.00
<b>400,000,000</b>	<b>8,000.00</b>
-	-
<b>400,000,000</b>	<b>8,000.00</b>

**Authorised preference share capital****Particulars**

As at April 1, 2019	
Increase during the year	
<b>As at March 31, 2020</b>	
Increase during the year	
<b>As at March 31, 2021</b>	

Number of shares	Amount
50,000	5.00
-	-
<b>50,000</b>	<b>5.00</b>
-	-
<b>50,000</b>	<b>5.00</b>

**(i) Issued, subscribed and paid up equity share capital****Particulars**

As at April 1, 2019	
Increase on account of issue of bonus shares [refer note (viii) below]	
<b>As at March 31, 2020</b>	
Increase during the year	
<b>As at March 31, 2021</b>	

Number of shares	Equity share capital (par value)
276,548,500	5,530.97
69,137,125	1,382.74
<b>345,685,625</b>	<b>6,913.71</b>
-	-
<b>345,685,625</b>	<b>6,913.71</b>

**Terms and rights attached to equity shares**

The Company has only one class of equity shares having a face value of Rs. 2 per share (March 31, 2020: Rs. 2 per share). Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(ii) Shares of the Company held by holding company****Particulars**

	As at March 31, 2021	As at March 31, 2020
	Number of shares	Number of shares
Jagran Prakashan Limited, the holding company	253,074,137	253,074,137

**(iii) Details of shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% holding	Number of shares	% holding
Jagran Prakashan Limited, the holding company (face value Rs. 2 per share (March 31, 2020: Rs. 2 per share))	253,074,137	73.21%	253,074,137	73.21%
Franklin Templeton Mutual Fund (face value Rs. 2 per share (March 31, 2020: Rs. 2 per share))	24,421,468	7.06%	24,421,468	7.06%
<b>Total</b>	<b>277,495,605</b>	<b>80.27%</b>	<b>277,495,605</b>	<b>80.27%</b>



**(iv) Aggregate number of shares issued for consideration other than cash**

(a) 3,125,000 equity shares of Rs. 10 each fully paid up were allotted as consideration on November 24, 2016 pursuant to the scheme of arrangement with Shri Puran Multimedia Limited. These were converted into 15,625,000 equity shares of Rs. 2 each fully paid-up.

(b) 221,238,800 equity shares of Rs. 2 each fully paid up were allotted in February 2019 on account of sub-division of 55,309,700 equity shares of Rs. 10 each fully paid up.

(c) 69,137,125 equity shares of Rs. 2 each as fully paid up were issued to shareholders in March 2020 on account of issue of bonus shares.

**(v) Preference share capital**

The Company has only one class of preference shares having a par value of Rs. 10 per share.

**(vi) Sub-division of equity shares**

The Board of Directors at its meeting held on December 31, 2018 approved the sub-division of equity shares of the Company from the face value of Rs. 10 per share to face value of Rs. 2 per share, subject to the approval of the shareholders of the Company. The shareholders approved such sub-division of shares on February 6, 2019. Accordingly, on February 21, 2019, 221,238,800 equity shares of Rs. 2 each fully paid-up were allotted against 55,309,700 equity shares of Rs. 10 each fully paid-up remaining outstanding after completion of buy back [refer note (vii) below].

**(vii) Buy Back of equity shares**

The Board of Directors at its meeting held on July 24, 2018 approved the buyback of fully paid-up equity shares of the Company for an aggregate amount not exceeding INR 5,700, for a price not exceeding Rs. 385 per equity share, out of free reserves / securities premium account. The Company completed the buyback of 1,745,079 equity shares at an average price of Rs. 326.61 per equity share in December 2018 and, accordingly, utilised INR 5,699.63 (excluding transaction costs) towards the buyback of shares.

Further, the Company has transferred a sum equal to the nominal value of the shares so purchased, i.e., INR 174.51, from the general reserve to the capital redemption reserve account.

**(viii) Issue of bonus shares**

The Board of Directors at its meeting held on January 27, 2020 recommended issue of one bonus share for every four equity shares held by the equity shareholders. The shareholders approved such issue of bonus shares on March 03, 2020. Accordingly on March 16, 2020 69,137,125 equity shares of Rs. 2 each as fully paid up were allotted to the members.

Further, the Company has transferred a sum equal to the nominal value of the shares so issued, i.e., INR 1,382.74, from the securities premium and capital redemption reserve amounting to INR 1,208.23 and INR 174.51 respectively.

**(ix) Proposed issue of non-convertible non-cumulative redeemable preference shares**

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 and National Company Law Tribunal.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 9 (b) : Reserves and surplus**

	As at March 31, 2021	As at March 31, 2020
Capital reserve	1,482.73	1,482.73
Securities premium	34,002.35	34,002.35
General reserve	4,908.50	4,908.50
Retained earnings	(527.99)	1,674.19
<b>Total reserves and surplus</b>	<b>39,865.59</b>	<b>42,067.77</b>
<b>(i) Capital reserve</b>		
Opening balance	1,482.73	1,482.73
<b>Closing balance</b>	<b>1,482.73</b>	<b>1,482.73</b>
<b>(ii) Capital redemption reserve</b>		
Opening balance	-	174.51
Utilised for issue of bonus shares	-	(174.51)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(iii) Securities premium</b>		
Opening balance	34,002.35	35,210.58
Utilised for issue of bonus shares	-	(1,208.23)
<b>Closing balance</b>	<b>34,002.35</b>	<b>34,002.35</b>
<b>(iv) Debenture redemption reserve</b>		
Opening balance	-	1,020.83
Appropriations during the year	-	229.17
Transfer to general reserve	-	(1,250.00)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(v) General reserve</b>		
Opening balance	4,908.50	3,658.50
Transfer from debenture redemption reserve	-	1,250.00
<b>Closing balance</b>	<b>4,908.50</b>	<b>4,908.50</b>
<b>(vi) Retained earnings</b>		
Opening balance	1,674.19	(943.57)
Net profit for the year	(2,418.92)	2,820.75
Items of other comprehensive income recognised directly in retained earnings		
-Remeasurements of post employment benefit obligation, net of tax	216.74	26.18
Transfer to debenture redemption reserve	-	(229.17)
<b>Closing balance</b>	<b>(527.99)</b>	<b>1,674.19</b>

**Nature and purpose of reserves****Capital reserve**

The profits earned by the Company through a special transaction, which is not available for distribution as dividend to shareholders. The reserve is utilised in accordance with the provisions of the Act.

**Capital redemption reserves**

A sum equal to the nominal value of the shares purchased transferred to the capital redemption reserve in accordance with the provisions of Section 69 of the Act [refer note 9(a)(vii)]. The capital redemption reserve is utilised by the Company in accordance with the provisions of the Act.

**Securities premium**

Securities premium is used to record the premium received on issue of shares. The same is utilised in accordance with the provisions of the Act.

**Debenture redemption reserve**

The Company is required to create a debenture redemption reserve out of the profits. During the year ended March 31, 2020 the Company transferred the balance from debenture redemption reserve to general reserve on account of repayment of non-convertible debentures.

**Note 9 (c): Other reserves**

	As at March 31, 2021	As at March 31, 2020
Other reserves	14,197.34	14,197.34
<b>Total other reserves</b>	<b>14,197.34</b>	<b>14,197.34</b>

**Nature and purpose of reserves**

Reserve created on cessation of a loan in an earlier year.



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 10: Financial liabilities**

**Note 10 (a): Trade payables**

	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Total outstanding dues of micro and small enterprises (refer note 28)	48.74	35.42
Total outstanding dues of creditors other than micro and small enterprises	1,165.66	2,020.42
Trade payables to related parties [refer note 24(h)]	1.23	22.60
<b>Total trade payables</b>	<b>1,215.63</b>	<b>2,078.44</b>

**Note 10 (b): Lease liabilities**

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Lease liabilities	497.38	1,845.57	383.64	1,828.82
	<b>497.38</b>	<b>1,845.57</b>	<b>383.64</b>	<b>1,828.82</b>

The following is the movement in lease liabilities during the year ended March 31, 2021 :

**Particulars**

	As at March 31, 2021	As at March 31, 2020
<b>Opening balance</b>	2,212.46	-
Additions during the year	589.53	2,701.95
Finance cost accrued during the year	218.15	230.08
Payment of lease liabilities (including interest)	(596.59)	(719.57)
Lease liability concessions	(80.60)	-
<b>Closing balance</b>	<b>2,342.95</b>	<b>2,212.46</b>

**Note 10 (c): Other financial liabilities**

	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Capital creditors	88.84	39.94
Employee benefits payable	121.15	218.52
<b>Total other current financial liabilities</b>	<b>209.99</b>	<b>258.46</b>

**Note 10 (d): Net debt reconciliation**

Particulars	Other assets			Liabilities from financing activities			Total
	Current investments	Cash and cash equivalents	Fixed deposits with banks	Lease obligation	Non-current borrowings	Others	
Net surplus/(debt) as at April 1, 2019	17,030.46	1,481.89	5,000.00	-	(7,410.14)	-	16,102.21
Recognised on adoption of Ind AS 116 [refer note 10]	-	-	-	(2,701.95)	-	-	(2,701.95)
Cash flows	3,805.37	(720.52)	(5,000.00)	489.49	7,378.54	-	5,952.88
Interest expense	-	-	-	(230.08)	(663.43)	-	(893.51)
Interest paid	-	-	-	230.08	695.03	-	925.11
<b>Net surplus/(debt) as at March 31, 2020</b>	<b>20,835.83</b>	<b>761.37</b>	<b>-</b>	<b>(2,212.46)</b>	<b>-</b>	<b>-</b>	<b>19,384.74</b>
Recognised on adoption of Ind AS 116 [refer note 10]	-	-	-	(589.53)	-	-	(589.53)
Cash flows	(4,742.30)	228.00	1,450.00	378.44	-	-	(2,685.86)
Lease liability concessions	-	-	-	80.60	-	-	80.60
Interest expense	-	-	-	(218.15)	-	(32.06)	(250.21)
Interest paid	-	-	-	218.15	-	32.06	250.21
<b>Net surplus/(debt) as at March 31, 2021</b>	<b>16,093.53</b>	<b>989.37</b>	<b>1,450.00</b>	<b>(2,342.95)</b>	<b>-</b>	<b>-</b>	<b>16,189.95</b>





(All amounts in INR lakhs, unless otherwise stated)

**Note 11: Employee benefit obligations**

	As at		As at	
	Current	Non-current	Current	Non-current
Leave obligations (i)	33.71	136.73	44.60	376.02
Gratuity (ii)	-	-	-	-
<b>Total employee benefit obligations</b>	<b>33.71</b>	<b>136.73</b>	<b>44.60</b>	<b>376.02</b>
		<b>170.44</b>		<b>420.62</b>
		<b>170.44</b>		<b>420.62</b>

**(i) Leave obligations**

The leave obligations cover the Company's liability for earned leave which are classified as other long term benefits.

**(ii) Post-employment obligations**

**Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972, except that there is no benefit ceiling. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company has taken a group gratuity policy for the purpose. The Company has fully funded the liability and generally maintains a target level of funding over a period of time based on estimations of expected gratuity payments.

**(iii) Defined contribution plans**

**Provident fund**

The Company also has a defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the year towards defined contribution plan is INR 223.54 (March 31, 2020: INR 255.24).

Particulars	Year ended		Year ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Employer's contribution to provident fund	165.08	189.93		
Employer's contribution to Employees' Pension Scheme, 1995	58.46	65.31		
<b>Total</b>	<b>223.54</b>	<b>255.24</b>		



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Balance sheet amounts - Gratuity**

(All amounts in INR lakhs, unless otherwise stated)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2019</b>	<b>696.19</b>	<b>(625.32)</b>	<b>70.87</b>
Current service cost	93.72	-	93.72
Past service cost and loss/(gain) on curtailments and settlement	-	-	-
Interest expense/(income)	51.17	(39.02)	12.15
<b>Total amount recognised in profit or loss</b>	<b>144.89</b>	<b>(39.02)</b>	<b>105.87</b>
Remeasurements	-	(54.84)	(54.84)
Return on plan assets, excluding amounts included in interest expense/(income)	0.37	-	0.37
(Gain)/loss from change in demographic assumptions	63.48	-	63.48
(Gain)/loss from change in financial assumptions	(45.95)	-	(45.95)
<b>Total amount recognised in other comprehensive income</b>	<b>17.90</b>	<b>(54.84)</b>	<b>(36.94)</b>
Employer contributions	-	(70.00)	(70.00)
Benefit payments	(115.78)	-	(115.78)
<b>March 31, 2020</b>	<b>743.20</b>	<b>(789.18)</b>	<b>(45.98)</b>

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2020</b>	<b>743.20</b>	<b>(789.18)</b>	<b>(45.98)</b>
Current service cost	94.59	-	94.59
Past service cost and loss/(gain) on curtailments and settlement	-	-	-
Interest expense/(income)	44.30	(50.45)	(6.15)
<b>Total amount recognised in profit or loss</b>	<b>138.89</b>	<b>(50.45)</b>	<b>88.44</b>
Remeasurements	-	(11.62)	(11.62)
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	(211.63)	-	(211.63)
(Gain)/loss from change in financial assumptions	(82.53)	-	(82.53)
<b>Total amount recognised in other comprehensive income</b>	<b>(294.16)</b>	<b>(11.62)</b>	<b>(305.78)</b>
Employer contributions	-	(1.25)	(1.25)
Benefit payments	(43.57)	-	(43.57)
<b>March 31, 2021</b>	<b>544.36</b>	<b>(852.50)</b>	<b>(308.14)</b>

The net liability disclosed above relating to funded plan is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	544.36	743.20
Fair value of plan assets	(852.50)	(789.18)
<b>(Surplus)/ Deficit of funded plan (gratuity)</b>	<b>(308.14)</b>	<b>(45.98)</b>



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated) |

(iv) Significant actuarial assumptions were as follows:

Particulars	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount rate	6.50%	6.24%		
Salary growth rate	5.50%	10.00%		
Withdrawal rate	25% at younger ages reducing to 2% at older ages	25% at younger ages reducing to 2% at older ages		

Estimates of future salary increases are considered in actuarial valuation taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**(v) Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Discount rate	0.50%	0.50%	Decrease by 3.04%	3.98%	Increase by 3.22%	4.20%
Salary growth rate	0.50%	0.50%	Increase by 3.23%	4.03%	Decrease by 3.07%	3.86%
Withdrawal rate	10%	10%	Increase/ (Decrease) by 0.09%	-2.10%	Decrease/ (Increase) by -0.14%	2.36%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**MUSIC BROADCAST LIMITED  
NOTES TO THE FINANCIAL STATEMENTS**

(vi) The major categories of plan assets are as follows:

Particulars	As at	
	March 31, 2021	March 31, 2020
Group gratuity policy	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**(vii) Risk exposure**

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility :**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. These are subject to interest rate risk.

**Changes in bond yields :**

A decrease in bond yields will increase plan liabilities.

**(viii) Defined benefit liability and employer contributions**

Funding levels are monitored on an annual basis.

Expected contribution to post-employment benefit plan for the year ending March 31, 2022 is INR 69.93 (March 31, 2021 is INR 70.09) .

The weighted average duration of the defined benefit obligation is 6.97 years (March 31, 2020: 5.66 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at March 31, 2021	68.40	73.64	174.03	770.62	1,086.69
As at March 31, 2020	76.48	73.93	257.98	473.19	881.58

(All amounts in INR lakhs, unless otherwise stated)



**Note 12: Deferred tax assets (net)**

The balance comprises temporary differences attributable to:

	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax liabilities (DTL)</b>		
Property, plant and equipment and intangible assets	3,589.54	3,371.63
Financial assets at fair value through profit or loss	200.12	-
Employee benefit obligations	46.84	-
<b>Total</b>	<b>3,836.50</b>	<b>3,371.63</b>
<b>Deferred tax assets (DTA)</b>		
Financial assets at fair value through profit or loss	-	8.39
Unused tax credits (MAT credit)	3,559.05	3,549.69
Loss allowance on financial assets	738.32	631.99
Employee benefit obligations	-	105.86
Right-of-use assets	40.80	20.15
Tax losses	1,106.01	-
Others	158.96	54.42
<b>Total</b>	<b>5,603.14</b>	<b>4,370.50</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>1,766.64</b>	<b>998.87</b>

**Movement in deferred tax assets and liabilities**

	Property, plant and equipment and intangible assets	Loss allowance on financial assets	Tax losses	Unused tax credits (MAT credit)	Other items	Total
<b>At April 1, 2019 [DTA/(DTL)]</b>	(4,127.51)	657.36	-	3,810.08	124.07	464.00
(Charged)/credited						
- to profit or loss	755.88	(25.37)	-	(260.39)	75.51	545.63
- to other comprehensive income	-	-	-	-	(10.76)	(10.76)
<b>At March 31, 2020</b>	<b>(3,371.63)</b>	<b>631.99</b>	<b>-</b>	<b>3,549.69</b>	<b>188.82</b>	<b>998.87</b>
(Charged)/credited						
- to profit or loss	(217.91)	106.33	1,106.01	9.36	(146.98)	856.81
- to other comprehensive income	-	-	-	-	(89.04)	(89.04)
- transfer from other reserve to retained earnings						
- directed to equity						
<b>At March 31, 2021</b>	<b>(3,589.54)</b>	<b>738.32</b>	<b>1,106.01</b>	<b>3,559.05</b>	<b>(47.20)</b>	<b>1,766.64</b>

The Finance Act, 2019 reduced the Company's applicable tax rate from 30% to 25% plus applicable surcharge and cess ("Reduced Rate"). Additionally, the newly inserted Section 115BAA by the Taxation Laws (Amendment) Act, 2019 effective from April 1, 2019, provided an option to pay taxes at 22% plus applicable surcharge and cess ("New Rate"), subject to complying with certain conditions.

Based on the assessment of future taxable profits, the Company has decided to continue with the Reduced Rate until the Minimum Alternate Tax (MAT) credit asset balance is utilised and opt for the New Rate thereafter.

Accordingly, basis the management's assessment of future taxable profits, the Company has remeasured its deferred tax balance as on March 31, 2021, which resulted in increase in deferred tax liability by Rs. 123.08 for the year ended March 31, 2021 (March 31, 2020: decrease in deferred tax liability by Rs. 750.57).

**Note 13: Other current liabilities**

	As at March 31, 2021	As at March 31, 2020
Advance from customers	8.74	19.61
Statutory dues payable	242.92	240.12
Refund liabilities [refer note below]	34.04	35.82
Other liabilities [including related party balances refer note 24 (h)]	465.86	332.59
<b>Total other current liabilities</b>	<b>751.56</b>	<b>628.14</b>

Note: Refund liabilities are recognised for volume discounts payable to customers



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 14: Revenue from operations**

<b>Notes</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
<b>Revenue from contract with customers</b>		
<b>Sale of services</b>		
Advertisement income	12,759.48	24,782.14
<b>Total revenue from operations</b>	<b>12,759.48</b>	<b>24,782.14</b>

\*Including revenue from exchange of services of INR 1,432.35 (March 31, 2020: INR 3,157.11)

(i) The Company derives its revenue from contracts with customers for transfer of services at a point in time. The Company is engaged in the business of radio broadcasting and other related activities through its radio channels operating under brand name 'Radio City' in India.

<b>Performance obligation satisfied at a point in time</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Advertisement income	12,759.48	24,782.14
<b>Total revenue from operations</b>	<b>12,759.48</b>	<b>24,782.14</b>

(ii) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price on account of adjustments made to the contract price is as follows:

<b>Advertisement income</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Revenue as per contract price	12,939.38	25,672.50
Less: Rebates and discounts	(179.90)	(890.36)
<b>Total revenue from operations</b>	<b>12,759.48</b>	<b>24,782.14</b>

**Note 15 (a): Other income**

<b>Notes</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Interest on fixed deposits and bonds	667.43	427.72
Interest on income tax refund	22.49	-
Unwinding of discount on security deposits	47.46	49.61
<b>Total other income</b>	<b>737.38</b>	<b>477.33</b>

**Note 15 (b): Other gains/(losses)**

<b>Notes</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Net fair value gains on financial assets mandatorily measured at fair value through profit or loss	358.24	72.61
Net gain on sale of investments	392.90	1,055.31
Net gain on disposal of property, plant and equipment	1.49	19.86
Miscellaneous income	2.33	5.43
<b>Total other gains/(losses)</b>	<b>754.96</b>	<b>1,153.21</b>

**Note 16: Employee benefit expense**

<b>Notes</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Salaries, wages and bonus	4,626.45	5,085.80
Contribution to provident and other funds	223.54	255.24
Gratuity	88.45	105.87
Leave compensation	(228.09)	40.59
Staff welfare expenses	30.22	51.24
<b>Total employee benefits expense</b>	<b>4,740.57</b>	<b>5,538.74</b>



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 17: Depreciation and amortisation expense**

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	3 (a)	639.55	695.26
Depreciation on right of use assets	3 (b)	591.84	657.66
Amortisation of intangible assets	4	2,091.68	2,125.49
<b>Total depreciation and amortisation expense</b>		<b>3,323.07</b>	<b>3,478.41</b>

**Note 18: Other expenses**

	Year ended March 31, 2021	Year ended March 31, 2020
Repairs and maintenance:		
Buildings	31.88	27.44
Plant and machinery	176.06	168.66
Office maintenance charges	462.79	518.16
Power and fuel expenses	783.21	945.17
Rates and taxes	35.90	56.56
Travelling and conveyance	71.55	157.60
Telephone and communication charges	113.98	123.84
Marketing and advertisement expenses	1,545.18	4,154.35
Insurance	32.94	32.48
Corporate social responsibility expenditure [refer note (b) below]	136.00	-
Loss allowance for doubtful debts and advances	452.46	277.36
Loss allowance for doubtful deposits	-	280.42
Payments to auditors [refer note (a) below]	46.31	63.13
Royalty	243.80	687.63
Programming costs	1,055.03	1,413.43
Rent [refer note 3(b)]	(45.80)	-
Common transmission infrastructure usage charges	956.53	941.97
Annual software license maintenance fee	363.17	378.05
Legal and professional fees	228.17	434.10
Professional fees to director	-	21.85
Commission on sales	172.23	224.78
Procurement of air time	144.75	341.23
Miscellaneous expenses	274.64	312.91
<b>Total other expenses</b>	<b>7,280.78</b>	<b>11,561.12</b>

**Note****(a) Details of payments to auditors (excluding tax)****Payments to auditors****As auditor:**

Audit fees	43.00	44.00
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**In other capacities**

Certification fees (including other services)	3.00	10.50
Reimbursement of expenses	0.31	8.63

**Total payments to auditors**

<b>46.31</b>	<b>63.13</b>
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In addition to the above, during the year ended March 31, 2021, the Company paid an amount of INR 8.00 to the auditors for issuing certificates relating to the proposed issue of NCRPS, which is included under other current assets.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

(b) <b>Corporate social responsibility expenditure</b>		
Promotion of Education and Livelihood Skills to Visually Impaired and Orphan Students with better infrastructure facilities along with support to Cancer Patients and neglected senior citizens	136.00	-
<b>Total</b>	<b>136.00</b>	<b>-</b>
Amount required to be spent as per Section 135 of the Act	136.00	-
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	136.00	-

**Note 19: Finance costs**

	Year ended March 31, 2021	Year ended March 31, 2020
Interest and finance charges on financial liabilities not at fair value through profit or loss	32.06	663.43
Interest expense on lease liabilities	218.15	230.08
Other borrowing costs	71.95	81.16
<b>Total finance costs</b>	<b>322.16</b>	<b>974.67</b>

**Note 20: Income tax expense**

	Year ended March 31, 2021	Year ended March 31, 2020
<b>(a) Income tax expense</b>		
Current tax		
Current year tax on profits	-	616.00
Adjustments for current tax of prior periods	-	0.64
<b>Total current tax expense</b>	<b>-</b>	<b>616.64</b>
Deferred tax		
Decrease/(increase) in deferred tax assets	(1,212.34)	307.35
(Decrease)/increase in deferred tax liabilities	364.89	(961.16)
Adjustments for deferred tax of prior periods	(9.36)	108.17
<b>Total deferred tax expense/(benefit)</b>	<b>(856.81)</b>	<b>(545.64)</b>
<b>Income tax expense</b>	<b>(856.81)</b>	<b>71.00</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before income tax expense	(3,275.73)	2,891.75
Tax rate	29.12%	29.12%
<b>Tax at the Indian tax rate of 29.12% (March 31, 2020 – 29.12%)</b>	<b>(953.89)</b>	<b>842.08</b>
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income		
Corporate social responsibility expenditure	39.60	-
Re-measurement of net deferred tax asset/(liability) on account of changes in tax rate [refer note 12]	123.08	(751.00)
Other items	(20.20)	25.32
Expenses allowed under tax but not debited to statement of profit and loss	(45.40)	(45.40)
<b>Income tax expense</b>	<b>(856.81)</b>	<b>71.00</b>





**NOTES TO THE FINANCIAL STATEMENTS**

**Note 21: Fair value measurements**

The financial instruments are classified in the following categories and are summarised in the table below:

- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)
- Amortised cost

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	8,623.53	-	11,568.93	20,835.83	-	-
- Mutual funds, bonds & corporate deposits	-	-	7,726.95	-	-	10,624.46
Trade receivables	-	-	989.37	-	-	761.37
Cash and cash equivalents	-	-	1,497.01	-	-	1,321.42
Security and other deposits	-	-	2,046.34	-	-	495.99
Other bank balances	-	-	-	-	-	-
<b>Total financial assets</b>	<b>8,623.53</b>	-	<b>23,828.60</b>	<b>20,835.83</b>	-	<b>13,203.24</b>
<b>Financial liabilities</b>						
Trade payables	-	-	1,215.63	-	-	2,078.44
Capital creditors	-	-	88.84	-	-	39.94
Employee benefits payable	-	-	121.15	-	-	218.52
<b>Total financial liabilities</b>	-	-	<b>1,425.62</b>	-	-	<b>2,336.90</b>

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**(i) Fair value hierarchy:** The following table summarises the financial instruments at fair value by valuation methods. The different levels have been defined as follows:-  
Level 1: Includes financial instruments measured using quoted prices. This includes mutual funds and bonds that have quoted price. The mutual funds are valued using the closing NAV and bonds, although quoted, are carried at amortised cost.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. There are no financial instruments measured using level 2 valuation techniques.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

Particulars	Notes	As at March 31, 2021			As at March 31, 2020		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
		Total	Total	Total	Total	Total	Total
<b>Financial assets</b>							
Financial Investments at FVPL:							
Mutual funds	5 (a)	8,623.53	-	-	20,835.83	-	-
<b>Total financial assets</b>		<b>8,623.53</b>	-	-	<b>20,835.83</b>	-	-

**Note:** There are no financial liabilities in the category: measured at fair value - recurring fair value measurements

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between levels 1, 2 and 3 during the year.

