

May 20, 2022

<p>1. <b>National Stock Exchange of India Ltd</b> Exchange Plaza, 5<sup>th</sup> Floor Plot No. C/1, G Block; Bandra (East), Mumbai 400 051</p>	<p>2. <b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001</p>
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**Ref: Scrip Code: NSE RADIOCITY/ BSE 540366 (ISIN: INE919I01024)**

**Sub: Meetings of Equity Shareholders of Music Broadcast Limited (“the Company”)**

**Ref: In the matter of the Scheme of Arrangement between MBL and its shareholders under Sections 230 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares (“NCRPS”) to the non-promoter shareholders of the Company by way of Bonus (“Scheme”)**

Dear Sir/Ma’am

- In furtherance to our letter dated May 13, 2022, on the above captioned subject, and pursuant to the directions of the Hon’ble National Company Law Tribunal vide order dated March 31, 2022 read with order dated May 12, 2022 passed in pursuance of the Company Application No. CA (CAA)/ 39/MB/II/2021 (“**Order**”) this is to inform you that the Meeting of the Equity Shareholders of the Company is scheduled to be held on **Thursday, June 23, 2022 at 2:00 P.M.** through video conferencing (“**VC**”) / other audio visual means (“**OAVM**”) to consider and if thought fit, with or without modification(s) approve the Scheme.
- The details such as manner of (i) casting vote through e-voting including Remote e-voting and (ii) attending the Meeting through VC / OAVM have been set out in the Notice of the Equity Shareholders Meeting.
- Notice of the Meeting has been sent to the Equity Shareholders whose names appear in the Register of Members or in the Register of Beneficial Owners maintained by the KFin Technologies Private Limited / Depositories as on the May 13, 2022. However, it may be noted that the Equity Shareholders as on the Cut-off date, i.e., **Thursday, June 16, 2022** shall only be entitled to exercise their voting rights on the resolution proposed in the enclosed Notice and attend the Meeting.
- The voting period for Remote e-voting shall commence on **Saturday, June 18, 2022 at 9:00 A.M. (IST)** and ends on **Wednesday, June 22, 2022 at 5:00 P.M. (IST)**, also e-voting facility shall be provided at the time Meeting.



5. Copy of the Notice and Statement under Sections 230 read with Section 102 and other applicable provisions of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, of the aforesaid Equity Shareholder Meeting is attached.

The Notice will also be available on the website of the Company [www.radiocity.com](http://www.radiocity.com) and on the website of KFin Technologies Limited at <https://evoting.kfintech.com>.

You are requested to disseminate the above intimation on your website.

Thanking you

Yours Faithfully  
For **Music Broadcast Limited**



**Arpita Kapoor**  
Company Secretary and Compliance Officer  
Membership Number: F8842

Encl: as above

**CC:**

The Secretary, National Securities Depository Ltd., Trade World, 4th Floor, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai: 400013.	The Secretary, Central Depository Services (India) Limited, 25th Floor, Marathon Futurex, N M Joshi Marg, Lower Parel (East), Mumbai - 400013	KFin Technologies Pvt Ltd, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032
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## MUSIC BROADCAST LIMITED

CIN - L64200MH1999PLC137729

Regd. Office: 5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway,  
Kalanagar, Bandra (East), Mumbai 400 051  
Tel: +91 22 66969100, Fax: +91 22 26429113

Website: [www.radiocity.in](http://www.radiocity.in), E-mail: [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com)

### MEETING OF THE EQUITY SHAREHOLDERS OF MUSIC BROADCAST LIMITED

**NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS ("MEETING") OF MUSIC BROADCAST LIMITED PURSUANT TO ORDER DATED MARCH 31, 2022 READ WITH MODIFIED ORDER DATED MAY 12, 2022 PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

DETAILS OF THE MEETING	
Day of Meeting	Thursday
Date of Meeting	June 23, 2022
Time of Meeting	02.00 P.M. (IST)
Mode of Meeting	In pursuance of the Order of the Hon'ble National Company Law Tribunal, Mumbai Bench and as directed therein and in compliance with the applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Meeting shall be conducted through Video Conferencing / Other Audio Visual Means ("VC / OAVM").
Cut-off date for determining shareholders who are eligible for e-voting	Thursday, June 16, 2022
Remote e-voting start date and time	Saturday, June 18, 2022 at 9.00 a.m. (IST)
Remote e-voting end date and time	Wednesday, June 22, 2022 at 5.00 P.M. (IST)
E-voting at the Meeting	As may be instructed by the Chairman of the Meeting, during the proceedings of this Meeting.

