

MUSIC BROADCAST LIMITED
(formerly known as Music Broadcast Private Limited)

Annual Report 2015

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rahul Gupta – Non Executive Director
Mr. Sameer Gupta – Non Executive Director
Ms. Apurva Purohit - Whole-time Director

COMPANY SECRETARY

Mr. Chirag Bagadia

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountant LLP (FRN: 012754N / N500016)

INTERNAL AUDITORS

M/s. KPMG

SECRETARAL AUDITOR

Mr. Tushar Shridharani, Company Secretary

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited

REGISTRAR & SHARE TRANSFER AGENT

Sharepro Services (India) Private Limited
Alankit Assignments Limited

REGISTERED OFFICE

5th Floor, RNA Corporate Park,
Off Western Express Highway,
Kalanagar, Bandra (East),
Mumbai – 400 051

DIRECTORS' REPORT

Your Directors are pleased to submit their **Sixteenth** Annual Report together with the Audited Accounts statements for the financial year ended 31st March 2015.

FINANCIAL RESULTS:

Highlights of the Financial Results for year are reproduced herein below –

(Rs. in '000)

Particulars	F.Y. 2014-15	F.Y. 2013-14
Income –		
Revenue from Advertisement	2,008,350	1,541,664
Other Income	66,690	35,656
Total Income...	2,075,040	1,577,320
Expenditure -		
Administration & other expenses	1,386,705	1,118,341
Interest	62,104	56,571
Depreciation and amortization expenses	157,000	154,871
Total Expenditure...	1,605,809	1,329,783
Profit / (Loss) for the year before tax	469,231	247,537
Less : Provision for tax	-	-
Profit/(Loss) for the year after tax	469,231	247,537
Add: (Loss) brought forward	(2,076,373)	(23,23,910)
Less: Additional Depreciation as per Companies Act 2013	(1,027)	-
Less: Transfer to Debenture Redemption Reserve	(14,236)	-
Loss carried to Balance Sheet after Deferred Tax Adjustments	(1,622,405)	(2,076,373)

BUSINESS OPERATIONS:

FINANCIAL PERFORMANCE

The company has achieved an all-time high performance both in turnover and its profits by growing at a higher pace than the industry.

Your company posted 89.6% growth in Profit after Tax (PAT) at Rs 46.9 Crore as compared to Rs 24.8 crore in FY14. Revenues were at Rs 200.8 crore, up by 30.3% as compared to Rs 154.2 crore a year ago.

Earnings before interest, tax, depreciation and amortization (EBITDA) at Rs 68.8 crore up by 49.9% as compared to Rs 45.9 crore a year ago.

OPERATING RESULTS AND FUTURE OUTLOOK

The financial year FY 2014-15 has been a year that saw Radio City outperform the category by registering an outstanding 30% year on year growth across different parameters (FCT + Alliance + Digital).

The robust growth registered has been due to the focussed approach taken towards each major vertical and an increase in pricing in key markets. FY 2014-15 saw RC hike its ER by 10% in core markets. The year also witnessed a 2% growth in market share. Franchisee sales grew by 28% and satellite market business by 7%. Non FCT grew by 44%.

Programming & Marketing initiatives have resulted in listenership growth in the key markets. Radio City's listenership grew by 3% in Mumbai and it continued its dominant leadership in Bangalore. Radio City retained the No.1 position in both the cities throughout the year and continued to be amongst the top 2 radio networks as per IRS.

Radio City's continued growth projectile was scripted on the back of strong and consistent programming and marketing efforts. Radio City Blue Carpets were extremely successful. Radio City Super Singer, Babber Sher, Radio City Garba Premier League continued to bring in huge listenership engagement and affinity.

The Company's Human Resource policies continue to yield good result. The Company has been participating in the Great Places to Work survey since 2008. In the 2014 GPTW survey, Radio City has been awarded in the following categories:

- **No 1 in Media Industry** (consistently for last 2 years RC has maintained its No. 1 position in Media)
- **No 3 in Fairness & Performance Management System** (Maintained last year's position)
- **No 2 in Engaging Frontline Staff** (The position moved up from No.5 to No. 2)
- **No 3 in Rewards & Recognition** (The position moved up from No.5 to No.3)

Radio City ranked **25th** in India's Best Companies to Work for 2014 study by Great Places to Work. It has moved up by 7 positions.

In the 2015 GPTW survey, Radio City was yet again awarded as the Best Place to Work in Media industry and also the **18th** Great Place to Work across industries in the survey which was done across 700 plus organizations

In the 2015 GPTW survey, Radio City has been awarded in the following categories:

1. Rank 18 – India’s Best Companies to work For 2015
2. Rank 1 – Media Industry
3. Rank 1 – Best Companies for Fairness in Performance Management System
4. Rank 2 – Best Companies in Hiring & Welcoming
5. Rank 3 – Best Companies for Employee Participation and Involvement

AWARDS & ACCOLADES:

- Radio City won 7 Golden Mike Award this year for the following categories:
 - **Effectiveness:**
 - Best use of Radio for a launch – India’s Raw Star – Bronze
 - Best use of Radio for a launch – City First Loyalty Programme – Gold
 - **Creativity:**
 - Best Campaign – Khud Kishore Kumar – Bronze
 - **Promotion:**
 - Best On Air Promotion by a Single Radio Station for Self (Sponsored by a Client) – Ganpati Guards – Gold
 - Best on Ground Promotion by a Network of Stations for self (Sponsored by a client) – Radio City Super Singer – Silver
 - **Innovation:**
 - Most Unique Programming Concepts /Ideas – Khud Kishore Kumar – Silver
 - Best First Time Innovation – City First Loyalty Card Program

- Radio City 91.1FM won 2 awards at the Asian Consumer Exhibition Forum & Awards
 - Best Use of Celebrity Endorsement – Action Jackson on Radio City 91.1 FM
 - Innovative Loyalty Program – City First Loyalty Program

- Radio City 91.1FM won 2 awards at the Big Bang Awards 2014
 - RJ Promotion, Radio City Love Guru (Silver)
 - In-house Program Promotion for Radio Spot (Bronze)

RADIO CITY FREEDOM AWARDS:

The year 2014 also witnessed the launch of the second season of Radio City Freedom Awards. RCFA, a pioneering effort to applaud the independent singers & composers who have pushed the boundaries to create unimagined musical breakthroughs in the independent music diaspora and is well on it’s way to become an Industry benchmark of the measure of excellence.

WEB RADIO

The Company's internet business has grown further in strength with Planetradiocity.com page views growing to 20 million. The Web Radio Section's listenership reached 11 million streams/month reaching 160 countries, 215 cities in India. PlanetRadiocity.com boasts of a robust Web Radio section. Apart from the flagship online radio station, Radio City Fun Ka Antenna, Radio city today has 21 web radio streams with 13 web radio streams launched in the year 2014-15.

JAGRAN-RADIO CITY DEAL

On June 11, 2015, Jagran Prakashan Limited completes the Radio City 91.1 FM acquisition deal by acquiring IVF Holdings Private Limited, the holding Company of the Company, and pursuant to this Radio City 91.1FM is now officially a part of Jagran Prakashan Limited.

Being a part of Jagran family will enable Radio City to offer a more comprehensive bouquet of services to the advertisers. Radio City will continue to operate under the management control of its current leadership.

With this, Radio City will be part of one of the largest media houses in India and will look forward to expanding aggressively in the upcoming Radio FM Phase 3 and cross leveraging on strengths.

DEBENTURES

During the year under review, the company had issued and allotted on private placement basis, 2,000 (Two Thousand) Secured, Redeemable Non-Convertible Debentures having a face value of Rs. 10,00,000/- (Rupees Ten Lakhs only), of the aggregate nominal value of upto Rs. 2,00,00,00,000/- (Rupees Two Hundred Crores only). The Company has obtained rating of "CRISIL AA/Stable" from CRISIL Limited on its said Debentures.

The said Debentures were issued in 3 (Three) Series, being Series A NCDs comprising of 500 (Five Hundred) Debentures, Series B NCDs comprising of 1,000 (One Thousand) Debentures and Series C NCDs comprising of 500 (Five Hundred) Debentures and were admitted to dealing on the Bombay Stock Exchange in the list of securities of F GROUP - DEBT INSTRUMENTS, with effect from March 19, 2015

CHANGE IN STATUS OF THE COMPANY

As per Section 2 (52) of the Companies Act, 2013, the Listed Company has been defined as a Company having any of its securities listed on any of the recognised stock exchange in India.

Since now the redeemable non-convertible Debentures of the Company are listed on the Bombay Stock Exchange with effect from March 19, 2015, the Company is considered as the Listed Company under the provisions of the Companies Act, 2013 and the Rules framed thereunder

CHANGE OF NAME

With effect from 25th June 2015 the status of the Company has changed to Public Limited Company and consequently the name of the Company changed from “Music Broadcast Private Limited” to “Music Broadcast Limited.

DIVIDEND

In order to conserve the resources of the company, the Directors do not recommend any dividend for the Financial Year ended on 31st March, 2015.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return in **Form MGT-9** pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as **ANNEXURE-I** to this Report.

NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors duly met 10 times on the following dates during the year ended March 31, 2015:-

- | | |
|------------------------|------------------------|
| (1) 4th June 2014 | (2) 16th August 2014 |
| (3) 13th November 2014 | (4) 9th December 2014 |
| (5) 10th December 2014 | (6) 18th December 2014 |
| (7) 14th January 2015 | (8) 29th January 2015 |
| (9) 4th March 2015 | (10) 27th March 2015 |

ATTENDANCE OF THE DIRECTORS AT THE BOARD MEETINGS:

Sr. No.	Name of the Director	No. of Board Meetings attended
1	Mr. Vishal Nevatia	7 of 10
2	Mr. Sunil Theckath	4 of 10
3	Mr. Vikram Nirula *	1 of 10
4	Ms. Apurva Purohit #	8 of 10

* Ceased to be a Director w.e.f. July 03, 2014. 1 meeting was held during his tenure.

§ Appointed as Director w.e.f. August 16, 2014. 8 meetings were held during her tenure.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Comptroller and Auditor General's Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis.
- e) the directors, had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INDEPENDENT DIRECTORS:

Being a listed company w.e.f. March 19, 2015, the Company is required to appoint at least at least one-third of the total number of directors as Independent Directors pursuant to the provisions of Section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to clause 23.5 of the Grant of Permission Agreement (GOPA) signed by the Company with Ministry of Information and Broadcasting (I&B), Government of India, the Company would require to take prior permission of the Ministry of I&B before effecting any change in the Board of Directors.

The Company has identified Mr. Anuj Puri and Ms. Ekta Kapoor as Non-Executive Independent Director to be appointed on board and also filed their security clearance with Ministry of Information and Broadcasting and awaits for their approval / confirmation for the same.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company believes that it has the duty towards betterment of society and its wellbeing and to achieve this noble objective, the Company has constituted Corporate Social Responsibility Committee on 4th June 2014, pursuant Section 135 of the Companies Act, 2013, to monitor the Corporate Social Responsibility Policy of the company from time to time.

At present Mr. Rahul Gupta, Mr. Sameer Gupta and Ms. Apurva Purohit are members of the CSR Committee and Mr. Chirag Bagadia, Company Secretary is the Secretary to the CSR Committee further the requirement of Independent Director as member of CSR Committee would be complied as an when the Independent Directors be appointed on the Board of the Company after getting clearances from Ministry of Information and Broadcasting.

The CSR Committee has formulated the CSR Policy and has recommended the activities to be undertaken by the Company as specified under the revised Schedule VII of the Companies Act, 2013.

During the year under review, 2 (two) CSR Committee Meetings were convened and held on June 04, 2014 and January 14, 2015 respectively.

Attendance of the Directors at the CSR Meetings during the year ended March 31, 2015:

Sr. No.	Name of the Director	No. of CSR Committee Meetings attended
1	Mr. Vishal Nevatia	2 of 2
2	Mr. Sunil Theekath	0 f 2
3	Mr. Vikram Nirula *	1 of 2
4	Ms. Apurva Purohit #	1 of 2

* Ceased to be a Member w.e.f. July 03, 2014. 1 meeting was held during his tenure.

§ Appointed as Member w.e.f. August 16, 2014. 1 meetings were held during her tenure.

The Company has made sustainability as the mainstay of its existence and undertakes to focus on issues which are relevant for the betterment of the communities in which it operates while also contributing to the country's progress at large. Accordingly, during the year, your Company undertook CSR activities mainly in the area of Promotion of Education and Livelihood Skills to Visually Impaired and Orphan Students. Details of the CSR activities undertaken by the Company during the financial year 2014-15 is given in the prescribed format and forms part of this Report as **ANNEXURE II**.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013

At present the Audit Committee of the Company consists of the following members:

- a. Mr. Rahul Gupta
- b. Mr. Sameer Gupta
- c. Ms. Apurva Purohit

During the year under review, 5 (five) Audit Committee Meetings were convened and held on June 04, 2014, August 16, 2014, November 13, 2014, January 29, 2015 and March 27, 2015 respectively.

Attendance of the Directors at the Audit Committee during the year ended March 31, 2015:

Sr. No.	Name of the Director	No. of Audit Committee Meetings attended
1	Mr. Vishal Nevatia	4 of 5
2	Mr. Sunil Theckath	2 of 5
3	Mr. Vikram Nirula *	1 of 5
4	Ms. Apurva Purohit #	3 of 5

* Ceased to be a Member w.e.f. July 03, 2014. 1 meeting was held during his tenure.

\$ Appointed as Member w.e.f. August 16, 2014. 3 meetings were held during her tenure.

Further the requirement of Independent Director as member of Audit Committee would be complied as an when the Independent Directors be appointed on the Board of the Company after getting clearances from Ministry of Information and Broadcasting.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

The Vigil mechanism policy of the Company is also available at the website of the Company on following web link: <http://www.planetradiocity.com/about-us/>

NOMINATION AND REMUNERATION COMMITTEE

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees as provided under Section 178(3) of the Companies Act, 2013 has been attached as **ANNEXURE-III** to this report.

During the year under review, 1 (one) Remuneration Committee Meetings were convened and held on June 04, 2014.

Attendance of the Directors at the Remuneration Meeting during the year ended March 31, 2015:

Sr. No.	Name of the Director	No. of Remuneration Committee Meetings attended
1	Mr. Vishal Nevatia	1 of 1
2	Mr. Sunil Theckath	0 of 1
3	Mr. Vikram Nirula	1 of 1

RISK MANAGEMENT POLICY:

Your Company has formulated and put in place Risk Management Policy, which outlines and summarizes the practices of Risk Management.

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework. In Board's view, there are no material risk which may threaten the existence of the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organisation to maintain with the same standard of the control systems and helps them in managing any default on timely basis because of strong reporting mechanisms followed by the company.

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company and improvements in process efficiencies and effectiveness are being carried out on an ongoing basis

SECRETARIAL AUDIT

Pursuant to the provisions of section 204(1) of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Tushar Shridharani, Company Secretary in practice, Mumbai for conducting the Secretarial Audit of the Company for the financial year 2014-15 and furnish his report to the Board. The Secretarial Audit Report forms part of this Report as **Annexure IV**. There are no qualifications or observations or other remarks made by the Secretarial Auditor on the audit conducted by him in his Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments within the meaning of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business. Accordingly, there are no contracts or arrangements with related parties to be disclosed in Form AOC-2 pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its broadcasting activity is required to be audited.

Your Directors had, on the recommendation of the Audit Committee, appointed Messrs Kishor Bhatia and Associates, Cost Accountants, Mumbai, for conducting the audit of the cost accounting records maintained by the Company for the financial year 2015-16 at a remuneration of Rs. 40,000/- plus applicable taxes and out of pocket expense. The Cost Auditors have certified that their appointment was within the limits of Section 141(3)(g) read with sub section 5 of Section 148 of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act

As required under Companies Act, 2013, a resolution seeking member's approval for remuneration payable to the Cost Auditor forms part of notice convening the Annual General Meeting

The Cost Audit Report for the financial year 2013-14 was filed on 12th September 2014 with Ministry of Corporate Affairs and the Cost Audit Report for the financial year 2014-15 will be filed before the due date with Ministry of Corporate Affairs.

STATUTORY AUDITOR

The Auditors, Messrs S R Batliboi & Associates, LLP, Chartered Accountants, Mumbai, resigned from their office w.e.f. July 10, 2015 and in their place M/s. Price Waterhouse Chartered Accountant LLP (FRN : 012754N / N500016) were appointed as Statutory Auditor of the Company to fill up the casual vacancy.

M/s. Price Waterhouse Chartered Accountant LLP (FRN : 012754N / N500016) being eligible under the section 139 of the Companies Act, 2013 and offers themselves for appointment from the conclusion of this Annual General Meeting until the conclusion of the Sixth Annual General Meeting.

There are no qualifications or observations or other remarks made by the Statutory Auditor on the audit conducted by him in his Report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

SHARE CAPITAL

During the year under review, the company issued and allotted 5,000 Equity Shares of the face value of Rs.10/- each on Right Basis, aggregating to Rs. 50,000/-. Further, the Company redeemed 4,900 Redeemable Convertible Preference Shares of the face value of Rs. 10/- each at par. Post this, there are no outstanding Redeemable Convertible Preference Shares in the share capital of the Company.

The paid up share capital of the Company (comprising of equity shares) as on 31st March, 2015 stands to Rs. 41,91,77,670/-. (Rupees Forty One Crore Ninety One Lacs Seventy Seven Thousand Six Hundred and Seventy Only). None of the Directors holds any share and/or convertible instrument in the Company.