**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:  
- the use of quoted market prices or dealer quotes for similar instruments.

**(iii) Valuation process**

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.



**NOTES TO THE FINANCIAL STATEMENTS**

**Note 22: Financial risk management**

(All amounts in INR lakhs, unless otherwise stated)

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out under policies approved by the board of directors which provide principles for overall risk management.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and fair value through profit or loss	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and periodic monitoring of market/fair value of mutual fund investments, corporate deposits and bonds.
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange risk	Future commercial transactions, recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	By minimising the exposure in foreign currency

**(A) Credit risk**

The credit risk arises from cash and cash equivalents, contractual cash flows, mutual fund investments carried at fair value through profit or loss, bonds and corporate deposits carried at amortised cost and deposits with banks, as well as credit exposures to customers including outstanding receivables.

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers.

The Company's investments in mutual funds, bonds and corporate deposits are considered to be low risk investments. The credit rating of the investments are monitored for credit deterioration.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonably available current and forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due or when the extended credit period expires. This definition of default is determined by considering the business environment in which the Company operates and other macro-economic factors.

The Company provides for expected credit loss when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where receivables have been impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses, which is nil (March 31, 2020: nil). Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**(i) Reconciliation of loss allowance - Deposits**

	Amount
Loss allowance on April 1, 2019	364.39
Changes in loss allowances	-
<b>Loss allowance on March 31, 2020</b>	<b>364.39</b>
Changes in loss allowances	-
<b>Loss allowance on March 31, 2021</b>	<b>364.39</b>

**(ii) Reconciliation of loss allowance – Trade receivables**

Loss allowance on April 1, 2019	1,569.13
Changes in loss allowance	277.36
<b>Loss allowance on March 31, 2020</b>	<b>1,846.49</b>
Changes in loss allowance	452.46
<b>Loss allowance on March 31, 2021</b>	<b>2,298.95</b>

**(iii) Financial assets at fair value through profit and loss**

The Company is also exposed to credit risk in relation to mutual fund investments that are measured at fair value through profit or loss.

**Significant estimates and judgements****Impairment of financial assets**

The loss allowance for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(B) Liquidity risk**

The Company relies on a mix of excess operating cash flows, investments in marketable securities, borrowings and capital infusion to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of the liquidity position, cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at March 31, 2021	As at March 31, 2020
<b>Floating rate</b>		
Expiring within one year (bank overdraft and other facilities)		
- Fund based	10,100.00	9,000.00
- Non fund based	234.00	-
Expiring beyond one year	-	-
	<b>10,334.00</b>	<b>9,000.00</b>

The cash credit / overdraft facilities and bank guarantee may be drawn at any time and may be terminated by the bank without notice.

**(ii) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. There are no derivative financial instruments in respect of reporting periods disclosed under these financial statements.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>March 31, 2021</b>					
<b>Non-derivatives</b>					
Trade payables	1,215.63	-	-	-	1,215.63
Other financial liabilities	209.99	-	-	-	209.99
Lease liabilities	689.25	712.77	1,311.70	138.01	2,851.73
<b>Total non-derivative liabilities</b>	<b>2,114.87</b>	<b>712.77</b>	<b>1,311.70</b>	<b>138.01</b>	<b>4,277.35</b>

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>March 31, 2020</b>					
<b>Non-derivatives</b>					
Trade payables	2,078.44	-	-	-	2,078.44
Other financial liabilities	258.46	-	-	-	258.46
Lease liabilities	571.55	535.43	1,436.53	253.17	2,796.68
<b>Total non-derivative liabilities</b>	<b>2,908.45</b>	<b>535.43</b>	<b>1,436.53</b>	<b>253.17</b>	<b>5,133.58</b>



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**(C) Market risk**

**(i) Foreign exchange risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

(a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, is as follows

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Financial assets:		
Trade receivables	3.87	5.95
<b>Net exposure to foreign currency risk</b>	<b>3.87</b>	<b>5.95</b>

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

Particulars	Impact on profit after tax	
	March 31, 2021	March 31, 2020
INR/USD Increase by 2% (March 31, 2020 - 2%)*	0.08	0.12
INR/USD Decrease by 2% (March 31, 2020 - 2%)*	(0.08)	(0.12)

\*Holding all other variables constant



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 23: Capital management**

(All amounts in INR lakhs, unless otherwise stated)

**Risk management**

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Consistent with the industry standards the Company monitors capital on the basis of debt to equity ratio where net debt comprises total borrowings and lease liabilities net of cash and cash equivalents and equity comprises of equity share capital, reserves and surplus and other reserves.

The net debt to equity position at the reporting date is as follows:

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Net debt including lease liabilities	1,353.58	1,451.09
Total equity	60,976.64	63,178.82
Net debt to equity ratio	0.02	0.02



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 24: Related party transactions**

(All amounts in INR lakhs, unless otherwise stated)

**(a) Parent entities**

The Company is controlled by the following Company:

Name	Type	Place of incorporation	Ownership interest	
			March 31, 2021	March 31, 2020
Jagran Media Network Investment Private Limited	Ultimate Parent Company	India	0.00%	0.00%
Jagran Prakashan Limited	Immediate Parent Company	India	73.21%	73.21%

**(b) Fellow subsidiary**

Name	Type	Place of incorporation
Midday Infomedia Limited	Fellow subsidiary	India

**(c) Entity over which holding company exercises significant influence**

Name	Place of incorporation
MMI Online Limited	India

**(d) Entities in which KMP/relatives of KMP can exercise significant influence**

Name	Type	Place of incorporation
VRSM Enterprises LLP	Other related party	India

**(e) Other related parties**

Type	Name	Relationship
Key management personnel (KMP)	Rahul Gupta	Non executive director
	Shailesh Gupta	Non executive director
	Anuj Puri	Non executive director
	Apurva Purohit	Non executive director
	Vijay Tandon	Chairman, Non executive director
	Madhukar Kamath	Non executive director
	Anita Nayyar	Non executive director (w.e.f January 27, 2020)
	Ashit Kukian	Chief Executive Officer
	Prashant Domadia	Chief Financial Officer
	Chirag Bagadia	Company Secretary

**(f) Key management personnel compensation**

(i) Remuneration paid to Key Management Personnel	Year ended	
	March 31, 2021	March 31, 2020
Short term employee benefits	164.09	196.51
Post employment benefits*	(3.89)	9.22
Long term employee benefits*	(11.48)	6.46
<b>Total compensation</b>	<b>148.72</b>	<b>212.19</b>

\* Post and long term employment benefits are negative due to change in basis of valuation and leave policy in the year ended March 31, 2021.

**(ii) Transaction with non executive directors**

	Year ended	
	March 31, 2021	March 31, 2020
Sitting fees	9.20	8.90
Professional fees to director	-	21.85
<b>Total</b>	<b>9.20</b>	<b>30.75</b>

The remuneration of directors and other key management personnel is determined by the Nomination and Remuneration Committee of the Board having regard to the performance of the respective individual and the market trends.



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(g) Transactions with related parties

(All amounts in INR lakhs, unless otherwise stated)

The following transactions occurred with related parties

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Sale and purchase of services:</b>		
<b>Purchase of advertisement space / material :</b>		
- Jagran Prakashan Limited	27.40	304.98
- Midday Infomedia Limited	52.97	166.97
<b>Advertisement income (net)</b>		
- Jagran Prakashan Limited	108.59	243.41
- Midday Infomedia Limited	17.35	183.62
<b>Other Income</b>		
- Jagran Prakashan Limited	2.13	-
<b>Revenue from website designing, development &amp; maintenance services</b>		
- Midday Infomedia Limited	-	75.00
<b>Purchase of fixed assets</b>		
- Jagran Prakashan Limited	0.39	-
<b>Other transaction:</b>		
<b>Rent charged by related parties for use of common facilities / utilities:</b>		
- Jagran Prakashan Limited	31.50	31.65
- VRSM Enterprises LLP	43.64	38.10
<b>Staff welfare expenses</b>		
- Jagran Prakashan Limited	-	5.45
<b>Expenses reimbursement paid</b>		
- Jagran Prakashan Limited	35.69	26.30
- Midday Infomedia Limited	5.91	-
<b>Expenses reimbursement received</b>		
- Jagran Prakashan Limited	3.59	7.71
- Midday Infomedia Limited	58.75	9.58
- MMI Online Limited	-	5.82
<b>Security deposit given</b>		
- Jagran Prakashan Limited	50.00	-
- VRSM Enterprises LLP	-	35.00

(h) Outstanding balances arising from sale/purchase of services.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	As at March 31, 2021	As at March 31, 2020
<b>Trade payables:</b>		
- Jagran Prakashan Limited	-	22.60
- Midday Infomedia Limited	1.23	-
<b>Total payables to related parties [note 10(b)]</b>	<b>1.23</b>	<b>22.60</b>
<b>Other liabilities:</b>		
- Jagran Prakashan Limited	-	49.82
- Midday Infomedia Limited	2.34	2.12
<b>Other liabilities to related parties [note 13]</b>	<b>2.34</b>	<b>51.94</b>
<b>Trade receivables:</b>		
- Jagran Prakashan Limited	63.88	43.75
- Midday Infomedia Limited	93.59	13.99
<b>Total receivables from related parties [note 5(b)]</b>	<b>157.47</b>	<b>57.74</b>
<b>Other receivables:</b>		
- Jagran Prakashan Limited	2.10	-
- Midday Infomedia Limited	34.59	81.00
<b>Other receivables from related parties [note 8]</b>	<b>36.69</b>	<b>81.00</b>
<b>Security deposit given</b>		
- VRSM Enterprises LLP	35.00	35.00
- Jagran Prakashan Limited	50.00	-
<b>Security deposits to related parties [note 5 (e)]</b>	<b>85.00</b>	<b>35.00</b>

(i) Terms and conditions

The sales, purchases and other transactions with related parties were made on normal commercial terms and conditions and at market rates. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash, except barrier balances, which are settled on receipt/ provision of service by the company. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2020: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 25: Contingent liabilities**

- a) Claim against the Company not acknowledged as debt: The Company has received certain claims towards royalty for use of sound recordings over its radio stations amounting to INR 429.17 (March 31, 2020: INR 429.17). Out of the above, the Company has paid INR 200 (March 31, 2020: INR 200) under protest (refer note 8) and issued bank guarantee for remaining amount. Based on the external legal counsel advice, the Company believes that more likely than not, no outflow of resources will be required.
- b) Claim against the Company not acknowledged as debt: In respect of defamation cases, it is either not quantifiable or cannot be reliably estimated. Hence the same has not been disclosed.
- c) The amount of provident fund payable, if any, in relation to certain allowances cannot be estimated reliably, though not likely to be significant. Hence, this amount has not been disclosed.

**Note 26: Capital and other commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Property, plant and equipment	16.18	23.51
<b>Total</b>	<b>16.18</b>	<b>23.51</b>

**Note 27: Earnings per share**

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
<b>a Basic earnings Rs. per share</b>		
Basic earnings Rs.per share attributable to the equity holders of the Company [refer note below]	(0.70)	0.82
<b>b Diluted earnings Rs. per share</b>		
Diluted earnings Rs.per share attributable to the equity holders of the Company [refer note below]	(0.70)	0.82
<b>c Reconciliations of earnings used in calculating earnings Rs. per share</b>		
Basic earnings Rs. per share		
Profit attributable to the equity holders of the Company used in calculating basic earnings Rs. per share	(2,418.92)	2,820.75
Diluted earnings Rs. per share:		
Profit attributable to the equity holders of the Company used in calculating diluted earnings Rs. per share	(2,418.92)	2,820.75
<b>d Weighted average number of equity shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings Rs. per share [refer note below]	345,685,625	345,685,625

**Note:**  
The per share calculations for all periods presented reflect changes in the number of shares retrospectively on account of issue of bonus shares [refer note 9(a)(viii)].





**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 28: Dues to micro and small enterprises**

Disclosures pursuant to The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') are as follows :-

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	48.74	35.42
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
4	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
5	Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6	Amount of interest due and payable for the period of delay in making (which have been paid but beyond the appointment day during the year) but without adding the interest specified under MSMED Act.	-	-
7	Interest accrued and remaining unpaid at the end of each accounting year.	-	-
8	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

**Note 29 Utilisation of Initial Public Offering ('IPO') Proceeds**

	Year ended March 31, 2021	Year ended March 31, 2020
Issue proceeds	-	40,000.00
Less: Transaction costs arising on share issue	-	1,773.41
Net proceeds from IPO	-	38,226.59
Less: Amount utilised as per the objects of the issue as per prospectus	-	38,226.59
<b>Total</b>	<b>-</b>	<b>-</b>



**MUSIC BROADCAST LIMITED**

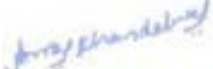
**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 30 Segment information**

The Company is engaged primarily in the business of operating private FM radio stations in India, which constitutes single reportable segment. Revenues of approximately Nil (March 31, 2020: INR 1,556.56) are derived from a single external customer.

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



Anurag Khankhoje  
Partner  
Membership Number: 078571

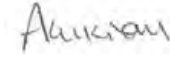
For and on behalf of the Board of Directors



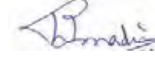
Shailesh Gupta  
Director  
DIN: 00192466



Apurva Purohit  
Director  
DIN 00190097



Ashit Kukian  
Chief Executive Officer



Prashant Domadia  
Chief Financial Officer



Chirag Bagadia  
Company Secretary

Place: Gurugram  
Date: May 20, 2021

Place: Mumbai  
Date: May 20, 2021

# Price Waterhouse Chartered Accountants LLP

## Independent auditor's report

### To the Members of Music Broadcast Limited

### Report on the audit of the financial statements

#### Opinion

1. We have audited the accompanying financial statements of Music Broadcast Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive income (comprising profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

4. We draw your attention to Note 2(b) to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) pandemic on the business operations of the Company. The management believes that no adjustments, other than those already made, are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly 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.



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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) F 105

## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on audit of the Financial Statements  
Page 2 of 6

### Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>a) Assessment of carrying amount of deferred tax balances and impact of changes in estimates</b></p> <p>[Refer to the accompanying note 12 of the financial statements]</p> <p>Pursuant to the enactment of the Finance Act, 2019 and The Taxation Laws (Amendment) Act, 2019, announcing key changes to corporate tax rates in the Income-tax Act, 1961, the management has carried out an assessment to consider the implications of the amendments providing an option to pay tax at a concessional rate, subject to compliance with conditions prescribed therein, specifically surrender of specified deductions/ incentives. Basis the management's assessment including projections of future taxable profits and the impact on carrying amount of deferred tax, including Minimum Alternate Tax (MAT) credit, balances, the Company has estimated to adopt lower rate of tax in a future year after utilising the available MAT credit balance. Accordingly, it has reversed deferred tax liability (DTL) amounting to Rs. 751 lakhs during the year, which is significant to the financial statements.</p> <p>We considered this as a key audit matter because of the significance of the amounts involved, interpretation of the tax laws in assessing satisfaction of the prescribed conditions, significant judgments involved in estimation of future taxable profits, period over which MAT credit would be utilised and the expected year of adoption of the concessional tax rate.</p>	<p>Our procedures in relation to the management's assessment included the following:</p> <ul style="list-style-type: none"><li>• Understanding and evaluation of the process and controls designed and implemented by the management in relation to 'Income Taxes'.</li><li>• Reviewing the Company's accounting policy in respect of recognising deferred tax assets/liabilities, including MAT credit.</li><li>• Evaluating the management's assessment of availing benefits and exemptions under the Income-tax laws.</li><li>• Assessing appropriateness of the tax rate applied to future taxable profits in light of current tax laws and substantively enacted tax rates.</li><li>• With the involvement of our experts, evaluating the management's assessment on the availability of future taxable profits to support reversal of deferred tax balances as at the year-end.</li><li>• Assessing the reasonableness of the assumptions underlying the management's forecasts of future profits by comparing to historical results and the approved business plans in light of the relevant economic and industry indicators.</li><li>• Performed sensitivity analyses on the projected taxable profits by varying key assumptions, within reasonably foreseeable range.</li><li>• Assessing the adequacy of disclosures (notes 12 and 20) in the financial statements on deferred tax and on basis of management estimates.</li></ul>

Based on the above procedures performed, the management's assessment of carrying value of deferred tax balances was considered to be consistent with our understanding.



**b) Assessment of impairment of Property, plant and equipment, Right-of-use assets and Intangible assets under Ind AS 36**

[Refer to the accompanying note 30 of the financial statements]

The Company carries its Property, Plant and Equipment, Right-of-use assets and Intangible assets (hereinafter referred to as "Non-financial assets") at cost less accumulated depreciation and impairment losses.

As at March 31, 2020, the net assets of the Company exceeded the Company's market capitalisation. This reduction in market capitalisation triggered the requirement for the Company to assess the carrying amount of Non-financial assets for potential impairment.

The management has used discounted cash flow model to assess the value in use of the Non-financial assets, which requires judgement in respect of certain key inputs like determining an appropriate discount rate, future cash flows etc. Basis the management's assessment and forecast of business conditions, the recoverable amount of the Non-financial assets is higher than their carrying value, and accordingly the management has concluded that no impairment loss needs to be recorded.

We considered this as a key audit matter, because of the significant judgement and management estimates involved around impairment assessment.

Our procedures in relation to the management's assessment included the following:

- Understanding and evaluation of the process and controls designed and implemented by the management to assess the potential impairment of Non-financial assets.
- Evaluating the Company's accounting policy in respect of impairment assessment of Non-financial assets.
- Assessing appropriateness of determination of cash generating unit (CGU) in line with the requirements of Ind AS 36 considering the nature of the Company's operations.
- With the involvement of our valuation experts, evaluating the appropriateness of key assumptions underlying the cash flow projections including growth and discount rates used within the discounted cash flow model with specific focus on forecast revenue comparing to readily available market information and underlying macro-economic factors.
- Performing sensitivity analysis on the projections by varying key assumptions, within reasonably foreseeable range.
- Comparing of carrying value of the net assets with the estimated cash flows determined by the management
- Assessing the adequacy of disclosures made in the financial statements.

Based on the above procedures performed, the results of management's assessment of impairment of Non-financial assets were considered to be consistent with the outcome of our procedures.

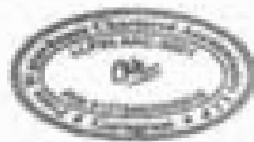
**Other Information**

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on audit of the Financial Statements  
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### **Responsibilities of management and those charged with governance for the financial statements**

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on audit of the Financial Statements  
Page 5 of 6

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Limited  
Report on audit of the Financial Statements  
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- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 25(a) and 25(b) to the financial statements.
    - ii. The Company has long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2020.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.
    - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.
16. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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



Anurag Khandelwal  
Partner  
Membership Number: 078571  
UDIN: 20078571AAAAAV5795

Place: Gurugram  
Date: May 25, 2020



## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2020

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### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Music Broadcast Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2020

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### **Meaning of Internal Financial Controls with reference to financial statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of the main audit report.

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



Anurag Khandelwal  
Partner  
Membership Number: 078571  
UDIN: 20078571AAAAAV5795

Place: Gurugram  
Date: May 25, 2020

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements as of and for the year ended March 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets (property, plant and equipment).
- (b) The fixed assets (property, plant and equipment) are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets (property, plant and equipment) has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3(a) on fixed assets (property, plant and equipment) to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 186. Further, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 25 (c) to the financial statements regarding management's assessment on certain matters relating to provident fund.

Further, for the period March 1, 2020 to March 31, 2020 for Maharashtra and Karnataka states, the Company has paid Goods and Services Tax and filed form GSTR- 3B (after the due date but) within the timelines allowed by Central Board of Indirect Taxes and Customs under the Notification No. 31/2020- Central Tax, dated April 3, 2020 on fulfilment of conditions specified therein.



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2020

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- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service-tax, value added tax and goods and services tax, which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2020, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	5.02	A.Y. 2009-10	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income tax	98.92	A.Y. 2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	53.93	A.Y. 2017-18	Assistant Commissioner of Income Tax
<b>Total</b>		<b>157.87</b>		

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 16 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2020

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- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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



Anurag Khandelwal  
Partner  
Membership Number: 078571  
UDIN: 20078571AAAAAV5795

Place: Gurugram  
Date: May 25, 2020

**MUSIC BROADCAST LIMITED**

**BALANCE SHEET**

(All amounts in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3 (a)	7,355.76	7,484.66
Right of use asset	3 (b)	2,132.40	
Intangible assets	4	21,424.32	23,510.42
Financial assets			
i. Investments	5 (a) (i)	—	138.64
ii. Other financial assets	5 (e)	1,155.94	1,161.31
Deferred tax assets (net)	12	998.87	464.00
Other non-current assets	6	463.30	504.63
Non current tax assets (net)	7 (a)	448.09	169.84
<b>Total non-current assets</b>		<b>33,898.68</b>	<b>33,433.50</b>
<b>Current assets</b>			
Financial assets			
i. Investments	5 (a) (ii)	20,835.83	17,030.46
ii. Trade receivables	5 (b)	10,624.46	12,542.73
iii. Cash and cash equivalents	5 (c)	761.37	1,481.89
iv. Bank balances other than (iii) above	5 (d)	495.99	6,393.74
v. Other financial assets	5 (e)	185.46	385.43
Other current assets	8	1,975.13	1,783.26
<b>Total current assets</b>		<b>34,878.26</b>	<b>39,617.51</b>
<b>Total assets</b>		<b>68,776.94</b>	<b>73,051.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9 (a)	6,913.71	5,530.97
Other equity			
Reserves and surplus	9 (b)	42,067.77	40,603.58
Other reserves	9 (c)	14,167.34	14,197.34
<b>Total equity</b>		<b>63,178.82</b>	<b>60,331.89</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	10 (a)	—	1,563.04
ii. Lease liabilities	10(c)	1,828.82	—
Employee benefit obligations	11	376.02	421.44
<b>Total non-current liabilities</b>		<b>2,204.84</b>	<b>1,984.48</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	10 (b)	35.42	35.06
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	10 (b)	2,043.02	2,432.18
ii. Lease liabilities	10(c)	383.64	—
iii. Other financial liabilities	10 (d)	258.46	6,936.44
Employee benefit obligations	11	44.60	70.75
Other current liabilities	13	628.14	1,054.54
Current tax liabilities (net)	7 (b)	—	205.67
<b>Total current liabilities</b>		<b>3,393.28</b>	<b>10,734.64</b>
<b>Total liabilities</b>		<b>5,598.12</b>	<b>12,719.12</b>
<b>Total equity and liabilities</b>		<b>68,776.94</b>	<b>73,051.01</b>

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/NS00016  
Chartered Accountants

Anurag Khandelwal  
Partner  
Membership Number: 078571

For and on behalf of the Board of Directors

Apurva Purohit  
Director  
DIN: 00190097

Ashit Kukian  
Chief Executive Officer

Prashant Domadia  
Chief Financial Officer

Chirag Rajgopal  
Company Secretary

Place: Gurugram  
Dated: May 25, 2020

Place: Mumbai  
Dated: May 25, 2020

**MUSIC BROADCAST LIMITED****STATEMENT OF PROFIT AND LOSS**

(All amounts in INR lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	14	24,782.14	32,470.76
Other income (net)	15 (a)	477.33	578.53
Other gains/(losses) - net	15 (b)	1,153.21	931.13
<b>Total income</b>		<b>26,412.68</b>	<b>33,980.42</b>
<b>Expenses</b>			
License fees		1,967.99	2,140.05
Employee benefit expense	16	5,538.74	6,894.63
Depreciation and amortisation expense	17	3,478.41	2,710.79
Other expenses	18	11,561.12	12,118.18
Finance costs	19	974.67	564.11
<b>Total expenses</b>		<b>23,520.93</b>	<b>24,427.76</b>
<b>Profit before tax</b>		<b>2,891.75</b>	<b>9,552.66</b>
Income tax expense			
-Current tax	20	616.64	2,033.20
-Deferred tax		(545.64)	1,357.63
<b>Total tax expense</b>		<b>71.00</b>	<b>3,390.83</b>
<b>Profit for the year</b>		<b>2,820.75</b>	<b>6,161.83</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
-Remeasurements of post-employment benefit obligations		36.94	(6.10)
Income tax relating to this item		(10.76)	2.13
<b>Other comprehensive income/(expense) for the year, net of tax</b>		<b>26.18</b>	<b>(3.97)</b>
<b>Total comprehensive income for the year</b>		<b>2,846.93</b>	<b>6,157.86</b>
<b>Earnings per equity share for profit from operation attributable to owners of Music Broadcast Limited:</b>			
Nominal value of shares (Rs. per share)		2.00	2.00
Basic earnings Rs. per share	27	0.82	1.75
Diluted earnings Rs. per share		0.82	1.75

The above statement of profit and loss should be read in conjunction with the accompanying notes.