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FORM NO. CAA. 2

[Pursuant to Section 230 (3) and Rules 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]  
IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.A (C.A.A) 39/MB/II/2021

**IN THE MATTER OF SECTION 230 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

**AND**

**IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN MUSIC BROADCAST LIMITED AND ITS SHAREHOLDERS**

Music Broadcast Limited, a Company incorporated under the )  
Companies Act, 1956, having Company Identification Number: )  
L64200MH1999PLC137729 and having its Registered Office at )  
5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway, )  
Kalanagar, Bandra (East), Mumbai 400 051 ) .....“Music Broadcast Limited” or  
“Company” or “MBL” or  
“Applicant Company”

**NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF MUSIC BROADCAST LIMITED, APPLICANT COMPANY, PURSUANT TO ORDER DATED MARCH 31, 2022 READ WITH MODIFIED ORDER DATED MAY 12, 2022 PASSED BY HON’BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

To,  
**All the Equity Shareholders of Music Broadcast Limited**

**NOTICE** is hereby given that by an Order dated March 31, 2022, read with modified Order dated May 12, 2022 (**together referred as “NCLT Order”**) the Hon’ble National Company Law Tribunal, Mumbai Bench (**“Hon’ble NCLT/ Hon’ble Tribunal”**) has directed a Meeting of the Equity Shareholders of the Company to be held for the purpose of considering, and if thought fit, approving, with or without Modification(s), the arrangement embodied in the proposed Scheme of Arrangement between Music Broadcast Limited and its shareholders for issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares (**“NCRPS”**) by way of Bonus to the non-promoter shareholders of MBL as on the Record Date, out of the reserves as mentioned in the Scheme of Arrangement of the Company (**“Scheme”**).

In pursuance of the NCLT Order and as directed therein and in compliance with the applicable provisions of the Companies Act, 2013 (**“the Act”**) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) each as amended from time to time, **NOTICE** is hereby given that a Meeting of the Equity Shareholders of the Company will be held on **Thursday, the 23<sup>rd</sup> day of June, 2022 at 2.00 P.M. Indian Standard Time (“IST”)**, through Video Conferencing/ Other Audio Visual Means (**“VC/OAVM”**) facility in compliance with the applicable provisions of the Acts, Rules and Listing Regulations and various circulars issued by Ministry of Corporate Affairs and SEBI thereunder, to consider, and if thought fit, (**“in this Meeting”**) to pass the following resolution(s), with or without modification(s) for approval of the proposed Scheme:

**“RESOLVED THAT** pursuant to the provisions of Section 230 of the Companies Act, 2013, (‘Act’) read with rules, circulars and notifications made thereunder as may be applicable, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘Listing Regulations’) as may be amended from time to time, and any other applicable provisions, read with the Observation letters dated January 29, 2021 issued by the National Stock Exchange of India Limited (‘NSE’) and the BSE Limited (‘BSE’), the provisions of the Memorandum of Association and Articles of Association of Music Broadcast Limited, and subject to the approval of Hon’ble National Company Law Tribunal, Mumbai Bench (‘Hon’ble NCLT’) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon’ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise the powers conferred by it including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Arrangement between Music Broadcast Limited and its shareholders for issuance of Non- Convertible Non-Cumulative Redeemable Preference Shares to the non-promoter shareholders of Music Broadcast Limited presented in Company Application C.A (C.A.A) 39/MB/II/2021 filed by Music Broadcast Limited before the Hon’ble National Company Law Tribunal, Mumbai Bench, and as enclosed to the Notice along with the Explanatory Statement of the Hon’ble National Company Law Tribunal convened Meeting of the Shareholders of the Company, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme of Arrangement and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and for any reason whatsoever, which the Company may deem appropriate or which may be required and/or imposed by the Hon’ble Tribunal or its Appellate Authority(ies)/while sanctioning the arrangement embodied in the Scheme of Arrangement or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in respect of the Scheme of Arrangement, to give effect to this resolution, if required, as it may be in its absolute discretion deem it necessary or desirable, without being required to seek any further consent or approval of the Shareholders of the Company or otherwise to the end and intent that the Shareholders shall be deemed to have given their approval thereto expressly by authority under this resolution and the Board be and is hereby further authorized to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary, make necessary filings and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution and authorize the Board of Directors of the Company to do such acts, deeds, things as may deem fit and proper to give effect to this resolution.”