DIRECTOR AND KEY MANAGERIAL PERSONNEL

APPOINTMENT

Ms. Apurva Purohit (DIN:00190097) who was serving the Company as Chief Executive Officer (CEO) since July, 2005, was appointed as Whole-time Director and CEO of the Company for a period of five years with effect from 16th August 2014.

Mr. Rahul Gupta (DIN: 00359182), who was appointed as an Additional Director of the Company with effect from 10th June 2015 and who in terms of Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company. The board of directors recommends his appointment.

Mr. Sameer Gupta (DIN: 00038353), who was appointed as an Additional Director of the Company with effect from 10th June 2015 and who in terms of Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company. The board of directors recommends his appointment.

KEY MANAGERIAL PERSON:

Pursuant to Section 203 of the Companies Act, 2013, the Company has designated Ms. Apurva Purohit, Whole Time Director & Chief Executive Officer, Ms. Reshma Khalid, Chief Financial Officer and Mr Chirag Bagadia, Company Secretary as the Key Managerial Personnel of the Company.

Ms. Reshma Khalid, Chief Financial Officer of the Company has resigned w.e.f June 30, 2015. The board place on record the valuable contribution made by Ms. Reshma Khalid during her tenures of office.

RESIGNATION

Mr Vikram Nirula, (DIN 01655115) a Non-Executive Director of the Company has submitted his resignation from the Board of Directors of the Company with effect from July 03, 2014.

Mr Vishal Nevatia, (DIN 01307857) and Mr. Sunil Theckath (DIN 00294130), Non-Executive Directors of the Company has submitted their resignation from the Board of Directors of the Company with effect from June 10, 2015.

The Board places on record its deep appreciation for the valuable contribution made by Mr Vikram Nirula (DIN 01655115), Mr Vishal Nevatia, (DIN 01307857) and Mr. Sunil Theckath (DIN 00294130) during their tenures of office as directors of the Company.

REAPPOINTMENT

In accordance with the provisions of the Companies Act, 2013, Ms. Apurva Purohit (DIN: 00190097) retire from the Board by rotation, and being eligible, offer herself for re-appointment.

ANNUAL EVALUATION OF PERFORMANCE OF BOARD

Your company has recently become listed company and considering evaluation mechanism pertaining to Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues, etc., the Board of directors of the Company at their meeting held on 27th March 2015 unanimously agreed that it may not possible for the Company to adopt a formal evaluation mechanism immediately and decided to adopt and implement a formal evaluation mechanism in the financial year 2015-16, so that appropriate disclosure can be given in the Boards' Report for the financial year 2015-16

CHANGE IN NATURE OF BUSINESS:

During the year under review, there were no changes in nature of business of the company.

SUBSIDIARY COMPANY:

As on 31st March 2015, the company has one subsidiary i.e. Mega Sound and Music Private Limited. There has been no change in the number of subsidiaries or in the nature of business of the subsidiaries, during the year under review.

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and all its subsidiary companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary companies in **Form AOC-1** pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014 is attached as **ANNEXURE-V** to this Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, **www.planetradiocity.com**. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, **www.planetradiocity.com**. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office.

With effect from June 11, 2015, Mega Sound and Music Private Limited ceased to be a subsidiary of the Company.

DEPOSITS:

The Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

ORDER PASSED BY REGULATOR OR COURTS OR TRIBUNALS:

There are no order passed by the regulator or courts or tribunals impacting the going concern status and company's operations.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

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

Since the Company does not own any manufacturing facility, the Energy Conservation and Technology Absorption particulars as per provisions of Section 134(m) of the Companies Act, 2013 read along with rule 8 (3) of the companies (Accounts) Rule 2014 do not apply to our Company.

The total Foreign Exchange Inflow was Rs 27,46,000/- and Outflow was Rs 3,48,000/- during the year under review.

PARTICULARS OF EMPLOYEES

The particulars of employees required to be furnished pursuant to Sub-rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. However, as per the provisions of Section 136 (1) of the Companies Act, 2013, read with sub-rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Annual Report excluding the Statement of Particulars of Employees, is being sent to all shareholders of the Company. Any shareholder interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES

- Percentage increase in the median remuneration of employees in the financial year 2014-2015 is 12%
- Percentage increase in remuneration of director, CFO, CEO, CS in the financial year 2014-15

Name	Designation	Percentage increase in remuneration
Ms. Apurva Purohit	CEO	10%
Ms. Reshma Khalid	CFO	8%
Mr. Chirag Bagadia	CS	17%

- There were 284 permanent employees on rolls of the company as on March 31, 2015
- The explanation on the relationship between average increase in remuneration and Company Performance:

Percentage increase in the remuneration is based on the performance assessment of the each employee and his role and responsibilities in the growth of the Company. Other factors such as Overall Companies growth, Rate of inflation, are also considered which calculating such increase. For the year 2014-2015, this increase ranges from average 10 to 12 %.

- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 12 % whereas the increase in the managerial remuneration for the same financial year was 10%.
- Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: Percentage increase in the remuneration of Key Managerial Personnel is based on the performance assessment of the each KMP and his role and responsibilities in the growth of the Company and average increase remuneration of KMP is 12%.
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources policy / N&R policy of the Company.
- There are no employees receiving remuneration in excess of the highest paid Director during the financial year 2014-2015.
- The Remuneration paid to all Directors is as per the Remuneration / HR Policy of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always been committed to provide a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“Act”). The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The Company has also constituted an Internal Complaints Committee to redress the complaints received under this policy.

The following is a summary of sexual harassment complaints received and disposed-off during the year under review:

- No of complaints received: Nil
- No of complaints disposed-off: NA

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep sense of gratitude for the continued support and co-operation received from the shareholders, bankers, business associates, vendors, customers/clients and Government authorities at all levels. The Directors also wish to place on record their sincere appreciation for the dedication & commitment and efficient services rendered by the employees at all levels.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
MUSIC BROADCAST LIMITED**

Sd/-

Sd/-

.....
Ms. Apurva Purohit
Whole Time Director and CEO
DIN: 00190097

.....
Mr. Rahul Gupta
Director
DIN: 00359182

DATE: 28/07/2015

PLACE: MUMBAI

Annexure I

**FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2015
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:

i	CIN	U64200MH1999PLC137729
ii	Registration Date	04.11.1999
iii	Name of the Company	Music Broadcast Limited
iv	Category/Sub-Category of the Company	Company having share capital
v	Whether listed Company (Yes/No)	* Yes
vi	Address of the Registered Office and contact details	5th Floor, RNA Corporate Park, Off western Express Highway, Kalanagar, Bandra (E), Mumbai 400051.
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	The Company has an in-house Share Department at the registered office address. Tel. No. +91 22 66969100

* Become listed company w.e.f. 19th March 2015 (Non-Convertible Debentures listed on BSE)

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the Company
1	Broadcasting and showing of original films, sound recordings, radio and television programme etc.	99733201	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS AT 31.03.2015 -

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
1	IVF Holdings Private Limited	U65993MH2005PTC155967	Holding Company	71.34%	2 (46)
2	Mega Sound and Music Private Limited	U22222MH2011PTC223905	Subsidiary Company	99.99%	2 (87)

d) State Govt(s).									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-Total (B)(1)									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	86,43,054	90,03,181	1,76,46,235	42.10	-	90,03,181	90,03,181	21.48	20.63
i) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
c) Others – Trustees on behalf of Trust	-	30,08,066	30,08,066	7.18	-	30,08,066	30,08,066	7.18	-
Subtotal (B) (2):	86,43,054	1,20,11,247	2,06,54,301	49.28	-	1,20,11,247	1,20,11,247	28.66	20.62
Total Public shareholding (B) (B)(1) + (B)(2)	86,43,054	1,20,11,247	2,06,54,301	49.28	-	1,20,11,247	1,20,11,247	28.66	20.62

A. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	86,43,054	3,32,69,713	4,19,12,767	100	2,99,06,520	1,20,11,247	4,19,17,767	100	0.01

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	IVF Holdings Private Limited	2,12,58,466	50.72		2,99,06,520	71.34	NIL	20.62
	Total	2,12,58,466	50.72		2,99,06,520	71.34	NIL	20.62

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	IVF Holdings Private Limited				
	At the beginning of the year	2,12,58,466	50.72		
	Increase during the year:-				
	Transfer of shares on 10.12.2014	86,43,054	20.62		
	Allotment of shares on 14.01.2015	5,000	0.0		
	At the End of the year	2,99,06,520	71.34		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	India Vale Fund Trustee Company Private Limited	86,43,054	20.62		
	Decrease in shareholding due to transfer of shares on 10.12.2014	86,43,054	20.62		
	On date of separation i.e 10.12.2014	-	-		
2	Crystal Sound and Music Private Limited	90,03,181	21.48		
	At the End of the year	90,03,181	21.48		
3	Mr. George Thomas Jointly with Mr. Sunil Theckath as Trustees of Music Broadcast Employees Welfare Trust	30,08,066	7.18		
	At the End of the year	30,08,066	7.18		

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	None of the Directors and Key Managerial Personnel hold shares in the Company			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.):	None of the Directors and Key Managerial Personnel hold shares in the Company			
	At the End of the year	None of the Directors and Key Managerial Personnel hold shares in the Company			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	1,282,150,000		1,282,150,000
ii) Interest due but not paid				-
iii) Interest accrued but not due		3,916,828		3,916,828
Total (i+ii+iii)	-	1,286,066,828	-	1,286,066,828
Change in Indebtedness during the financial year				
Addition	2,000,000,000			2,000,000,000
Reduction		350,583,333		350,583,333
Net Change	2,000,000,000	350,583,333	-	1,649,416,667
Indebtedness at the end of the financial year				
i) Principal Amount	2,000,000,000	931,566,667		2,931,566,667
ii) Interest due but not paid				-
iii) Interest accrued but not due	14,882,192	1,150,115		16,032,307
Total (i+ii+iii)	2,014,882,192	932,716,782	-	2,947,598,974

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount in Rs.
		Ms Apurva Purohit (w.e.f 16.08.2014)	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	1,69,68,828			1,69,68,828
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	NIL			
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL			
2.	Stock Option	NIL			
3.	Sweat Equity	NIL			
4.	Commission - As % of Profit - Others, specify	NIL			
5.	Others, please specify				
	Total (A)				
	Ceiling as per the Act	N.A (being Private Limited Company as on 31.3.2015)			

B. Remuneration of other directors: NA

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		
	Independent Directors				
	• Fee for attending board committee meetings				
	• Commission				
	• Others, please specify				
	Total (1)				
	Other Non-Executive				

	Directors				
	• Fee for attending board committee meetings				
	• Commission				
	• Others, please specify				
	Total (2)				
	Total (B) = (1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Amount in Rs
		Ms. Apurva Purohit (CEO) from 01.04.2014 to 15.08.2014	Mr. Chirag Bagadia (Company Secretary)	Ms. Reshma Khalid (CFO)	Total Amount
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	1,01,96,181	9,17,040	38,79,669	1,49,928,90
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - As % of Profit - Others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	1,01,96,181	9,17,040	38,79,669	1,49,928,90

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal, if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

ANNEXURE-II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	<p>The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy of the Company is available on following web link:</p> <p>http://www.planetradiocity.com/about-us/</p> <p>During the year under review, your Company undertook CSR activities for Promotion of Education and Livelihood Skills to Visually Impaired and Orphan Students of various Trusts / Orphanages/ Blind Schools based out of Mumbai, Pune, Delhi, Ahmedabad, and Bangalore more particularly as set out below</p>
2.	The Composition of the CSR Committee	<p>(1) Mr. Rahul Gupta (Non-Executive Director)</p> <p>(2) Mr. Sameer Gupta (Non-Executive Director)</p> <p>(3) Ms. Apurva Purohit (Whole Time Director and CEO)</p>
3.	Average net profit of the company for last 3 financial years	Rs. 41.74 Crore
4.	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	Rs. 27.82 Lacs
5.	<p>Details of CSR spent during the financial year</p> <p>(1) Total amount to be spent for the F.Y.</p> <p>(2) Amount unspent, if any</p> <p>(3) Manner in which the amount spent during the financial year</p>	<p>Rs. 28.72 Lacs</p> <p>Nil</p> <p>The manner in which the amount is spent is detailed below</p>

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Support to children of St. Catherines Orphanage and Happy Home (Blind School)	Education	Mumbai	12.59 Lacs	12.59 Lacs	12.59 Lacs	Directly to St. Catherines Orphanage (Rs. 6.01 Lacs) and Happy Home (Rs. 6.58 Lacs)
2	Support to children of Saraswati Anathashram Orphanage and Kothrud Blind School	Education	Pune	2.08 Lacs	2.08 Lacs	2.08 Lacs	Directly to Saraswati Anathashram Orphanage (Rs. 1.08 Lacs) and Kothrud Blind School (Rs. 1 Lacs)
3	Support to children of Saath Orphanage and Blind Peoples Association India	Education	Ahmedabad	2.74 Lacs	2.74 Lacs	2.74 Lacs	Directly to Saath Orphanage (Rs. 0.94 Lacs) and Blind Peoples Association India (Rs. 1.8 Lacs)

4	Support to children of Arpan Seva Sansthan Orphanage and Saksham Blind School	Education	Delhi	4.59 Lacs	4.59 Lacs	4.59 Lacs	Directly to Arpan Seva Sansthan Orphanage (Rs. 1.71 Lacs) and Saksham Blind School (Rs. 2.88 Lacs)
5	Support to children of Bosco Orphanage	Education	Bangalore	6.72 Lacs	6.72 Lacs	6.72 Lacs	Directly to Bosco Orphanage
		TOTAL		28.72 Lacs	28.72 Lacs	28.72 Lacs	

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

Sd/- Mr. Rahul Gupta Director DIN : 00359182	Sd/- Ms. Apurva Purohit Whole Time Director and CEO DIN : 00190097
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MUSIC BROADCAST PRIVATE LIMITED
-Nomination cum Remuneration Policy-

I. Introduction:

This Nomination and Remuneration Policy (“**Policy**”) has been formulated and recommended by the Nomination and Remuneration Committee (“**Committee**”) in their meeting held on April 10, 2015, pursuant to section 178 of the Companies Act, 2013 and the rules made thereunder (collectively, the “**Act**”).

II. Objective

This Policy lays down the guidelines to be followed in relation to:

- (A) appointment of the directors, and key managerial personnel of the Company; and
- (B) fixation of the remuneration of the directors, key managerial personnel and other employees of the Company.

The objective of this Policy is to inter-alia:

- (a) attract, recruit, and retain good and exceptional talent;
- (b) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- (c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- (d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- (e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- (f) fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

III. Nomination and Appointment:

A. Key Managerial Personnel:

As per section 203 of the Act and rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint the following whole time key managerial personnel:

- (a) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- (b) Company Secretary; and
- (c) Chief Financial Officer.

A 'Chief Financial Officer' would mean a person appointed as the chief financial officer of a company.

A 'Company Secretary' would mean a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980, and who is appointed by a company to perform the functions of a company secretary under the Act.

1. The Company currently has appointed a Key Managerial Personal/Executive Director in accordance with the applicable laws. If in future, the Committee deems fit to appoint a Key Managerial Personnel for the Company, then this Policy will take in to consider and be suitably amended to provide for the appointment and remuneration of such personnel.
2. Process to be adopted for the nomination and appointment of a Managing Director/ Whole Time Director/ Manager/Executive Director:
 - (a) The Committee will identify and recommend to the board of directors of the Company ("**Board**"), person(s) who is qualified and eligible for appointment as a Managing Director/ Whole Time Director/ Manager/Executive Director of the Company, provided such person(s) meets the criteria set out under this Policy.
 - (b) The person(s) so identified and recommended by the Committee to the Board, for appointment of Managing Director/ Whole Time Director/ Manager/Executive Director and the agreement setting out the terms and conditions of his/her appointment and remuneration, will be subject to approval of the Board, and of the shareholders at the next general meeting of the Company, whenever required under law.
 - (c) If the terms and conditions of appointment of a Managing Director/ Whole Time Director/Manager/Executive Director are at variance to the conditions specified under Schedule V of the Act, then such appointment will be subject to the approval of the Central Government, if required under law otherwise approval of the Board suffice.
3. For a person to be appointed as a Managing Director/ Whole Time Director/ Manager/Executive Director ("**Candidate**"), he/she should fulfil/meet the following criteria:
 - (a) The Candidate should have been allotted a director's identification number or PAN
 - (b) The Candidate should not be below the age of 21 years. If the Candidate has completed 70 years of age, then the Candidate may be appointed after complying with the provisions of Act.
 - (c) The Candidate should not be an undischarged insolvent or should not have, at any time, been adjudged as an insolvent.

- (d) The Candidate should not have, at any time, suspended payment to his/her creditors or should not be a person who makes, or has at any time made, a composition with them.
- (e) The Candidate should not have, at any time, been convicted by a court of an offence and sentenced for a period of more than 6 months.
- (f) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Act.
- (g) The Candidate should not be a director, who has been at any time removed from directorship by the Company in accordance with the provisions of the Act.
- (h) The Candidate should not have been sentenced to imprisonment for any period, or to a fine exceeding Rs. 1000, for the conviction of an offence under any of the statues set out at **Annexure 1**.
- (i) The Candidate should not have been detained for any period under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974).
- (j) If the Candidate is a managerial person in more than 1 company, then the remuneration which he/she draws from 1 or more companies should be within the ceiling provided in section V of Part II of Schedule V of the Act.
- (k) The Candidate should be a 'resident of India' as per Schedule V of the Act.
- (l) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

4. Process to be adopted for the nomination and appointment of a Chief Financial Officer:

- (a) The Committee will identify and recommend to the Board, person(s) who is qualified and eligible for appointment as a Chief Financial Officer.
- (b) The appointment of the Chief Financial Officer will be subject to issuance by the Company of a formal letter of appointment in the manner provided by the Act.
- (c) The person(s) so identified and recommended by the Committee to the Board, for appointment as a Chief Financial Officer, and the letter of appointment setting out the terms and conditions of his/her appointment and remuneration, will be subject to approval of the Board.