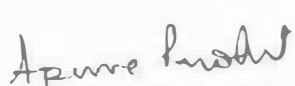
As per our report of even date attached.

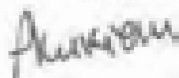
For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants


Anurag Khandelwal  
Partner  
Membership Number: 078571

For and on behalf of the Board of Directors

  
Shreshth Gupta  
Director  
DIN: 00190488

  
Apurva Purohit  
Director  
DIN: 00190097

  
Ashit Kukian  
Chief Executive Officer

  
Prashant Domadia  
Chief Financial Officer

  
Chirag Bagadia  
Company Secretary

Place: Gurugram  
Dated: May 25, 2020

Place: Mumbai  
Dated: May 25, 2020

**MUSIC BROADCAST LIMITED**  
**STATEMENT OF CASH FLOWS**

Particulars	Notes	Year ended 31.03.2020	Year ended 31.03.2019
<b>A. Cash flows from operating activities</b>			
Profit before tax		2,891.76	9,552.66
Adjustments for:			
Depreciation and amortisation expense	17	3,478.41	2,710.79
Finance costs	19	974.67	564.11
Interest income	15 (a)	(427.72)	(453.17)
Interest on Income tax		3.78	-
Dividend income from investments mandatorily measured at fair value through profit or loss	15 (a)	-	(67.67)
Changes in fair value of financial assets at fair value through profit or loss	15 (b)	(72.61)	(670.90)
Unwinding of discount on security deposits	15 (a)	(49.61)	(57.69)
Gain on disposal of property, plant and equipment	15 (b)	(19.88)	(28.59)
Gain on sale of investments	15 (b)	(1,055.31)	(225.62)
Allowance for doubtful debts and advances	18	557.78	(71.47)
		<u>3,389.53</u>	<u>1,699.79</u>
Operating Profit Before Working Capital Changes		6,281.28	11,252.45
Change in operating assets and liabilities :			
- (Decrease)/Increase in trade payables	10(b)	(388.80)	241.45
- (Decrease)/Increase in other current liabilities	13	(426.40)	0.68
- (Decrease)/Increase in other financial liabilities	10 (c)	(840.57)	(74.62)
- (Decrease)/Increase in employee benefit obligations	11	(71.57)	52.86
- (Increase)/Decrease in other financial assets		(8.32)	175.58
- Decrease in other non-current assets		38.60	118.99
- (Increase)/Decrease in other current assets		(181.87)	38.92
- (Increase)/Decrease in trade receivables		1,640.91	1,422.21
Cash generated from operations		<u>6,033.26</u>	<u>10,382.20</u>
Income taxes paid		<u>(1,104.33)</u>	<u>1,829.20</u>
Net cash inflow from operating activities		<u>4,928.93</u>	<u>8,553.00</u>
<b>B. Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment		(548.90)	(3,868.31)
Payments for purchase of intangible assets	4	(39.38)	(64.30)
Proceeds from sale of property, plant and equipment		19.88	28.97
Dividend income from investments mandatorily measured at fair value through profit or loss		-	67.67
Proceeds from sale of investments		18,881.20	12,742.94
Payments for purchase of investments		(21,400.00)	(13,430.00)
Loan to related party		-	(190.00)
Repayment of loan by related party		-	190.00
(Investment in)/Proceeds from bank deposits		5,509.55	(328.76)
Interest received		418.75	457.82
Net cash inflow/(outflow) from investing activities		<u>3,221.00</u>	<u>(4,381.97)</u>
<b>C. Cash flows from financing activities</b>			
Proceeds from borrowings		-	2,446.50
Repayment of borrowings		(7,378.54)	(67.98)
Buyback of equity shares		-	(5,812.11)
Repayment of lease liabilities		(489.49)	-
Interest and other finance cost paid		1,002.49	559.51
Net cash outflow from financing activities		<u>(6,870.52)</u>	<u>(3,993.08)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(720.62)</u>	<u>167.96</u>
Cash and cash equivalents at the beginning of the year		1,481.89	1,313.94
Cash and cash equivalents at the end of the year		<u>761.37</u>	<u>1,481.89</u>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>			
Bank balances	5 (c)		
- in current accounts		651.27	1,481.78
- in Fixed Deposits (Less than three months maturity)		100.00	-
Cash on hand	5 (c)	0.10	0.11
		<u>761.37</u>	<u>1,481.89</u>

**Notes**

1. Figures in brackets indicate cash outflow.
2. The above Statement of Cash Flows has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) 7 - "Statement of Cash Flow"

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754/N/500018  
Chartered Accountants

At Mumbai:  
Partner  
Membership Number: 078571

*(Signature)*  
Partner  
Membership Number: 078571

*(Signature)*  
Partner  
Membership Number: 078571

*(Signature)*  
Partner  
Membership Number: 078571

Place: Gurugram  
Dated: Mar 25 2020

Place: Mumbai  
Dated: Mar 25, 2020



**MUSIC BROADCAST LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

(All amounts in INR lakhs, unless otherwise stated)

A. Equity share capital	Notes	Amount
Particulars		
As at April 1, 2018		5,705.48
Changes in equity share capital	9(a)	
As at March 31, 2019		5,530.97
Changes in equity share capital	9(a)	1,382.74
As at March 31, 2020		6,913.71

Particulars	Notes	Reserves and surplus						Other Reserves	Total other equity
		Capital reserve	Capital redemption reserve	Securities premium	Debenture redemption reserve	General reserve	Retained earnings		
Balance as at April 1, 2018	9(b)	1,482.73	-	40,735.70	770.83	3,945.49	(6,851.43)	14,197.34	54,280.66
Profit for the year		-	-	-	-	-	6,161.83	-	6,161.83
Other comprehensive income		-	-	-	-	-	(3.97)	-	(3.97)
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>6,157.86</b>	-	<b>6,157.86</b>
Transfer to debenture redemption reserve	9(b)(iv)	-	-	-	250.00	-	(250.00)	-	-
Transfer to capital redemption reserve	9(b)(ii)	-	174.51	-	-	(174.51)	-	-	-
Price paid over and above nominal value of buy back of shares	9(b)(iii)	-	-	(5,525.12)	-	-	-	-	(5,525.12)
Transaction cost arising on buy back of equity shares	9(b)(v)	-	-	-	-	(112.48)	-	-	(112.48)
<b>Balance as at March 31, 2019</b>		<b>1,482.73</b>	<b>174.51</b>	<b>35,210.58</b>	<b>1,020.83</b>	<b>3,658.50</b>	<b>(943.57)</b>	<b>14,197.34</b>	<b>54,800.92</b>

Particulars	Notes	Reserves and surplus						Other Reserves	Total other equity
		Capital reserve	Capital redemption reserve	Securities premium	Debenture redemption reserve	General reserve	Retained earnings		
Balance as at April 1, 2019	9(b)	1,482.73	174.61	35,210.58	1,020.83	3,658.50	(943.57)	14,197.34	54,800.92
Profit for the year		-	-	-	-	-	2,820.75	-	2,820.75
Other comprehensive income		-	-	-	-	-	26.18	-	26.18
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>2,846.93</b>	-	<b>2,846.93</b>
Transfer to debenture redemption reserve	9(b)(iv)	-	-	-	229.17	-	(229.17)	-	-
Transfer to general reserve		-	-	-	(1,250.00)	1,250.00	-	-	-
Utilisation for issue of bonus shares	9(b)(vi), (vii)	-	(174.51)	(1,208.23)	-	-	-	-	(1,382.74)
<b>Balance as at March 31, 2020</b>		<b>1,482.73</b>	-	<b>34,002.35</b>	-	<b>4,908.50</b>	<b>1,674.19</b>	<b>14,197.34</b>	<b>56,265.11</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes


As per our report of even date attached.

For Pricewaterhouse Chartered Accountants LLP  
Firm Registration Number 012754/NS00018  
Chartered Accountants

Anurag Khandelwal  
Partner  
Membership Number: 078571

For and on behalf of the Board of Directors

  
Anurag Gupta  
Director  
DIN 00192466

  
Anurag Purohit  
Director  
DIN 00190097

  
Ashit Kuklan  
Chief Executive Officer

  
Pranshi Domadia  
Chief Financial Officer

  
Chirag Bagadia  
Company Secretary

Place: Gurugram  
Dated: May 25, 2020

Place: Mumbai  
Dated: May 25, 2020

## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### Background

Music Broadcast Limited ("the Company") was incorporated on November 4, 1999 and is domiciled in India. The Company is engaged in the business of operating Private FM radio stations through the brand 'Radio City'. The Company started its operations in India in July 2001 in Bangalore and operates radio stations in 39 cities across India. During the year ended March 31, 2017, the Company raised money from public by issue of equity shares which were listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on March 17, 2017.

#### Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### a) Basis of preparation

###### (i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended, other relevant provisions of the Act and other accounting principles generally accepted in India.

###### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities which have been measured at fair value;
- defined benefit plans — plan assets measured at fair value

###### (iii) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing April 1, 2019:

- Ind AS 116, Leases
- Uncertainty over Income Tax Treatments – Appendix C to Ind AS 12, Income Taxes
- Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, Employee Benefits
- Amendment to Ind AS 12, Income Taxes
- Amendment to Ind AS 23, Borrowing costs

The Company had to change its accounting policies as a result of adopting Ind AS 116. This is disclosed in Note 32. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

##### b) Business combinations

i) The acquisition method of accounting is used to account for all business combinations, other than those described in (ii) below, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of the transferor companies comprises the

- fair values of the assets transferred;



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. There is no contingent consideration in respect of all the years presented.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

- (ii) Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method as follows

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

#### c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker viz. the Board of Directors, who are responsible for making strategic decisions and assessing the financial performance and position of the Company. Refer note 31 for segment information presented.

#### d) Foreign currency translation

##### i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR), which is Company's functional and presentation currency.

##### ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

#### e) License fees

License fees is charged to the statement of profit and loss at the rate of 4% of gross revenue for the year or 2.5% of Non- Refundable One Time Entry Fee (NOTEF) for the concerned FM radio station, whichever is higher. Gross revenue is the revenue on the basis of billing rates inclusive of any taxes and without deduction of any commission paid to advertising agencies net of discounts to advertisers.

#### f) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Leasehold improvements included in Furniture and fixtures, are depreciated on a straight line basis over the total period of lease including renewals, or useful life, whichever is shorter.

The useful lives of property, plant and equipment are depreciated on pro-rata basis on the straight-line method over the estimated useful lives of the assets prescribed in Schedule II to the Companies Act, 2013, which are as follows:

Nature of asset	Useful life (in years)
Building	60 *
Towers, antenna and transmitters	13
Furniture and fixture	5-10
Studio equipment	3-15
Vehicles	8
Office equipment	3-15
Computers	3-6

\* further adjusted for life already expired at the time of acquisition

The same represents the consumption pattern and/or useful lives of the assets or its components. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains/ (losses) – net' in the statement of profit or loss.

#### **g) Intangible assets**

Intangible assets are stated at historical cost less accumulated amortisation and impairment losses. Historical cost includes any directly attributable expenditure on making the assets ready for its intended use.

Intangible assets, other than one time entry fees and migration fees are amortised on a straight-line basis over their estimated useful life of five years.

## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

One time entry fees capitalised is being amortised on a straight-line basis over a period of fifteen years, being the period of license, from the date of operationalisation of the respective stations.

The migration fee capitalised is being amortised with effect from April 01, 2015 on a straight line basis over a period of fifteen years, being the period of license.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

#### **h) Impairment of assets**

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **i) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **j) Trade receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional, and are assessed for loss allowance, if any, in subsequent periods.

#### **k) Investments and other financial assets**

##### **i. Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### ii. Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the financial asset.

#### iii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

For debt instruments, subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

For equity instruments, the Company measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### iv. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 22 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used practical expedient as permitted under Ind AS -109 'Financial instruments'. This expected credit loss allowance is computed based on provision matrix which takes into account historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

#### v. Derecognition of financial assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### vi. Income recognition

**Interest income:** Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment and extension) but does not consider the expected credit losses.

**Dividends:** Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

#### 1) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within due dates. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of redeemable non-convertible debentures is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability, a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

#### o) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### p) Employee benefits

##### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### (ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service and they are calculated annually by the actuaries. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### (iii) Post-employment obligations

The Company operates the following post-employment schemes:



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

- (a) Defined benefit plan of gratuity where gratuity fund is not recognised by the income tax authorities and is administered and managed by Kotak Life Insurance Fund; and
- (b) Defined contribution plans such as provident fund.

#### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.  
Defined contribution plans

The Company's contributions to employee provident fund, employee state insurance fund and employees' pension scheme, 1995 are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due. The Company deposits these amounts with the fund administered and managed by the provident fund/employee state insurance authorities. The Company has no further payment obligations once the contributions have been paid.

#### (iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

#### q) Provisions

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### r) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amount collected on behalf of third parties. The company recognises revenue when it transfers control over a product or service to a customer.

Revenue is recognised when the advertisements are aired / displayed based on the price specified in the contract, net of the estimated volume discounts and goods and services tax billed to the customers. Accumulated experience is used to estimate and provide for such variable consideration, and the revenue is only recognised to the extent that it is highly probable that a significant reversal in the revenue will not occur. A refund liability (included in other current liabilities) is recognised for the variable consideration payable to the customer in relation to sales made until the end of the reporting period. The validity of assumptions used to estimate variable consideration is reassessed annually.

#### s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

#### t) Leases

Till March 31, 2019

As a lessee:

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the

## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

With effect from April 1, 2019:

As a lessee:

The Company assesses, whether the contract is, or contains, a lease. A Contract is, or contains, a lease if the contract involves:

- The use of an identified asset,
- The right to obtain substantially all the economic benefits from use of the identified asset, and
- The right to direct the use of the identified asset.

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) For short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease less any lease incentives received, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

#### u) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

#### w) Earnings per share

##### (i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares, if any, issued during the year and excluding treasury shares.

##### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### x) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees lakhs and two decimals thereof, as per the requirement of Schedule III, unless otherwise stated.

#### Note 2: Critical estimates and judgements

- a) The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation – Note 11
- Loss allowance of trade receivables – Note 22
- Estimated useful life of tangible and intangible assets - Notes 3, 4
- Contingencies - Note 25 - 'Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations



## MUSIC BROADCAST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

against the Company as it is not possible to predict the outcome of pending matters with accuracy.

- Estimation of current tax expense and deferred tax - Note 20, 12
- b) Estimation of uncertainties relating to the global health pandemic (COVID-19)

The COVID-19 pandemic is spreading throughout the world, including India, which led to nation-wide lockdown from March 25, 2020. Consequently, the advertisement revenues and the profitability for the financial year ended March 31, 2020 have been adversely affected. However, we have kept all our radio stations running despite the lockdown. Further, there have been no changes in the controls and processes which are key to our ability to run our operations without disruptions in difficult conditions.

In assessing the recoverability of the receivables, tangible and intangible assets, and other financial and non-financial assets, the Company has considered internal and external information including economic forecasts available. The Company has performed sensitivity analysis on the assumptions used and based on such information and assessment, the Company expects to recover the carrying amount of these assets. The impact of the pandemic may differ from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 3 (a) : Property, plant and equipment**

(All amounts in INR lakhs, unless otherwise stated)

	Freehold land	Buildings	Towers, antenna and transmitters	Furniture and fixtures	Studio equipment	Vehicles	Office equipment	Computers	Total
<b>Year ended March 31, 2019</b>									
Gross carrying amount									
Opening gross carrying amount	1.86	5.86	1,689.58	928.97	964.33	43.73	647.82	751.75	5,033.90
Additions		3,563.25	115.07	71.64	41.83		122.93	33.81	3,948.52
Disposals							4.82	0.99	5.81
Closing gross carrying amount	1.86	3,569.11	1,804.65	1,000.61	1,006.16	43.73	766.93	784.57	8,976.61
<b>Accumulated depreciation</b>									
Opening accumulated depreciation		0.28	231.47	178.48	104.27	14.96	142.73	239.65	911.84
Depreciation charge during the year		2.38	130.13	105.90	74.73	6.97	103.95	161.48	585.54
Disposals							4.44	0.99	5.43
Closing accumulated depreciation		2.66	361.60	284.38	179.00	21.93	242.24	400.14	1,491.95
<b>Net carrying amount</b>	<b>1.86</b>	<b>3,566.45</b>	<b>1,443.05</b>	<b>716.23</b>	<b>827.16</b>	<b>21.80</b>	<b>523.69</b>	<b>384.43</b>	<b>7,484.66</b>
<b>Year ended March 31, 2020</b>									
Gross carrying amount									
Opening gross carrying amount	1.86	3,569.11	1,804.65	1,000.61	1,006.16	43.73	765.93	784.57	8,976.61
Additions			74.07	39.78	175.04		158.23	119.24	566.36
Disposals				9.56		3.12	1.22	0.42	14.32
Closing gross carrying amount	1.86	3,569.11	1,878.72	1,030.83	1,181.20	40.61	922.94	903.39	9,628.65
<b>Accumulated depreciation</b>									
Opening accumulated depreciation		2.66	361.60	284.38	179.00	21.93	242.24	400.14	1,491.95
Depreciation charge during the year		74.90	152.73	108.63	76.52	6.42	111.04	165.02	695.26
Disposals				9.56		3.12	1.22	0.42	14.32
Closing accumulated depreciation		77.56	514.33	383.45	255.52	25.23	352.06	564.74	2,172.89
<b>Net carrying amount</b>	<b>1.86</b>	<b>3,491.55</b>	<b>1,364.39</b>	<b>647.38</b>	<b>925.68</b>	<b>15.38</b>	<b>570.88</b>	<b>338.65</b>	<b>7,355.76</b>

**Notes:**

- (i) Contractual obligations - Refer note 28 (a)(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.  
 (ii) Refer note 10(a) for information on property, plant and equipment pledged as security by the Company.

**Note 3 (b) : Right of use asset**

Particulars	Category of right-to-use assets Building leases
Balance as on April 1, 2019	
Reclassification on account of adoption of IND AS 116 (refer note 31)	2,790.06
Additions during the year	
Depreciation during the year	(657.66)
Balance as on March 31, 2020	2,132.40

**Note:**

- (i) The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss  
 (ii) The total cash outflow for leases for the year ended March 31, 2020 was INR 719.57.  
 (iii) Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor  
 (iv) In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercising a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated)

For leases of buildings, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in building/ office leases have been included in the lease liability, because the Company could not replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 4: Intangible assets**

	One time entry / migration fees	Software	Total
<b>Year ended March 31, 2019</b>			
Gross carrying amount			
Opening gross carrying amount	30,669.34	240.56	30,909.90
Additions	-	64.30	64.30
Disposals	-	-	-
Closing gross carrying amount	<b>30,669.34</b>	<b>304.86</b>	<b>30,974.20</b>
Accumulated amortisation			
Opening accumulated amortisation	5,210.65	127.88	5,338.53
Amortisation charge for the year	2,049.88	75.37	2,125.25
Disposals	-	-	-
Closing accumulated amortisation	<b>7,260.53</b>	<b>203.25</b>	<b>7,463.78</b>
Net carrying amount	<b>23,408.81</b>	<b>101.61</b>	<b>23,510.42</b>
<b>Year ended March 31, 2020</b>			
Gross carrying amount			
Opening gross carrying amount	30,669.34	304.86	30,974.20
Additions	-	39.39	39.39
Disposals	-	-	-
Closing gross carrying amount	<b>30,669.34</b>	<b>344.25</b>	<b>31,013.59</b>
Accumulated amortisation			
Opening accumulated amortisation	7,260.53	203.25	7,463.78
Amortisation charge for the year	2,049.88	75.61	2,125.49
Disposals	-	-	-
Closing accumulated amortisation	<b>9,310.41</b>	<b>278.86</b>	<b>9,589.27</b>
Net carrying amount	<b>21,358.93</b>	<b>65.39</b>	<b>21,424.32</b>

Details of assets material to the Company's financial statements:

Description of assets	As at March 31, 2020		As at March 31, 2019	
	Carrying amount of one time entry fees	Average remaining useful life (In years)	Carrying amount of one time entry fees	Average remaining useful life (In years)
Stations acquired under a Composite scheme of arrangement	1,053.78	10	1,159.16	11
Stations acquired under Phase III	5,571.09	11.7	6,042.19	12.7
Existing stations renewed under Phase III	14,734.06	10	16,207.46	11
<b>Total</b>	<b>21,358.93</b>		<b>23,408.81</b>	

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
<b>Note 5: Financial assets</b>		
<b>5 (a) Investments</b>		
<b>(i) Non-current Investments</b>		
Investment in mutual funds		
Quoted		
Investment in mutual funds [refer note 5(a)(i)(A)]	-	138.64
<b>Total mutual funds</b>	<u>-</u>	<u>138.64</u>
<b>Total non-current investments</b>		
Aggregate amount of quoted investments and market value thereof	-	138.64
Aggregate amount of unquoted investments	-	138.64
Aggregate amount of impairment in the value of investments	-	-
<b>(ii) Current Investments</b>		
Investment in mutual funds		
Quoted		
Investment in mutual funds [refer note 5(a)(ii)(A)]	20,835.83	17,030.46
<b>Total mutual funds</b>	<u>20,835.83</u>	<u>17,030.46</u>
<b>Total current investments</b>		
Aggregate amount of quoted investments and market value thereof	20,835.83	17,030.46
Aggregate amount of unquoted investments	20,835.83	17,030.46
Aggregate amount of impairment in the value of investments	-	-



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS****MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

(All amounts in INR lakhs, unless otherwise stated)

**5(a)(i)(A) Details of investments in non-current mutual funds**

Particulars	As at March 31, 2020	As at March 31, 2019
Quoted investments		
12,53,983.15 (March 31, 2019: 12,53,983.15) units in UTI FTIF - Series XXVI - VI - Growth Plan	-	138.64
<b>Total</b>	<b>-</b>	<b>138.64</b>

**5(a)(ii)(A) Details of investments in current mutual funds**

Quoted Investments	As at March 31, 2020	As at March 31, 2019
Nil (March 31, 2019: 1,55,747.04) units in Axis Liquid Fund - Direct Growth Plan	-	3,229.43
Nil (March 31, 2019: 2,09,439.13) units in DHFL Pramerica Insta Cash Fund - Direct Plan - Growth	-	508.92
Nil (March 31, 2019: 48,688.37) units in UTI - Liquid Cash Plan - Direct Growth Plan	-	1,490.22
Nil (March 31, 2019: 14,467.51) units in Reliance Liquid Fund - Direct Plan Growth Plan	-	669.12
Nil (March 31, 2019: 5,00,575.96) units in Aditya Birla Sunlife Liquid Fund - Growth Plan	-	1,503.91
12,244,588.38 (March 31, 2019: 28,51,354.89) units in IDFC Ultra Short Duration Fund - Growth Plan	1,396.67	302.39
Nil (March 31, 2019: 17,989.26) units in Franklin India Short Term Income Plan - Retail Plan	-	719.08
Nil (March 31, 2019: 1,57,39,041.94) units in Aditya Birla Sunlife Credit Risk Fund - Growth [refer note below]	-	2,152.27
Nil (March 31, 2019: 72,19,965.40) units in HDFC Credit Risk Debt Fund - Growth Plan [refer note below]	-	1,101.41
Nil (March 31, 2019: 8,14,868.60) units in HDFC Corporate Bond Fund - Growth Plan	-	169.58
Nil (March 31, 2019: 8,11,459.97) units in ICICI Prudential Credit Risk Fund - Growth Plan	-	161.22
Nil (March 31, 2019: 37,79,267.27) units in Kotak Credit Risk Fund - Growth Plan [refer note below]	-	768.82
Nil (March 31, 2019: 30,11,302.03) units in Kotak Medium Term Fund - Growth Plan [refer note below]	-	460.24
Nil (March 31, 2019: 81,70,405.43) units in Reliance Strategic Debt Fund - Direct Growth Plan	-	1,221.14
Nil (March 31, 2019: 55,98,645.57) units in Reliance Credit Risk Fund - Growth Plan	-	1,443.23
Nil (March 31, 2019: 6,53,184.41) units in Reliance Credit Risk Fund - Direct Growth Plan	-	177.64
Nil (March 31, 2019: 6,51,949.98) units in UTI Credit Risk Fund - Regular Growth Plan	-	109.05
Nil (March 31, 2019: 28,02,864.65) units in UTI Medium Term Fund - Regular Growth Plan	-	378.86
Nil (March 31, 2019: 17,58,393.68) units in Franklin India Ultra Short Bond Super Institutional Plan - Direct	-	463.93
12,53,983.15 (March 31, 2019: Nil) units in UTI FTIF - Series XXVI - VI - Growth Plan	140.70	-
66,711.08 (March 31, 2019: Nil) units in DSP Ultra Short Fund - Direct Plan - Growth	1,815.65	-
129,324.45 (March 31, 2019: Nil) units in Axis Banking and PSU Debt Fund - Direct Plan - Growth	2,510.19	-
4,551,662.61 (March 31, 2019: Nil) units in L&T Triple Ace Bond Fund - Direct Plan - Growth	2,515.55	-
125,314.36 (March 31, 2019: Nil) units in Edelweiss Overnight Fund - Direct Plan - Growth - OND1	1,296.82	-
303,942.83 (March 31, 2019: Nil) units in Kotak Overnight Fund - Direct Plan - Growth	3,239.29	-
3,706,461.41 (March 31, 2019: Nil) units in Nippon India Overnight Fund - Direct Growth Plan - ONAG	3,972.84	-
3,664,192.75 (March 31, 2019: Nil) units in ICICI Overnight - Direct Plan - Growth	3,948.12	-
	<b>20,835.83</b>	<b>17,030.46</b>

Note: These units are under lien against the undrawn overdraft facility.