**TAKE FURTHER NOTICE** that the Registrar and Share Transfer Agent of the Company (“RTA”) KFin Technologies Limited (“KFintech”), will be providing the facility for participation in the Meeting through VC/OAVM and e-voting including remote e-voting. The details of remote e-voting as stated below:

<b>REMOTE E-VOTING PERIOD</b>	
Commencement of remote e-voting	Saturday, June 18, 2022 at 9.00 a.m. (IST)
End of remote e-voting	Wednesday, June 22, 2022 at 5.00 P.M. (IST)

The voting rights of Equity Shareholders shall be in proportion to their holding in the paid-up share capital of the Company as on **Cut-Off date i.e., Thursday, June 16, 2022**. The instructions for e-voting at the Meeting including remote e-voting are appended to the Notice. In case of remote e-voting, the votes should be cast in the manner described in the instructions during the e-voting period. Remote e-voting module will be disabled by KFintech thereafter.

**TAKE FURTHER NOTICE** that since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the said Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Act, authorized representatives of the Members may be appointed for participation in the Meeting through VC/OAVM facility, for the purpose of e-voting including remote e-voting and provide a certified true copy of the resolution/authority letter/power of attorney of the board of directors or other governing body of the body corporate authorizing such representative to attend the Meeting through VC/ OAVM or vote through e-voting at the Meeting including remote e-voting on its behalf along with the attested specimen signature of the duly Authorized Signatory(ies) who are authorized to participate/ vote is emailed to the scrutinizer appointed by the Hon'ble NCLT at [dhawal@dgcs.co.in](mailto:dhawal@dgcs.co.in) with a copy marked to [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com) or send a copy at the Registered Office of the Company not later than 48 (forty-eight) hours before the time for holding the Meeting. Kindly refer Notes below for further details on the e-voting procedure.

**TAKE FURTHER NOTICE** that you may opt to exercise your votes only in one mode i.e., by (a) remote e-voting; or (b) e-voting at the Meeting, as per the instructions mentioned in the Notice. If you cast your votes by remote e-voting, as aforesaid, you will nevertheless be entitled to attend the Meeting and participate in the Meeting but you will not be entitled to vote again at the Meeting. If you do so, the votes so cast by you during the Meeting shall be treated as invalid. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories at the close of the business hours of **Thursday, June 16, 2022 (“Cut-off date”)** only shall be entitled to participate at the Meeting and exercise his/her/its voting rights in proportion to their shareholding in the Company on the resolution proposed in the Notice. A person who is not an equity shareholder as on the Cut-off date, should treat the Notice for information purpose only.

**TAKE FURTHER NOTICE** that the Hon'ble NCLT has appointed Mr. Harnam Singh IAS (Retd.), as the Chairman of the Meeting including for any adjournment(s) thereof. The Hon'ble NCLT has further appointed CS Dhawal Gadda, Practicing Company Secretary (Membership Number: F8955, COP Number: 10394), as Scrutinizer of the said Meeting including conducting the remote e-voting for shareholders of MBL. The above mentioned Scheme if approved in the aforesaid Meeting, will be subject to subsequent approval of Hon'ble NCLT and any other authorities, as may be applicable.

A copy of the Scheme; the Explanatory Statement pursuant to Sections 230(3), 102 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**CAA Rules**”) along with all the annexures as indicated in the Index are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Company viz. [www.radiocity.in](http://www.radiocity.in) and will also be available on the websites of NSE and BSE at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively and also on the website of KFintech at [www.kfintech.com](http://www.kfintech.com).

The Equity Shareholders opting to cast their votes by remote e-voting and e-voting at the Meeting through VC/ OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions by 5:00 P.M. (IST) on or before Wednesday, June 22, 2022.

The results of the Meeting shall be announced by the Chairman or any person authorized by him within two (2) working days of the conclusion of this Meeting upon receipt of Scrutinizer's Report and the same shall be displayed on the website of the Company [www.radiocity.in](http://www.radiocity.in) and on the website of KFintech at [www.kfintech.com](http://www.kfintech.com) and on the websites of stock exchanges viz, NSE and BSE.