5. For a person to be appointed as a Chief Financial Officer (“Candidate”), he/she should fulfil/meet the following criteria:

- (a) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (b) The Candidate should not be employed or holding any position as a chief financial officer or any other post in any other firm/entity.
- (c) The Candidate should not have been sentenced to imprisonment for any period, or to a fine exceeding Rs. 1000, for the conviction of an offence under any law.

6. Process to be adopted for the nomination and appointment of a Company Secretary:

- (a) The Committee will identify and recommend to the Board, person(s) who is qualified and eligible for appointment as a Company Secretary.
- (b) The appointment of the Company Secretary will be subject to issuance by the Company of a formal letter of appointment in the manner provided by the Act.
- (c) The person(s) so identified and recommended by the Committee to the Board, for appointment as a Company Secretary, and the letter of appointment setting out the terms and conditions of his/her appointment and remuneration, will be subject to approval of the Board.

7. For a person to be appointed as a Company Secretary (“Candidate”), he/she should fulfil/meet the following criteria:

- (a) The Candidate should be a qualified Company Secretary.
- (b) The Candidate should not be a ‘Company Secretary in Practice’.

‘company secretary in practice’ would mean a company secretary who is deemed to be in practice under sub-section (2) of section 2 of the Company Secretaries Act, 1980.

- (c) The Candidate should not be employed or holding any position as a company secretary or any other post in any other firm/entity.
- (d) The Candidate should not have been sentenced to imprisonment for any period, or to a fine exceeding Rs.1000, for the conviction of an offence under any law.

B. Non-Executive Directors:

- 1. As per the Act, the Company is required to have a minimum of 3 directors and upto a maximum of 15 directors, which maximum number can be increased pursuant to a special resolution passed by the Company.

2. Process to be adopted for the nomination and appointment of non-executive directors:
 - (a) The Committee will identify and recommend to the Board, person(s) who is qualified and eligible for appointment as a non-executive director of the Company (“Non-Executive Director”), not being an independent director of the Company (“Independent Director”), provided such Non-Executive Director meets the criteria set out under this Policy.
 - (b) The appointment of the Non-Executive Director will be subject to execution of formal agreement between the Company and the Non-Executive Director.
 - (c) The person(s) so identified and recommended by the Committee to the Board, for appointment as a Non-Executive Director, and the agreement setting out the terms and conditions of his/her appointment and remuneration, will be subject to approval of the Board, and of the shareholders at the general meeting of the Company, whenever required under law.
3. For a person to be appointed as a Non-Executive Director (“Candidate”), he/she should fulfil/meet the following criteria:
 - (a) The Candidate should have been allotted a director’s identification number.
 - (b) The number of companies in which such Candidate may be holding office as a director or a chairman or committee member should not exceed the limit stipulated by the Act.
 - (c) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Act.

C. Independent Directors:

1. In terms of section 149 (4) of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to have at least [2] directors as independent directors.
2. Process to be adopted for the nomination and appointment of an Independent Director:
 - (a) The Committee will identify and recommend to the Board, person(s) who is qualified and eligible for appointment as an Independent Director of the Company, provided such person(s) meets the criteria set out under this Policy.
 - (b) The Committee may also select the Independent Director may be selected from a data bank containing names, addresses and qualifications of persons who are eligible and willing to act as independent directors, maintained by an authorised agency as per the Act. However, the Committee will nonetheless carry out its own verification and satisfy itself as to the candidature of the Independent Director.
 - (c) The appointment of an Independent Director will be subject to issuance by the Company of a formal letter of appointment in the manner provided by the Act.

- (d) The person(s) so identified and recommended by the Committee to the Board, for appointment as the Independent Director, and the agreement setting out the terms and conditions of his/her appointment and remuneration will be subject to approval of the Board, and of the shareholders at the next general meeting of the Company as per requirements of the Act.
3. For a person to be appointed as an Independent Director ("**Candidate**"), he/she should fulfil/meet the following criteria:
- (a) If the Candidate is already an Independent Director, then his tenure and term will be as per the Act and the equity listing agreement.
 - (b) The Candidate should have been allotted a director's identification number.
 - (c) The number of companies in which such Candidate may be holding office as an independent director or a chairman or committee member should not exceed the limit stipulated by the Act.
 - (d) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Act.
 - (e) The Candidate should, in the opinion of the Board, be a person of integrity and possesses relevant expertise and experience.
 - (f) The Candidate should not be or should not have been a promoter of the Company or its holding, subsidiary or associate company.
 - (g) The Candidate should not be related to promoters or directors in the Company, its holding, subsidiary or associate company.
 - (h) The Candidate should not have or should not have had any pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the 2 immediately preceding financial years or during the current financial year.
 - (i) None of the Candidate's relatives should have or should have had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% more of its gross turnover or total income or Rs. 50,00,000 or such higher amount as may be prescribed, whichever is lower, during the 2 immediately preceding financial years or during the current financial year.
 - (j) Neither himself/herself nor any of his/her relatives:
 - (i) should hold or should have held the position of a key managerial personnel or should be or should have been an employee of the Company or its holding, subsidiary or associate company in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed.

- (ii) should be or should have been an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed, of:
- a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- (iii) should hold together with his/her relatives 2% or more of the total voting power of the Company;
- (iv) should be a Chief Executive or director, by whatever name called, of any non-profit organisation that receives 25% or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the Company; or
- (v) should be a material supplier, service provider or customer or a lessor or lessee of the Company.
- (k) The Candidate should not be less than 21 years of age.
- (n) The Candidate should possess the following minimum qualification and experience:

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

IV. Evaluation:

The reappointment or extension of term and the remuneration of Executive Directors and Non Directors will be as per the performance evaluation report pursuant to the performance evaluation carried out by the Board (excluding the director being evaluated).

The criteria for such performance evaluation has been set out at **Annexure 2**.

V. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

VI. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

VII. Remuneration:

A. Remuneration to KMP, Manager and Senior Management Personnel:

Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package

Fixed Component		
Basic Salary	Allowances	Superannuation

Minimum Remuneration:

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

B. Non-Executive Directors:

Non-executive Directors are remunerated to recognize responsibilities, accountability and associated risks of Directors. The total remuneration of Non-executive Directors may include all, or any combination of following elements:

1. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
2. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
3. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.
4. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.
5. Remuneration by way of professional fees to the non-executive Directors who, in the opinion of the CNR Committee, possesses the requisite qualifications for the practice of the profession, for providing professional services to the Company.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

C. Structure of Remuneration for Other Employees

The power to decide structure of remuneration for other employees has been delegated to HR Department of the Company.

VIII. General:

1. The Board will constitute of atleast 1 director who has stayed in India for a total period of not less than 182 days in the previous calendar year.
2. If the total managerial remuneration payable by the Company to all its directors in any financial year exceeds the limits stipulated under the Act and rules made thereunder, then the Company will obtain requisite approval of the Central Government.
3. Atleast a month before the retirement or resignation of any director or whole time key managerial personnel, the Committee will initiate the process of identifying and recommending new candidates to replace such retiring or resigning directors or whole time key managerial personnel.

NOTE:- Approval of shareholders for appointment of above candidate shall be taken if required under Companies Act, 2013 and rules made thereunder.

a. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

b. COMMITTEE MEMBERS' INTERESTS

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

c. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

d. VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

e. MINUTES OF COMMITTEE MEETING

- Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

f. AMENDMENT

- The Board of Directors reserves the right to amend or modify the Nomination and Remuneration Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the employees, key managerial personnel and senior management employees unless the same is notified to them in writing.

Annexure 1

List of Statues

The Managing Director should not have been sentenced to imprisonment for any period, or to a fine exceeding Rs. 1000, for the conviction of an offence under any of the following Acts, namely:

- (a) the Indian Stamp Act, 1899 (2 of 1899);
- (b) the Central Excise Act, 1944 (1 of 1944);
- (c) the Industries (Development and Regulation) Act, 1951 (65 of 1951);
- (d) the Prevention of Food Adulteration Act, 1954 (37 of 1954);
- (e) the Essential Commodities Act, 1955 (10 of 1955);
- (f) the Companies Act, 2013;
- (g) the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- (h) the Wealth-tax Act, 1957 (27 of 1957);
- (i) the Income-tax Act, 1961 (43 of 1961);
- (j) the Customs Act, 1962 (52 of 1962);
- (k) the Competition Act, 2002 (12 of 2003);
- (l) the Foreign Exchange Management Act, 1999 (42 of 1999);
- (m) the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986);
- (n) the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (o) the Foreign Trade (Development and Regulation) Act, 1922 (22 of 1922); and
- (p) the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Annexure-2

CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:

Following are the Criteria for evaluation of performance of executive directors, non-executive directors (including Independent Directors) and the Board (including Committees):

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of performance of the Company, targets/Criteria as may be given to executive Directors by the board from time to time.

The Independent Directors shall take the views of the executive directors and non-executive directors to review the performance of the Chairman of the Company.

2. Non -Executive Directors (including Independent Directors):

The Non Executive Directors (including Independent Directors) shall be evaluated on the basis of the following criteria i.e. whether they:

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the Company and various stakeholders;
- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence (in case of independent director).
- f. inform the Board immediately when they lose their independence (in case of independent director).
- g. assist the company in implementing the best corporate governance practices.
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the Company
- k. keep themselves well informed about the Company and the external environment in which it operates;

- l. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- m. abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
- n. provide various directions in the best interest of the Company on key issues

Apart from aforesaid criteria, the Non-Executive Directors (including Independent Directors) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

3. Board (Including Various Committees):

The Board (including various committees) shall be evaluated on the basis of the following criteria i.e. whether:

- a. the Board Ensure the integrity of financial information and robustness of financial and other controls.
- b. the Board oversees the management of risk and review the effectiveness of risk management process.
- c. the Board of directors works as a team.
- d. the Board is robust in taking and sticking to decisions.
- e. the Board as a whole up to date with latest developments in the regulatory environment and the market.
- f. sufficient board and committee meetings, of appropriate length, being held to enable proper consideration of issues.
- g. the relationships and communications with shareholders are well managed.
- h. the relationships and communications within the board constructive.
- i. all directors are allowed or encouraged to participate fully in board discussions.
- j. the board take the Initiative to maintain moral value of the Company
- k. the board contribute to enhance overall brand image of the Company

Apart from aforesaid criteria, the Board (including Committees) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2015

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

To,
The Members
M/s Music Broadcast Private Limited
5th Floor, RNA Corporate Park
Kalanagar, Bandra (East)
Mumbai – 400 051

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Music Broadcast Private Limited ("**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2015 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to the Foreign Direct Investment;
- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, I further report that the Company has complied with the terms of 'Grant of Permission Agreement' being agreed by it with the Ministry of



Information & Broadcasting, Government of India and as are specifically applicable to the Company with respect to the Company's operating 'FM Radio Broadcasting Services' at a few cities in India.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were not applicable to the Company during the Audit Period.

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

and

- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

The provisions of the following were not applicable to the Company during the Audit Period.

- (i) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (iii) The Listing Agreement with Stock Exchange with respect to Equity Shares listing;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as are applicable to the Overseas Direct Investment and External Commercial Borrowings.

I further report that -

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

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

During the Audit Period, all decisions at Board Meetings and Committee Meetings were carried out unanimously.



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

I further report that during the Audit Period the Company had no specific event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.



(Tushar Shridharani)
Practicing Company Secretary
FCS: 2690
COP: 2190
Place: Mumbai
Date: 21st May, 2015



Annexure V

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Name of the Subsidiary : Mega Sound and Music Pvt Ltd
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period : No
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. : NA
4. Share capital : Rs. 1,00,000/-
5. Reserves & surplus: (Rs. 8805)
6. Total assets: Rs. 95,129/-
7. Total Liabilities: Rs. 95,129/-
8. Investments: NIL
9. Turnover: NIL
10. Profit before taxation: (Rs. 3,347)
11. Provision for taxation: NIL
12. Profit after taxation: (Rs. 3,347)
13. Proposed Dividend: NIL
14. % of shareholding: 99.99

(Note: The following information shall be furnished at the end of the statement :)

1. Names of subsidiaries which are yet to commence operations : Mega Sound and Music Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year.: Mega Sound and Music Private Limited ceased to be subsidiary of the company w.e.f. July 11, 2012z5

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – N.A

Music Broadcast Private Limited
Financial Statements Along With The Auditors' Report
For The Year Ended March 31, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Music Broadcast Private Limited (the 'Company'), which comprise the balance sheet as at March 31, 2015, the statement of profit and loss and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit and its cash flows for the year ended on that date.



S.R. BATLIBOI & ASSOCIATES LLP


Chartered Accountants

Music Broadcast Private Limited
Auditor's Report – March 31, 2015
Page 2 of 4

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, statement of profit and loss 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, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (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 Note 31 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W


per Govind Aluja
Partner
Membership Number: 48966
Place: Mumbai
Date: May 25, 2015



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Music Broadcast Private Limited
Auditor's Report – March 31, 2015
Page 3 of 4

Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date

Re: Music Broadcast Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (ii) The Company does not carry any inventory and accordingly, clauses 3(ii) (a) to 3(ii) (c) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act for the services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to wealth tax, duty of customs, value added tax, duty of excise and sales tax are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, service tax, income-tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to value added tax, sales tax, wealth tax, duty of customs and duty of excise are not applicable to the Company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Music Broadcast Private Limited
Auditor's Report – March 31, 2015
Page 4 of 4

(c) According to the information and explanations given to us, the dues of income tax and cess which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amount (Rs crs)	Period to which amount relates	Forum where disputes pending
Income Tax Act, 1956	Income tax	3.87	2012-13	Commissioner of Income Tax (Appeals)

The provisions relating to sales tax, wealth tax, value added tax, duty of customs and duty of excise not applicable to the Company.

(d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- (viii) The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss in the current year and immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks or debentures holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of audit.

For S.R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 93283
Place: Mumbai
Date: May 25, 2015



MUSIC BROADCAST PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

	Notes	March 31, 2015	March 31, 2014
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDERS' FUNDS			
Share capital	3	389,097	389,096
Reserves and surplus	4	182,596	(285,613)
		571,693	103,483
NON CURRENT LIABILITIES			
Long-term borrowings	5	2,848,233	1,031,567
Long-term provisions	6	22,434	14,376
		2,870,667	1,045,943
CURRENT LIABILITIES			
Trade payables	7	32,751	28,325
Other current liabilities	7	435,732	468,941
Short-term provisions	6	23,398	19,458
		491,881	516,724
TOTAL		3,934,241	1,666,150
<u>ASSETS</u>			
NON CURRENT ASSETS			
Fixed assets			
Tangible assets	8	70,877	74,485
Intangible assets	8	116,334	242,179
Capital work-in-progress		2,887	2,832
		190,098	319,496
Non current investment	9	100	100
Long-term loan and advances	10	224,363	235,107
Other non-current assets	11	97,115	46,066
		321,578	281,273
CURRENT ASSETS			
Current investment	12	7,000	7,000
Trade receivables	13	721,472	587,374
Cash and bank balance	14	543,501	339,411
Short-term loan and advances	10	2,116,174	120,232
Other current assets	11	34,418	11,364
		3,422,565	1,065,381
TOTAL		3,934,241	1,666,150
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
 ICAI Firm Registration Number: 101049W
 Chartered Accountants

per Govind Anuja
 Partner
 Membership No. 48966

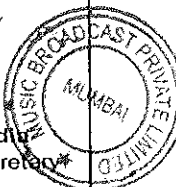


For and on behalf of the Board of Directors
 of Music Broadcast Private Limited

Apurva Purohit
 Director
 [DIN 00190097]

Sunil Theckath
 Director
 [DIN 00294130]

Chirag Bagadi
 Company Secretary





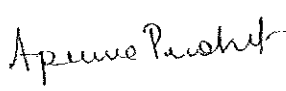

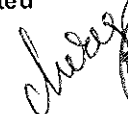
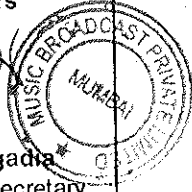

Reshma Khalid
 Chief Financial Officer

R. Khalid

Place: Mumbai
 Date: May 25, 2015

Place: Mumbai
 Date: May 25, 2015

MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

	Notes	March 31, 2015	March 31, 2014
Income			
Revenue from operations		2,008,350	1,541,664
Other income	15	66,690	35,656
Total revenue (I)		2,075,040	1,577,320
Expenses			
License fees		94,987	81,663
Royalty		50,144	46,272
Programming cost		86,709	87,155
Employee benefit expenses	16	431,529	363,500
Other expenses	17	723,336	539,751
Depreciation and amortisation expenses	18	157,000	154,871
Finance cost	19	62,104	56,571
Total Expenditure (II)		1,605,809	1,329,783
Profit before tax (I - II)		469,231	247,537
Provision for tax		-	-
Profit after tax		469,231	247,537
Earnings per equity share (nominal value of share Rs. 10)			
Basic & diluted earnings	26	12.06	6.36
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.			
As per our report of even date			
For S. R. Battiboi & Associates LLP ICAI Firm Registration Number: 101049W Chartered Accountants		For and on behalf of the Board of Directors of Music Broadcast Private Limited	
 per Govind Ahuja Partner Membership No. 48966		 Apurva Purohit Director [DIN 00190097]	 Sunil Theckath Director [DIN 00294130]
		 Chirag Bagadia Company Secretary	
		 Reshma Khalid Chief Financial Officer	
Place: Mumbai Date: May 25, 2015		Place: Mumbai Date: May 25, 2015	