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**5 (b) Trade receivables**

	As at March 31, 2020	As at March 31, 2019
Trade receivables	12,413.21	14,038.30
Trade receivables from related parties (refer note 24)	57.74	73.56
Less: Loss allowance	1,846.49	1,569.13
<b>Total trade receivables</b>	<b>10,624.46</b>	<b>12,542.73</b>
Current portion	10,624.46	12,542.73
Non-current portion	-	-
<b>Break up of security details</b>	<b>As at</b>	<b>As at</b>
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	12,470.95	14,111.86
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
<b>Total</b>	<b>12,470.95</b>	<b>14,111.86</b>
Loss allowance	(1,846.49)	(1,569.13)
<b>Total trade receivables</b>	<b>10,624.46</b>	<b>12,542.73</b>

**5 (c) Cash and cash equivalents**

	As at March 31, 2020	As at March 31, 2019
Balances with banks		
- in current accounts	661.27	1,481.78
- in fixed deposits (maturity less than three months)	100.00	-
Cash on hand	0.10	0.11
<b>Total cash and cash equivalents</b>	<b>761.37</b>	<b>1,481.89</b>

**5 (d) Other bank balances**

- in fixed deposits (with original maturity of more than three months and remaining maturity of less than twelve months)	-	5,000.00
- Earmarked balance with bank [refer note 26 (a)(ii)]	-	911.82
- in fixed deposits held as margin money [refer note below]	478.68	476.40
- interest accrued on fixed deposits	17.31	5.52
<b>Total other bank balances</b>	<b>495.99</b>	<b>6,393.74</b>

Note : These deposits are under lien against the guarantees issued by banks.

**5 (e) Other financial assets**

	As at March 31, 2020		As at March 31, 2019	
	Current	Non-current	Current	Non-current
Security deposits				
-Secured, considered good	185.48	906.77	385.43	929.32
-Unsecured, considered good	280.42	83.97	-	88.77
-Doubtful	465.90	990.74	385.43	1,018.09
Less : Loss allowance	280.42	83.97	-	88.77
	185.48	906.77	385.43	929.32
Others:				
- in fixed deposit with bank held as margin money [refer note below]	-	229.17	-	229.17
- interest accrued on fixed deposit	-	-	-	2.82
<b>Total other financial assets</b>	<b>185.48</b>	<b>1,135.94</b>	<b>385.43</b>	<b>1,161.31</b>

Note : These deposits are under lien against the guarantees issued by banks.

**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 6: Other non-current assets**

	As at March 31, 2020	As at March 31, 2019
Capital advances	4.86	12.63
Prepayments	398.44	492.00
<b>Total other non-current assets</b>	<b>403.30</b>	<b>504.63</b>

**Note 7: Non-current tax assets/current tax liability (net)**

	As at March 31, 2020	As at March 31, 2019
<b>(a) Non-current tax assets (net)</b>		
Opening balance	169.84	168.17
Less: Current tax payable for the year (net of MAT credit utilised)	(616.00)	-
Add: Taxes paid (net of refund received Nil (March 31, 2019: INR Nil))	894.89	-
Less: Provision for earlier years	(0.64)	(1.67)
<b>Total non-current tax assets</b>	<b>448.09</b>	<b>169.84</b>

**(b) Current tax liability (net)**

Opening balance	205.67	-
Current tax payable for the year (net of MAT credit utilised)	-	2,034.87
Less: Taxes paid during the year	(205.67)	(1,829.20)
<b>Total current tax liability</b>	<b>-</b>	<b>205.67</b>

**Note 8: Other current assets**

	As at March 31, 2020	As at March 31, 2019
Prepayments	786.29	760.38
Balances with statutory/government authorities	266.24	199.64
Advances to others		
- Considered good	62.22	29.31
- Considered doubtful	26.67	26.67
Less: Loss allowance for advance to others	26.67	26.67
Advance with Gratuity Fund	45.98	-
Advance paid under protest (including INR 200 (March 31, 2019: INR 200) referred in note 25 (a))	490.70	490.70
Less: Loss allowance for advance paid under protest	290.70	290.70
Other receivables [including related party balances refer note 24 (h)]	614.40	593.93
<b>Total other current assets</b>	<b>1,975.13</b>	<b>1,783.26</b>

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 9: Equity share capital and other equity**

**9(a) Equity share capital**

Particulars	Number of shares	Amount
<b>Authorised equity share capital</b>		
As at April 1, 2018	6,70,00,000	6,700.00
Increase on account of sub-division of equity shares [refer note (vi) below]	26,80,00,000	-
As at March 31, 2019	33,50,00,000	6,700.00
Increase on account of issue of bonus shares [refer note (viii) below]	6,50,00,000	1,300.00
As at March 31, 2020	40,00,00,000	8,000.00
<b>Authorised preference share capital</b>		
As at April 1, 2018	50,000	5.00
Increase during the year	-	-
As at March 31, 2019	50,000	5.00
Increase during the year	-	-
As at March 31, 2020	50,000	5.00

**(i) Issued, subscribed and paid up equity share capital**

Particulars	Number of shares	Equity share capital (par value)
As at April 1, 2018	5,70,54,779	5,705.48
Decrease on account of buy back [refer note (vii) below]	(17,45,079)	(174.51)
Increase on account of sub-division of equity shares [refer note (vi) below]	22,12,38,800	-
As at March 31, 2019	27,65,48,500	5,530.97
Increase on account of issue of bonus shares [refer note (viii) below]	6,91,37,125	1,382.74
As at March 31, 2020	34,56,85,625	6,913.71

**Tenure and rights attached to equity shares**

The Company has only one class of equity shares having a face value of Rs. 2 per share (March 31, 2019: Rs. 2 per share). Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(ii) Shares of the Company held by holding company**

Particulars	As at March 31, 2020	As at March 31, 2019
Jagran Prakashan Limited, the holding company	253,074,137*	20,13,42,585
* Increase on account of issue of bonus shares & fresh purchase of shares from market		

**(iii) Details of shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
Jagran Prakashan Limited, the holding company (face value Rs. 2 per share (March 31, 2019: Rs. 2 per share))	25,30,74,137	72.81%	20,13,42,585	72.81%
Franklin Templeton Mutual Fund (face value Rs. 2 per share (March 31, 2019: Rs. 2 per share))	2,44,21,468	7.06%	1,95,37,175	7.06%
Total	27,74,95,605	80.27%	22,08,79,760	79.87%

**(iv) Aggregate number of shares issued for consideration other than cash**

- (a) 31,25,000 equity shares of Rs. 10 each fully paid up were allotted as consideration on November 24, 2016 pursuant to the scheme of arrangement with Shri Puran Multimedia Limited. These have now been converted into 1,56,25,000 equity shares of Rs. 2 each fully paid-up  
 (b) 22,12,38,800 equity shares of Rs. 2 each fully paid up were allotted on account of sub-division of 5,53,09,700 equity shares of Rs. 10 each fully paid up  
 (c) 6,91,37,125 equity shares of Rs. 2 each as fully paid up were issued to shareholders on account of issue of bonus shares.

**(v) Preference share capital**

The Company has only one class of preference shares having a par value of Rs. 10 per share.

**(vi) Sub-division of equity shares**

The Board of Directors at its meeting held on December 31, 2018 approved the sub-division of equity shares of the Company from the face value of Rs. 10 per share to face value of Rs. 2 per share, subject to the approval of the shareholders of the Company. The shareholders approved such sub-division of shares on February 6, 2019. Accordingly, on February 21, 2019, 22,12,38,800 equity shares of Rs. 2 each fully paid-up were allotted against 5,53,09,700 equity shares of Rs. 10 each fully paid-up remaining outstanding after completion of buy back [refer note (vii) below]

**(vii) Buy Back of equity shares**

The Board of Directors at its meeting held on July 24, 2018 approved the buyback of fully paid-up equity shares of the Company for an aggregate amount not exceeding INR 5,700, for a price not exceeding Rs. 385 per equity share, out of free reserves / securities premium account. The Company completed the buyback of 1,745,079 equity shares at an average price of Rs. 326.81 per equity share in December 2018 and, accordingly, utilised INR 5,689.63 (excluding transaction costs) towards the buyback of shares. Further, the Company has transferred a sum equal to the nominal value of the shares so purchased, i.e., INR 174.51, from the general reserve to the capital redemption reserve account.

**(viii) Issue of bonus shares**

The Board of Directors at its meeting held on January 27, 2020 recommended issue of one bonus share for every four equity shares held by the equity shareholders. The shareholders approved such issue of bonus shares on March 03, 2020. Accordingly on March 16, 2020 6,91,37,125 equity shares of Rs. 2 each as fully paid up were allotted to the members. Further, the Company has transferred a sum equal to the nominal value of the shares so issued, i.e., INR 1,382.74, from the securities premium and capital redemption reserve amounting to INR 1,208.23 and INR 174.51 respectively.

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 9 (b) : Reserves and surplus**

	As at March 31, 2020	As at March 31, 2019
Capital reserve	1,482.73	1,482.73
Capital redemption reserve	=	174.51
Securities premium	34,002.35	35,210.58
Debenture redemption reserve	=	1,020.83
General reserve	4,908.50	3,658.50
Retained earnings	1,674.19	(943.57)
<b>Total reserves and surplus</b>	<b>40,603.58</b>	<b>40,603.58</b>
<b>(i) Capital reserve</b>		
Opening balance	1,482.73	1,482.73
Closing balance	<b>1,482.73</b>	<b>1,482.73</b>
<b>(ii) Capital redemption reserve</b>		
Opening balance	174.51	=
Utilised for issue of bonus shares	(174.51)	=
Transfer from general reserve	=	174.51
Closing balance	<b>=</b>	<b>174.51</b>
<b>(iii) Securities premium</b>		
Opening balance	35,210.58	40,735.70
Utilised for buy back of shares	=	(5,525.12)
Utilised for issue of bonus shares	(1,208.23)	=
Closing balance	<b>34,002.35</b>	<b>35,210.58</b>
<b>(iv) Debenture redemption reserve</b>		
Opening balance	1,020.83	770.83
Appropriations during the year	229.17	250.00
Transfer to general reserve	1,250.00	=
Closing balance	<b>=</b>	<b>1,020.83</b>
<b>(v) General reserve</b>		
Opening balance	3,658.50	3,945.49
Transfer from debenture redemption reserve	1,250.00	=
Transaction cost arising on buy back of equity shares	=	(112.48)
Transfer to capital redemption reserve	=	(174.51)
Closing balance	<b>4,908.50</b>	<b>3,658.50</b>
<b>(vi) Retained earnings</b>		
Opening balance	(943.57)	(6,851.43)
Net profit for the year	2,820.75	6,161.83
Items of other comprehensive income recognised directly in retained earnings		
-Remeasurements of post employment benefit obligation, net of tax	26.18	(3.97)
Transfer to debenture redemption reserve	(229.17)	(250.00)
Closing balance	<b>1,674.19</b>	<b>(943.57)</b>

**Nature and purpose of reserves**

**Capital reserve**

The profits earned by the Company through a special transaction, which is not available for distribution as dividend to shareholders. The reserve is utilised in accordance with the provisions of the Act.

**Capital redemption reserves**

A sum equal to the nominal value of the shares purchased transferred to the capital redemption reserve in accordance with the provisions of Section 69 of the Act [refer note 9(a)(vii)]. The capital redemption reserve is utilised by the Company in accordance with the provisions of the Act.

**Securities premium**

Securities premium is used to record the premium received on issue of shares. The same is utilised in accordance with the provisions of the Act.

**Note 9 (c): Other reserves**

	As at March 31, 2020	As at March 31, 2019
Other reserves	14,197.34	14,197.34
<b>Total other reserves</b>	<b>14,197.34</b>	<b>14,197.34</b>

**Nature and purpose of reserves**

Reserve created on cessation of a loan in an earlier year.

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 10: Financial liabilities**

**Note 10 (a): Non-current borrowings**

**Secured**

	As at March 31, 2020	As at March 31, 2019
Nii (March 31, 2019: 500) Listed redeemable non-convertible debentures of INR 10,00,000 each [refer note (i) below]	-	5,031.60
Term loan from bank [refer note (ii) below]	-	2,378.54
<b>Total non-current borrowings</b>	-	<b>7,410.14</b>
Less: Current maturities of long-term debt [included in note 10 (d)]	-	5,811.22
Less: Interest accrued [included in note 10 (d)]	-	35.88
<b>Non-current borrowings (as per balance sheet)</b>	<b>-</b>	<b>1,563.04</b>

- (i) Secured by a first pari passu charge on the entire book assets including property, plant and equipment (excluding charge given in note (ii) below), current assets and investments of the Company with aggregate market value of above INR 5,000 and also by letter of comfort provided by Jagran Prakashan Limited in favour of the Company and the debenture trustee. The debentures were listed on BSE Limited.

Interest is payable @ 9.7% per annum on semi-annual basis. The terms of redemption were as follows:-

Nature of debentures	Date of allotment	Date of redemption	Amount
9.7% Redeemable non-convertible debentures (NCDs) Series C	March 4, 2015	March 4, 2020	5,000

During the financial year ended March 31, 2020, these Series C NCDs amounting to Rs 5,000 were redeemed on the due date of redemption.

- (ii) Term loan from ICICI Bank was taken on March 18, 2019 which carried a variable rate of interest of 1-MCLR-1Y plus spread to be reset at the end of every year from the date of disbursement of loan. The loan was repayable in 36 monthly instalments of INR 67.96 each along with monthly interest from the date of loan. The loan was secured by way of exclusive charge on immovable property (building) being financed by the bank however the charge is yet to be released by the bank. During the year ended March 31, 2020 the Company fully repaid the outstanding ICICI bank term loan on March 24, 2020.

Particulars	Other assets			Liabilities from financing activities		Total
	Current Investments	Cash and cash equivalents	Fixed deposits with banks	Lease obligation	Non-current borrowings	
Net surplus/(debt) as at April 01, 2018	-	1,313.94	5,000.00	-	(5,027.00)	1,286.94
Cash flows	17,030.46	167.95	-	-	(2,378.54)	14,819.87
Interest expense	-	-	-	-	(510.29)	(510.29)
Interest paid	-	-	-	-	505.89	505.89
<b>Net surplus/(debt) as at March 31, 2019</b>	<b>17,030.46</b>	<b>1,481.89</b>	<b>5,000.00</b>	<b>-</b>	<b>(7,410.14)</b>	<b>16,102.21</b>
Recognised on adoption of Ind AS 116 [refer note 31]	-	-	-	2,701.95	-	2,701.95
Cash flows	3,805.37	(720.52)	(5,000.00)	(719.57)	7,378.54	4,743.82
Interest expense	-	-	-	230.08	(893.51)	(663.43)
Interest paid	-	-	-	-	925.11	925.11
<b>Net surplus/(debt) as at March 31, 2020</b>	<b>20,835.83</b>	<b>761.37</b>	<b>-</b>	<b>2,212.46</b>	<b>-</b>	<b>23,809.66</b>

**Note 10 (b): Trade payables**

**Current**

	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises (refer note 28)	35.42	35.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,020.42	2,186.69
Trade payables to related parties [refer note 24(h)]	22.60	245.49
<b>Total trade payables</b>	<b>2,078.44</b>	<b>2,467.24</b>

**Note 10 (c): Lease liabilities**

	As at March 31, 2020	
	Current	Non-current
- Right to use asset liability (IND AS 116)	383.64	1,828.82
	<b>383.64</b>	<b>1,828.82</b>

The following is the movement in lease liabilities during the year ended March 31, 2020 :

Particulars	Right to use asset liability
Balance as on April 1, 2019	-
Additions during the year [refer note 31]	2,701.95
Finance cost accrued during the year	230.08
Payment of lease liabilities	(719.57)
<b>Balance as on March 31, 2020</b>	<b>1,828.82</b>

**Note 10 (d): Other financial liabilities**

**Current**

	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debts	-	-
- Listed redeemable non-convertible debentures [refer note 10 (a)]	-	4,995.72
- Term loan from a bank [refer note 10 (a)]	-	815.50
Interest accrued	-	35.88
Capital creditors	39.94	30.25
Employee benefits payable	218.52	1,059.09
<b>Total other current financial liabilities</b>	<b>258.46</b>	<b>6,936.44</b>



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

Note 11: Employee benefit obligations

	As at March 31, 2020			As at March 31, 2019		
	Current	Non-current	Total	Current	Non-current	Total
Leave obligations (i)	44.60	376.02	420.62	70.75	350.57	421.32
Gratuity (ii)	-	-	-	-	70.87	70.87
<b>Total employee benefit obligations</b>	<b>44.60</b>	<b>376.02</b>	<b>420.62</b>	<b>70.75</b>	<b>421.44</b>	<b>492.19</b>

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave which are classified as other long term benefits.

(ii) Post-employment obligations

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972, except that there is no benefit ceiling. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company has taken a group gratuity policy for the purpose. The Company does not fully fund the liability and maintains a target level of funding over a period of time based on estimations of expected gratuity payments.

(iii) Defined contribution plans

Provident fund

The Company also has a defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the year towards defined contribution plan is INR 255.24 (March 31, 2019: INR 275.69).

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
Employer's contribution to provident fund	189.93	206.80
Employer's contribution to Employees' Pension Scheme, 1995	65.31	68.89
<b>Total</b>	<b>255.24</b>	<b>275.69</b>

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Balance sheet amounts - Gratuity**

(All amounts in INR lakhs, unless otherwise stated)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2018</b>	576.93	(529.19)	47.74
Current service cost	95.49	-	95.49
Interest expense/(income)	41.04	(41.04)	-
<b>Total amount recognised in profit or loss</b>	<b>136.53</b>	<b>(41.04)</b>	<b>95.49</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(5.09)	(5.09)
(Gain)/loss from change in demographic assumptions	9.73	-	9.73
Experience (gains)/losses	1.46	-	1.46
<b>Total amount recognised in other comprehensive income</b>	<b>11.19</b>	<b>(5.09)</b>	<b>6.10</b>
Employer contributions	-	(50.00)	(50.00)
Benefit payments	(28.48)	-	(28.48)
<b>March 31, 2019</b>	<b>696.19</b>	<b>(625.32)</b>	<b>70.87</b>

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2019</b>	696.19	(625.32)	70.87
Current service cost	93.72	-	93.72
Interest expense/(income)	51.17	(39.02)	12.15
<b>Total amount recognised in profit or loss</b>	<b>144.89</b>	<b>(39.02)</b>	<b>105.87</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(54.84)	(54.84)
(Gain)/loss from change in demographic assumptions	0.37	-	0.37
(Gain)/loss from change in financial assumptions	63.48	-	63.48
Experience (gains)/losses	(45.95)	-	(45.95)
<b>Total amount recognised in other comprehensive income</b>	<b>17.90</b>	<b>(54.84)</b>	<b>(36.94)</b>
Employer contributions	-	(70.00)	(70.00)
Benefit payments	(115.78)	-	(115.78)
<b>March 31, 2020</b>	<b>743.20</b>	<b>(789.18)</b>	<b>(45.98)</b>

The net liability disclosed above relating to funded plan is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded obligations	743.20	696.19
Fair value of plan assets	(789.18)	(625.32)
<b>Deficit of funded plan (gratuity)</b>	<b>(45.98)</b>	<b>70.87</b>

The Company has no legal obligation to settle the deficit in the funded plan with an immediate contribution or additional one off contribution. The Company intends to continue to contribute to the defined plan to maintain a target level of funding over a period of time based on an estimation of expected gratuity payments.

**TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

Significant actuarial assumptions relate as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.24%	7.35%
Salary growth rate	10.00%	10.00%
Withdrawal rate	25% at younger ages reducing to 2% at older ages	25% at younger ages reducing to 2% at older ages

Estimates of future salary increases are considered in actuarial valuation taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**Sensitivity analysis**

Sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Discount rate	0.50%	0.50%	3.98%	3.43%	4.20%	3.65%
Salary growth rate	0.50%	0.50%	4.03%	3.55%	3.86%	3.36%
Withdrawal rate	10%	10%	2.10%	1.79%	2.36%	2.02%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



**JSIC BROADCAST LIMITED**

**NOTES REFERRED TO AND FORMING PART OF FINANCIAL STATEMENTS**

The major categories of plan assets are as follows:

Particulars	As at	
	March 31, 2020	March 31, 2019
Sup gratuity policy	100%	100%
Total	100%	100%

**i) Risk exposure**

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Interest rate volatility**

Plan liabilities are calculated using a discount rate set with reference to bond yields. If plan assets underperform this yield, this will create a deficit. These are subject to interest rate

**Changes in bond yields**

Increase in bond yields will increase plan liabilities

**ii) Defined benefit liability and employer contributions**

Contribution levels are monitored on an annual basis.

Expected contribution to post-employment benefit plan for the year ending March 31, 2021 is INR 70.09 (March 31, 2020 is INR 70.87).

The weighted average duration of the defined benefit obligation March 31, 2020 is 5.66 years (March 31, 2019 6.71 years). The expected maturity analysis of undiscounted gratuity is as follows.

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
at March 31, 2020	76.48	73.93	257.98	473.19	881.58
at March 31, 2019	79.87	75.08	215.77	949.20	1,319.92



**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 12: Deferred tax assets (net)**

The balance comprises temporary differences attributable to:

	As at March 31, 2020	As at March 31, 2019
<b>Deferred tax liabilities (DTL)</b>		
Property, plant and equipment and intangible assets	3,371.63	4,127.51
Financial assets at fair value through profit or loss	=	176.74
<b>Total</b>	<b>3,371.63</b>	<b>4,304.25</b>
<b>Deferred tax assets (DTA)</b>		
Financial assets at fair value through profit or loss	8.39	=
Unused tax credits (MAT credit)	3,549.69	3,810.08
Loss allowance on financial assets	631.99	657.36
Employee benefits obligations	105.86	171.97
Lease liabilities	20.15	=
Others	54.42	128.84
<b>Total</b>	<b>4,370.50</b>	<b>4,768.25</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>998.87</b>	<b>464.00</b>

**Movement in deferred tax assets and liabilities**

	Property, plant and equipment and Intangible assets	Financial assets at fair value through profit or loss	Unused tax credits (MAT credit)	Other items	Total
<b>At April 1, 2018 [DTA/(DTL)]</b>	(3,384.20)	12.71	4,179.63	1,011.37	1,819.51
(Charged)/credited					
- to profit or loss	(743.31)	(189.45)	(369.55)	(55.33)	(1,357.64)
- to other comprehensive income	=	=	=	2.13	2.13
<b>At March 31, 2019</b>	<b>(4,127.51)</b>	<b>(176.74)</b>	<b>3,810.08</b>	<b>958.17</b>	<b>464.00</b>
(Charged)/credited					
- to profit or loss	755.88	205.28	(260.39)	(155.14)	545.63
- to other comprehensive income	=	=	=	(10.76)	(10.76)
<b>At March 31, 2020</b>	<b>(3,371.63)</b>	<b>28.54</b>	<b>3,549.69</b>	<b>792.27</b>	<b>998.87</b>

The Finance Act, 2019 reduced the Company's applicable tax rate from 30% to 25% plus applicable surcharge and cess ("Reduced Rate"). Additionally, the newly inserted Section 115BAA by the Taxation Laws (Amendment) Act, 2019 effective from April 1, 2019, provided an option to pay taxes at 22% plus applicable surcharge and cess ("New Rate"), subject to complying with certain conditions. Based on the assessment of future taxable profits, the Company has decided to continue with the Reduced Rate until the Minimum Alternate Tax (MAT) credit asset balance is utilised and opt for the New Rate thereafter. Accordingly, the Company re-measured its net deferred tax liability balances and reversed INR 751 during the year ended March 31, 2020.