In accordance with the provisions of Sections 230 of the Act, the Scheme shall be considered approved on the date of this Meeting by the Equity Shareholders, only if, the Scheme is approved by majority of persons representing three-fourth in value of the Equity Shareholders of MBL present, by remote e-voting or e-voting at the Meeting, subject to the subsequent approval of Hon'ble NCLT or any such requisite authorities if any.

Dated this 20<sup>th</sup> day of May 2022

Place: Mumbai

Sd/-

\_\_\_\_\_  
**Harnam Singh IAS (Retd.)**  
**Chairman appointed by**  
**Hon'ble NCLT for the Meeting**

**Registered office:**

5<sup>th</sup> Floor, RNA Corporate Park,  
Off Western Express Highway,  
Kalanagar, Bandra (East),  
Mumbai 400 051

E-mail: [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com)

Tel: +91 22 66969100

Fax: +91 22 26429113

## NOTES FOR HON'BLE NCLT CONVENED MEETING OF EQUITY SHAREHOLDERS OF THE COMPANY

- I. General Instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting:**
- a. Explanatory Statement pursuant to Sections 230, 102 of the Act, read with applicable Rules thereunder setting out material facts forms part of this Notice.
  - b. As per the directions in the NCLT Order, the Meeting of the Company is being conducted through VC/OAVM facility to transact the business set out in the Notice convening this Meeting, which does not require physical presence of Members at a common venue. The deemed venue of the Meeting shall be the Registered Office of the Company.
  - c. Since this Meeting is being held through VC / OAVM, physical attendance of Equity Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Equity Shareholders will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed hereto and the Route Map does not form part of the Notice.
  - d. **A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date (specified above in the Notice) only shall be entitled to exercise his/her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the Cut-off date, should treat the Notice for information purpose only.**
  - e. As per directions in the NCLT Order, the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent only through electronic mail to those Equity Shareholders whose email addresses are registered with the Company / Depositories as at closing business hours on **Friday, May 13, 2022**.
  - f. Authorized representatives of the Members may be appointed for participation in the Meeting through VC/OAVM facility, for the purpose of e-voting including remote e-voting shall provide a certified true copy of the resolution/authority letter/power of attorney of the board of directors or other governing body of the body corporate authorizing such representative to attend the Meeting through VC/ OAVM or vote through remote e-voting/e-voting during the Meeting on its behalf along with the attested specimen signature of the duly Authorized Signatory(ies) who are authorized to participate/ vote is emailed to the scrutinizer appointed by the Hon'ble NCLT at CS Dhawal Gadda at [dhawal@dgcs.co.in](mailto:dhawal@dgcs.co.in) with a copy marked to [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com) or send a copy at the Registered Office of the Company not later than 48 (forty-eight) hours before the time for holding the Meeting.
  - g. Pursuant to the provisions of Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of Listing Regulations and Secretarial Standard on General Meetings, the Company is providing to its members, the facility to exercise their right to vote on the resolution set forth in the Notice by electronic means and has engaged the services of KFintech to provide the facility of casting the votes from a place other than venue of the Meeting ('remote e-voting') as well as e-voting at the Meeting ('e-voting during the Meeting'). Instructions and other information relating to remote e-voting and e-voting at the Meeting forms part of this Notice.
  - h. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in Demat / Electronic Form are therefore requested to submit the PAN details to their Depository Participants ("DP") with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the RTA.
  - i. Pursuant to Section 72 of the Act, Members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective DP.
  - j. Electronic copy of all the documents referred to the accompanying Notice of the said Meeting and the Explanatory Statement shall be available for inspection in the investor section of the website of the Company at [www.radiocity.in](http://www.radiocity.in)
  - k. As already mentioned in the Notice, KFintech will be providing facility for participation in the Meeting through VC/OAVM and for e-voting including remote e-voting.
  - l. Members may join the Meeting through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from **01:30 P.M.** (IST) i.e. 30 (thirty) minutes before the time scheduled to start the Meeting.
  - m. **The Company has set Thursday, June 16, 2022 as the "Cut-off Date" for taking record of the Equity Shareholders of the Company who will be eligible for casting their votes electronically on the resolutions to be passed in the Meeting.**
  - n. The Companies (Management and Administration) Rules, 2015 stipulate that the remote electronic voting period shall close at 5.00 P.M. on the date preceding the date of Meeting. Accordingly, the remote e-voting period will commence at 9.00 A.M. (IST) on Saturday, June 18, 2022 and will end at 5.00 P.M. (IST) on Wednesday, June 22, 2022. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by KFintech thereafter.
  - o. The Member(s) who have cast their votes by remote e-voting may participate in the Meeting through VC / OAVM but shall not be entitled to cast their vote again. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and vote cast at the Meeting shall be treated as invalid.
  - p. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