MUSIC BROADCAST PRIVATE LIMITED
CASH FLOW AS AT AND FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

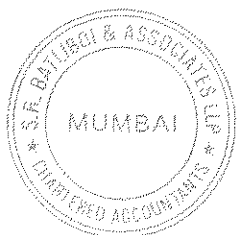
	Notes	March 31, 2015	March 31, 2014
A. Cash flow from operating activities			
Profit before taxation		469,231	247,537
Adjustments for non cash items:			
Depreciation and amortisation		157,000	154,871
Provision for doubtful debts		28,866	(29,603)
Provision for doubtful debts for earlier year written back		-	40,743
Provision for gratuity		8,463	1,946
Provision for leave encashment		3,535	1,060
Interest Income		(50,675)	(20,716)
Interest on Tax refund		(6,097)	-
Financial expenses		62,104	56,571
Profit on sale of fixed assets		(321)	(857)
Operating profit before working capital changes		672,106	451,652
Movements in working capital :			
Decrease/(Increase) in trade receivables		(162,963)	13,254
Decrease in non-current loans and advances		8,389	19,692
Decrease/(increase) in current loans and advances		13,058	(4,042)
Decrease/(Increase) in non-current other assets		(50,115)	37,623
Decrease in current other assets		(5,589)	(1,149)
Increase/(Decrease) in trade payable		4,427	(4,614)
Increase/(Decrease) in other current liabilities and provisions		122,520	(55,050)
Cash used in operations		601,833	457,266
Direct taxes received/(paid) including Interest on refund		7,210	(5,557)
Net cash generated from operating activities	(A)	609,043	451,709
B. Cash flows from investing activities			
(Purchase of) /adjustment to fixed assets		(27,385)	(38,266)
Proceeds from Sale of fixed assets		321	857
(Investment) in Inter Corporate Deposits		(2,009,000)	(49,992)
(Investment)/Proceeds from redemption of fixed deposits with bank		35,064	(60,186)
Interest received		32,276	14,222
Net cash from / (used in) investing activities	(B)	(1,968,724)	(133,365)
C. Cash flows from financing activities			
Proceeds from Non Convertible Debenture Issued		2,000,000	-
Proceeds from equity issued		50	-
Redemption of preference shares		(49)	-
Repayment of long-term borrowings		(350,583)	(203,498)
Interest paid		(50,583)	(55,733)
Net cash from / (used in) financing activities	(C)	1,598,835	(259,231)
Net Increase in cash and cash equivalents (A + B + C)		239,154	59,113
Cash and cash equivalents at the beginning of the year		192,473	133,360
Cash and cash equivalents at the end of the year		431,627	192,473
Components of cash and cash equivalents			
Balances with scheduled banks in current account		431,612	192,459
Cash on hand		15	14
Total cash and cash equivalents	14	431,627	192,473
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
 ICAI Firm Registration Number: 101049W
 Chartered Accountants

per Govind Ahuja
 Partner
 Membership No. 48966



Place: Mumbai
 Date: May 25, 2015

For and on behalf of the Board of Directors
 of Music Broadcast Private Limited

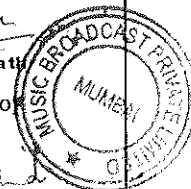
Apurva Purohit

Apurva Purohit
 Director
 [DIN 00190097]

Sunil Theokatti
 Sunil Theokatti
 Director
 [DIN 00294130]

Chirag Bagadia
 Chirag Bagadia
 Company Secretary
 Place: Mumbai
 Date: May 25, 2015

R. Khalid
 Roshma Khalid
 Chief Financial Officer



MUSIC BROADCAST PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

1. BACKGROUND

Music Broadcast Private Limited ("the Company") was incorporated in India on November 4, 1999. 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 currently owns licenses issued by the Ministry of Information and Broadcasting ('MIB') to operate its radio stations in 20 cities across India. The Company has exercised the option to migrate to FM Phase III.

As per Grant of Permission Agreement (GOPA), licenses of 4 stations viz. Bangalore, Delhi, Mumbai and Lucknow have expired on March 31, 2015. MIB has granted provisional extension for further period of six months till September 30, 2015 or migration to Phase III, whichever is earlier.

On December 18, 2014, IVF Holdings Private Limited, Holding Company, along with Crystal Sound and Music Private Limited, has entered into a Share Sale Agreement with Jagaran Prakashan Limited ('JPL') to transfer their entire shareholding in the Company, subject to, approval from MIB. As on date, approval from MIB is still awaited.

The Company has raised Non- Convertible Debenture (NCD) amounting to Rs 200 crores which carry an interest rate of 9.70% repayable in three tranches upto March 2020, pursuant to the provision of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. The said NCD's are listed on BSE Limited. The proceeds from the NCDs are to be utilized for acquiring new radio licenses in proposed Phase III auction including capital expenditure and payment of Migration Fees of Private FM Radio Licenses for migration from Phase II to Phase III. Until the Company utilizes these funds, the Company has given Inter Corporate Deposits to JPL @ 9.75% p.a. rate of interest payable on the due date.

2. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

a) Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Tangible fixed assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work in progress is stated at cost.



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

c) Depreciation on tangible fixed assets:

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribes requirements concerning depreciation of fixed assets.

From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. Depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows Companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

The Company has revised the estimated useful life of Computers from 5 years to 3 years to align it with useful lives under Schedule II of the Companies Act, 2013. Pursuant to such change, the carrying value of Rs.1,027 of Computers whose revised useful life has been exhausted at April 01, 2014, has been charged against opening balance of the statement of profit and loss account. The Computers, whose revised useful life has not been exhausted at April 01, 2014, are depreciated over remaining useful life. Pursuant to such change, there has been additional depreciation charge of Rs.1,068 for year ended March 31, 2015

Nature of Asset	Rates (SLM) %	Schedule II Rates (SLM)%
Towers, Antenna & Transmitters	20	6.67
Computers	33.33	33.33
Furniture & Fixtures	20	10
Studio Equipments	20	6.67
Office Equipments, Air Conditioners & UPS & Gen Set	20	20
Vehicle	20	16.67

d) Intangible assets:

Intangible assets are stated at cost less accumulated amortization and impairment losses. Cost includes any directly attributable expenditure on making the assets ready for its intended use. Migration fees paid by the Company for existing licenses upon migration to Phase II of the Private FM Radio Licensing Policy and One Time Entry Fees paid by the Company for acquiring new licenses, have been capitalized as an intangible asset.

Intangible assets are amortized on a straight line basis over the license period. The migration fee capitalized is being amortized, with effect from April 1, 2005, equally over a period of ten years, being the



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

period of the license. One time entry fee is amortized over a period of ten years, which is the period of license, from the date of operation of the station.

e) Impairment of tangible and intangible assets:

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation and amortization is provided on the revised carrying amount of the asset over its remaining useful life

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

g) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

h) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

i) Employee benefits

- i. Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made on projected unit credit method at the end of each financial year.
- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

iv. Actuarial gains/losses are immediately taken to Statement of profit and loss account and are not deferred.

j) Revenues

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of air time

Revenues from the sale of airtime are recognized in the period when the advertisements are aired and are stated net of commission to advertising agencies and service tax billed to customers.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognized when the right to receive payment is established by the balance sheet date.

k) Foreign currency transactions:

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

l) License fees

License fees are charged to revenue at the rate of 4% of gross revenue for the year or 10% of Reserve One Time Entry Fee (ROTEF) for the concerned city, whichever is higher (ROTEF means 25% of highest valid bid in the city). 'Gross Revenue' is revenue on the basis of billing rates inclusive of any taxes and without deduction of any discount given to the advertiser and any commission paid to advertising agencies.

Barter advertising contracts are included in the 'Gross revenue' on the basis of relevant billing rates.



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

m) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement Profit and Loss on a straight-line basis over the lease term.

n) Income taxes

Tax expense comprises of current, deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

3. Share capital

	March 31, 2015	March 31, 2014
Authorised Shares		
42,000,000 (March 31, 2014: 42,000,000) Equity Shares of Rs.10/- each	420,000	420,000
50,000 (March 31, 2014: 50,000) Convertible Redeemable Preference Shares of Rs.10/- each	500	500
Issued, subscribed and paid-up		
41,917,767 (March 31, 2014: 41,912,767) equity shares of Rs.10/- each, fully paid-up	419,128	419,128
Add: Issued during the year	50	-
Less : Amount recoverable from ESOP Trust	(30,081)	(30,081)
	<u>389,097</u>	<u>389,047</u>
NIL (March 31, 2014: 4,900) 0% Convertible Redeemable Preference Shares of Rs.10/- each fully paid up	-	49
	<u>389,097</u>	<u>389,096</u>

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares:

	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
At the beginning of the year	41,912,767	419,128	41,912,767	419,128
Issued during the year	5,000	50	-	-
Outstanding	41,917,767	419,178	41,912,767	419,128
Less: ESOP recoverable*	3,008,066	30,081	3,008,066	30,081
Outstanding at the end of the year	<u>38,909,701</u>	<u>389,097</u>	<u>38,904,701</u>	<u>389,047</u>

Preference Shares:

	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
At the beginning of the year	4,900	49	4,900	49
Redeemed during the year	4,900	49	-	-
Outstanding at the end of the year	<u>-</u>	<u>-</u>	<u>4,900</u>	<u>49</u>

* The Company has given loan to the employee trust for subscribing shares in the Company for Employee Stock Option Plans. The loan is refundable by the trust to the Company on issuance of ESOPs to the employees.



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

b) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

No dividend has been declared during the year March 31, 2015 (March 31, 2014: NIL)
 In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms of conversion of preference shares

The Company had issued 4,900 0% Redeemable Convertible Preference Shares at the rate of Rs 10 each at a premium of Rs 39,990 per share to the shareholder, India Value Fund Trustee Company Private Limited. During the year, the Company has received rupees fifty thousand from IVF Holdings Private Limited as subscription money for the issue of 5,000 equity shares at face value of Rs.10 each to redeem 4,900 convertible preference shares at face value only.

d) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	March 31, 2015	March 31, 2014
IVF Holdings Private Limited (holding company) 29,906,520 (March 31, 2014: 21,258,466) equity shares of Rs 10 each, fully paid-up	299,065	212,585

e) Details of shareholders holding more than 5% shares in the company

	March 31, 2015		March 31, 2014	
	Units	% Holding in the class	Units	% Holding in the class
Equity share of Rs. 10 each fully paid				
IVF Holdings Private Limited (Holding company)	29,906,520	71.34%	21,258,466	50.72%
Crystal Sound And Music Private Limited	9,003,181	21.48%	9,003,181	21.48%
India Value Fund Trustee Company Private Limited	-	-	8,643,054	20.62%
Mr. George Thomas Jointly with Mr. Sunil Theckath as Trustees of Music Broadcast Employees Welfare Trust	3,008,066	7.18%	3,008,066	7.18%
Preference shares of Rs. 10 each fully paid				
India Value Fund Trustee Company Private Limited	-	-	4,900	100%



MUSIC BROADCAST PRIVATE LIMITED
 STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
 (All amount in Rupees Thousand unless stated otherwise)

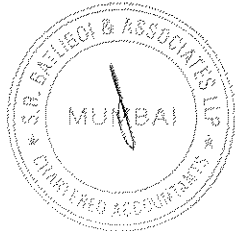
4. Reserve and surplus

	March 31, 2015	March 31, 2014
Capital reserve	1,419,734	1,419,734
Securities premium account	371,031	371,031
Debenture Redemption Reserve account		
Opening balance	-	-
Add: Transferred from surplus in statement of profit and loss	14,236	-
Closing Balance	14,236	-
(Deficit) in the statement of profit and loss		
Balance as per last financial statements	(2,076,373)	(2,323,915)
Add: Profit for the year	469,231	247,537
Less: Additional Depreciation as per Companies Act, 2013	(1,027)	-
Less: Transfer to Debenture Redemption Reserve	(14,236)	-
Net deficit in the statement of profit and loss account	(1,622,405)	(2,076,378)
Total reserve and surplus	182,596	(285,613)

5. Borrowings

	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Secured				
Debentures				
20,000 (Previous Year NIL) Non-convertible debentures of Rs 10,00,000/- each	2,000,000	-	-	-
Unsecured				
Term loan				
Indian Rupee Loan from a Bank	20,833	104,167	83,333	250,583
Other loans & advances				
Inter Corporate Deposits from Shareholders	-	927,400	-	-
Inter Corporate Deposits	827,400	-	-	-
Secured borrowings	2,000,000	-	-	-
Unsecured borrowings	848,233	1,031,567	83,333	250,583
Amount disclosed under the head "other current liabilities" (Note 7)	-	-	(83,333)	(250,583)
Net Amount	2,848,233	1,031,567	-	-

- i) During the year, the Company has issued Secured Redeemable Non-Convertible Debentures of Rs.2,000,000. The debenture are secured by way of first pari passu charge on the entire book assets, including fixed assets, current assets and investments of the Company and also by unconditional and irrevocable guarantee by JPL.



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

Interest @ 9.7% per annum is payable on semi-annual basis. Terms of redemption are as follows:

Nature of Debentures	Date of Allotment	Date of redemption	Amount
9.7% Non-convertible debenture	March 4, 2015	March 4, 2017	Rs. 500,000
9.7% Non-convertible debenture	March 4, 2015	March 4, 2018	Rs. 1,000,000
9.7% Non-convertible debenture	March 4, 2015	March 4, 2020	Rs. 500,000

The proceeds from the NCDs are to be utilized for acquiring new radio licenses in proposed Phase III auction including capital expenditure and payment of Migration Fees of Private Radio Licenses for migration from Phase II to Phase III. Until the Company utilizes these funds, the Company has given Inter Corporate Deposits to JPL @ 9.75% p.a. rate of interest payable on the due date.

- ii) Unsecured loan from HDFC bank was taken during the financial year 2013-14 and carries interest @ 13%. The loan is repayable in 12 quarterly installments of Rs.20,833 thousand each along with monthly interest, from the date of loan.
- iii) Unsecured loan from bank carried 13% p.a. rate of interest and was payable after 270 days from the respective date of disbursement. Further the loan had been guaranteed by the corporate guarantee of India Value Fund Advisors Private Limited. Same has been fully repaid during the year.
- iv) Interest free loans from India Value Fund Trustee Company Private Limited- India Value Fund Scheme B are repayable by March 2017

6. Provisions

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for gratuity (Note 32)	22,434	14,376	4,923	4,518
Provision for leave benefits (Note 32)	-	-	18,475	14,940
	22,434	14,376	23,398	19,458

7. Other current liabilities

	March 31, 2015	March 31, 2014
Trade payables		
Dues to other payables	32,751	28,325
Due to micro & small enterprises	-	-
	32,751	28,325
Other Current Liabilities		
Current maturities of long term borrowings (Note 5)	83,333	250,583
Interest accrued and due on borrowings	-	595
Interest accrued but not due on borrowings	16,032	3,917
Accrued expenses	313,213	193,060
Advances from customer	9,067	10,341
Taxes payable	14,087	10,445
	435,732	468,941



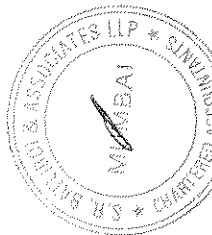
MUSIC BROADCAST PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

8. Fixed Assets

DESCRIPTION	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2014	Additions during the year	Sales/ Adjustments	As at March 31, 2015	As at April 1, 2014	For the year	Adjusted depreciation against reserves	Sales	As at March 31, 2015	As at March 31, 2014
Tangible Assets										
Towers, Antenna & Transmitters (Refer Note 2 Below)	363,029	2,726	-	365,755	327,634	10,611	-	-	338,245	35,395
Computers	70,565	11,221	3,479	78,307	54,544	9,200	1,027	3,479	17,015	16,021
Furniture & Fixtures	153,093	4,876	662	157,307	146,649	2,763	-	662	148,750	6,444
Studio Equipments	199,535	3,430	160	202,805	191,364	3,515	-	160	194,719	8,171
Office Equipments, Air Conditioners & UPS & Gen Set	103,087	4,726	1,161	106,652	98,184	2,448	-	1,161	99,471	4,903
Vehicle	5,114	-	-	5,114	1,563	1,023	-	-	2,586	3,551
TOTAL	894,423	26,979	5,462	915,940	819,938	29,560	1,027	5,462	845,063	74,485
Previous Year	879,907	43,667	13,740	909,834	818,168	28,165	-	13,706	832,627	61,739
Intangible Assets										
One Time Entry/Migration Fees (Refer Note 1 Below)	1,239,146	-	-	1,239,146	1,008,466	123,915	-	-	1,132,411	230,652
Software	27,586	1,595	-	29,181	16,072	3,512	-	-	19,584	11,514
Copy Rights	450	-	-	450	450	-	-	-	450	-
Music Portal	4,651	-	-	4,651	4,638	13	-	-	4,651	13
TOTAL	1,271,835	1,595	-	1,273,430	1,029,656	127,440	-	-	1,157,096	242,179
Previous Year	1,250,122	6,302	-	1,256,424	890,261	126,706	-	-	1,016,967	359,860
Capital Work in Progress										
										2,887

Note :

- Intangible Assets represent One Time Entry Fees Rs. 508,744/- (New Stations) and Migration Fees Rs. 729,403/- (Existing Stations).
- Transmitter above represents Jointly held assets at Common Transmission Infrastructure (CTI) amounting to Rs. 157,408/- (March 31, 2014; Rs. 148,162/-).
- Company has revised estimation of useful life of Computer to 3 years from 5 years in accordance with Schedule II of Companies Act, 2013. Accordingly, additional depreciation upto March 31, 2014 has been adjusted against opening balance in the Statement of profit and loss.