**Note 13: Other current liabilities**

	As at March 31, 2020	As at March 31, 2019
Advance from customers	19.61	10.54
Statutory taxes payable	240.12	482.76
Refund liabilities [refer note below]	35.82	223.53
Other liabilities [including related party balances refer note 24 (h)]	332.59	337.71
<b>Total other current liabilities</b>	<b>628.14</b>	<b>1,054.64</b>

Note: Refund liabilities are recognised for volume discounts payable to customers

**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 14: Revenue from operations**

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from contract with customers			
Sale of services			
Advertisement income		24,782.14	32,470.76
<b>Total revenue from operations</b>		<b>24,782.14</b>	<b>32,470.76</b>

\*Including revenue from exchange of services of INR 3,157.11 (March 31, 2019: INR 2,331.72)

(i) The Company derives its revenue from contracts with customers for transfer of services at a point in time. The Company is engaged in the business of radio broadcasting and other related activities through its radio channels operating under brand name 'Radio City' in India.

	Year ended March 31, 2020	Year ended March 31, 2019
Performance obligation satisfied at a point in time		
Advertisement income	24,782.14	32,470.76
<b>Total revenue from operations</b>	<b>24,782.14</b>	<b>32,470.76</b>

(ii) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price on account of adjustments made to the contract price is as follows:

	Year ended March 31, 2020	Year ended March 31, 2019
Advertisement income		
Revenue as per contract price	25,672.50	33,678.01
Less: Rebates and discounts	(890.36)	(1,207.25)
<b>Total revenue from operations</b>	<b>24,782.14</b>	<b>32,470.76</b>

**Note 15 (a): Other income**

	Year ended March 31, 2020	Year ended March 31, 2019
Interest on fixed deposits	427.72	453.17
Dividend income from investments mandatorily measured at fair value through profit or loss	-	67.67
Unwinding of discount on security deposits	49.61	57.69
<b>Total other income</b>	<b>477.33</b>	<b>578.53</b>

**Note 15 (b): Other gains/(losses)**

	Year ended March 31, 2020	Year ended March 31, 2019
Net fair value gain on financial assets mandatorily measured at fair value through profit or loss	72.61	670.90
Net gain on sale of investments	1,055.31	225.62
Net gain on disposal of property, plant and equipment	19.86	28.59
Miscellaneous income	5.43	6.02
<b>Total other gains/(losses)</b>	<b>1,153.21</b>	<b>931.13</b>

**Note 16: Employee benefit expense**

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	5,085.80	6,346.10
Contribution to provident and other funds	255.24	278.81
Gratuity	105.87	95.49
Leave compensation	40.59	56.72
Staff welfare expenses	51.24	117.51
<b>Total employee benefits expense</b>	<b>5,538.74</b>	<b>6,894.63</b>

**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

Note 17: Depreciation and amortisation expense	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of property, plant and equipment	3 (a)	695.26	585.54
Depreciation on right of use assets	3 (b)	657.66	-
Amortisation of intangible assets	4	2,125.49	2,125.25
<b>Total depreciation and amortisation expense</b>		<b>3,478.41</b>	<b>2,710.79</b>

Note 18: Other expenses	Year ended March 31, 2020	Year ended March 31, 2019
Repairs and maintenance:		
Buildings	27.44	42.97
Plant and machinery	168.66	217.57
Office maintenance charges	518.16	517.75
Power and fuel expenses	945.17	1,042.88
Rates and taxes	56.56	23.85
Travelling and conveyance	157.60	243.99
Telephone and communication charges	123.84	172.06
Marketing and advertisement expenses	4,154.35	3,786.72
Insurance	32.48	34.67
Corporate social responsibility expenditure [refer note 18(e) below]	-	120.80
Loss allowance on doubtful debts and advances [refer note (a) below]	277.36	(71.47)
Loss allowance on doubtful deposits [refer note (b) below]	280.42	-
Payments to auditors [refer note (d) below]	63.13	56.88
Royalty	687.63	1,409.88
Programming costs	1,413.43	1,506.36
Rent [refer note 26 (iv)]	-	1,947.70
Common transmission infrastructure usage charges	941.97	-
Annual software license maintenance fee	378.05	391.43
Legal and professional fees [refer note (c) below]	434.10	235.67
Professional fees to director	21.85	96.49
Commission on sales	224.78	-
Procurement of air time	341.23	-
Miscellaneous expenses	312.91	337.98
<b>Total other expenses</b>	<b>11,561.12</b>	<b>12,118.18</b>

**Note**

- (a) During the year the Company has provided for INR 490 being additional loss allowances on doubtful debts on estimated basis considering the future recoverability due to emergence of COVID 19.
- (b) The Company has provided for INR 280.42 towards security deposit given to lessor of property located at Mumbai.
- (c) Legal and professional fees includes INR 175.83 towards proposed investment in Reliance Broadcast Network Limited ("RBNL").
- (d) Details of payments to auditors (excluding tax)

## Payments to auditors

## As auditor:

Audit fees	44.00	40.00
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## In other capacities

Certification fees (including other services)	10.50	9.50
Reimbursement of expenses	8.63	7.38

**Total payments to auditors**

<b>63.13</b>	<b>56.88</b>
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In addition to the above, during the year ended March 31, 2019 the Company paid an amount of INR 2.50 to auditors for buy back certification, which has been reduced from general reserves as transaction cost arising on share buy back.

**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

(e) Corporate social responsibility expenditure		
Promotion of Education and Livelihood Skills to Visually Impaired and Orphan Students with better infrastructure facilities along with support to Cancer Patients and neglected senior citizens		120.80
<b>Total</b>		<b>120.80</b>
Amount required to be spent as per Section 135 of the Act		120.80
Amount spent during the year on		
(i) Construction/acquisition of an asset		
(ii) On purposes other than (i) above		120.80

**Note 19: Finance costs**

	Year ended March 31, 2020	Year ended March 31, 2019
Interest and finance charges on financial liabilities not at fair value through profit or loss	663.43	510.29
Interest expense on lease liabilities	230.08	
Other borrowing costs	81.16	53.82
<b>Total finance costs</b>	<b>974.67</b>	<b>564.11</b>

**Note 20: Income tax expense**

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Income tax expense		
Current tax		
Current year tax on profits	616.00	2,034.87
Adjustments for current tax of prior periods	0.64	(1.67)
<b>Total current tax expense</b>	<b>616.64</b>	<b>2,033.20</b>
Deferred tax		
Decrease/(increase) in deferred tax assets	307.35	328.30
(Decrease)/increase in deferred tax liabilities	(961.16)	932.76
Adjustments for deferred tax of prior periods	108.17	96.57
<b>Total deferred tax expense/(benefit)</b>	<b>(545.64)</b>	<b>1,357.63</b>
<b>Income tax expense</b>	<b>71.00</b>	<b>3,390.83</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

	Year ended March 31, 2020	Year ended March 31, 2019
Profit before income tax expense	2,891.75	9,552.66
Tax rate	29.12%	34.94%
<b>Tax at the Indian tax rate of 29.12% (March 31, 2019 – 34.94%)</b>	<b>842.08</b>	<b>3,338.07</b>
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income		
Corporate social responsibility expenditure		21.11
Re-measurement of net deferred tax liabilities on account of changes in tax rate [refer note 12]	(751.00)	
Other items	(20.08)	31.65
<b>Income tax expense</b>	<b>71.00</b>	<b>3,390.83</b>



NOTES TO THE FINANCIAL STATEMENTS**Note 21: Fair value measurements**

The financial instruments are classified in the following categories and are summarised in the table below:

- a) Fair value through profit or loss (FVTPL)  
 b) Fair value through other comprehensive income (FVOCI)  
 c) Amortised cost

**Financial instruments by category**

Particulars	As at March 31, 2020			As at March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Mutual funds	20,835.83	-	-	17,169.10	-	-
Trade receivables	-	-	10,824.46	-	-	12,542.73
Cash and cash equivalents	-	-	761.37	-	-	1,481.89
Security and other deposits	-	-	1,321.42	-	-	1,546.74
Other bank balances	-	-	495.99	-	-	6,393.74
<b>Total financial assets</b>	<b>20,835.83</b>		<b>13,203.24</b>	<b>17,169.10</b>		<b>21,965.10</b>
<b>Financial liabilities</b>						
Borrowings	-	-	-	-	-	7,410.14
Trade payables	-	-	2,076.44	-	-	2,487.24
Employee benefits payable	-	-	218.52	-	-	1,059.09
<b>Total financial liabilities</b>			<b>2,296.96</b>			<b>10,936.47</b>

(i) Fair value hierarchy: The following table summarises the financial instruments at fair value by valuation methods. The different levels have been defined as follows:-

Level 1: Includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. There are no financial instruments measured using level 2 valuation techniques.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

Particulars	Notes	As at				As at			
		March 31, 2020				March 31, 2019			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Financial Investments at FVPL:									
Mutual funds	5 (a)	20,835.83	-	-	20,835.83	17,169.10	-	-	17,169.10
<b>Total financial assets</b>		<b>20,835.83</b>			<b>20,835.83</b>	<b>17,169.10</b>			<b>17,169.10</b>

Note: There are no financial liabilities in the category measured at fair value - recurring fair value measurements

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between levels 1, 2 and 3 during the year.

**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:  
 - the use of quoted market prices or dealer quotes for similar instruments.

**(iii) Valuation process**

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 22: Financial risk management**

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out under policies approved by the board of directors which provide principles for overall risk management.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost and fair value through profit or loss	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and periodic monitoring of market/fair value Investment guidelines for mutual fund investments
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange Market risk – interest risk	Future commercial transactions recognised on financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	By minimising the exposure in foreign currency

**(A) Credit risk**

The credit risk arises from cash and cash equivalents, contractual cash flows, mutual fund investments carried at fair value through profit or loss and deposits with banks, as well as credit exposures to customers including outstanding receivables.

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers.

The Company's investments in mutual funds are considered to be low risk investments. The credit rating of the investments are monitored for credit deterioration.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonably and current forward-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due or when the extended credit period expires. This definition of default is determined by considering the business environment in which the Company operates and other macro-economic factors.

The Company provides for expected credit loss when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where receivables have been impaired, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

(i) Reconciliation of loss allowance - Deposits

	Amount
Loss allowance on April 1, 2018	398.39
Changes in loss allowance	6.75
<b>Loss allowance on March 31, 2019</b>	<b>406.14</b>
Changes in loss allowance	275.62
<b>Loss allowance on March 31, 2020</b>	<b>681.76</b>

(ii) Reconciliation of loss allowance – Trade receivables

Loss allowance on April 1, 2018	1,647.35
Changes in loss allowance	(78.22)
<b>Loss allowance on March 31, 2019</b>	<b>1,569.13</b>
Changes in loss allowance	277.36
<b>Loss allowance on March 31, 2020</b>	<b>1,846.49</b>

(iii) Financial assets at fair value through profit and loss

The Company is also exposed to credit risk in relation to mutual fund investments that are measured at fair value through profit or loss.

**Significant estimates and judgements**

**Impairment of financial assets**

The loss allowance for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(B) Liquidity risk**

The Company relies on a mix of excess operating cash flows, investments in marketable securities, borrowings and capital infusion to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of the liquidity position, cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at March 31, 2020	As at March 31, 2019
<b>Floating rate</b>		
- Expiring within one year	9,000.00	4,553.50
- Expiring beyond one year	-	-
	<b>9,000.00</b>	<b>4,553.50</b>

The overdraft facilities may be drawn at any time and may be terminated by the bank without notice. This facility is secured by lien on mutual funds.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. There are no derivative financial instruments in respect of reporting periods disclosed under these financial statements.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
<b>March 31, 2020</b>					
<b>Non-derivatives</b>					
Borrowings	-	-	-	-	-
Trade payables	2,078.44	-	-	-	2,078.44
Other financial liabilities	258.46	-	-	-	258.46
Lease liabilities	571.55	535.43	1,436.53	253.17	2,796.68
<b>Total non-derivative liabilities</b>	<b>2,908.45</b>	<b>535.43</b>	<b>1,436.53</b>	<b>253.17</b>	<b>5,133.58</b>

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>March 31, 2019</b>				
<b>Non-derivatives</b>				
Borrowings	5,851.28	815.40	747.45	7,414.13
Trade payables	2,467.24	-	-	2,467.24
Other financial liabilities	1,089.34	-	-	1,089.34
<b>Total non-derivative liabilities</b>	<b>9,407.86</b>	<b>815.40</b>	<b>747.45</b>	<b>10,970.71</b>

## (C) Market risk

## (i) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through forecast of highly probable foreign currency cash flows.

## (a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, is as follows

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Financial assets:		
Trade receivables	5.95	24.97
<b>Net exposure to foreign currency risk</b>	<b>5.95</b>	<b>24.97</b>

## (b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit after tax	
	March 31, 2020	March 31, 2019
INR/USD Increase by 2% (March 31, 2019 - 2%)*	0.12	0.50
INR/USD Decrease by 2% (March 31, 2019 - 2%)*	(0.12)	(0.50)

\*Holding all other variables constant

## (ii) Cash flow and fair value Interest rate risk

The Company's main interest rate arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company policy is to maintain most of its borrowings at fixed rate. During March 31, 2020 and March 31, 2019, borrowings at variable and fixed rate were mainly denominated in INR.

## (a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are included in the table below

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Variable rate borrowings	-	2,378.54
Fixed rate borrowings	-	5,031.60
<b>Total borrowings</b>	<b>-</b>	<b>7,410.14</b>
Variable rate borrowings as a % of total loans	-	32.10

An analysis by maturities is provided in note 22(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

## (b) Sensitivity

Profit or loss is sensitive is higher to higher /lower interest expense from borrowings as a result of changes in interest rates

Particulars	Impact on profit after tax	
	As at	As at
	March 31, 2020	March 31, 2019
Increase by 100 basis points (March 31, 2019 - 100 basis points)	-	15.63
Decrease by 100 basis points (March 31, 2019 - 100 basis points)	-	(15.63)

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 23: Capital management**

(All amounts in INR lakhs, unless otherwise stated)

**Risk management**

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Consistent with the industry standards the Company monitors capital on the basis of debt to equity ratio where net debt comprises total borrowings other than interest accrued net of cash and cash equivalents and equity comprises of equity share capital, reserves and surplus and other reserves.

The net debt to equity position at the reporting date is as follows:

<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Net debt	1,451.09	5,892.37
Total equity	63,178.82	60,331.89
Net debt to equity ratio	0.02	0.10

The net debt to equity ratio for the current year has decreased from 10% to 2%.

Net debts as at March 31, 2019 have been repaid in full during the year ended March 31, 2020.

Net debts as at March 31, 2020 have arisen following the recognition of right-of-use assets and lease liabilities on April 1, 2019 on adoption of Ind AS 116.

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 24: Related party transactions**

(All amounts in INR lakhs unless otherwise stated)

**(a) Parent entities**

The Company is controlled by the following Company

Name	Type	Place of Incorporation	Ownership Interest	
			March 31, 2020	March 31, 2019
Jasran Media Network Investment Private Limited	Ultimate Parent Company	India	0.00%	0.00%
Jasran Prakashan Limited	Immediate Parent Company	India	73.21%	72.81%

**(b) Fellow subsidiary**

Name	Type	Place of Incorporation
Midday Infomedia Limited	Fellow subsidiary	India

**(c) Entity over which holding company exercises significant influence**

Name	Place of Incorporation
MMI Online Limited	India

**(d) Entities in which KMP/relatives of KMP can exercise significant influence**

Name	Type	Place of Incorporation
VRSM Enterprises LLP	Other related	India

**(e) Other related parties**

Type	Name	Relationship
Key management personnel (KMP)	Rahul Gupta	Non executive director
	Shellesh Gupta	Non executive director
	Anuj Puri	Non executive director
	Apurva Purohit	Non executive director
	Vijay Tandon	Chairman Non executive director
	Madhukar Kamath	Non executive director
	Anita Nayyar	Non executive director (w.e.f January 27, 2020)
	Ashit Kukian	Chief Executive Officer
	Preshant Domadia	Chief Financial Officer
	Charag Bagadia	Company Secretary

**(f) Key management personnel compensation**

**(i) Remuneration paid to Key Management Personnel**

	Year ended March 31, 2020	Year ended March 31, 2019
Short term employee benefits	198.51	245.45
Post employment benefits	9.22	16.51
Long term employee benefits	6.46	14.78
<b>Total compensation</b>	<b>214.19</b>	<b>276.74</b>

**(ii) Transaction with non executive directors**

	Year ended March 31, 2020	Year ended March 31, 2019
Sitting fees	8.90	9.20
Professional fees to director	21.85	86.49
<b>Total</b>	<b>30.75</b>	<b>105.69</b>

The remuneration of directors and other key management personnel is determined by the Nomination and Remuneration Committee of the Board having regard to the performance of the respective individual and the market trends

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**(g) Transactions with related parties**

(All amounts in INR lakhs, unless otherwise stated)

The following transactions were with related parties

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Sale and purchase of services:</b>		
<b>Purchase of advertisement space / material :</b>		
- Jagran Prakashan Limited	304.98	1,048.20
- Midday Infomedia Limited	168.97	22.02
<b>Advertisement Income (net)</b>		
- Jagran Prakashan Limited	243.41	446.20
- Midday Infomedia Limited	183.62	86.88
<b>Revenue from website designing, development &amp; maintenance services</b>		
- Midday Infomedia Limited	75.00	-
<b>Other transaction:</b>		
<b>Rent charged by related parties for use of common facilities / utilities:</b>		
- Jagran Prakashan Limited	31.85	29.95
- VRSM Enterprises LLP	38.10	-
<b>Staff welfare expenses</b>		
- Jagran Prakashan Limited	5.45	-
<b>Expenses reimbursement paid</b>		
- Jagran Prakashan Limited	26.30	20.61
- Midday Infomedia Limited	-	1.17
<b>Expenses reimbursement received</b>		
- Jagran Prakashan Limited	7.71	20.81
- Midday Infomedia Limited	9.58	3.23
- MML Online Limited	5.82	10.02

**(h) Outstanding balances arising from sale/purchase of services.**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

	As at March 31, 2020	As at March 31, 2019
<b>Trade payables:</b>		
- Jagran Prakashan Limited	22.60	238.82
- Midday Infomedia Limited	-	6.67
<b>Total payables to related parties (note 10(b))</b>	<b>22.60</b>	<b>245.49</b>
<b>Other liabilities:</b>		
- Jagran Prakashan Limited	49.82	-
- Midday Infomedia Limited	2.12	-
<b>Other liabilities to related parties (note 13)</b>	<b>51.94</b>	<b>-</b>
<b>Trade receivables:</b>		
- Jagran Prakashan Limited	43.75	39.98
- Midday Infomedia Limited	13.99	33.58
<b>Total receivables from related parties (note 14(h))</b>	<b>57.74</b>	<b>73.56</b>
<b>Other receivables:</b>		
- Jagran Prakashan Limited	-	12.49
- Midday Infomedia Limited	81.00	0.68
<b>Other receivables from related parties (note 8)</b>	<b>81.00</b>	<b>13.17</b>
<b>Security deposit given</b>		
- VRSM Enterprises LLP	35.00	-
<b>Security deposits to related parties (note 6 (e))</b>	<b>35.00</b>	<b>-</b>

**(i) Loans to related parties**

Particulars	Midday Infomedia Limited	Midday Infomedia Limited
	As at March 31, 2020	As at March 31, 2019
Beginning of the year	-	-
Loans advanced	-	190.00
Loan repayments received	-	190.00
Interest charged	-	0.30
Interest received	-	0.30
End of the year	-	-

**(j) Terms and conditions**

The sales, purchases and other transactions with related parties were made on normal commercial terms and conditions and at market rates. The loan to related party was given for short term funding for a period of five days with repayable at interest rate of 9.6% per annum and this amount was repaid in full during the year ended March 31, 2019. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash, except better balances, which are settled on receipt/provision of service by the company. For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**MUSIC BROADCAST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 25: Contingent liabilities**

- a) Claim against the Company not acknowledged as debt: The Company has received certain claims towards royalty for use of sound recordings over its radio stations amounting to INR 429.17 (March 31, 2019: INR 429.17). Out of the above, the Company has paid INR 200 (March 31, 2019: INR 200) under protest (refer note 8) and issued bank guarantee for remaining amount. Based on the external legal counsel advice, the Company believes that more likely than not, no outflow of resources will be required.
- b) Claim against the Company not acknowledged as debt: In respect of defamation cases, it is either not quantifiable or cannot be reliably estimated. Hence the same has not been disclosed.
- c) The amount of provident fund payable, if any, in relation to certain allowances cannot be estimated reliably, though not likely to be significant. Hence, this amount has not been disclosed.

**Note 26: (a) Capital and other commitments**

- (i) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Property, plant and equipment	23.51	11.46
<b>Total</b>	<b>23.51</b>	<b>11.46</b>

- (ii) The Board of Directors at its meeting held on April 23, 2018 approved the acquisition of Radio Business Undertaking of Ananda Offset Private Limited (AOPL), engaged in Radio Broadcasting Business under the brand name "Friends 91.9 FM" in Kolkata, through a slump sale, subject to receipt of approval from the Ministry of Information and Broadcasting ("MIB"), for a cash consideration of INR 3,500 (minus) Net External Debt (plus/minus) adjustment of normalised net working capital of INR 924 based on actual net working capital. The Company deposited INR 875 in an escrow account with a bank on May 09, 2018 in accordance with the Business Transfer Agreement ("BTA"). On May 24, 2019, the Company and AOPL mutually agreed to terminate the BTA in view of uncertainty in receipt of regulatory approval from MIB. The Company has completed the regulatory formalities in relation to such termination and has received back the deposit from escrow account on June 10, 2019.
- (iii) 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 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 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'. 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.
- (iv) **Non cancellable operating leases**  
The Company leases various premises under non-cancellable operating leases expiring within 1 to 14 years. The leases have varying terms, escalation clause and renewal rights. On renewal, terms of the leases are re-negotiated.  
Commitments for minimum lease payments under non-cancellable operating leases are as follows:

	As at	As at
	March 31, 2020	March 31, 2019
Not later than one year	=	1,621.41
Later than one year but not later than five years	=	7,019.07
Later than five years	=	8,119.05
		<b>16,759.53</b>

**Note 27: Earnings per share**

	Particulars	Year ended	Year ended
		March 31, 2020	March 31, 2019
a	<b>Basic earnings Rs. per share</b>		
	Basic earnings Rs. per share attributable to the equity holders of the Company [refer note below]	0.82	1.75
b	<b>Diluted earnings Rs. per share</b>		
	Diluted earnings Rs. per share attributable to the equity holders of the Company [refer note below]	0.82	1.75
c	<b>Reconciliations of earnings used in calculating earnings Rs. per share</b>		
	Basic earnings Rs. per share		
	Profit attributable to the equity holders of the Company used in calculating basic earnings Rs. per share	2,820.75	6,161.83
	Diluted earnings Rs. per share:		
	Profit attributable to the equity holders of the Company used in calculating diluted earnings Rs. per share	2,820.75	6,161.83
d	<b>Weighted average number of equity shares used as the denominator</b>		
	Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings Rs. per share [refer note below]	34,56,85,625	35,13,18,144

**Note:**

The per share calculations for all periods presented reflect changes in the number of shares retrospectively on account of sub-division of equity shares and issue of bonus shares [refer note 9(a)(vi) and (viii)]



**MUSIC BROADCAST LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in INR lakhs, unless otherwise stated)

**Note 28: Dues to micro and small enterprises**

Disclosures pursuant to The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') are as follows :-

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	35.42	35.06
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid	-	-
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
4	Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered MSMED Act, beyond the appointed day during the year	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
7	Further, interest remaining due and payable for earlier years	-	-

**Note 29 Utilisation of Initial Public Offering ('IPO') Proceeds**

	Year ended March 31, 2020	Year ended March 31, 2019
Issue proceeds	40,000.00	40,000.00
Less: Transaction costs arising on share issue	1,773.41	1,773.41
Net proceeds from IPO	38,226.59	38,226.59
Less: Amount utilised as per the objects of the issue as per prospectus	38,226.59	33,226.59
Total		<u>5,000.00</u>

**Note 30 Assessment of Impairment of assets**

As at March 31, 2020, the carrying amount of net assets of the Company exceeded its market capitalisation. Basis the information available and applying its judgement, the Company used a discounted cash flow model, including performing sensitivity analysis on the assumptions used, to assess value in use of its assets, and concluded that the recoverable amount of the assets thus determined is higher than their carrying value, and accordingly no impairment loss needs to be recorded. The Company will continue to closely monitor for any material change in future periods.