- q. Attendance of the Members participating in the Meeting through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In terms of the NCLT Order and Section 103 of the Act, the quorum for the Meeting of Equity Shareholders is 30 (thirty) Equity Shareholders attending the Meeting.
- r. Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Company / list of beneficial owners as received from National Securities Depository Limited (“NSDL”) /Central Depository Services (India) Limited (“CDSL”) (collectively referred to as “Depositories”) in respect of such joint holding will be entitled to vote.
- s. The Notice convening the Meeting will be published through an advertisement in “Financial Express” in English language and translation in “Navshakti” in Marathi language as per NCLT Order.

**Dispatch of Notice of the Meeting through Electronic Mode:**

1. Pursuant to the various circulars issued by MCA and SEBI from time to time, the Notice of Meeting is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories / RTA. Members are requested to register/update their email addresses by following the below steps to receive all future communications (including Notice of this Meeting) from the Company electronically;
- a) Members holding shares in physical mode – Request to the Company in writing with details such as folio number, email address, mobile number and attaching a self-attested copy of PAN Card and any document (such as Driving license, Passport, Bank statement, Aadhar) by email at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or to the Company at [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com)
- Members holding shares in dematerialised mode - Register / update their email addresses with your respective DP.
- b) Shareholders who have not registered their e-mail address or registered an incorrect email address and in consequence the Notice of Meeting and e-voting notice could not be serviced, may also temporarily get their email address and mobile number registered/ updated with the RTA, by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> for sending the same. Alternatively, Member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via e-mail at the e-mail id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for obtaining the Notice of Meeting or may write to the Company for obtaining the same.
- c) In case a person has become a Member of the Company after dispatch of the Notice, but on or before the Cut-off date for e-voting, such person may obtain the User ID and Password from KFintech by e-mail request on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
2. All communications relating to shares are to be addressed to the RTA at Contact: B V Kishore, Deputy Manager, KFin Technologies Limited, Unit: Music Broadcast Limited, Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad-500032, Toll free Number + 1800 309 4001, e-Mail id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), website: [www.kfintech.com](http://www.kfintech.com).
3. Members may note that the Notice of this Meeting along with the other documents will also be available on the Company's website [www.radiocity.in](http://www.radiocity.in) and on websites of the Stock Exchanges, i.e., NSE and BSE at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively, and on the website of RTA at <https://evoting.kfintech.com>.

**Instructions and other information for Members relating to Remote e-voting and E-voting during the Meeting are as under:**

1. The remote e-voting period commences on Saturday, June 18, 2022 (09:00 a.m. IST) and ends on Wednesday, June 22, 2022 (5:00 P.M. IST). During this period, Members of the Company may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFintech for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
2. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on Cut-off date being Thursday, June 16, 2022 (05:00 P.M. IST) may cast their vote by electronic means in the manner and process set out herein below. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

**INSTRUCTIONS FOR REMOTE E-VOTING AND PROCEDURE FOR JOINING THE MEETING THROUGH VC / OAVM AND E-VOTING AT THE MEETING ARE AS FOLLOWS:**

- i. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations and in terms of MCA Circulars and SEBI Circulars in relation to e-voting facility provided by Listed Entities, the Members are provided with the facility to cast their votes electronically, through the e-voting services provided by KFintech, on the resolution set forth in this Notice. The instructions for e-voting are given herein below.
- ii. E-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories Participant(s) (“DPs”) in Order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their votes without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

- iv. The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	09:00 A.M. IST on Saturday, June 18, 2022
End of remote e-voting	05:00 P.M. IST on Wednesday, June 22, 2022

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFintech upon expiry of the aforesaid period.

- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off date i.e. Thursday, June 16, 2022.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if he / she is already registered with KFintech for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the Cut-Off date may follow steps mentioned below under "Login method for remote e-voting and joining virtual Meeting for Individual shareholders holding securities in demat mode."
- viii. The details of the process and manner for remote e-voting and e-voting at the Meeting explained herein below:





Step 1: Access to Depositories e-voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual Meeting of the Company on KFintech system to participate in the Meeting and vote at the Meeting.