MUSIC BROADCAST PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

9. Non-current Investment

	March 31, 2015	March 31, 2014
Investment in subsidiaries 9,999 (March 31, 2014: 9,999) Equity share of Rs. 10/- each fully paid-up in Mega Sound and Music Private Limited	100	100
	100	100

10. Loans and advances

	Non-Current		Current	
	March 31, 2016	March 31, 2014	March 31, 2016	March 31, 2014
Capital advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	1,738	2,981	-	-
	1,738	2,981	-	-
Security deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good	132,650	128,426	-	-
Doubtful (refer note 20)	6,440	6,440	-	-
	139,090	134,866	-	-
Provision for Deposit	(6,440)	(6,440)	-	-
	132,660	128,426	-	-
Loans and advances to related parties				
Unsecured, considered good	-	-	59,000	50,000
	-	-	69,000	50,000
Advance recoverable in cash or kind				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	12,613	25,698	29,530
Doubtful	-	-	2,667	2,667
	-	12,613	28,365	32,197
Provision for advances	-	-	(2,667)	(2,667)
	-	12,613	25,698	29,530
Other loan and advances				
Inter Corporate Deposit *	-	-	2,000,000	-
Prepaid Expenses	-	-	24,537	31,595
Balances with statutory / government authorities	-	-	6,939	9,107
Tax Deducted at Source	89,975	91,087	-	-
	89,976	91,087	2,031,476	40,702
Advance paid under dispute	-	-	24,498	-
Provision for disputed advances	-	-	(24,498)	-
	-	-	-	-
Total	224,363	235,107	2,116,174	120,232

* During the year, the Company has issued Inter Corporate Deposit to JPL @ 9.75% p.a. from March 4, 2015 to May 2, 2015. Subsequent to year end, the Company has renewed the Inter Corporate Deposit for a further period of sixty days at the same rate of interest.



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

11. Other assets

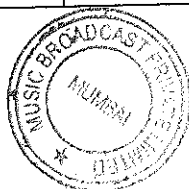
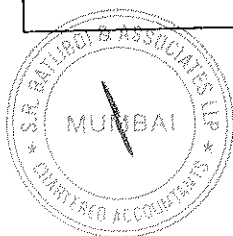
	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unsecured, considered good unless stated otherwise				
Non-current bank balance (note 14)	88,251	38,135	-	-
Others				
Facility charges receivable	-	-	7,385	1,797
Interest accrued on fixed deposit	8,864	7,931	27,033	9,567
	8,864	7,931	34,418	11,364
	97,115	46,066	34,418	11,364

12. Current investments (valued at lower of cost and fair value, unless stated otherwise)

	March 31, 2015	March 31, 2014
Unquoted mutual funds		
360,100.64 units (31 March 2013: 360,106.65 units)	7,000	7,000
Kotak mahindra mutual fund	7,000	7,000

13. Trade receivables

	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	(Rs'in 000)	(Rs'in 000)	(Rs'in 000)	(Rs'in 000)
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	142,823	78,929
Unsecured, considered good	-	-	59,137	35,800
Doubtful	-	-	201,980	114,729
Provision for doubtful receivables	-	-	(59,137)	(35,800)
	-	-	142,823	78,929
Other receivables				
Secured, considered good	-	-	578,649	508,445
Unsecured, considered good	-	-	21,202	15,674
Doubtful	-	-	599,851	524,119
Provision for doubtful receivables	-	-	(21,202)	(15,674)
	-	-	578,649	508,445
	-	-	721,472	587,374



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

14. Cash & bank balances

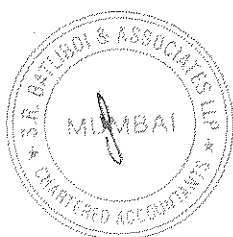
	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Cash and cash equivalents				
Balances with scheduled banks in current account	-	-	431,612	192,459
Cash on hand	-	-	15	14
	-	-	431,627	192,473
Other bank balances				
Deposits with original maturity for more than 3 months but less than 12 months	-	-	48,874	99,621
Deposit held as margin money against bank guarantees	88,251	38,135	63,000	47,317
	88,251	38,135	111,874	146,938
Amount disclosed under non-current assets (Note 11)	88,251	38,135	-	-
	-	-	543,501	339,411

15. Other income

	March 31, 2015	March 31, 2014
Interest on bank fixed deposits	14,560	15,300
Interest on inter corporate deposit	36,115	5,416
Facility income	8,436	7,564
Non-operating income		
Liability no longer required now written back	516	4,592
Interest on income tax refund	6,097	1,519
Miscellaneous income	645	408
Profit on sale of fixed assets	321	857
	66,690	35,656

16. Employee benefit expenses

	March 31, 2015	March 31, 2014
Salary, wages and other allowances	3,99,209	3,42,750
Contribution to provident fund	13,958	12,282
Gratuity and leave encashment	14,852	5,012
Staff welfare	3,510	3,456
	4,31,529	3,63,500



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

17. Other expenses

	March 31, 2015	March 31, 2014	
Marketing and advertisement expenses	217,321		158,825
Rent	132,740		115,034
Electricity/utility expenses	70,769		66,763
Annual Software License Maintenance fee	20,001		21,881
Legal and professional charges	46,198		25,648
Commission on sales	70,068		34,237
Travelling and conveyance	46,152		27,938
Office maintenance charges	30,206		26,694
Communication cost	10,561		10,100
Security charges	8,792		7,286
Repairs and maintenance:			
Building	5,425		4,243
Equipment and others	11,590		9,279
Rates and taxes	2,541		5,579
Insurance	2,897		2,185
Auditor's remuneration:			
Statutory audit fees	1,675		1,175
Tax audit fees	200		200
Limited review	825		825
Other services(certification)	950		550
Out of pocket expense	74		77
Bad-debts written off	-	40,743	
Provision for doubtful debts	28,866	(29,603)	11,140
Loss on Sale of Assets	-		34
Printing and stationery	1,251		972
Corporate social responsibility expenditure	2,873		-
Miscellaneous expenses	11,361		9,086
	723,336		539,751

18. Depreciation and Amortisation expenses

	March 31, 2015	March 31, 2014
Depreciation on tangible assets	29,560	28,165
Amortisation on intangible assets	127,440	126,706
	157,000	164,871

19. Finance cost

	March 31, 2015	March 31, 2014
On long term loans	39,313	53,658
Bank charges and other borrowing cost	22,791	2,913
	62,104	56,571



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

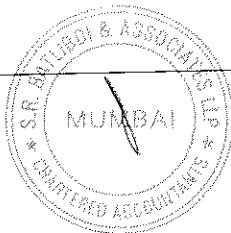
20. During the fixed license fee regime, the Company had obtained the licenses from the Ministry of Information and Broadcasting (MIB) for operating FM Radio Service for some stations. Due to delays in obtaining the requisite approvals and reasons of non-viability of projects, the Company surrendered the Licenses of 2 stations namely Nagpur and Patna in the prior years. The deposit of Rs. 5,000 and bank guarantee of Rs 121,500 placed with Government of India in relation to these licenses had not been released due to dispute in relation to such release by the Government. The said matter was heard at Supreme Court. SC has directed MIB to return back the bank guarantee within two weeks to the Company. The Company has received back bank guarantee from MIB In the meanwhile, the company has made the provision for the reserve fee deposit of Rs 5,000.
21. Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances given] are Rs 864 (March 31, 2014: Rs. 2,165).
22. The Company is engaged in the business of operating Private FM Radio Stations in one geographical segment, i.e. India. The financial statements reflect the result of only one business segment, which is the primary segment.
23. The Company has unabsorbed depreciation and brought forward losses as per the Income-tax Act, 1961 and in the absence of virtual certainty backed by convincing evidence, the Company has not recognized any deferred tax asset as at March 31, 2015. The break-up of deferred tax asset and liability is disclosed below:

Particulars	March 31, 2015	March 31, 2014
Deferred tax liability		
WDV on fixed assets	60,709	38,676
	60,709	38,676
Deferred tax assets		
Provision for Bad Debts	24,825	15,905
Provision for L&A	2,814	2,814
Provision for Gratuity	8,453	5,838
Provision for Leave Encashment	5,709	4,617
Brought forward loss to the extent of DTL	18,908	9,502
	60,709	38,676
Net Deferred tax	-	-

24. There are no delays/dues in payment to Micro and Small enterprises as required to be disclosed under the Micro Small and Medium Enterprises Development Act, 2006 as identified from the available information with the Company.
25. **Related Party Disclosure**

1. Names of related parties

<u>Names of the Related Parties where control exists irrespective of whether transactions have occurred or not</u>	<u>Name of the Parties</u>
Holding Company Ultimate Holding Company Subsidiary Company	IVF Holdings Private Limited. India Value Fund2 Mega Sound and Music Private Limited
<u>Names of other related parties with whom transactions have taken place during the year</u> Fellow subsidiaries	Meru Cab Company Private Limited.



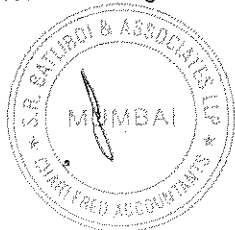
MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

Entities which exercise significant influence on the Company	1. India Value Fund Trustee Company Pvt Ltd* (discontinued w.e.f. Dec 10, 2014) 2. Crystal Sound & Music Private Limited
Key Management personnel	Ms. Apurva Purohit (CEO) Mr. Ashit Kukian (COO)

2. Transactions with Related Parties

Details of Transaction	Holding Company	Ultimate Holding Company	Subsidiaries	Entities which exercise significant influence on the Company	Key Management Personnel
Transactions during the year					
Interest Earned	7,911 (1,858)	-	-	-	-
Remuneration					
Ms. Apurva Purohit	-	-	-	-	27,723 (25,447)
Mr. Ashit Kukian	-	-	-	-	12,347 (9,545)
Marketing Expenses	-	-	-	500 (500)	-
Sale of Advertisement	-	-	-	35,637 (59,158)	-
Facility Income	-	-	-	8,436 (7,564)	-
ICD placed during the year	9,000 (50,000)	-	-	-	-
Loan repaid during the year	-	-	-	1,00,000 (2,50,000)	-
Outstanding balance					
Loans	-	-	-	(9,27,400)	-
Investment in Subsidiary	-	-	100 (100)	-	-
Trade payables	-	-	-	1,513 (961)	-
Trade receivables	-	-	-	1,13,630 (87,349)	-
Other receivables	8,791 (1,858)	-	-	7,347 (1,797)	-
Remuneration					
Loans and advances	59,000 (50,000)	-	-	-	-

(Previous Years figures are shown in Brackets)



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

26. Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

	March 31, 2015	March 31, 2014
Net Profit after Tax (Rs in thousands)	4,69,231	2,47,537
Weighted average number of equity shares for calculating Basic Earnings per share (Face Value Rs.10/- per Share) (No. in thousands) *	38,905	38,905
Basic and Diluted Earnings Per Share	12.06	6.36

*Shares allotted to Employee Stock Option (ESOP) Trust pursuant to employee share-based payment scheme have been reduced for the purpose of calculating Basic EPS in accordance with Guidance Note on Employee Share – Based Payments.

27. Operating Lease:

Office premises are obtained on operating lease. Most of the lease agreements have escalation clause where by the rent is expected to increase by a predetermined percentage after every predetermined number of months during the term of the agreement and any renewal thereon. There are no subleases.

	Operating Lease	
	March 31, 2015	March 31, 2014
Lease payments for the year	1,32,740	1,15,034
Contingent rent recognized in the Statement of profit and loss account	(2,626)	(2,786)
Minimum Lease Payments :		
Not later than one year	39,234	42,424
Later than one year but not later than five years	81,132	70,886
Later than five years	11,149	14

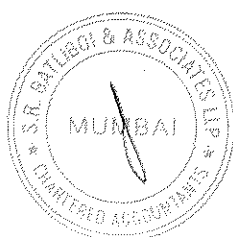
28. Expenditure in foreign currency (accrual basis)

	March 31, 2015	March 31, 2014
Sponsorship	348	163
Transmission Fees	-	775
Total	348	938

29. CIF Value of Imported Capital Goods is Rs 1,977 (March 31, 2013: Rs 8,590)

30. Earnings in foreign exchange (accrual basis)

	March 31, 2015	March 31, 2014
Advertisement sale	2,746	203
Content sale	-	360
Total	2,746	563



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

31. Contingent Liability

Unless otherwise stated the management believes that, based on legal advice, the outcome of these contingencies will be favorable and that a loss is not probable, further outflow of economic resources is not probable in either case.

	March 31, 2015	March 31, 2014
Claims against the company not acknowledged as debts		
Income tax matters	-	7,27,377
Others	27,610	15,900

32. Employee Benefits:

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plans.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

	March 31, 2015		March 31, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	3,537	4,112	3,242	3,769
Interest cost on benefit obligation	1,688	1,217	1,352	912
Expected return on plan assets	(910)	-	(711)	-
Net actuarial (gain) / loss recognized in the year	4,588	(741)	(1,325)	(2,922)
Past service cost	-	-	-	-
Short Term Obligation	-	-	-	396
Net benefit expense	8,903	4,588	2,558	2,155

Balance sheet

Details of Provision for Gratuity & Leave Encashment

	Gratuity				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	27,357	18,894	16,948	12,298	9,380
Fair value of plan assets	9,562	8,201	7,903	4,818	2,555
Surplus/(deficit)	(17,795)	(10,694)	(9,045)	(7,480)	(6,825)
Experience adjustment of plan liabilities	1,035	462	72	72	(299)
Experience adjustment of plan asset	(450)	414	(40)	340	51
	Leave Encashment				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	18,474	14,940	11,670	9,233	7,673
Fair value of plan assets	-	-	-	-	-
Surplus/(deficit)	(18,474)	(14,940)	(11,670)	(9,233)	(7,673)
Experience adjustment of plan liabilities	-	-	-	-	-
Experience adjustment of plan asset	-	-	-	-	-



MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2015		March 31, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening defined benefit obligation	18,895	14,940	16,948	11,670
Current service cost	3,537	4,112	3,242	3,769
Interest cost	1,688	1,217	1,352	912
Actuarial losses / (gains) on obligation	5,038	(741)	(1,739)	(315)
Past service cost	-	-	-	-
Benefits paid	(1,800)	(1,054)	(910)	(1,096)
Closing defined benefit obligation	27,358	18,474	18,893	14,940

Changes in the fair value of plan assets are as follows:

	Gratuity	
	March 31, 2015	March 31, 2014
Opening fair value of plan assets	8,201	7,904
Adjustment of funds		
Expected return	910	711
Contributions by employer		
Benefits paid		
Actuarial gains / (losses)	450	-414
Closing fair value of plan assets	9,561	8,201

The only plan asset is investment in a mutual fund.

The principal assumptions used in determining Gratuity & Leave Encashment

	March 31, 2015		March 31, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate	7.80%	9.10%	9.10%	9.10%
Expected return on plan assets	9.00%	-	9.00%	-
Annual increase in Salary costs	6.75%	6.75%	6.75%	6.75%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

In addition to the above defined benefit obligation based on actuarial valuation, the Company has provided Rs. Nil (March 31, 2014: Rs 2,607) on account of short term compensated absences which have accrued to the employees as at March 31, 2015 and is expected to be availed by the employees during the year ended March 31, 2016.