**Note 31 Changes In accounting policies**

(a) The Company adopted Ind AS 116 "Leases" effective April 1, 2019 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method by recognising a lease liability at the date of initial application at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate and recognising a right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and, therefore, continue to be reported under the accounting policies included as part of the financial statements for the year ended March 31, 2019. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on April 1, 2019. The new accounting policies are disclosed in note 1(f).

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of AS 17. Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 1, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 1, 2019 was 9.5%.

On transition, the adoption of the new standard resulted in recognition of right-of-use assets of INR 2,790.06 and corresponding lease liabilities of INR 2,701.95.

Further, the effect of this adoption has resulted in decrease in Prepayments by INR 88.11 as on April 1, 2019.

During the year, the Company has recognised depreciation on right-of-use assets amounting to INR 657.66 and interest expense on lease liabilities amounting to INR 230.08, as against lease rent of INR 743.37, which would have otherwise been recognised under the erstwhile standard Ind AS 17 in the current year. Consequently, profit before tax for the year ended March 31, 2020 is lower by INR 144.37.

Ind AS 116 has resulted in an increase in cash inflows from operating activities by INR 719.57 and an increase in cash outflows from financing activities on account of lease payments by INR 719.57.

**(i) Practical expedients applied**

In applying Ind AS 116 for the first time, the Company has used the practical expedients permitted by the standard:


- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at April 1, 2019.
- accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

(b) Measurement of lease liabilities	Amount
Particulars	
Operating lease commitments disclosed as at March 31, 2019	16,759.53
Discounted using the lessee's incremental borrowing rate at the date of initial application	811.68
(Less): arrangement/ contract not containing lease	13,245.90
Lease liability recognised as at April 1, 2019	2,701.95
of which are	
Current lease liabilities	489.49
Non-current lease liabilities	2,212.46

**Note 32 Segment Information**


The Company is engaged primarily in the business of operating private FM radio stations in India, which constitutes single reportable segment. Revenues of approximately INR 1,556.56 (March 31, 2019: INR 4,151.25) are derived from a single external customer.

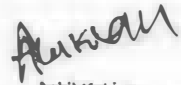
For Price Waterhouse Chartered Accountants LLP  
 Firm Registration Number: 012754N/N500016  
 Chartered Accountants

  
 Anurag Khandelwal  
 Partner  
 Membership Number: 078571


For and on behalf of the Board of Directors

  
 Shreshth Gupta  
 Director  
 DIN: 00199999

  
 Apurva Punshi  
 Director  
 DIN: 00199999

  
 Ashit Kukian  
 Chief Executive Officer

  
 Prashant Domadia  
 Chief Financial Officer

  
 Chirag Bagadia  
 Company Secretary

Place: Gurugram  
 Date: May 25, 2020

Place: Mumbai  
 Date: May 25, 2020

# 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 ended December 31, 2022 and the year to date results for the period April 01, 2022 to December 31, 2022, which are included in the accompanying ‘Unaudited financial results for the quarter and nine months ended December 31, 2022’ (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 5 to the financial results, which describes the accounting treatment of the Non-Convertible Non-Cumulative Redeemable Preference Shares (“NCRPS”) amounting to Rs. 8,969.60 lakhs issued to the non-promoter shareholders of the Company by way of bonus pursuant to a Scheme of Arrangement (“the Scheme”) between the Company and its shareholders, as approved by the National Company Law Tribunal (NCLT) vide its order dated December 23, 2022. As described in the aforesaid note, the NCRPS have been accounted for in accordance with the accounting treatment prescribed in the NCLT approved Scheme. Our conclusion is not modified in respect of this matter.

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



Amit Peswani  
Partner

Membership Number: 501213  
UDIN: 23501213BGUAUV1623

Place: Gurugram  
Date: January 24, 2023

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

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-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 L64200MH1999PLC137729)

Regd. Office: 5th Floor, RNA Corporate Park, Off. Western Express Highway, Kalanagar,  
Bandra(East), Mumbai - 400051. Tel No.+91 22 66969100 Website : www.radiocity.in

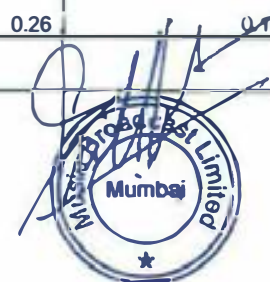


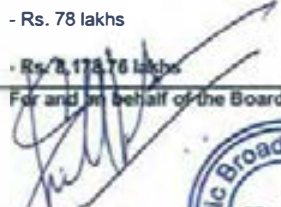


## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

(Rs. in lakhs, except per share data)

Sl. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended	Year ended
		December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>						
(a)	Revenue from operations	5,467.09	4,863.99	5,988.87	14,745.50	12,240.83	16,843.02
(b)	Other Income	520.96	482.73	388.07	1,453.42	1,254.92	1,679.85
	<b>Total Income</b>	<b>5,988.05</b>	<b>5,346.72</b>	<b>6,376.94</b>	<b>16,198.92</b>	<b>13,495.75</b>	<b>18,522.87</b>
<b>2</b>	<b>Expenses</b>						
(a)	License fees	490.11	484.26	496.91	1,453.22	1,429.12	1,910.00
(b)	Employee benefit expense	1,565.21	1,480.70	1,345.48	4,515.15	3,881.47	5,309.61
(c)	Finance costs	52.59	50.97	65.70	156.12	199.30	263.83
(d)	Depreciation and amortisation expense	818.15	823.37	820.18	2,462.69	2,459.04	3,274.78
(e)	Other expenses	2,478.28	2,492.97	2,368.58	7,012.13	6,016.43	8,520.82
	<b>Total Expenses</b>	<b>5,404.34</b>	<b>5,332.27</b>	<b>5,096.85</b>	<b>15,599.31</b>	<b>13,985.36</b>	<b>19,279.04</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>583.71</b>	<b>14.45</b>	<b>1,280.09</b>	<b>599.61</b>	<b>(489.61)</b>	<b>(756.17)</b>
<b>4</b>	<b>Tax Expense</b>						
(a)	Current tax	103.67	23.63	-	143.65	-	-
(b)	Deferred tax	70.63	(19.52)	379.58	35.21	(125.11)	(186.06)
	<b>Total tax expense</b>	<b>174.30</b>	<b>4.11</b>	<b>379.58</b>	<b>178.86</b>	<b>(125.11)</b>	<b>(186.06)</b>
<b>5</b>	<b>Net Profit for the period (3-4)</b>	<b>409.41</b>	<b>10.34</b>	<b>900.51</b>	<b>420.75</b>	<b>(364.50)</b>	<b>(570.11)</b>
<b>6</b>	<b>Other comprehensive income, net of income tax</b>						
A	Items that will not be reclassified to profit or loss	6.82	14.72	-	21.54	(13.79)	(47.04)
B	Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>6.82</b>	<b>14.72</b>	<b>-</b>	<b>21.54</b>	<b>(13.79)</b>	<b>(47.04)</b>
<b>7</b>	<b>Total comprehensive income for the period (5-6)</b>	<b>416.23</b>	<b>25.06</b>	<b>900.51</b>	<b>442.29</b>	<b>(378.29)</b>	<b>(617.15)</b>
<b>8</b>	Paid-up equity share capital (Face Value of Rs. 2 each)	6,913.71	6,913.71	6,913.71	6,913.71	6,913.71	6,913.71
<b>9</b>	Other equity (including reserves)						53,445.78
<b>10</b>	Earning Per Share (EPS) (Face Value of Rs. 2 each) (not annualised)						
	-Basic & Diluted	0.12	0.00	0.26	0.12	(0.11)	(0.10)

See accompanying notes to the financial results



<b>Notes:</b>																											
1	These financial results have been prepared in accordance with Indian Accounting Standards (Ind- AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments thereafter.																										
2	The above financial results for the quarter and nine months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors on January 24, 2023.																										
3	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 Segments".																										
4	Section 115BAA of the Income Tax Act provides an option to pay taxes at 22% plus applicable surcharge and cess ("New Rate"), subject to complying with certain conditions. Based on the assessment of future taxable profits, the Company has decided to continue with the existing rate until the Minimum Alternate Tax (MAT) credit asset balance is utilised and opt for the New Rate thereafter. The management remeasures its deferred tax balance at each reporting period end.																										
5	<p>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 to the non-promoter shareholders of the Company by way of bonus ("Bonus NCRPS") out of its reserves.</p> <p>The Scheme has been approved by the National Company Law Tribunal ("NCLT") vide its order dated December 23, 2022 and has become effective from the date of filing of the order with the Registrar of Companies, i.e., December 29, 2022. The Bonus Committee of the Board of Directors at its meeting held on January 19, 2023, approved the allotment of 8,969,597 Bonus NCRPS, i.e., 1 (One) Bonus NCRPS having a face value of Rs. 10 at a premium of Rs. 90 for every 10 (Ten) fully paid-up equity shares of face value of Rs. 2 each held, in accordance with the Scheme, to the members holding equity shares as on January 13, 2023 ("Record Date"). The Bonus NCRPS shall be redeemed after a period of 36 months from the date of allotment at a premium of Rs. 20 per share on issue price of Rs.100 per share.</p> <p>The Bonus NCRPS have been accounted for in the books of the Company in accordance with the accounting treatment prescribed in the Scheme and, accordingly, the present value of the redemption amount of Bonus NCRPS has been recognised as a financial liability in the Balance Sheet on the date of Scheme becoming effective with a corresponding adjustment to equity, net of transaction costs, as per Ind AS 32. Subsequently, the Bonus NCRPS have been measured at amortised cost as per Ind AS 109 using the effective interest rate method and the interest expense on the financial liability has been charged to the Statement of Profit and Loss.</p> <p>The following is the reconciliation of the accounting treatment under Ind AS to the requirements of the Companies Act, 2013:-</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount (in Rs. lakhs)</th> </tr> </thead> <tbody> <tr> <td>Fair value of the financial liability on initial recognition (present value of the redemption amount of the Bonus NCRPS issued) *</td> <td>8,178.76</td> </tr> <tr> <td>Add: Finance cost (impact of unwinding of discount)</td> <td>2,584.76</td> </tr> <tr> <td><b>Redemption amount of Bonus NCRPS, which constitutes the following and represents the disclosure and accounting requirements under the Companies Act, 2013:</b></td> <td><b>10,763.52</b></td> </tr> <tr> <td>Share Capital - Preference Share Capital – Face value of Bonus NCRPS</td> <td>896.96</td> </tr> <tr> <td>Reserves and Surplus - Securities Premium on issue of Bonus NCRPS</td> <td>8,072.64</td> </tr> <tr> <td><b>Sub - Total</b></td> <td><b>8,969.60</b></td> </tr> <tr> <td>Premium payable on redemption of Bonus NCRPS</td> <td>1,793.92</td> </tr> <tr> <td><b>Total</b></td> <td><b>10,763.52</b></td> </tr> </tbody> </table> <p>* Corresponding adjustment to equity is as follows:-</p> <table> <tbody> <tr> <td>General reserve</td> <td>- Rs. 117.66 lakhs</td> </tr> <tr> <td>Other reserves</td> <td>- Rs. 6,762.97 lakhs</td> </tr> <tr> <td>Securities premium</td> <td>- Rs. 1,376.13 lakhs</td> </tr> <tr> <td><b>Total</b></td> <td><b>- Rs. 8,256.76 lakhs</b></td> </tr> </tbody> </table> <p>Less: Transaction costs adjusted against fair value of the financial liability - Rs. 78 lakhs</p> <p><b>Net fair value of the financial liability - Rs. 8,178.76 lakhs</b></p>	Particulars	Amount (in Rs. lakhs)	Fair value of the financial liability on initial recognition (present value of the redemption amount of the Bonus NCRPS issued) *	8,178.76	Add: Finance cost (impact of unwinding of discount)	2,584.76	<b>Redemption amount of Bonus NCRPS, which constitutes the following and represents the disclosure and accounting requirements under the Companies Act, 2013:</b>	<b>10,763.52</b>	Share Capital - Preference Share Capital – Face value of Bonus NCRPS	896.96	Reserves and Surplus - Securities Premium on issue of Bonus NCRPS	8,072.64	<b>Sub - Total</b>	<b>8,969.60</b>	Premium payable on redemption of Bonus NCRPS	1,793.92	<b>Total</b>	<b>10,763.52</b>	General reserve	- Rs. 117.66 lakhs	Other reserves	- Rs. 6,762.97 lakhs	Securities premium	- Rs. 1,376.13 lakhs	<b>Total</b>	<b>- Rs. 8,256.76 lakhs</b>
Particulars	Amount (in Rs. lakhs)																										
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Securities premium	- Rs. 1,376.13 lakhs																										
<b>Total</b>	<b>- Rs. 8,256.76 lakhs</b>																										
<p>For and on behalf of the Board of Directors of Music Broadcast Limited</p> <p style="text-align: right;">             Shailesh Gupta            Director            DIN: 00192466         </p> <p style="text-align: right;">  </p>																											
<p>Place: Mumbai Dated: January 24, 2023</p> <p style="text-align: center;">  </p>																											

## FINANCIAL INDEBTEDNESS

Details of the outstanding borrowings of our Company as on December 31, 2022:

S. No.	Nature of Borrowing	Amount (in ₹ lakh)	Percentage
1.	Secured Borrowings	Nil	Nil
2.	Unsecured Borrowings	Nil	Nil
	Total	Nil	Nil

Standalone	Amount (in ₹ lakh)
Debt Securities	Nil
Borrowings (Other than Debt Securities)	Nil
Total	Nil

Set forth below, is a brief summary of the borrowings by our Company as on December 31, 2022, together with a brief description of certain significant terms of such financing arrangements.

### Secured Loan Facilities

Our Company's secured borrowings as on December 31, 2022 is NIL.

The details of the secured borrowings are set out below:

### Term Loans- Nil

**Security for the above term loans/ facilities:** Nil

### Working Capital Demand Loans and Cash Credit facilities from Banks:

The total sanctioned amount of working capital demand loans and cash credit facility and overdraft availed from banks as on December 31, 2022 is ₹ 1,100 Lakhs. However, the same has not been utilized. The details of the working capital demand loans and cash credit facilities are set out below:

Sr. No.	Lender Name	Facility	Date of Disbursement	Sanctioned Amount (₹ in lakh)	Amount Outstanding (As per Ind-AS) (₹ in lakh)	Principal Amount Outstanding (₹ in lakh)	Maturity Date	Repayment Schedule
1	HDFC Bank	OD against FD	N.A.	1,000	NIL	NIL	N.A.	On Demand
2	Axis Bank	OD against FD	N.A.	100	NIL	NIL	N.A.	On Demand

### Security for the above working capital demand loans and cash credit facilities

Overdraft facilities are secured against Fixed Deposit from banks.

**Details of rest of the secured borrowings (if any, including but not limited to, hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares) as on December 31, 2022:**

Nil

### External Commercial Borrowings of the Company:

Nil

**Other Secured Borrowings**

Nil

**Details of Unsecured Loan Facilities:**

**Term Loans:**

Our Company has not availed any Term Loans from Financial Institutions as on December 31, 2022.

**Commercial Papers:**

Our Company has not issued any Commercial Papers.

**Loan from Directors and Relatives of Directors**

Our Company has not taken any loan from Directors or relative of Directors.

**Inter-Corporate Deposits**

As on December 31, 2022, our Company has not borrowed any amount by way of inter-corporate deposits.

**Inter Corporate Loans**

As on December 31, 2022, our Company has not borrowed any amount in the nature of demand loans from companies under same management.

**Servicing behavior on existing debt securities, payment of interest on due dates on financing facilities or securities**

Our Company has not defaulted upon or delayed in payment of any interest and/or principal in the past. The Company has not issued any corporate guarantee.

**Restrictive Covenants under our Financing Arrangements:**

We have not availed any financial arrangements, therefore, our Company is not required to take the prior approval of the lenders before carrying out such activities.

**Events of Default under our Financing Arrangements:**

Since, we have not availed any financing arrangements, the events of default are not applicable on Our Company.

## OUTSTANDING LITIGATIONS

Our Company, Directors, Promoter and Group Companies are subjected to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are initiated by us and also by customers and other parties. These legal proceedings are primarily in the nature of (a) civil suits (b) criminal complaints (c) business operations related litigations. We believe that the number of proceedings in which we are involved in is not unusual for a company of our size in the context of doing business in India. Except as disclosed below, there is no outstanding litigation including, suits, criminal or civil prosecutions and taxation related proceedings against our Company, Directors, Promoters and Group Companies that would have a material adverse effect on our operations or financial position.

For the purposes of above, our Bonus Committee has considered and adopted a policy of materiality for identification of material litigations (“**Material Threshold**”), for the purpose of the present issue of NCRPS. In terms of materiality policy, any outstanding litigation:

- a. involving the Company, in which the aggregate monetary claim by or against our Company exceeds one percent of the net worth for as per the recent audited financial statements of the Company for Fiscal year ended March 31, 2022 has been considered material. The total Networth of the Company for Fiscal year ended March 31, 2022 is ₹ 603.59 crore. Accordingly, all litigation involving monetary amount of claim exceeding ₹ 6 crore has been considered as material;
- b. involving the Directors of the Company whose outcome may have a bearing on the business, operations or reputation of the Company, has been considered as material; and
- c. involving the Promoter, in which the aggregate monetary amount of claim by or against the Promoter exceeds an amount equivalent to one percent of the consolidated net worth as per the recent audited financial statements of the Promoter Company for Fiscal year ended March 31, 2022 has been considered as material. The consolidated Networth of the Promoter Company for Fiscal year ended March 31, 2022 is Rs. 2137.42 crore. Accordingly, all litigation involving monetary amount of claim exceeding ₹ 21 crore has been considered as material;
- d. all criminal proceedings whether complaints, first information reports, bail applications or otherwise wherein our Company, Directors, Promoter and Group Company is a party;
- e. in relation to the Group Companies, for the purpose of disclosures in this Information Memorandum, all pending proceedings whether civil, arbitral, or otherwise, of claim exceeding ₹ 6 crore have been identified as material.

### **Save as disclosed below, there are no:**

- outstanding civil or tax proceedings involving our Company, Directors and Promoter in which the pecuniary amount involved is in excess of the Materiality Threshold.
- outstanding actions initiated or show-cause notices issued by regulatory authorities such as SEBI or RBI or the Stock Exchanges or MCA, Registrar of Companies or any other such similar authorities, involving our Company, Directors, Promoters and Group Companies.
- outstanding criminal proceedings filed by or against our Company, Directors, Promoter and Group Companies.
- defaults in or non-payment of any statutory dues by our Company.
- litigations or legal actions pending or taken against our Promoter by a Government department or a statutory body during the last three years immediately preceding the year of this Information Memorandum.
- inquiries, inspections or investigations initiated or conducted under the Securities laws or Companies Act or any previous companies’ law in the last three years immediately preceding the year of issue of this Information Memorandum against our Company and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of this Information Memorandum for the Company.
- outstanding litigation involving our Company, Directors, Promoter, or any other person, whose outcome could have material adverse effect on the position of our Company, or which may affect the Issue or an investor’s decision to invest in the Issue.
- pending proceedings initiated against our Company for economic offences.
- material frauds committed against our Company in the last three years preceding the date of this Information Memorandum and actions taken by our Company in this regard.

There are no pending material litigations, involving our Company, our Promoter and Director, except the following:



## I. Litigations Involving our Company

### ➤ Litigations against our Company

#### A. Criminal Proceedings

NIL

#### B. Material Civil Proceedings

Other than disclosed below there are no material civil proceedings against our Company.

1. Rajdeep Sardesai and TV Today Network Limited (together, the “**Plaintiffs**”) have filed a suit before the Bombay High Court against our Company and two of our radio jockeys, alleging defamation. It is alleged that, in a radio show anchored by two of our Company’s radio jockeys, who are respondents in the suit, certain comments were made in respect of Rajdeep Sardesai and Lalit Modi, who is presently in exile, amounting to defamation (the “**Comments**”). The Plaintiffs have sought for directions, *inter alia*, to restrain our Company and radio jockeys from re-broadcasting the Comments and broadcasting any content that is defamatory to Rajdeep Sardesai. The Plaintiffs have also sought for a direction for a public apology and claimed damages amounting to ₹ 100 crore. The matter is pending.
2. The Indian Performing Right Society Limited (“**IRPS**”) has instituted commercial intellectual property suit against our Company before Bombay High Court. IPRS has alleged that it is the only legal entity authorised to collect and distribute the right to royalty on behalf of authors of literary and musical works incorporated in cinematography films and sound recording. Therefore, IPRS has claimed that our Company is under obligation to make payment of royalty towards utilisation of the underlying works incorporated in sound recording and has sought interim order seeking deposit of the royalties as per the prevailing published tariff computed by IPRS amounting to ₹ 38.89 crore from November 28, 2017 to December 31, 2021 and permanent injunction restraining (preventing) our Company from using the IPRS repertoire of literary and musical works included in form of sound recording. Further damages/compensation amounting to ₹ 5 crore has also been sought additionally. The Company has filed its affidavit of reply as per the direction of the court and IPRS has filed its rejoinder statement. Association of Radio Operators for India (AROI) has filed its intervention application before the Bombay High Court. All the pleadings in the case are completed and the arguments have been heard. The case is now reserved for orders.
3. Maharashtra Theatre Private Limited (“**Applicant**”) has filed case *inter alia*, against Collector, Mumbai Suburban District, (“**Collector**”), VRSM Enterprises LLP, Bank of Baroda (formerly Dena Bank), Indian Bank (formerly Allahabad Bank) and our Company and Midday Infomedia Limited (collectively “**Defendants**”). The Collector vide its order dated July 13, 2022 has asked the Applicant to deposit the amount of ₹ 2.15 crore for construction extension to the Government, license fee amount of ₹ 7.10 crore for the period from January 01, 2007 to July 06, 2022 and deposit of 50% unearned amount of ₹ 58.11 crore for the area transferred by bank auction on the Government land. The Applicant had challenged the order of the Collector before the Additional Commissioner, Kokan Division, Mumbai (“**Additional Commissioner**”), by filing application for setting aside and quashing the order dated July 13, 2022 passed by the Collector. Additionally, the Company, VRSM Enterprises LLP and Midday Infomedia Limited (“**Jagran Entities**”) had filed an appeal against Collector order dated July 13, 2022 to protect their occupation of premises under the Government land, as they have purchased the said premises through bank’s e-auction notice and are bonafide purchaser of the premises. During the pendency of the appeal filed by Jagran Entities, the Additional Commissioner *vide* its order dated January 17, 2023 partially allowed the appeal filed by Applicant and directed the Appellant to deposit ₹ 2.15 crore with the Government. Further, Collector has been directed for re-trial on liability to pay licence amount of ₹ 7.10 crore and to take action to recover unearned amount of ₹ 58.11 crore from Defendants. Jagran Entities filed appeal against the order dated January, 17, 2023 passed by the Additional Commissioner, before the Revenue Minister, Government of Maharashtra. The said appeal is listed for hearing on 10<sup>th</sup> April, 2023.

4. MRT Music has filed a suit before city civil court at Bangalore against our Company and its directors namely, Ms. Anita Nayyar, Mr. Shailesh Gupta, and key managerial personnel of our Company Mr. Ashit Kukian and an ex-employee Mr. Chirag Bagadia, seeking an injunction restraining the Company from broadcasting the repertoire of MRT Music. On December 24, 2020, the court has granted an ex-parte ad-interim injunction in favor of MRT Music, further the court also instructed ceasing and desisting from un-authorized use of the copyrighted work owned by MRT. The Company has filed its written submission in the matter. The matter was schedule for hearing on several dates. The court *vide* its order dated October 22, 2021 has allowed an interim application and the stay order against the Company now stands vacated. Thus, the Company have commenced exploitation of the repertoire of MRT Music. The original suit is still pending before the court. The Company has earlier also made an Interim Application (IA) for deleting the name of all respondents, however, IA was dismissed by the court *vide* its order dated December 12, 2022. The issues in the matter have been framed. The matter is at the stage of Plaintiff's i.e. MRT's witness evidence and is listed on 19<sup>th</sup> June, 2023.

**C. Material Tax proceedings**

*Indirect tax proceedings (consolidated)*

NIL

*Direct tax proceedings (consolidated)*

Sr. No.	Type of Direct Tax	No. of Cases	Amount in demanded (in ₹ crore)
1.	Income tax	8	6.060
<b>Total</b>		<b>8</b>	<b>6.060</b>

**D. Regulatory and Statutory proceedings**

NIL

- E. **Details of any inquiries, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous companies law in the last three years immediately preceding the year of issue of this Information Memorandum in the case of Company; and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of this Information Memorandum for the Company.**

NIL

➤ **Litigations by our Company**

**A. Criminal Proceedings**

NIL

**Proceedings under Section 138 of Negotiable Instruments Act, 1881**

Our Company has filed 7 (seven) complaints and notices under Section 138 of Negotiable Instruments Act, 1881 (“NI Act”) and Section 25 of the Payment and Settlement Systems Act, 2007 (“PSS Act”) for recovering amounts due from various entities on account of dishonoring of cheques issued/electronic funds by such entities pending before various courts. The aggregate amount involved in these matters is approximately ₹ 1.67 crore.

**B. Material Civil Proceedings**

NIL

**Arbitration Proceedings initiated by our Company**

NIL

**Insolvency Proceedings initiated by our Company**

NIL

## Notices issued by the Company for recovery of loans

NIL

## II. Litigations involving our Directors

### ➤ Litigations against our Directors

Except as disclosed below, there are no other proceedings against our Directors

#### A. Criminal proceedings

NIL

#### B. Material Civil proceedings

MRT Music has filed a suit before city civil court at Bangalore against our Company and its directors namely, Ms. Anita Nayyar, Mr. Shailesh Gupta, and key managerial personnel of our Company Mr. Ashit Kukian and an ex-employee Mr. Chirag Bagadia, seeking an injunction restraining the Company from broadcasting the repertoire of MRT Music. For details, see “Outstanding Litigations – Litigations involving our Company – Litigations against our Company- Material Civil Proceedings” on page 61.

#### C. Material Tax proceedings

NIL

#### D. Statutory and Regulatory proceedings

NIL

### ➤ Litigations by our Directors

NIL

## III. Involving our Promoter

### ➤ Litigations against our Promoter

#### A. Criminal proceedings

1. Various third parties have filed 71 separate criminal complaints pertaining to alleged defamation pursuant to various news reports, news articles or other contents published in different newspapers of Jagran Prakashan Limited (“JPL”), against certain directors of JPL and employees of JPL including editors, reporters and senior management. These matters are presently pending before various forums at various stages for adjudication.
2. The Central Bureau of Investigation (“CBI”) has initiated criminal proceedings in 2011 against Jagran Solution (“JS”), a unit of JPL (through its directors), an employee of JS (the “JS Employee”) and others before the Court of the Special Judge, Prevention of Corruption (CBI), Ghaziabad (“Special Court”), in relation to alleged misappropriation of funds of National Rural Health Mission (“NRHM”). In 2013, CBI filed a charge sheet before the Special Court alleging criminal conspiracy between several officials of the UP Government and private operators of mobile medical units (“MMUs”) including JS, for misappropriation of NRHM funds (the “Charge Sheet”). The Charge Sheet alleged that JS had unjustly gained a pecuniary advantage aggregating to ₹ 4.899 crore (the “Disputed Amount”) by submitting inflated bills for the fabrication and instrumentation of MMUs. The Disputed Amount has been deposited with the Special Court. The charges have been framed against JS and JS Employee and the evidence for the prosecution has started. The matter is pending for recording of prosecution evidence.

JS has filed two writ petitions before the Allahabad High Court against the State of Uttar Pradesh and others, regarding certain outstanding dues to be paid to JS in relation to the MMU agreements. Further JS has filed a writ petition dated November 21, 2016 before the Allahabad High Court, *inter alia*, seeking that (i) an order of mandamus be issued requiring the Outstanding Amount aggregating to ₹ 9.856 crore be released to JS; and (ii) an order of certiorari be issued striking down the order dated June 23, 2016 passed by Joint Director, Health and Family Welfare, MNU Lucknow. The matter is currently pending.

Further, pursuant to the above CBI case the Enforcement Directorate, Lucknow Zone (“ED”) initiated investigation under the Prevention of Money Laundering Act and notices under section 50 of the Prevention of Money Laundering Act, 2002 for producing of records/documents and for recording of statements were issued. It was informed to ED that the case of money-laundering is not made out as the amount of ₹ 4.899 crore on account of alleged wrongful gain have already been deposited with the Special Court in terms of orders of the high court. The ED has filed criminal complaint before the Special Court (PMLA), Lucknow that has been registered as Sessions Case No. 2791 of 2022 with the title Assistant Director of Enforcement Vs. Jain Video on Wheels and Others., wherein JS Employee and JPL through its directors has been arrayed as accused No.3 and accused No. 4, respectively. Special Court (PMLA) vide order dated December 17, 2022 issued summons to JS Employee and JPL through its Directors. Pursuant to aforesaid summons. JS Employee has been sent to Judicial custody and he was granted bail by the High Court of Judicature at Allahabad Lucknow Bench vide order dated 20.02.2023 passed in Crl Misc. Bail Application No. 943 of 2023 and released. The matter is listed for appearance of accused persons.

3. Krishna Mohan Agarwal (the “**Complainant**”) had filed a first information report with the Cantt Police Station, Gorakhpur against a director of JPL and another (the “**Accused**”) alleging that the Accused had physically assaulted the Complainant when the Complainant had gone to office of the Accused for demanding certain monetary dues. In this regard, a criminal proceeding has been instituted before the Chief Judicial Magistrate, Gorakhpur against the Accused by the police. The matter is pending.
4. H. B. Singh, Returning Officer, Election Commission (the “**Complainant**”) had filed a first information report with the Kotwali Police Station, Pilibhit against certain employees of JPL and the printer (the “**Accused**”) alleging that ‘Dainik Jagran’, a newspaper published by JPL, had published a part of a ballot paper in an article on an election. In this regard, a criminal proceeding has been instituted before the Chief Judicial Magistrate, Pilibhit against the Accused by the police. The matter is pending.
5. Sanjeev Verma (the “**Complainant**”) has filed a criminal complaint before the 6<sup>th</sup> Additional Chief Judicial Magistrate, Moradabad against a director, reporter and certain employee of JPL (the “**Accused**”) alleging that one of the Accused, the reporter, has demanded ₹ 5,000 from the Complainant for not publishing some news against the Complainant. Since the Complainant didn’t pay the money demanded, the news was published against the Complainant. The matter is pending.
6. Labour Enforcement Officer, Labour Department, Varanasi (the “**Labour Officer**”) has filed a criminal complaint before the Chief Judicial Magistrate Court, Varanasi against JPL and another for not adhering to the order of Ministry of Labour and Employment, Government of India to implement the recommendations of the Majithia Wage Board and also for non-production of documents as demanded by the Labour Officer. The matter is pending.
7. The Inspector under the Working Journalist Act, 1955 has filed two separate criminal complaints before the Metropolitan Magistrate, Patiala House, New Delhi and Metropolitan Magistrate Tees Hazari Court, New Delhi, respectively, against certain directors and other senior officials of JPL alleging that JPL has failed to maintain record of details pertaining to the implementation of the recommendations of the Majithia Wage Board. . Complaint filed before Metropolitan Magistrate Patiala House has been disposed off and Complaint filed before Metropolitan Magistrate Tees Hazari Court is pending.
8. Sri Krishna Prasad (Advocate) (“**Complainant**”) has filed FIR No. 131/20 at Kotwali Police Station Munger against our senior most functionaries of JPL alleging that ‘Dainik Jagran’ has no Registration of Newspapers for India (RNI) for Munger Edition and collecting payment of advertisement in the name of Munger Edition from Government, whereas there is no Munger Edition. Similar case was also filed by the Complainant in

Muzaffarpur Civil Court but the same has gone in favour of JPL. Munger District is covered under Bhagalpur unit. JPL have all formal documents required by Directorate of Advertisement and State Government and Central Government. Investigation is going on by police and matter is pending.

## **B. Material Civil proceedings**

1. Sanjeev Mohan Gupta, director of Jagran Publications Private Limited (the “**Applicant**”) has filed an arbitration application before the Madhya Pradesh High Court, Principal Seat at Jabalpur (the “**High Court**”) against JPL and others. It is claimed by the Applicant that in terms of a contractual arrangement with JPL, it has the exclusive right to publish the newspaper ‘Dainik Jagran’ from Madhya Pradesh. The Applicant has alleged that JPL has violated the terms of the contractual arrangement by acquiring the newspaper ‘Nai Duniya’, which is published in Madhya Pradesh. In this regard, the Applicant has sent a notice to JPL invoking arbitration under the agreement. Since JPL has not appointed an arbitrator pursuant to the said notice, the Applicant has filed an arbitration application for the appointment of the arbitrator. The matter is pending.
2. Madan Mohan Gupta and others (the “**Applicants**”) have filed a suit in 2007 before the Delhi High Court against JPL and another, challenging the ownership of the trade name/ mark ‘Dainik Jagran’ by JPL. The trademark ‘Dainik Jagran’ is registered in the name of JPL since 2005. It has been claimed by the applicants that the publication business of the descendants of P. C Gupta was taken over by JPL upon its incorporation in 1975 and the shareholding of the descendants of P. C. Gupta in JPL has since been diluted by the sale of their shares to another entity and pursuant to an initial public offering by JPL. The Applicants, who are the descendants of G. D. Gupta, brother of P. C. Gupta, *inter alia*, seek (i) a declaration that the lineal descendants of the P. C. Gupta and his brother are joint owners of the trade name/ mark ‘Dainik Jagran’ and JPL has no rights over the same; and (ii) a permanent injunction restraining JPL from using the trade name/ mark ‘Dainik Jagran’. The matter is pending.
3. Sapna Gupta and Priyanka Gupta (collectively the “**Petitioners**”), erstwhile directors and present shareholders of Jagran Publications Limited (“**JPPL**”) have filed a petition in the year 2007 before the Company Law Board, New Delhi (the “**CLB**”) against JPPL and JPL (a shareholder of JPPL), seeking that the name of JPL be struck off from the register of members of JPPL. In terms of its order dated August 22, 2008 (the “**Order**”), the CLB held that the name of JPL cannot be struck from the register of members of JPPL and dismissed the CLB petition. The Petitioners have filed an appeal against the Order before the High Court of Madhya Pradesh, at Jabalpur (the “**High Court**”), seeking quashing of the Order and CLB petition be allowed by the High Court. Sapna Gupta has subsequently withdrawn herself as an appellant from the said appeal. No interim reliefs have been granted by the High Court of Madhya Pradesh at Jabalpur in the said appeal. The matter is pending.
4. Hari Mohan Gupta and others (collectively the “**Petitioners**”) have filed a petition before the Company Law Board, Mumbai Bench (“**CLB**”) against JPL, Jagran Publications Private Limited (“**JPPL**”) and others, seeking that the name of JPL (a shareholder of JPPL) to be struck down from the register of members of JPPL, and a declaration that the petitioners are the rightful title holders of JPL’s shareholding in JPPL (the “**Petition**”). After the formation of the National Company Law Tribunal (“**NCLT**”) in place of the CLB, the Petition has been transferred to the Ahmedabad Bench of the NCLT. The matter is pending.

In this regard, JPL has filed an application before the CLB, objecting to the maintainability of the Petition (the “**Application**”). In terms of its order dated May 22, 2014, the CLB has dismissed the Application (the “**Order**”). JPL has filed an appeal against the Order before the High Court of Madhya Pradesh, Jabalpur Seat (the “**High Court**”) seeking that the Petition be dismissed. By the order dated November 24, 2014, proceedings relating to the Petition were stayed till January 12, 2015, and such stay has been continued from time to time. Further, due to the constitution of the NCLT replacing the CLB, the matter was transferred to the Ahmedabad Bench of NCLT, which exercises jurisdiction over the States of Gujarat and Madhya Pradesh. The matter was dismissed by the NCLT for non-prosecution on July 09, 2021.

## **C. Material Tax proceedings**

### ***Indirect tax proceedings (consolidated)***

NIL

**Direct tax proceedings (consolidated)**

Sr. No.	Type of Direct Tax	No. of Cases	Amount demanded (in ₹ crore)
1.	Income tax	1	1.120
<b>Total</b>		<b>1</b>	<b>1.120</b>

In respect to one of the cases on re-assessment proceedings under Section 147 of Income Tax Act, 1961 (“IT Act”) for the assessment year 2015-2016, by way of issuance of notice under Section 148 of IT ACT, whereby disallowance under Section 14A of IT Act & investment of ₹ 140.78 crore by JPL are under challenge by the tax department. The amount in demand is not ascertainable at the current stage.

**D. Statutory and Regulatory proceedings**

NIL

➤ **Litigations by our Promoter**

**A. Criminal proceedings**

1. JPL has filed 710 separate complaints against various third parties including advertisers and/or advertising agencies, in relation to dishonour of cheques issued by such various third parties on account of dues recoverable for, *inter alia*, advertisements published in newspapers published by JPL. These matters are presently pending before various forums at various stages of adjudication. The aggregate amount involved in these matters is ₹ 11.41 crore.
2. JPL has filed 155 criminal complaints pertaining to criminal breach of trust, criminal conspiracy and/or cheating against various third parties including advertisers and/or advertising agencies for alleged non-payment of dues arising out of advertisements published in different newspapers published by JPL. These matters are presently pending before various forums at various stages for adjudication.
3. Crystal Sound and Music Private Limited (“Crystal”) has filed a criminal complaint before the LVIII Metropolitan Magistrate’s Court, Mumbai against Nine Winds Media and Entertainment Private Limited for alleged dishonour of cheque issued to Crystal for on-ground activation services provided. The aggregate amount involved in this matter is ₹ 0.122 crore. Crystal got amalgamated in Jagran Prakashan Limited. The matter is pending.
4. JPL has filed 8 (eight) first information reports with different police stations pertaining to criminal breach of trust and/or cheating against various third parties including advertisers for alleged non-payment of dues arising out of advertisements published in different newspapers published by JPL, which are presently pending at various stages of investigation.
5. JPL has filed eight first information reports with different police stations pertaining to criminal breach of trust, criminal conspiracy and/ or cheating against various third parties including employees, agents and other intermediaries (the “Accused”) for alleged misappropriation of money, which are either presently pending at various stages of investigation, or criminal proceedings have been instituted before different forum of adjudication by the police. In this regard, Accused involved in two first information reports out of the eight aforesaid first information reports had filed separate writ petitions before Allahabad High Court for quashing of the first information reports/ charge sheets. The Allahabad High Courts by its respective orders has stayed the proceedings in respect of the aforesaid two first information reports. However, the said matters are still pending before the Allahabad High Court.
6. JPL has filed a criminal complaint before the II Additional Chief Metropolitan Magistrate, Kanpur against Sanjeev Mohan Gupta and Jagran Entertainment Media Private Limited (the “Accused”) for alleged unauthorised usage of the name ‘Jagran Prakashan Limited’ on the Accused’s website and wrongfully claiming to be owners of the newspaper ‘Dainik Jagran’, a newspaper which is published by JPL. The matter is pending.
7. JPL had filed a first information report with the Patel Nagar police station, Dehradun against Surendra Singh Bisht (the “Accused”) for availing a personal loan on basis of a guarantee letter on the letter-head of JPL,

allegedly obtained by fraud. In this regard, a criminal proceeding has been instituted before the II Chief Judicial Magistrate, Dehradun against the Accused by the police. The matter is pending.

8. JPL has filed a first information report before the Civil Lines police station, Hisar, alleging the theft of a laptop from its premises. No accused has been identified in the matter. The matter is pending.
9. JPL has filed a first information report before Kakadev Police Station Kanpur Nagar under section 63 and 65 of the Copyright Act against unknown Persons regarding Circulation of fake message on Social Media with using Jagran half sun logo.

## **B. Material Civil proceedings**

1. JPL and Shri Puran Chandra Gupta Smarak Trust (collectively the “**Petitioners**”) have filed a suit before the District Judge, Kanpur against Jagran Social Welfare Trust and others (collectively the “**Defendants**”) seeking, *inter alia*, a permanent injunction restraining the Defendants from use of the trade name ‘Jagran’, which is a registered trademark of JPL. Shri Puran Chandra Gupta Smarak Trust runs several educational institutions under the name of ‘Jagran’, including Jagran Institute of Management and Mass Communication. The Defendants have manage Jagran Institute of Communication and Management (“**JICM**”). The Petitioners have alleged infringement of the intellectual properties of JPL, in managing the affairs of JICM, by the Defendants. In this regard, Hari Mohan Gupta, president of Jagran Social Welfare Trust, has filed rectification application before the Intellectual Property Appellate Board, Chennai against JPL to strike off the trademark ‘Jagran’ in Hindi and English from its rolls. The matters are pending.
2. JPL has filed six separate suits for permanent injunction against different entities and their directors (the “**Defendants**”) alleging, *inter alia*, infringement of trademark, dilution of trademark, unfair competition and/ or passing off. Pursuant to the said suits, JPL has sought for, *inter alia*, a direction to restrain the Defendants from usage of the mark ‘Jagran’, which is a registered trademark of JPL, or any other similar or identical mark and claim of monetary amount for profits illegally earned by the Defendants by selling their goods using the mark ‘Jagran’. These cases are pending before Trademark registry and various high courts at various stages of adjudication. The aggregate amount involved in these matters is ₹ 1.2 crore.
3. JPL has filed a petition before the Company Law Board, New Delhi (“**CLB**”) against Jagran Publications Private Limited (“**JPPL**”) and certain shareholders of JPPL (the “**Members**”), alleging that the Members have been mismanaging the affairs of JPPL and oppressing the rights of JPL (a shareholder of JPPL). JPL has, *inter alia*, sought for a direction that the Members should sell the shares held by them in JPPL on a price determined by an independent valuer, to JPL, or in the alternative, for the framing of a scheme of management whereby the management rights over JPPL are vested with JPL. By its order dated November 29, 2007, the CLB has restrained the Members from encumbering or alienating the capital assets, properties and valuable investments of JPPL other than in the ordinary course of its business. After the formation of the National Company Law Tribunal (“**NCLT**”) in place of the CLB, the petition has been transferred to the Ahmedabad Bench of the NCLT. The matter is pending.
4. Jagran Solution, a unit of JPL has filed two writ petitions before the High Court against the State of Uttar Pradesh and others. For details, see “*Outstanding Litigations – Litigation involving our Promoter – Litigation against our Promoter – Criminal proceedings*” on page 63.
5. JPL filed a suit for infringement and passing off against Telegram and undisclosed persons vide suit no. 146/2020 before Delhi High Court. The Delhi High Court *vide* its order dated May 29, 2020 has directed Telegram to disclose the identities of the infringing channel owners and also to take down the infringing channels involved in circulation of e-paper of Jagran. Telegram has been taking down the infringing channels after court order as and when intimation of such channels given by JPL. Telegram didn’t disclose the identities to JPL. Therefore, there have been many suits against Telegram since 2020, and JPL have been successful in obtaining an order dated November 23, 2022, confirming the directions of order dated May 29, 2022, wherein Telegram has been directed by the court to submit the identities of the infringing channel owners before the court within 3 weeks. The matter is currently pending.

#### IV. Litigations involving our Group Company

##### Litigations involving Midday Infomedia Limited

###### ➤ Litigations filed against Midday Infomedia Limited

###### A. Criminal proceedings

Various third parties have filed 27 separate criminal complaints pertaining to alleged defamation / alleged indecent content pursuant to various news reports, news articles or other contents published in the newspaper of Midday Infomedia Limited (“**Midday**”), against Midday and employees of Midday including certain reporters, photographers and editors, directors of Midday and/ or printers and publishers. These matters are presently pending before various forums at various stages of adjudication

###### B. Material Civil proceedings

Maharashtra Theatre Private Limited (“**Applicant**”) has filed case *inter alia*, against Collector, Mumbai Suburban District, (“**Collector**”), VRSM Enterprises LLP, Bank of Baroda (formerly Dena Bank), Indian Bank (formerly Allahabad Bank) and our Company and Midday Infomedia Limited (collectively “**Defendants**”). For details, see “*Outstanding Litigations – Litigation Involving our Company – Litigation against our Company – Material Civil Proceedings*” on page 60.

###### C. Material Tax proceedings

NIL

###### D. Statutory and Regulatory proceedings

NIL

###### ➤ Litigations by Midday Infomedia Limited

Chief Metropolitan Magistrate Court has directed kherwadi Police Station *vide* its order dated December 24, 2019 to register FIR against Maharashtra Theatre Private Limited, Anubhav Anilkumar Aggarwal, Gokul Anilkumar Aggarwal, Vipul Bansal, and Nilesh Kadam, for abruptly stopping essential services and the FIR was registered at Kherwadi Police Station MECR no. 06/2019 dated December 31, 2019.

##### Litigations involving MMI Online Limited

###### ➤ Litigations against MMI Online Limited

###### A. Criminal proceedings

NIL

###### B. Material Civil proceedings

NIL

###### C. Material Tax proceedings

NIL



**D. Statutory and Regulatory proceedings**

NIL

➤ **Litigations by MMI Online Limited**

NIL

**V. Details of acts of material frauds committed against our Company in the last three years, if any,**

NIL

**VI. Details of proceedings by Ministry of Information and Broadcasting**

NIL

## **MATERIAL DEVELOPMENTS**

In the opinion of our Board, except for approval of Scheme by the Hon'ble NCLT, there have not arisen since the date of the last audited financial statements, i.e., March 31, 2022, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## ISSUE STRUCTURE

The following are the key terms of the NCRPS:

<b>Security Name</b>	Non-Convertible Non-Cumulative Redeemable Preference Shares
<b>Issuer</b>	Music Broadcast Limited
<b>Type of Instrument</b>	Non-Convertible Non-Cumulative Redeemable Preference Shares
<b>Nature of Instrument (Secured or Unsecured)</b>	Unsecured
<b>Seniority</b>	Claims of the NCRPS Holder shall rank senior to claims by any holder of equity shares of the Company and shall rank pari passu with all other preference shares issued by the Company. Claims of the NCRPS Holder shall be subordinate to the both secured and unsecured creditors of the Company.
<b>Eligible Investors</b>	Shareholder residing outside India and Resident Shareholders except Promoter and Promoter Group, as defined under the Scheme, holding equity shares of the Company as on Record Date i.e., Friday, January 13, 2023
<b>Listing (including name of stock Exchange(s) where it will be listed and timeline for listing) / Designated Stock Exchange)</b>	The NCRPS shall be listed on BSE and NSE. BSE Limited shall be the Designated Stock Exchange.
<b>Rating of the Instrument</b>	“CRISIL AA/Stable” by CRISIL Ratings Limited <i>vide</i> rating letter dated September 13, 2022
<b>Issue</b>	Bonus Non-Convertible Non-Cumulative Redeemable Preference Shares of face value of ₹ 10/- each for an amount aggregating up to ₹89,69,59,700/-
<b>Issue Size</b>	The Company proposes to issue 89,69,597 NCRPS of the face value of ₹10/- each at a premium of ₹90/- aggregating to ₹89,69,59,700/-
<b>Minimum Subscription</b>	Not Applicable
<b>Option to Retain Oversubscription Amount</b>	Not Applicable
<b>Objects of the Issue</b>	The Board of Directors of the Company formulated the Scheme of Arrangement for issuance of NCRPS to its non-promoter shareholders on a preferential basis by way of bonus to ensure that it continues to get the support of its esteemed public shareholders who have supported the company so far.  Kindly refer the Section “Scheme of Arrangement” on Page 32.
<b>Details of the utilisation of the Proceeds</b>	Not Applicable since this is a bonus issue of NCRPS
<b>Dividend Rate</b>	0.1% per annum
<b>Step Up/Step Down Coupon Rate</b>	Not Applicable
<b>Dividend Payment Frequency</b>	The dividend shall be paid out of profits, as and when declared by the Board.
<b>Dividend Payment Date</b>	The dividend shall be paid as and when declared by the Board.
<b>Cumulative / non cumulative, in case of dividend</b>	Non-Cumulative
<b>Coupon Type (Fixed, floating or other structure)</b>	Not Applicable
<b>Coupon/ Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)</b>	Not Applicable
<b>Day Count Basis</b>	Not Applicable

<b>Interest on application money</b>	Not Applicable
<b>Default Interest rate</b>	Not Applicable
<b>Tenor</b>	36 months from the Date of Allotment
<b>Redemption Date(s)</b>	36 months from the Date of Allotment i.e., January 19, 2026
<b>Redemption Amount</b>	₹ 107,63,51,640/-
<b>Redemption Premium / Discount</b>	At a premium of ₹ 20/-
<b>Issue Price</b>	₹ 100/- per NCRPS (including ₹ 90/- per NCRPS as premium) as Bonus
<b>Discount at which security is issued and the effective yield as a result of such discount</b>	Not Applicable
<b>Put Date</b>	Not Applicable
<b>Put Price</b>	Not Applicable
<b>Call Date</b>	Not Applicable
<b>Call Price</b>	Not Applicable
<b>Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)</b>	Not Applicable
<b>Call Notification Time (Timelines by which the investor need to intimate Issuer before exercising the call)</b>	Not Applicable
<b>Face Value</b>	₹ 10/- per NCRPS
<b>Minimum Application size and in multiples of NCRPS thereafter</b>	One Bonus NCRPS
<b>Issue Timing</b>	Not Applicable
<b>Issue Opening Date</b>	Not Applicable
<b>Issue Closing Date</b>	Not Applicable
<b>Date of earliest closing of the issue, if any</b>	Not Applicable
<b>Pay-in date</b>	Not Applicable
<b>Deemed Date of Allotment</b>	January 19, 2023
<b>Settlement mode of the Instrument</b>	Payment of dividend and Redemption Amount will be made by way of RTGS / NEFT / any other electronic mode / any other permissible mode of payment.
<b>Depositories</b>	National Securities Depository Limited & Central Depository Services Limited
<b>Disclosure of Dividend / redemption dates</b>	Dividend shall be given only in case of profits. The Redemption Date shall be 36 months from the Date of Allotment i.e., January 19, 2023.
<b>Record Date for issuance of NCRPS</b>	January 13, 2023
<b>All covenants of the issue (including side letters, accelerated payment clause, etc.)</b>	NA
<b>Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of</b>	NA

security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Disclosure Document	
<b>Transaction Documents</b>	This Information Memorandum read with the Scheme of Arrangement
<b>Conditions Precedent to Disbursement</b>	Not Applicable
<b>Conditions Subsequent to Disbursement</b>	Not Applicable
<b>Events of Defaults (including manner of voting /conditions of joining Inter Creditor Agreement)</b>	Not Applicable
<b>Creation of recovery expense fund</b>	The Issuer hereby undertakes and confirms that it shall, within the time period prescribed under the SEBI Recovery Expense Fund Circular, establish and maintain the Recovery Expense Fund in such manner/mode as is prescribed under the SEBI Recovery Expense Fund Circular.
<b>Conditions for breach of covenants (as specified in Debenture Trust Deed)</b>	Not Applicable
<b>Role and Responsibilities of Debenture Trustee</b>	Not Applicable
<b>Risk factors pertaining to the issue</b>	As specified in <b>Annexure B</b> ( <i>Management's Perception of Risk Factors</i> ) of this Disclosure Document
<b>Governing Law and Jurisdiction</b>	The NCRPS are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts at Mumbai in India.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority of Listing

The Hon'ble NCLT has approved the Scheme, vide its Order dated December 23, 2022 (certified copy received by the Company on December 27, 2022). For more details relating to the Scheme please refer to the Section titled "Scheme of Arrangement" on page 32 of this Information Memorandum. In accordance with the said Scheme, the NCRPS of our Company issued pursuant to the Scheme shall be listed and admitted to trading on the BSE and NSE. Such listing and admission for trading is not automatic and is subject to fulfillment by the Company of criteria of BSE and NSE and also subject to such other terms and conditions as may be prescribed by BSE and NSE at the time of application by our Company seeking listing.