MUSIC BROADCAST PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

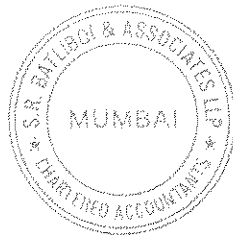
33. Previous Year Comparatives

Previous year figures have been regrouped where necessary to conform to this year's classification

As per our report of even date

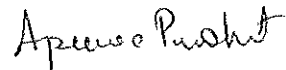
For S. R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants


per Govind Ahuja
Partner
Membership No. 48966




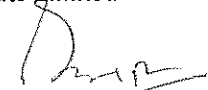
Place: Mumbai
Date: May 25, 2015

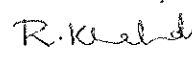
For and on behalf of the Board of Directors
of Music Broadcast Private Limited

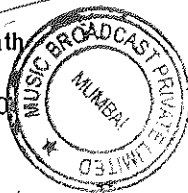


Apurva Purohit
Director
[DIN 00190097]


Chirag Bagadia
Company Secretary
Place: Mumbai
Date: May 25, 2015


Sunil Theckath
Director
[DIN 00294130]


Reshma Khalid
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

To the Members of Music Broadcast Private Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Music Broadcast Private Limited (hereinafter referred to as 'MBPL' or 'the Holding Company'), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated balance sheet as at March 31, 2015, the consolidated statement of profit and loss and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial



statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We and the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The consolidated balance sheet, consolidated statement of profit and loss and consolidated cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act and of its subsidiary companies, incorporated in India, none of the directors of the Group, is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group. [Refer Note 30 of the consolidated financial statements];



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants
Music Broadcast Private Limited
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- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary

Other Matter

The accompanying consolidated financial statements include total assets of Rs 95.13 thousand as at March 31, 2015, and total revenues and net cash outflow of Rs Nil and Rs 1.10 thousand for the year ended on that date, in respect of its subsidiary, which have been audited by other auditor, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W


per Govind Ahuja
Partner
Membership Number: 48966
Place: Mumbai
Date: May 25, 2015



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Music Broadcast Private Limited

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Annexure referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date

- (i) (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management of the Holding Company during the year and no material discrepancies were identified on such verification.
- (ii) The Holding Company does not carry any inventory and accordingly, clauses 3(ii) (a) to 3(ii) (c) of the Order are not applicable to the Holding Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Holding Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Holding Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and the nature of its business, for the purchase of fixed assets and for the sale of services. The activities of the Holding Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Holding Company in respect of these areas.
- (v) The Holding Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act for the services of the Holding Company.
- (vii) (a) The Holding Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, cess and other material statutory dues, though there are slight delay in a few cases. The provisions relating to wealth tax, duty of customs, value added tax, duty of excise and sales tax are not applicable to the Holding Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable for the Holding Company.
- (c) According to the records of the Holding Company, the dues of income-tax and cess which have not been disputed on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amount (Rs crores)	Period to which amount relates	Forum where disputes pending
Income Tax Act, 1956	Income Tax	3.87	2012-13	Commissioner of Income Tax (Appeals)



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants


Music Broadcast Private Limited

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The provisions relating to sales tax, wealth tax, value added tax, duty of customs and duty of excise not applicable to the Holding Company.

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The accumulated losses of the Holding Company at the end of the financial year are more than fifty percent of its net worth. The Holding Company has not incurred cash loss during the year and in the immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Holding Company has not defaulted in their repayment of dues to bank or debenture holders.
- (x) According to the information and explanations given to us, the Holding Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on information and explanations given to us by the management of the Holding Company, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Holding Company have been noticed or reported during the year.

For S.R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants


per Govind Ahuja
Partner
Membership Number: 48966



Place of Signature: Mumbai
Date: May 25, 2015

MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

	Notes	March 31, 2015	March 31, 2014
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDERS' FUNDS			
Share capital	3	3,89,097	3,89,096
Reserves and surplus	4	1,82,583	(2,85,618)
		5,71,680	1,03,478
NON CURRENT LIABILITIES			
Long-term borrowings	5	28,48,233	10,31,567
Long-term provisions	6	22,434	14,376
		28,70,667	10,45,943
CURRENT LIABILITIES			
Trade payables	7	32,755	28,326
Other current liabilities	7	4,35,736	4,68,941
Short-term provisions	6	23,398	19,458
		4,91,889	5,16,725
TOTAL		39,34,236	16,66,146
<u>ASSETS</u>			
NON CURRENT ASSETS			
Fixed assets			
Tangible assets	8	70,877	74,485
Intangible assets	8	1,16,334	2,42,179
Capital work-in-progress		2,887	2,831
		1,90,098	3,19,495
Long-term loan and advances	9	2,24,363	2,35,107
Other non-current assets	10	97,115	46,066
		3,21,478	2,81,173
CURRENT ASSETS			
Current investment	11	7,000	7,000
Trade receivables	12	7,21,472	5,87,374
Cash and bank balance	13	5,43,596	3,39,508
Short-term loan and advances	9	21,16,174	1,20,232
Other current assets	10	34,418	11,364
		34,22,660	10,65,478
TOTAL		39,34,236	16,66,146
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
 ICAI Firm Registration Number: 101049W
 Chartered Accountants

per Govind Ahuja
 Partner
 Membership No. 48966



For and on behalf of the Board of Directors
 of Music Broadcast Private Limited

Apurva Purohit
 Apurva Purohit
 Director
 [DIN 00190097]

Sunil Theckath
 Sunil Theckath
 Director
 [DIN 00294130]

R. Khalid
 Reshma Khalid
 Chief Financial Officer

Chirag Bagadia
 Chirag Bagadia
 Company Secretary

Place: Mumbai
 Date: May 25, 2015

Place: Mumbai
 Date: May 25, 2015

MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

	Notes	March 31, 2015	March 31, 2014
Income			
Revenue from operations		20,08,350	15,41,664
Other income	14	66,690	35,656
Total revenue (I)		20,75,040	15,77,320
Expenses			
License fees		94,987	81,663
Royalty		50,144	46,272
Programming cost		86,709	87,155
Employee benefit expenses	15	4,31,529	3,63,500
Other expenses	16	7,23,339	5,39,753
Depreciation and amortisation expenses	17	1,57,000	1,54,871
Finance cost	18	62,104	56,571
Total Expenditure (II)		16,05,812	13,29,785
Profit before tax (I - II)		4,69,228	2,47,535
Provision for tax		-	-
Profit after tax		4,69,228	2,47,535
Earnings per equity share (nominal value of share Rs. 10)			
Basic & diluted earnings	25	12.06	6.36
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
 ICAI Firm Registration Number: 101049W
 Chartered Accountants

per Govind Ahuja
 Partner
 Membership No. 48966



For and on behalf of the Board of Directors
 of Music Broadcast Private Limited

Apurva Purohit
 Apurva Purohit
 Director
 [DIN 00190097]

R. Khalid
 Reshma Khalid
 Chief Financial Officer

Sunil Theckath
 Sunil Theckath
 Director
 [DIN 00294130]

Chirag Bagadia
 Chirag Bagadia
 Company Secretary

Place: Mumbai
 Date: May 25, 2015

Place: Mumbai
 Date: May 25, 2015

MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED CASH FLOW AS AT AND FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

Notes	March 31, 2015	March 31, 2014
A. Cash flow from operating activities		
Profit before taxation	4,69,228	2,47,536
Adjustments for non cash items		
Depreciation and amortisation	1,57,000	1,54,871
Provision for doubtful debts	28,866	(29,603)
Provision for doubtful debts for earlier year written back	-	40,743
Provision for gratuity	8,463	1,946
Provision for leave encasement	3,535	1,060
Interest income	(50,675)	(20,716)
Interest on Tax refund	(6,097)	-
Financial expenses	62,104	56,571
Profit on sale of fixed assets	(321)	(857)
Operating profit before working capital changes	6,72,103	4,61,650
Movements in working capital :		
Decrease/(Increase) in trade receivables	(1,62,963)	13,254
Decrease in non-current loans and advances	8,389	19,692
Decrease/(Increase) in current loans and advances	13,058	(4,042)
Decrease/(Increase) in non-current other assets	(50,115)	37,623
Decrease in current other assets	(5,589)	(1,149)
Increase/(Decrease) in trade payable	4,429	(4,614)
Increase/(Decrease) in other current liabilities and provisions	1,22,524	(55,050)
Cash used in operations	6,01,836	4,57,264
Direct taxes received/(paid) including Interest on refund	7,205	(5,558)
Net cash generated from operating activities	(A) 6,09,041	4,61,706
B. Cash flows from investing activities		
(Purchase of) /adjustment to fixed assets	(27,385)	(38,266)
Proceeds from Sale of fixed assets	321	857
(Investment) in Inter Corporate Deposits	(20,09,000)	(49,992)
(Investment)/Proceeds from redemption of fixed deposits with bank	35,064	(60,186)
Interest received	32,276	14,222
Net cash from / (used in) investing activities	(B) (19,68,724)	(1,33,366)
C. Cash flows from financing activities		
Proceeds from Non Convertible Debenture Issued	20,00,000	-
Proceeds from equity issued	50	-
Redemption of preference shares	(49)	-
Repayment of long-term borrowings	(3,50,583)	(2,03,498)
Interest paid	(50,583)	(55,733)
Net cash from / (used in) financing activities	(C) 16,98,835	(2,59,231)
Net increase in cash and cash equivalents (A + B + C)	2,39,152	59,110
Cash and cash equivalents at the beginning of the year	1,92,670	1,33,460
Cash and cash equivalents at the end of the year	4,31,722	1,92,670
Components of cash and cash equivalents		
Balances with scheduled banks in current account	4,31,707	1,92,556
Cash on hand	15	14
Total cash and cash equivalents	14 4,31,722	1,92,670

Summary of significant accounting policies

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
 ICAI Firm Registration Number: 101049W
 Chartered Accountants

per Govind Ahuja
 Partner
 Membership No. 48966



For and on behalf of the Board of Directors
 of Music Broadcast Private Limited

Apurva Purohit
 Apurva Purohit
 Director
 [DIN 00190097]

Sunil Theekath
 Sunil Theekath
 Director
 [DIN 00294130]

R. Khalid
 Reshma Khalid
 Chief Financial Officer
 Place: Mumbai
 Date: May 25, 2015

Chirag Bagadia
 Chirag Bagadia
 Company Secretary

Place: Mumbai
 Date: May 25, 2015



MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

1. BACKGROUND

Music Broadcast Private Limited ('the Holding Company' or 'MBPL') was incorporated in India on November 4, 1999. 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 currently owns licenses issued by the Ministry of Information and Broadcasting ('MIB') to operate its radio stations in 20 cities across India. The Company has exercised the option to migrate to FM Phase III. MBPL together with its subsidiary (listed below) is hereinafter referred to as 'the Group'.

Name of the Company	Percentage Holding	
	2015	2014
Subsidiary		
Mega Sound and Music Private Limited ('MSMPL')	100%	100%

MSMPL is a dormant company and not commenced the commercial operations as at March 31, 2015.

As per Grant of Permission Agreement (GOPA), licenses of 4 stations viz. Bangalore, Delhi, Mumbai and Lucknow have expired on March 31, 2015. MIB has granted provisional extension for further period of six months till September 30, 2015 or migration to Phase III, whichever is earlier.

On December 18, 2014, IVF Holdings Private Limited, Holding Company, along with Crystal Sound and Music Private Limited, has entered into a Share Sale Agreement with Jagaran Prakashan Limited ('JPL') to transfer their entire shareholding in the Company, subject to, approval from MIB. As on date, approval from MIB is still awaited.

The Company has raised Non- Convertible Debenture (NCD) amounting to Rs 200 crores which carry an interest rate of 9.70% repayable in three tranches upto March 2020, pursuant to the provision of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. The said NCD's are listed on BSE Limited. The proceeds from the NCDs are to be utilized for acquiring new radio licenses in proposed Phase III auction including capital expenditure and payment of Migration Fees of Private FM Radio Licenses for migration from Phase II to Phase III. Until the Company utilizes these funds, the Company has given Inter Corporate Deposits to JPL @ 9.75% p.a. rate of interest payable on the due date.

2. BASIS OF PREPARATION

The consolidated financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Group has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 Summary of significant accounting policies

a) Principles of consolidation

The financial statements of subsidiary used in consolidation are drawn upto same reporting date as of MBPL. The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down in Accounting Standard 21 on "Consolidated Financial Statements".

The consolidated financial statements of MBPL and its subsidiary have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions resulting in unrealised profits/ losses.



MUSIC BROADCAST PRIVATE LIMITED

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(All amount in Rupees Thousand unless stated otherwise)

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances are presented, to the extent possible, in the same manner as the Companies separate financial statements.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) Use of estimates:

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Tangible fixed assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work in progress is stated at cost.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

d) Depreciation on tangible fixed assets:

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribes requirements concerning depreciation of fixed assets.

From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. Depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows Companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the consolidated financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

The Company has revised the estimated useful life of Computers from 5 years to 3 years to align it with useful lives under Schedule II of the Companies Act, 2013. Pursuant to such change, the carrying value of Rs.1,027 of Computers whose revised useful life has been exhausted at April 01, 2014, has been charged against opening balance of the statement of profit and loss account. The Computers, whose revised useful



MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

life has not been exhausted at April 01, 2014, are depreciated over remaining useful life. Pursuant to such change, there has been additional depreciation charge of Rs.1,068 for year ended March 31, 2015

Nature of Asset	Rates (SLM) %	Schedule II Rates (SLM)%
Towers, Antenna & Transmitters	20	6.67
Computers	33.33	33.33
Furniture & Fixtures	20	10
Studio Equipments	20	6.67
Office Equipments, Air Conditioners & UPS & Gen Set	20	20
Vehicle	20	16.67

e) Intangible assets:

Intangible assets are stated at cost less accumulated amortization and impairment losses. Cost includes any directly attributable expenditure on making the assets ready for its intended use. Migration fees paid by the Company for existing licenses upon migration to Phase II of the Private FM Radio Licensing Policy and One Time Entry Fees paid by the Company for acquiring new licenses, have been capitalized as an intangible asset.

Intangible assets are amortized on a straight line basis over the license period. The migration fee capitalized is being amortized, with effect from April 1, 2005, equally over a period of ten years, being the period of the license. One time entry fee is amortized over a period of ten years, which is the period of license, from the date of operation of the station.

f) Impairment of tangible and intangible assets:

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation and amortization is provided on the revised carrying amount of the asset over its remaining useful life

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.



MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

h) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

i) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

j) Employee benefits

- i. Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made on projected unit credit method at the end of each financial year.
- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- iv. Actuarial gains/losses are immediately taken to Statement of profit and loss account and are not deferred.

k) Revenues

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of air time

Revenues from the sale of airtime are recognized in the period when the advertisements are aired and are stated net of commission to advertising agencies and service tax billed to customers.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognized when the right to receive payment is established by the balance sheet date.

l) Foreign currency transactions:

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognised as income or as expenses in the year in which they arise

m) License fees

License fees are charged to revenue at the rate of 4% of gross revenue for the year or 10% of Reserve One Time Entry Fee (ROTEF) for the concerned city, whichever is higher (ROTEF means 25% of highest valid bid in the city). 'Gross Revenue' is revenue on the basis of billing rates inclusive of any taxes and without deduction of any discount given to the advertiser and any commission paid to advertising agencies.

Barter advertising contracts are included in the 'Gross revenue' on the basis of relevant billing rates.

n) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement Profit and Loss on a straight-line basis over the lease term.

o) Income taxes

Tax expense comprises of current, deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

p) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.



MUSIC BROADCAST PRIVATE LIMITED
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q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

3. Share capital

	March 31, 2015	March 31, 2014
Authorised Shares		
42,000,000 (March 31, 2014: 42,000,000) Equity Shares of Rs. 10/- each	4,20,000	4,20,000
50,000 (March 31, 2014: 50,000) Convertible Redeemable Preference Shares of Rs. 10/- each	500	500
Issued, subscribed and paid-up		
41,917,767 (March 31, 2014: 41,912,767) equity shares of Rs. 10/- each, fully paid-up	4,19,128	4,19,128
Add: Issued during the year	50	-
Less : Amount recoverable from ESOP Trust	(30,081)	(30,081)
	3,89,097	3,89,047
NIL (March 31, 2014: 4,900) 0% Convertible Redeemable Preference Shares of Rs. 10/- each fully paid up	-	49
	3,89,097	3,89,096

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares:

	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
At the beginning of the year	41,912,767	419,128	41,912,767	419,128
Issued during the year	5,000	50	-	-
Outstanding	41,917,767	419,178	41,912,767	419,128
Less: ESOP recoverable*	3,008,066	30,081	3,008,066	30,081
Outstanding at the end of the year	38,909,701	389,097	38,904,701	389,047

Preference Shares:

	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
At the beginning of the year	4,900	49	4,900	49
Redeemed during the year	4,900	49	-	-
Outstanding at the end of the year	-	-	4,900	49



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- * The Company has given loan to the employee trust for subscribing shares in the Company for Employee Stock Option Plans. The loan is refundable by the trust to the Company on issuance of ESOPs to the employees.

b) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

No dividend has been declared during the year March 31, 2015 (March 31, 2014: NIL)

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

c) Terms of conversion of preference shares

The Company had issued 4,900 0% Redeemable Convertible Preference Shares at the rate of Rs 10 each at a premium of Rs 39,990 per share to the shareholder, India Value Fund Trustee Company Private Limited. During the year, the Company has received rupees fifty thousand from IVF Holdings Private Limited as subscription money for the issue of 5,000 equity shares at face value of Rs.10 each to redeem 4,900 convertible preference shares at face value only.

d) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	March 31, 2015	March 31, 2014
IVF Holdings Private Limited (holding company)		
29,906,520 (March 31, 2014: 21,258,466) equity shares of Rs 10 each, fully paid-up	299,065	212,585

e) Details of shareholders holding more than 5% shares in the company

	March 31, 2015		March 31, 2014	
	Units	% Holding in the class	Units	% Holding in the class
Equity share of Rs. 10 each fully paid				
IVF Holdings Private Limited (Holding company)	29,906,520	71.34%	21,258,466	50.72%
Crystal Sound And Music Private Limited	9,003,181	21.48%	9,003,181	21.48%
India Value Fund Trustee Company Private Limited	-	-	8,643,054	20.62%
Mr. George Thomas Jointly with Mr. Sunil Theckath as Trustees of Music Broadcast Employees Welfare Trust	3,008,066	7.18%	3,008,066	7.18%
Preference shares of Rs. 10 each fully paid				
India Value Fund Trustee Company Private Limited	-	-	4,900	100%



MUSIC BROADCAST PRIVATE LIMITED
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4. Reserve and surplus

	March 31, 2015	March 31, 2014
Capital reserve	14,19,734	14,19,734
Securities premium account	3,71,031	3,71,031
Debenture Redemption Reserve account		
Opening balance	-	-
Add: Transferred from surplus in statement of profit and loss	14,236	-
Closing Balance	14,236	-
(Deficit) in the statement of profit and loss		
Balance as per last financial statements	(20,76,383)	(23,23,918)
Add: Profit for the year	4,69,228	2,47,535
Less: Additional Depreciation as per Companies Act, 2013	(1,027)	-
Less: Transfer to Debenture Redemption Reserve	(14,236)	-
Net deficit in the statement of profit and loss account	(16,22,418)	(20,76,383)
Total reserve and surplus	1,82,583	(2,85,618)

5. Borrowings

	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Secured				
Debentures				
20,000 (Previous Year NIL) Non-convertible debentures of Rs 10,00,000/- each	20,00,000	-	-	-
Unsecured				
Term loan				
Indian Rupee Loan from a Bank	20,833	1,04,167	83,333	2,50,583
Other loans & advances				
Inter Corporate Deposits from Shareholders	-	9,27,400	-	-
Inter Corporate Deposits	8,27,400	-	-	-
Secured borrowings	20,00,000	-	-	-
Unsecured borrowings	8,48,233	10,31,567	83,333	2,50,583
Amount disclosed under the head "other current liabilities" (Note 7)	-	-	(83,333)	(2,50,583)
Net Amount	28,48,233	10,31,567	-	-

- i) During the year, the Company has issued Secured Redeemable Non-Convertible Debentures of Rs.2,000,000. The debenture are secured by way of first pari passu charge on the entire book assets, including fixed assets, current assets and investments of the Company and also by unconditional and irrevocable guarantee by JPL. Interest @ 9.7% per annum is payable on semi-annual basis. Terms of redemption are as follows:



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Nature of Debentures	Date of Allotment	Date of redemption	Amount
9.7% Non-convertible debenture	March 4, 2015	March 4, 2017	Rs. 500,000
9.7% Non-convertible debenture	March 4, 2015	March 4, 2018	Rs. 1,000,000
9.7% Non-convertible debenture	March 4, 2015	March 4, 2020	Rs. 500,000

The proceeds from the NCDs are to be utilized for acquiring new radio licenses in proposed Phase III auction including capital expenditure and payment of Migration Fees of Private Radio Licenses for migration from Phase II to Phase III. Until the Company utilizes these funds, the Company has given Inter Corporate Deposits to JPL @ 9.75% p.a. rate of interest payable on the due date.

- ii) Unsecured loan from HDFC bank was taken during the financial year 2013-14 and carries interest @ 13%. The loan is repayable in 12 quarterly installments of Rs.20,833 thousand each along with monthly interest, from the date of loan.
- iii) Unsecured loan from bank carried 13% p.a. rate of interest and was payable after 270 days from the respective date of disbursement. Further the loan had been guaranteed by the corporate guarantee of India Value Fund Advisors Private Limited. Same has been fully repaid during the year.
- iv) Interest free loans from India Value Fund Trustee Company Private Limited- India Value Fund Scheme B are repayable by March 2017

6. Provisions

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for gratuity (Note 31)	22,434	14,376	4,923	4,518
Provision for leave benefits (Note 31)	-	-	18,475	14,940
	22,434	14,376	23,398	19,458

7. Other current liabilities

	March 31, 2015	March 31, 2014
Trade payables		
Dues to other payables	32,755	28,326
Due to micro & small enterprises	-	-
	32,755	28,326
Other Current Liabilities		
Current maturities of long term borrowings (Note 5)	83,333	2,50,583
Interest accrued and due on borrowings	-	595
Interest accrued but not due on borrowings	16,032	3,917
Accrued expenses	3,13,217	1,93,060
Advances from customer	9,067	10,341
Taxes payable	14,087	10,445
	4,35,736	4,68,941



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8. Fixed Assets

DESCRIPTION	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
	As at April 1, 2014	Additions during the year	Sales/ Adjustments	As at March 31, 2015	As at April 1, 2014	For the year	Adjusted depreciation against reserves	Sales	As at March 31, 2015	As at March 31, 2014
Tangible Assets										
Towers, Antenna & Transmitters (Refer Note 2 Below)	3,63,029	2,726	-	3,65,755	3,27,634	10,611	-	-	27,510	35,395
Computers	70,565	11,221	3,479	78,307	54,544	9,200	1,027	3,479	17,015	16,021
Furniture & Fixtures	1,53,093	4,876	662	1,57,307	1,46,649	2,763	-	662	8,657	6,444
Studio Equipments	1,99,535	3,430	160	2,02,805	1,91,364	3,515	-	160	8,086	8,171
Office Equipments, Air Conditioners & UPS & Gen Set	1,03,087	4,726	1,161	1,06,652	98,184	2,448	-	1,161	7,181	4,903
Vehicle	5,114	-	-	5,114	1,563	1,023	-	-	2,586	3,551
TOTAL	8,94,423	26,979	5,462	9,15,940	8,19,938	29,560	1,027	5,462	70,877	74,485
Previous Year	8,79,907	43,667	13,740	9,09,834	8,18,168	28,165	-	13,706	77,207	61,739
Intangible Assets										
One Time Entry/Migration Fees (Refer Note 1 Below)	12,39,148	-	-	12,39,148	10,08,496	1,23,915	-	-	1,06,737	2,30,652
Software	27,586	1,595	-	29,181	16,072	3,512	-	-	9,597	11,514
Copy Rights	450	-	-	450	450	-	-	-	-	-
Music Portal	4,651	-	-	4,651	4,638	13	-	-	-	13
TOTAL	12,71,835	1,595	-	12,73,430	10,29,656	1,27,440	-	-	1,16,334	2,42,179
Previous Year	12,50,122	6,302	-	12,56,424	8,90,261	1,26,706	-	-	2,39,457	3,59,860
Capital Work in Progress										
									2,887	2,832

Note :

1) Intangible Assets represent One Time Entry Fees Rs. 508,744/- (New Stations) and Migration Fees Rs. 729,403/- (Existing Stations).

2) Transmitter above represents jointly held assets at Common Transmission Infrastructure (CTI) amounting to Rs. 157,408/- (March 31, 2014; Rs. 148,162/-)

3) Company has revised estimation of useful life of Computer to 3 years from 5 years in accordance with Schedule II of Companies Act, 2013. Accordingly, additional depreciation upto March 31, 2014 has been adjusted against opening balance in the Statement of profit and loss.



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9. Loans and advances

	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Capital advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	1,738	2,981	-	-
	1,738	2,981	-	-
Security deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good	1,32,650	1,28,426	-	-
Doubtful (refer note 20)	6,440	6,440	-	-
	1,39,090	1,34,866	-	-
Provision for Deposit	(6,440)	(6,440)	-	-
	1,32,650	1,28,426	-	-
Loans and advances to related parties				
Unsecured, considered good	-	-	59,000	50,000
	-	-	59,000	50,000
Advance recoverable in cash or kind				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	12,613	25,698	29,530
Doubtful	-	-	2,667	2,667
	-	12,613	28,365	32,197
Provision for advances	-	-	(2,667)	(2,667)
	-	12,613	25,698	29,530
Other loan and advances				
Inter Corporate Deposit *	-	-	20,00,000	-
Prepaid Expenses	-	-	24,537	31,595
Balances with statutory / government authorities	-	-	6,939	9,107
Tax Deducted at Source	89,975	91,087	-	-
	89,975	91,087	20,31,476	40,702
Advance paid under dispute	-	-	24,498	-
Provision for disputed advances	-	-	(24,498)	-
	-	-	-	-
Total	2,24,363	2,35,107	21,16,174	1,20,232

* During the year, the Company has provided Inter Corporate Deposit to JPL @ 9.75% p.a. from March 4, 2015 to May 2, 2015. Subsequent to year end, the Company has renewed the Inter Corporate Deposit for a further period of sixty days at the same rate of interest.



MUSIC BROADCAST PRIVATE LIMITED
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10. Other assets

	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unsecured, considered good unless stated otherwise Non-current bank balance (note 14)	88,251	38,135	-	-
Others				
Facility charges receivable	-	-	7,385	1,797
Interest accrued on fixed deposit	8,864	7,931	27,033	9,567
	8,864	7,931	34,418	11,364
	97,115	46,066	34,418	11,364

11. Current investments (valued at lower of cost and fair value, unless stated otherwise)

	March 31, 2015	March 31, 2014
Unquoted mutual funds		
360,100.64 units (31 March 2013: 360,106.65 units) Kotak mahindra mutual fund	7,000	7,000
	7,000	7,000

12. Trade receivables

	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	(Rs'in 000)	(Rs'in 000)	(Rs'in 000)	(Rs'in 000)
Unsecured, considered good unless stated otherwise Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	1,42,823	78,929
Unsecured, considered good	-	-	59,137	35,800
Doubtful	-	-	2,01,960	1,14,729
Provision for doubtful receivables	-	-	(59,137)	(35,800)
	-	-	1,42,823	78,929
Other receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	5,78,649	5,08,445
Doubtful	-	-	21,202	15,674
	-	-	5,99,851	5,24,119
Provision for doubtful receivables	-	-	(21,202)	(15,674)
	-	-	5,78,649	5,08,445
	-	-	7,21,472	5,87,374



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13. Cash & bank balances

	Non-Current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Cash and cash equivalents				
Balances with scheduled banks in current account	-	-	4,31,707	1,92,556
Cash on hand	-	-	15	14
	-	-	4,31,722	1,92,570
Other bank balances				
Deposits with original maturity for more than 3 months but less than 12 months	-	-	48,874	99,621
Deposit held as margin money against bank guarantees	88,251	38,135	63,000	47,317
	88,251	38,135	1,11,874	1,46,938
Amount disclosed under non-current assets (Note 11)	88,251	38,135	-	-
	-	-	5,43,596	3,39,508

14. Other income

	March 31, 2015	March 31, 2014
Interest on bank fixed deposits	14,560	15,300
Interest on inter corporate deposit	36,115	5,416
Facility income	8,436	7,564
Non-operating income		
Liability no longer required now written back	516	4,592
Interest on income tax refund	6,097	1,519
Miscellaneous income	645	408
Profit on sale of fixed assets	321	857
	66,690	35,656

15. Employee benefit expenses

	March 31, 2015	March 31, 2014
Salary, wages and other allowances	3,99,209	3,42,750
Contribution to provident fund	13,958	12,282
Gratuity and leave encashment	14,852	5,012
Staff welfare	3,510	3,456
	4,31,529	3,63,500



MUSIC BROADCAST PRIVATE LIMITED

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(All amount in Rupees Thousand unless stated otherwise)

16. Other expenses

	March 31, 2015	March 31, 2014	
Marketing and advertisement expenses	2,17,321		1,58,825
Rent	1,32,740		1,15,034
Electricity/utility expenses	70,769		66,763
Annual Software License Maintenance fee	20,001		21,881
Legal and professional charges	46,198		25,648
Commission on sales	70,068		34,237
Travelling and conveyance	46,152		27,938
Office maintenance charges	30,206		26,694
Communication cost	10,561		10,100
Security charges	8,792		7,286
Repairs and maintenance:			
Building	5,425		4,243
Equipment and others	11,590		9,279
Rates and taxes	2,542		5,579
Insurance	2,897		2,185
Auditor's remuneration:			
Statutory audit fees	1,677		1,177
Tax audit fees	200		200
Limited review	825		825
Other services(certification)	950		550
Out of pocket expense	74		77
Bad-debts written off	-	40,743	
Provision for doubtful debts	28,866	(29,603)	11,140
Loss on Sale of Assets	-		34
Printing and stationery	1,251		972
Corporate social responsibility expenditure	2,873		-
Miscellaneous expenses	11,361		9,086
	7,23,339		5,39,753

17. Depreciation and Amortisation expenses

	March 31, 2015	March 31, 2014
Depreciation on tangible assets	29,560	28,165
Amortisation on intangible assets	1,27,440	1,26,706
	1,57,000	1,54,871

18. Finance cost

	March 31, 2015	March 31, 2014
On long term loans	39,313	53,658
Bank charges and other borrowing cost	22,791	2,913
	62,104	56,571



MUSIC BROADCAST PRIVATE LIMITED

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19. During the fixed license fee regime, the Company had obtained the licenses from the Ministry of Information and Broadcasting (MIB) for operating FM Radio Service for some stations. Due to delays in obtaining the requisite approvals and reasons of non-viability of projects, the Company surrendered the Licenses of 2 stations namely Nagpur and Patna in the prior years. The deposit of Rs. 5,000 and bank guarantee of Rs 121,500 placed with Government of India in relation to these licenses had not been released due to dispute in relation to such release by the Government. The said matter was heard at Supreme Court. SC has directed MIB to return back the bank guarantee within two weeks to the Company. The Company has received back bank guarantee from MIB In the meanwhile, the company has made the provision for the reserve fee deposit of Rs 5,000.
20. Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances given] are Rs 864 (March 31, 2014: Rs. 2,165).
21. The Company is engaged in the business of operating Private FM Radio Stations in one geographical segment, i.e. India. The consolidated financial statements reflect the result of only one business segment, which is the primary segment.
22. The Company has unabsorbed depreciation and brought forward losses as per the Income-tax Act, 1961 and in the absence of virtual certainty backed by convincing evidence, the Company has not recognized any deferred tax asset as at March 31, 2015. The break-up of deferred tax asset and liability is disclosed below:

Particulars	March 31, 2015	March 31, 2014
Deferred tax liability		
WDV on fixed assets	60,709	38,676
	60,709	38,676
Deferred tax assets		
Provision for Bad Debts	24,825	15,905
Provision for L&A	2,814	2,814
Provision for Gratuity	8,453	5,838
Provision for Leave Encashment	5,709	4,617
Brought forward loss to the extent of DTL	18,908	9,502
	60,709	38,676
Net Deferred tax	-	-

23. There are no delays/dues in payment to Micro and Small enterprises as required to be disclosed under the Micro Small and Medium Enterprises Development Act, 2006 as identified from the available information with the Company.

24. Related Party Disclosure

1. Names of related parties

<u>Names of the Related Parties where control exists irrespective of whether transactions have occurred or not</u>	<u>Name of the Parties</u>
Holding Company Ultimate Holding Company	IVF Holdings Private Limited. India Value Fund2
<u>Names of other related parties with whom transactions have taken place during the ear</u>	
Entities which exercise significant influence on the Company	1. India Value Fund Trustee Company Pvt Ltd* (discontinued w.e.f. Dec 10, 2014) 2. Crystal Sound & Music Private Limited



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Key Management personnel	Ms. Apurva Purohit (CEO) Mr. Ashit Kukian (COO)
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2. Transactions with Related Parties

Details of Transaction	Holding Company	Entities which exercise significant influence on the Company	Key Management Personnel
Transactions during the year			
Interest Earned	7,911 (1,858)	- -	- -
Remuneration			
Ms. Apurva Purohit	- -	- -	27,723 (25,447)
Mr. Ashit Kukian	- -	- -	12,347 (9,545)
Marketing Expenses	- -	500 (500)	- -
Sale of Advertisement	- -	35,637 (59,158)	- -
Facility Income	- -	8,436 (7,564)	- -
Issue of equity shares	50 -	- -	- -
Redeption of preference shares	- -	49 -	- -
ICD placed during the year	9,000 (50,000)	- -	- -
Loan repaid during the year	- (2,500)	1,00,000 (2,50,000)	- -
Outstanding balance			
Loans	- -	- (9,27,400)	- -
Trade payables	- -	1,513 (961)	- -
Trade receivables	- -	1,13,630 (87,349)	- -
Other receivables	8,791 (1,858)	7,347 (1,797)	- -
Loans and advances	59,000 (50,000)	- -	- -

(Previous Years figures are shown in Brackets)

25. Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.



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	March 31, 2015	March 31, 2014
Net Profit after Tax (Rs in thousands)	4,69,228	2,47,535
Weighted average number of equity shares for calculating Basic Earnings per share (Face Value Rs.10/- per Share) (No. in thousands) *	38,905	38,905
Basic and Diluted Earnings Per Share	12.06	6.36

*Shares allotted to Employee Stock Option (ESOP) Trust pursuant to employee share-based payment scheme have been reduced for the purpose of calculating Basic EPS in accordance with Guidance Note on Employee Share – Based Payments.

26. Operating Lease:

Office premises are obtained on operating lease. Most of the lease agreements have escalation clause where by the rent is expected to increase by a predetermined percentage after every predetermined number of months during the term of the agreement and any renewal thereon. There are no subleases.

	Operating Lease	
	March 31, 2015	March 31, 2014
Lease payments for the year	1,32,740	1,15,034
Contingent rent recognized in the Statement of profit and loss account	(2,626)	(2,786)
Minimum Lease Payments :		
Not later than one year	39,234	42,424
Later than one year but not later than five years	81,132	70,886
Later than five years	11,149	14

27. Expenditure in foreign currency (accrual basis)

	March 31, 2015	March 31, 2014
Sponsorship	348	163
Transmission Fees	-	775
Total	348	938

28. CIF Value of Imported Capital Goods is Rs 1,977 (March 31, 2014: Rs 8,590)

29. Earnings in foreign exchange (accrual basis)

	March 31, 2015	March 31, 2014
Advertisement sale	2,746	203
Content sale	-	360
Total	2,746	563

30. Contingent Liability

Unless otherwise stated the management believes that, based on legal advice, the outcome of these contingencies will be favorable and that a loss is not probable, further outflow of economic resources is not probable in either case.