The Company has received approval for listing of its equity shares on BSE vide their letter no. DCS/AMAL/TL/IP/2655/2022-23 dated February 16, 2023 and NSE vide their letter no. NSE/LIST/34221 dated NSE/LIST/34221. Further, the Company has also received a letter bearing no. SEBI/HO/CFD/CFD-RAC-DCR1/P/OW/2023/13890/1 dated April 05, 2023 from the SEBI in relation to relaxation from applicability of Rule 19(2)(b) of the SCRR for listing of the NCRPS of the Company on Stock Exchanges.

### Eligibility Criterion

There being no Initial public offering or rights issue, the eligibility criteria in terms of Chapter II of SEBI ICDR Regulations do not become applicable. However, SEBI vide its master circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time, has subject to certain conditions, permitted unlisted issuer companies to make an application for relaxing from the strict enforcement of Rule 19(2)(b) of SCRR, as amended. Our Company has submitted its Information Memorandum, containing information about itself, making disclosure in line with the disclosure requirement for public issues, as applicable, to BSE and NSE for making the said Information Memorandum available to public through their website viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. Our Company has made the said Information Memorandum available on its website [www.radiocity.in](http://www.radiocity.in). Our Company has published an advertisement in the newspapers containing its details in line with the details required as per the above-mentioned circular on April 11, 2023. The advertisement draws specific reference to the availability of this Information Memorandum on its website.

### Disclaimer Clause of SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE COMPANY ENSURES THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

### Disclaimer Clause of NSE

**BASED ON THE DRAFT SCHEME AND OTHER DOCUMENTS SUBMITTED BY THE COMPANY, INCLUDING UNDERTAKING GIVEN IN TERMS OF REGULATION 11 OF SEBI (LODR) REGULATIONS, 2015, WE HEREBY CONVEY OUR "NO-OBJECTION" IN TERMS OF REGULATION 94 OF SEBI (LODR) REGULATIONS, 2015, SO AS TO ENABLE THE COMPANY TO FILE THE DRAFT SCHEME WITH NCLT.**

**HOWEVER, THE EXCHANGE RESERVES ITS RIGHTS TO RAISE OBJECTIONS AT ANY STAGE IF THE INFORMATION SUBMITTED TO THE EXCHANGE IS FOUND TO BE INCOMPLETE/ INCORRECT/ MISLEADING/ FALSE OR FOR ANY CONTRAVENTION OF RULES, BYE-LAWS AND REGULATIONS**

**OF THE EXCHANGE, LISTING REGULATIONS, GUIDELINES / REGULATIONS ISSUED BY STATUTORY AUTHORITIES.**

**Disclaimer Clause of BSE**

**THE EXCHANGE RESERVES ITS RIGHT TO WITHDRAW ITS 'NO ADVERSE OBSERVATION' AT ANY STAGE IF THE INFORMATION SUBMITTED TO THE EXCHANGE IS FOUND TO BE INCOMPLETE / INCORRECT / MISLEADING / FALSE OR FOR ANY CONTRAVENTION OF RULES, BYE-LAWS AND REGULATIONS OF THE EXCHANGE, LISTING AGREEMENT, GUIDELINES/REGULATIONS ISSUED BY STATUTORY AUTHORITIES.**

**PLEASE NOTE THAT THE AFORESAID OBSERVATIONS DOES NOT PRECLUDE THE COMPANY FROM COMPLYING WITH ANY OTHER REQUIREMENTS.**

**Disclaimer Statement of CRISIL Ratings Limited**

CRISIL Ratings Limited (CRISIL Ratings) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL Ratings from sources which it considers reliable (Information). A rating by CRISIL Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL Ratings. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL Ratings especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. Music Broadcast Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and CRISIL Ratings' rating criteria are available without charge to the public on the website, [www.crisilratings.com](http://www.crisilratings.com). For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at 1800-267-1301.

**Disclaimer statement from the Issuer**

**THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THIS INFORMATION MEMORANDUM OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY IN CONNECTION WITH THE ISSUE OF THE NCRPS AND ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.**

**Disclaimer in Respect of Jurisdiction**

**THE ISSUE IS BEING MADE IN INDIA, TO NON-PROMOTER SHAREHOLDERS OF THE COMPANY AS ON THE RECORD DATE ie, JANUARY 13, 2023, DECIDED BY THE BONUS COMMITTEE OF THE DIRECTORS. THIS INFORMATION MEMORANDUM WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCRPS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THIS INFORMATION MEMORANDUM COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.**

**Undertaking by the Issuer**

**INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE**

**RISKS INVOLVED. THE NCRPS HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” CHAPTER ON PAGE 8 OF THE INFORMATION MEMORANDUM.**

**OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS INFORMATION MEMORANDUM CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS INFORMATION MEMORANDUM AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.**

**OUR COMPANY DECLARES THAT NOTHING IN THE INFORMATION MEMORANDUM IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.**

#### **Filing**

Copy of this Information Memorandum has been filed with BSE and NSE.

#### **Listing**

Application has been made to Stock Exchanges for permission for listing and trading in and for an official quotation of the NCRPS of the Company. The Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of shares. The Company shall ensure that it will take all steps for the completion of necessary formalities for listing and commencement of trading at BSE within such period as approved by SEBI.

#### **Expert Opinions**

Save as stated elsewhere in this Information Memorandum, we have not obtained an expert opinion.

#### **Recovery Expense Fund**

Our Company has created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended from time to time, and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange for the purpose of this Issue.

Kindly note, any default committed by the Company in terms of the NCRPS proposed to be issued shall be reckoned at the International Securities Identification Number level assigned to the NCRPS issued under the Issue.

#### **Underwriting**

This Issue shall not be underwritten.

#### **Change in Auditors of our Company during the last three years**

<b>Name of the Auditor</b>	<b>Address</b>	<b>Date of Appointment</b>	<b>Date of cessation, if applicable</b>	<b>Date of Resignation, if applicable</b>
M/s Waterhouse Price	Building 8, Tower B, DLF Cyber City,	September 15, 2020	-	-



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Chartered Accountants LLP (FRN: 012754N / N500016)	Gurgaon - 122 002
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**Public issue of Equity Shares**

Our Company has not made any public issue of Equity Shares in the last five years.

**Previous Issue(s)**

The Company has not issued any NCRPS in the past.

**Benefit/ interest accruing to Promoters/ Directors out of the Issue**

Neither the Promoter nor the Directors of our Company are interested in the Issue.

**Details regarding the Company, its Subsidiaries and other listed companies which are associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years**

There are no Subsidiaries and/or other listed companies under the same management or associate companies as described under the Companies Act, which have made any capital issuances during the previous three years from the date of this Information Memorandum.

**Details regarding the Company and other listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, which made any capital issue during the last three years**

Nil

**Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding**

As on the date of this Information Memorandum, our Company does not have any outstanding Debentures or bonds or redeemable preference shares.

**Mechanism for redressal of investor grievances**

The Registrar Agreement dated January 3, 2023, between the Registrar and Share Transfer Agent to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the Allotment Advice and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCRPS applied for, amount paid on application and the bank branch or collection center where the application was submitted.

The contact details of Registrar and Transfer Agent to the Issue are as follows:

**KFin Technologies Limited**

SEBI Registration No: INR000000221

Karvy Selenium Tower B

Plot 31-32 Gachibowli, Financial District

Nanakramguda, Hyderabad 500 032

Tel: (91 40) 6716 2222

Fax: (91 40) 2343 1551

E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

Website: [www.kfintech.com](http://www.kfintech.com)

Contact Person: Mr Anandan K

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint during the currency of this agreement and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed fifteen (15) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a fortnightly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

The details of the person appointed to act as Company Secretary and Compliance Officer for the purposes of this Issue are set out below:

### **Company Secretary and Compliance Officer**

#### **Ms. Arpita Kapoor**

Music Broadcast Limited  
5<sup>th</sup> Floor, RNA Corporate Park  
Off Western Express Highway  
Kalanagar, Bandra (East)  
Mumbai 400 051  
Tel: (91 22) 6696 9100  
Fax: (91 22) 2642 9113  
E-mail: [cs@myradiocity.com](mailto:cs@myradiocity.com)

Investors may contact the Registrar and Transfer Agent to the Issue or Ms. Arpita Kapoor, Company Secretary and Compliance Officer in case of any pre-issue or post Issue related issues.

#### **Reservations / Qualifications / Adverse Remarks or Emphasis of Matter by Auditors**

There are no reservations or qualifications or adverse remarks or emphasis of matter by the Statutory Auditors in the financial statements of our Company in the last three financial years immediately preceding this Information Memorandum.

**The amount of corporate guarantee issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty - subsidiary, Joint Venture entity, group company etc) on behalf of whom it has been issued: Nil**

**Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability: Nil**

**Any material event / development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities: Nil, except as disclosed in this Information Memorandum**

**Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project: Not Applicable**

**Except as mentioned under the chapter “Capital Structure” on page 16 of this Information Memorandum, our Promoter and Promoter Group or Directors of our Company has not purchased or sold any securities in our Company, in six months immediately preceding the date of this Information Memorandum.**

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Information Memorandum), which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at 5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (East), Mumbai 400 051 from 10.00 a.m. to 02.00 p.m. on working days from the date of the Information Memorandum.

1. Certificate of Incorporation of our Company.
2. Memorandum and Articles of Association of our Company, as amended to date.
3. Original Certificate of Incorporation dated November 4, 1999, issued by Registrar of Companies, Mumbai.
4. Revised certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Mumbai on June 25, 2015.
5. Copy of the Fairness Report provided by Sundae Capital Advisors Private Limited dated October 20, 2020.
6. Copy of the resolution passed by the Board of directors dated October 20, 2020 approving the scheme.
7. Scheme of Arrangement among Music Broadcast Limited and their respective Shareholders.
8. Letter under Regulation 37 of SEBI LODR Regulations issued by BSE vide DCS/AMAL/PB/R37/1888/2020-21 dated January 29, 2021 and NSE vide NSE/LIST/25142\_II dated January 29, 2021.
9. Copy of the Resolution dated June 23, 2022 passed by the Equity Shareholders for approving the Scheme of Arrangement.
10. Copy of the Resolution dated June 23, 2022 passed by the Unsecured Creditors for approving the Scheme of Arrangement.
11. Order dated December 23, 2022 (certified true copy received on December 27, 2022) of the Hon'ble National Company law Tribunal, Mumbai Bench sanctioning the Scheme of Arrangement under Section 230 of the Companies Act, 2013 and other applicable provisions of the Act.
12. Tripartite Agreement dated July 08, 2016 among our Company, the Registrar and CDSL.
13. Tripartite Agreement dated September 22, 2016 among our Company, the Registrar and NSDL.
14. Rating Letter dated September 13, 2022 by CRISIL Ratings Limited assigning a rating of "CRISIL AA/Stable (pronounced as CRISIL double A rating with stable outlook)" for the Issue with rating rationale.
15. Annual Reports of our Company for the last three financial years ended March 31, 2022, 2021 and 2020.
16. The Limited Review Report dated January 24, 2023 in relation to the nine months period ended December 31, 2022 on the Unaudited Financial Information of our Company.
17. BSE letter no. DCS/AMAL/TL/IP/2655/2022-23 dated February 16, 2023 and NSE letter no. NSE/LIST/34221 dated February 17, 2023 granting in-principle listing approval.
18. SEBI Relaxation letter no. SEBI/HO/CFD/CFD-RAC-DCR1/P/OW/2023/13890/1 dated April 05, 2023 granting relaxation for listing from the applicability of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957.

## ANNEXURE I - DAY COUNT CONVENTION

### ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION DEPICTING COMPUTATION OF DAYS REGARDING REDEMPTION

Name of the issuer	<b>Music Broadcast Limited</b>
Face Value per NCRPS (in ₹)	10
Issue Price per NCRPS (in ₹)	100 (including a premium of ₹90)
Day and Date of Allotment (tentative)	Thursday, January 19, 2023
Date of redemption	Date occurring on expiry of 36 (Thirty-six) months from the Date of Allotment, that is, January 19, 2026
Tenure and Dividend Rate	36 Months; 0.1% p.a.
Frequency of the dividend payment	At the discretion of the Board of Directors
Day Count Convention	Actual / Actual

Investors should note that the below examples are solely for illustrative purposes

Cash Flows	Due Date	Date of Redemption	No. of days	Amount (in Rupees)
Date of allotment	January 19, 2023		1095	100.00
Redemption Value	January 19, 2026	January 19, 2026		120.00

Notes:

1. The payment of dividend shall be in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, as and when declared by the Board, at its discretion.
2. Date of Allotment is January 19, 2023.
3. The redemption amount shall be paid at the redemption date.

**ANNEXURE II – CRISIL RATING LETTER AND RATIONALE**

RL/MUBRPL/301135/PRFSHR/0922/42761/119788506  
September 16, 2022

**Mr. Prashant Domadia**  
Chief Financial Officer  
**Music Broadcast Limited**  
5th Floor R N A Corporate Park,  
Off Western Express Highway,  
Kalanagar, Bandra (E),  
Mumbai City - 400051  
9004663130



Dear Mr. Prashant Domadia,

**Re: CRISIL Rating on the Rs. 120 Crore Preference Shares of Music Broadcast Limited**

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating to the captioned Debt instrument. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit [www.crisilratings.com](http://www.crisilratings.com) and search with the name of the rated entity to access the latest rating/s.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rakshit Kachhal  
Associate Director - CRISIL Ratings

Nivedita Shibu  
Associate Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

**CRISIL Ratings Limited**

(A subsidiary of CRISIL Limited)

Corporate Identity Number: U67100MH2019PLC326247

**Details of the Rs.120 Crore Preference Shares of  
Music Broadcast Limited**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	Date	Amount	Date	Amount	Date	Amount
<i>Investors:</i>						
<i>Trustees:</i>						

***In case there is an offer document for the captioned Debt issue, please send us a copy of it.***

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**CRISIL Ratings Limited**  
(A subsidiary of CRISIL Limited)  
Corporate Identity Number: U67100MH2019PLC326247

## Rating Rationale

September 13, 2022 | Mumbai

### Music Broadcast Limited

'CRISIL AA/Stable' assigned to Preference Shares

#### Rating Action

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.135 Crore</b>
<b>Long Term Rating</b>	<b>CRISIL AA/Stable (Reaffirmed)</b>
<b>Short Term Rating</b>	<b>CRISIL A1+ (Reaffirmed)</b>

<b>Rs.120 Crore Preference Shares</b>	<b>CRISIL AA/Stable (Assigned)</b>
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1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

#### Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AA/Stable**' rating to the Rs 120 crore of preference shares of Music Broadcast Limited (MBL). CRISIL Ratings has also reaffirmed its 'CRISIL AA/Stable/CRISIL A1+' ratings on the bank facilities of MBL.

The ratings continue to reflect strong market position of MBL in the FM radio broadcasting industry, healthy financial risk profile and managerial, operational and financial linkages with the parent, Jagran Prakashan Ltd (JPL; 'CRISIL AA+/Stable/CRISIL A1+'). These strengths are partially offset by susceptibility to economic activity and moderate competition.

Advertisement (ad), the major source of revenue for the company, is strongly correlated with the level of economic activity in the country. The nationwide lockdowns, owing to the Covid-19 pandemic, and weak economic activity in fiscal 2021 and the first half of fiscal 2022 led to a significant drop in ad revenue. However, with economic activity picking up gradually in the latter half of fiscal 2022, operating performance started recovering; revenue was Rs 44 crore and earnings before interest, taxes, depreciation, and amortization margin was ~9.6% for the quarter ended June 30, 2022, compared to Rs 20 crore and operating losses, respectively, in the corresponding period of fiscal 2022. Operating performance should continue to recover in line with the uptick in economic activity in fiscal 2023, though a full recovery to the pre-pandemic level is expected beyond fiscal 2023.

CRISIL Ratings notes that MBL plans a bonus issue of ~Rs 90 crore of non-convertible redeemable preference shares to its non-promoter shareholders. These are to be redeemed three years after the issue date with a redemption premium of ~Rs 18 crore. The free reserves as on date will be sufficient and MBL will service both the nominal preference share dividend as well as the redemption amount in a timely manner.

The financial risk profile of MBL remains supported by strong liquidity of over Rs 275 crore as on August 21, 2022, nil debt and high financial flexibility.

#### Analytical Approach

CRISIL Ratings has applied its parent notch-up framework to factor in the strong operational, financial and managerial linkages between MBL and JPL.

#### Key Rating Drivers & Detailed Description

##### Strengths:

- **Strong market position and healthy financial risk profile:** MBL has a healthy portfolio of 39 radio stations, built through organic and inorganic expansion over fiscals 2016 and 2017. The 11 stations acquired during the phase III auctions have begun to contribute modest operating profit. The company is estimated to report positive operating profit in fiscal 2022, as against operating losses incurred in fiscal 2021. Going forward, performance is likely to rebound in fiscal 2023, in line with economic recovery even as full recovery to pre-pandemic high may not be possible within fiscal 2024.

Financial risk profile will remain supported by a debt-free balance sheet and ample liquidity with cash and liquid investments of over Rs 275 crore as on August 31, 2022. The financial risk profile should remain healthy over the medium term, driven by improvement in cash accrual and the absence of debt.

- **Established linkages with JPL:** MBL has helped JPL diversify its reach into the radio broadcasting segment and thus, remains strategically important to the latter. It complements the print business of JPL and enables it to offer a strong and differentiated product to advertisers. It further enhances the geographical reach by adding cities where JPL has limited



presence in print. Furthermore, radio stations of MBL acquired during the phase III auctions are in areas where JPL has a strong reach, thereby providing synergies to the former.

In past, JPL had facilitated the issuance of non-convertible debentures by providing a corporate guarantee to MBL, and later replaced it with a letter of comfort. It has also offered liquidity support through a debt service reserve account covering six months of debt obligation. Extensive experience of the management of JPL in the media and entertainment business will continue to strengthen the business risk profile.

#### Weakness:

- **Susceptibility to economic activity and moderate competition:** Operating performance of radio operators remains vulnerable to economic downturns, as ad revenue is linked to the overall macroeconomic scenario. Therefore, operations were significantly impacted during the pandemic in fiscal 2021 and the first half of fiscal 2022, after weak performance was reported in fiscal 2020, due to the subdued macroeconomic environment. Recovery in ad revenue will be a key monitorable going forward.

Moreover, limited scope to differentiate offerings results in price-led competition among the radio players, for the available advertising revenue. In the current economic environment, wherein radio revenue is witnessing a gradual recovery, players might need to calibrate ad rates to maintain inventory utilisation. Thus, competitive intensity is expected to remain moderate in the near term.

#### Liquidity: Strong

Liquidity is supported by cash and liquid investments of over Rs 275 crore as on August 31, 2022 and the debt-free status of MBL. Capital expenditure (capex) is expected to remain moderate. Furthermore, MBL has high financial flexibility and can rely upon its parent, JPL, for support in case of exigencies.

#### Outlook: Stable

MBL will continue to benefit from the strong market position of Radio City, robust liquidity and linkages with JPL

#### Rating Sensitivity factors

##### Upward factors

- Upgrade in the credit rating of JPL by one or more notches
- Strong revenue growth leading to healthy cash accrual and return on capital employed ratio

##### Downward factors

- Change in stated stance of support from JPL
- Downgrade in the credit rating of JPL by one or more notches
- Large, debt-funded capex or acquisition weakening the capital structure

#### About the Company

MBL was the first private FM radio broadcaster in India; it operates FM radio channels under the Radio City brand. In fiscal 2016, the company acquired 11 new stations in batch I of FM phase III auctions. Also, eight radio stations under the Radio Mantra brand, operated by promoters of JPL under Shri Puran Multimedia Ltd, were merged with the company and rebranded as Radio City in fiscal 2016. The company is present in 39 cities across India. It also operates 17 web-based stations.

For the quarter ending June 2022, revenue was Rs 44 crore with net profit of Rs 1 lakh compared to Rs 20 crore and net loss of Rs 13 crore, respectively, for the corresponding period in the previous fiscal.

#### Key Financial Indicators

Particulars	Unit	2022	2021
Operating revenue	Rs crore	168	128
Profit after tax (PAT)	Rs crore	-5.7	-24
PAT margin	%	-3.4	-18.9
Adjusted debt / adjusted network	Times	0	0
Interest coverage	Times	10.5	-0.82

The table above reflects CRISIL Ratings-adjusted numbers

**Any other information:** Not applicable

#### Note on complexity levels of the rated instrument:

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#### Annexure - Details of instruments

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs crore)	Complexity level	Rating assigned with outlook
NA	Bank Guarantee	NA	NA	NA	23.95	NA	CRISIL A1+
NA	Proposed Working Capital Facility	NA	NA	NA	79	NA	CRISIL AA/Stable
NA	Proposed Bank Guarantee	NA	NA	NA	21.05	NA	CRISIL A1+

NA	Overdraft Facility	NA	NA	NA	11	NA	CRISIL A1+
NA	Preference Shares*	NA	NA	NA	120	NA	CRISIL AA/Stable

\*Yet to be issued

**Annexure - Rating History for last 3 Years**

Instrument	Current			2022 (History)		2021		2020		2019		Start of 2019
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
<b>Fund Based Facilities</b>	ST/LT	90.0	CRISIL A1+ / CRISIL AA/Stable	21-04-22	CRISIL A1+ / CRISIL AA/Stable	23-07-21	CRISIL AA/Stable	23-04-20	CRISIL AA/Stable	30-07-19	CRISIL AA/Stable	--
<b>Non-Fund Based Facilities</b>	ST	45.0	CRISIL A1+	21-04-22	CRISIL A1+	23-07-21	CRISIL A1+	23-04-20	CRISIL A1+	30-07-19	CRISIL A1+	CRISIL A1+
			--		--		--		--	06-06-19	CRISIL A1+	--
<b>Non Convertible Debentures</b>	LT		--		--		--	23-04-20	Withdrawn	30-07-19	CRISIL AA/Stable	CRISIL AA/Stable
			--		--		--		--	06-06-19	CRISIL AA/Stable	--
<b>Preference Shares</b>	LT	120.0	CRISIL AA/Stable		--		--		--		--	--

All amounts are in Rs.Cr.

**Annexure - Details of Bank Lenders & Facilities**

Facility	Amount (Rs.Crore)	Name of Lender	Rating
<b>Bank Guarantee</b>	<b>2.29</b>	<b>Central Bank Of India</b>	<b>CRISIL A1+</b>
<b>Bank Guarantee</b>	<b>21.66</b>	<b>HDFC Bank Limited</b>	<b>CRISIL A1+</b>
<b>Overdraft Facility</b>	<b>1</b>	<b>Axis Bank Limited</b>	<b>CRISIL A1+</b>
<b>Overdraft Facility</b>	<b>10</b>	<b>HDFC Bank Limited</b>	<b>CRISIL A1+</b>
<b>Proposed Bank Guarantee</b>	<b>21.05</b>	<b>Not Applicable</b>	<b>CRISIL A1+</b>
<b>Proposed Working Capital Facility</b>	<b>79</b>	<b>Not Applicable</b>	<b>CRISIL AA/Stable</b>

This Annexure has been updated on 13-Sep-2022 in line with the lender-wise facility details as on 18-Aug-2021 received from the rated entity.

**Criteria Details**

<b>Links to related criteria</b>
<a href="#">CRISILs Approach to Financial Ratios</a>
<a href="#">Rating criteria for manufacturing and service sector companies</a>
<a href="#">Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support</a>

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