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	March 31, 2015	March 31, 2014
Claims against the company not acknowledged as debts		
Income tax matters	-	7,27,377
Others	27,610	15,900

31. Employee Benefits:

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plans.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

	March 31, 2015		March 31, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	3,537	4,112	3,242	3,769
Interest cost on benefit obligation	1,688	1,217	1,352	912
Expected return on plan assets	(910)	-	(711)	-
Net actuarial (gain) / loss recognized in the year	4,588	(741)	(1,325)	(2,922)
Past service cost	-	-	-	-
Short Term Obligation	-	-	-	396
Net benefit expense	8,903	4,588	2,558	2,155

Balance sheet

Details of Provision for Gratuity & Leave Encashment

	Gratuity				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	27,357	18,894	16,948	12,298	9,380
Fair value of plan assets	9,562	8,201	7,903	4,818	2,555
Surplus/(deficit)	(17,795)	(10,694)	(9,045)	(7,480)	(6,825)
Experience adjustment of plan liabilities	1,035	462	72	72	(299)
Experience adjustment of plan asset	(450)	414	(40)	340	51
	Leave Encashment				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	18,474	14,940	11,670	9,233	7,673
Fair value of plan assets	-	-	-	-	-
Surplus/(deficit)	(18,474)	(14,940)	(11,670)	(9,233)	(7,673)
Experience adjustment of plan liabilities	-	-	-	-	-
Experience adjustment of plan asset	-	-	-	-	-

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2015		March 31, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Opening defined benefit obligation	18,895	14,940	16,948	11,670
Current service cost	3,537	4,112	3,242	3,769
Interest cost	1,688	1,217	1,352	912
Actuarial losses / (gains) on obligation	5,038	(741)	(1,739)	(315)
Past service cost	-	-	-	-
Benefits paid	(1,800)	(1,054)	(910)	(1,096)
Closing defined benefit obligation	27,358	18,474	18,893	14,940



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MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)

Changes in the fair value of plan assets are as follows:

	Gratuity	
	March 31, 2015	March 31, 2014
Opening fair value of plan assets	8,201	7,904
Adjustment of funds		
Expected return	910	711
Contributions by employer		
Benefits paid		
Actuarial gains / (losses)	450	-414
Closing fair value of plan assets	9,561	8,201

The only plan asset is investment in a mutual fund.

The principal assumptions used in determining Gratuity & Leave Encashment

	March 31, 2015		March 31, 2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate	7.80%	9.10%	9.10%	9.10%
Expected return on plan assets	9.00%	-	9.00%	-
Annual increase in Salary costs	6.75%	6.75%	6.75%	6.75%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

In addition to the above defined benefit obligation based on actuarial valuation, the Company has provided Rs.Nil (March 31, 2014: Rs 2,607) on account of short term compensated absences which have accrued to the employees as at March 31, 2015 and is expected to be availed by the employees during the year ended March 31, 2016.

32. Disclosure pursuant to Schedule III to the Companies Act, 2013 for the year ended March 31, 2015.

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Subsidiary				
Mega Sound and Music Private Limited ('MSMPL')	0.02%	91.20	-0.001%	(3)



MUSIC BROADCAST PRIVATE LIMITED
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015
(All amount in Rupees Thousand unless stated otherwise)


33. Previous Year Comparatives

The consolidated financial statements for the year ended March 31, 2014, which are presented for comparative purposes, were not subject to an audit and have been reclassified, where necessary, to conform with the current year's presentation, whenever applicable.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants


per Govind Ahuja
Partner
Membership No. 48966



Place: Mumbai
Date: May 25, 2015


For and on behalf of the Board of Directors
of Music Broadcast Private Limited





Apurva Purohit
Director
[DIN 00190097]


Reshma Khalid
Chief Financial Officer

Place: Mumbai
Date: May 25, 2015


Sunil Theckath
Director
[DIN 00294130]


Chirag Bagadia
Company Secretary

Music Broadcast Limited
(formerly known as Music Broadcast Private Limited)
CIN: U64200MH1999PLC137729

Registered Office: 5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar,
Bandra (E), Mumbai 400 051, Tel: 022 66969100 Fax: 022 26429113, www.planetradiocity.com

NOTICE
16th ANNUAL GENERAL MEETING

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of the Music Broadcast Limited (formerly known as Music Broadcast Private Limited) will be held at the Company's registered office at 5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (E), Mumbai 400 051 on Monday, September 07, 2015 at 10.00 am for the purpose of transacting the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - (a) the Audited financial statement of the company for the financial year ended March 31, 2015, the Reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2015.
2. To appoint a Director in place of Ms. Apurva Purohit (DIN 00190097), who retires by rotation and being eligible offers herself for re-appointment.
3. To consider and if through fit, to pass with or without modification(s), the following resolution as ordinary resolution:

“RESOLVED THAT pursuant to provision of Section 139 to 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), M/s. Price Waterhouse Chartered Accountant LLP (FRN: 012754N / N500016) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of 21st (Twenty First) Annual General Meeting of the Company subject to ratification by members at each annual general meeting and on such remuneration to be fixed by the Board of directors and auditors plus service tax as applicable and reimbursement of out of pocket expenses.”

SPECIAL BUSINESS:

4. To consider and if through fit, to pass with or without modification(s), the following resolution as ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the year 2015-16 to

M/s Kishore Bhatia and Associates, Cost Accountant appointed by the Board of Directors of the Company on recommendation of Audit Committee to conduct the audit of cost records of the Company for the financial year 2015-16, amounting to Rs. 40,000/- (Rupees Forty Thousand Only) plus service tax as applicable and reimbursement of conveyance on actual basis as incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

RESOLVED FURTHER THAT the Board of Directors or Mr. Chirag Bagadia, Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and if through fit, to pass with or without modification(s), the following resolution as ordinary resolution:

“RESOLVED THAT Mr. Rahul Gupta (DIN: 00359182), who was appointed as an Additional Director of the Company with effect from 10th June 2015 and who in terms of Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.

RESOLVED FURTHER THAT the Board of Directors or Mr. Chirag Bagadia, Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if through fit, to pass with or without modification(s), the following resolution as ordinary resolution:

“RESOLVED THAT Mr. Sameer Gupta (DIN : 00038353), who was appointed as an Additional Director of the Company with effect from 10th June 2015 and who in terms of Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.

RESOLVED FURTHER THAT the Board of Directors or Mr. Chirag Bagadia, Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office
5th Floor, RNA Corporate Park
Off Western Express Highway
Kalanagar, Bandra (East)
Mumbai 400 051

July 28, 2015
Mumbai

By Order of Board of Directors

Sd/-

Chirag Bagadia
Company Secretary
Membership No: A21579

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special business to be transacted at the meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxies in order to be effective must be lodged to the Company's Registered Office not less than 48 hours before the meeting.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is appended hereto.
5. Corporate members are requested to send a duly certified true copy of the resolution authorizing their representatives to attend and vote on their behalf at the meeting, in accordance with the provisions of Section 113.
6. Members/proxies should bring the Attendance Slip duly filled in for attending the meeting.

EXPLANATORY STATEMENT AS PER SECTION 102 OF COMPANIES ACT 2013

The following 'Explanatory Statement' is provided to members of the Company pursuant to section 102 of the Companies Act, 2013.

Item No. 3 of Notice of Annual General Meeting

This Statement for Item No. 3 is provided though not required as per Section 102 of the Act. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of the Notice, relating to the appointment of the Statutory Auditors of the Company

Item No. 4 of Notice of Annual General Meeting

The board of directors of the Company on recommendation of Audit Committee, approved the appointment and remuneration of M/s Kishore Bhatia and Associates, Cost Accountant, to conduct audit of the cost records of the Company for the financial year 2015-16.

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules 2014, remuneration payable to the Cost Auditors is to be ratified by the members of the Company. Accordingly members are requested to ratify the remuneration payable to cost auditor for the financial year 2015-16 as set out in item no 4 of the notice.

None of the Directors and Key Managerial personnel or relatives of them are interested in the above resolution

The Board of Directors recommends the resolution for your approval.

Item No. 5 & 6 of Notice of Annual General Meeting

The Board of Directors at their meeting held on 10th June 2015 had appointed Mr. Rahul Gupta (DIN: 00359182) and Mr. Sameer Gupta (DIN : 00038353) as a Additional Directors in terms of Section 161 of the Companies Act, 2013 who hold office upto the date of this Annual General Meeting. The Company has received notice pursuant to Section 160 of the Companies Act, 2013 from members proposing their candidature as Director of the Company.

Mr. Rahul Gupta (DIN: 00359182) is the whole time Director of Shri Puran Multimedia Limited. Mr. Rahul Gupta (DIN: 00359182) started his career with Independent Newspapers (Ireland) and then pursued MBA at Lancaster University (UK). Post MBA he joined Independent Newspapers London and worked in the advertising department of the world famous "The Independent". Since 2006, Rahul has been working with Shri Puran Multimedia Limited as Director.

Mr. Sameer Gupta (DIN: 00038353) is currently Executive President (Accounts) in Jagran Prakashan Limited. He has 26 years of experience in accounts, general administration and MIS. He is director in Shri Puran Multimedia Limited, Jagran Infotech Limited, Jagran Subscriptions Private Limited, Om Multimedia Private Limited, Jagran 18 Publications Limited and Suvi Info-Management (Indore) Private Limited.

The Board of Directors propose the appointment of Mr. Rahul Gupta (DIN: 00359182) and Mr. Sameer Gupta (DIN : 00038353) as the Director of the Company and recommend the resolution as set out in Item No. 5 and 6 for the approval of the shareholders at the ensuing Annual General Meeting.

Other than Mr. Rahul Gupta (DIN: 00359182) and Mr. Sameer Gupta (DIN : 00038353) and their relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out in Item No. 5 and 6 of this Notice.

Information of Director(s) seeking appointment or re-appointment at the forthcoming Annual General Meeting (pursuant to Secretarial Standard 2 issued by ICSI) as on the date of Notice are attached in Annexure A.

Registered Office
5th Floor, RNA Corporate Park
Off Western Express Highway
Kalanagar, Bandra (East)
Mumbai 400 051

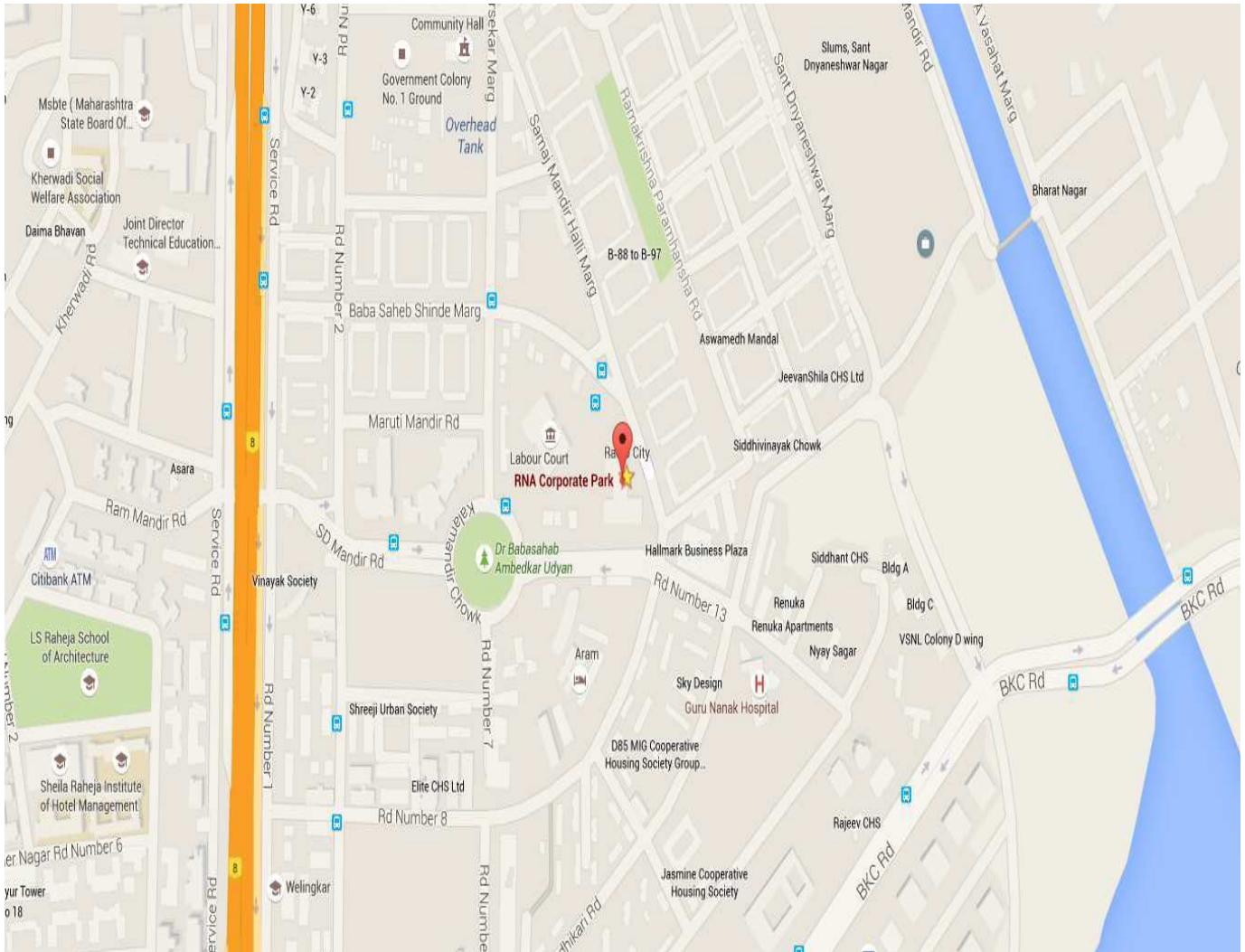
July 28, 2015
Mumbai

By Order of Board of Directors

Sd/-

Chirag Bagadia
Company Secretary
Membership No: A21579

Route Map to the venue of Annual General Meeting



Address of the AGM Venue
5th Floor, RNA Corporate Park, Off Western Express Highway,
Kalanagar, Bandra (E), Mumbai 400 051

Annexure A

Criteria	Ms. Apurva Purohit (DIN 00190097)	Mr. Rahul Gupta (DIN 00359182)	Mr. Sameer Gupta (DIN 00038353)
Appointed as	Whole Time Director and CEO	Non-Executive, Non Independent Director	Non-Executive, Non Independent Director
Date of Birth	03/10/1966	14/07/1980	11/02/1967
Age	49	35	48
Original date of Appointment	16/08/2014	10/06/2015	10/06/2015
Relationship with Other Directors or KMP's	Nil	Brother of Mr. Sameer Gupta	Brother of Mr. Rahul Gupta
Experience and expertise in specific functional area	Apurva Purohit is the WTD and CEO of Radio City 91.1 FM, an IIM –B alumnus (Batch of 89) and has been managing media organizations for a large part of the 25 years she has spent in the corporate world.	General Management	Accounts, general administration and MIS
Qualification	IIM –B alumnus	MBA, Lancaster University, Lancaster	Masters in Commerce
Directorships held in other public limited companies in India	Midday Infomedia Limited Mindtree Limited	Shri Puran Multimedia Limited Jagran Infotech Limited Crystal Sound and Music Pvt Ltd (Deemed Public Company) Spectrum Broadcast Holdings Pvt Ltd (Deemed Public Company)	Shri Puran Multimedia Limited Jagran Infotech Limited Jagran 18 Publication Limited Dolphin Structures Limited

Shareholding in Music Broadcast Limited	Nil	Nil	Nil
No of Board meetings attended during the year	8	Nil	Nil
Terms and Conditions of Appointment and Remuneration	Appointed as WTD and CEO of the Company for 5 years effective 16 th August 2015	Appointed as Non-Executive, Non Independent Director of the Company liable to retire by rotation as set out in item no 5 of AGM Notice.	Appointed as Non-Executive, Non Independent Director of the Company liable to retire by rotations as set out in item no 6 of AGM Notice.
Remuneration Last drawn	As mentioned in Form MGT 7 annexed to Director's Report	Nil	Nil
Membership/Chairmanship of committees in public limited companies in India	Member of Audit Committee Meeting of Midday Infomedia Limited and Mindtree Limited Member of Nomination and Remuneration Committee Meeting of Midday Infomedia Limited and Mindtree Limited	Nil	Nil

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ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **16th ANNUAL GENERAL MEETING** of the Company to be held on Monday, September 07, 2015 at 10.00 am., 5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (E), Mumbai 400 051.

Signature of Shareholder / Proxy

*Applicable for investors holding shares in electronic form.

Music Broadcast Limited
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PROXY FORM

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
 (Management and Administration) Rules, 2014]*

Name of the member(s)		e-mail id:	
Registered address:		Folio No./ Client Id*	
		DP Id*	

I/We being the member(s) of shares of -----, hereby appoint:

- 1) ----- of ----- or failing him
- 2) ----- of ----- or failing him
- 3) ----- of -----

I/We being the member(s) of shares of -----, hereby appoint:

- 1) ----- of ----- or failing him
- 2) ----- of ----- or failing him
- 3) ----- of -----

and whose signature(s) are appended below as my/our proxy to attend and vote for me/us and on my/our behalf at the **16th Annual General Meeting** of the Company of to be held on Monday, September 07, 2015 at 10.00 am., 5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (E), Mumbai 400 051 and at any adjournment thereof in respect of the resolutions mentioned in the Notice.

*Applicable for investors holding shares in electronic form.

Signed this..... day of.....2015

Signature of shareholder

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Notes:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2) A Proxy need not be a member of the Company.
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- 5) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.