**Details on Step 1 are mentioned below**

**Login method for remote e-voting for Individual Shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding shares in demat mode with NSDL	<p><b>1. Existing Internet-based Demat Account Statement ('IDeAS') facility Users:</b></p> <ol style="list-style-type: none"> <li>Visit the e-services of NSDL <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer website or on a mobile.</li> <li>On the e-services home page click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. Thereafter enter the existing user ID and password.</li> <li>After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on 'Access to e-voting' under e-voting services, after which the e-voting page will be displayed.</li> <li>Click on Company name i.e. 'Music Broadcast Limited' or ESP i.e. KFintech.</li> <li>Members will be re-directed to KFintech's website for casting their vote during the remote e-voting period.</li> </ol> <p><b>2. Those not registered under IDeAS Facility:</b></p> <ol style="list-style-type: none"> <li>Visit <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> for registering.</li> <li>Select 'Register Online Ideas for IDeAS Portal' or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-voting website of NSDL <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>.</li> <li>Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder / Member' section. A new screen will open.</li> <li>Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen.</li> <li>After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>Click on Company name i.e 'Music Broadcast Limited' or i.e KFintech after which the Member will be redirected to KFintech website for casting their vote during the remote e-voting period.</li> <li>Members can also download the NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>       </div>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <p>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Click on New System Myeasi</p> <p>III. Login with your registered user id and password.</p> <p>IV. The members will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p><b>2. User not registered for Easi/Easiest</b></p> <p>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>II. Proceed with completing the required fields.</p> <p>III. After successful registration please follow the steps given in point 1 above.</p> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <p>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Provide your demat Account Number and PAN.</p> <p>III. System will authenticate member by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>IV. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company i.e. 'Music Broadcast Limited' or select 'KFintech'.</p> <p>V. Members will be re-directed to the e-voting page of KFintech to cast their vote without any further authentication.</p>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>i. Members can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-voting facility.</p> <p>ii. Once logged-in, members will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.</p> <p>iii. Click on options available against Music Broadcast Limited or e-Voting service provider – <b>KFintech</b> and you will be redirected to e-voting website of <b>KFintech</b> for casting your vote during the remote e-voting period without any further authentication.</p>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**Details on Step 2 are mentioned below:**

**Login method for e-Voting for shareholders other than Individual Shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

- (A) Members whose email IDs are registered with the Company / Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
  - Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 6590, followed by folio number.-In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
  - After entering these details appropriately, click on "LOGIN".
  - You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - You need to login again with the new credentials.

- vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Music Broadcast Limited – NCLT Convened Meeting' and click on "Submit"
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the Meeting through VC / OAVM on its behalf and to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id: [dhawal@dgcs.co.in](mailto:dhawal@dgcs.co.in) with a copy marked to [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com) or send a copy to the Registered office of the Company. The scanned image of the above-mentioned documents should be in the naming format "Music Broadcast Limited Even No."
- (B) Members whose email IDs are not registered with the Company / Depository Participants(s), and consequently the Notice of Meeting and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Notice of Meeting and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - ii. Alternatively, Member may send an e-mail request at the email id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of Meeting and the e-voting instructions.
  - iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**Details on Step 3 are mentioned below:**

**Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the Meeting through VC / OAVM and e-voting at the Meeting.**

- i. Member will be provided with a facility to attend the Meeting through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the Meeting etiquettes to join the Meeting. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.
- ii. Facility for joining Meeting though VC/ OAVM shall open at least 30 (thirty) minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the Meeting is being conducted through VC / OAVM, for the smooth conduct of proceedings of the Meeting, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com). Questions /queries received by the Company at least 07 (Seven) days before the Meeting shall only be considered and responded suitably.

The Members who wish to speak during the Meeting may register themselves as speakers for the Meeting to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will open from Saturday, June 18, 2022 to Wednesday, June 22, 2022. Members shall be provided a 'queue number' before the Meeting. The Company reserves the right to restrict the speakers at the Meeting to only those Members who have registered themselves, depending on the availability of time for the Meeting.

- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the Meeting. E-voting during the Meeting is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through remote e-voting or voting at the Meeting. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and vote cast during the Meeting shall be treated as invalid.

- viii. Facility of joining the Meeting through VC / OAVM shall be available for at least 1,000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the Meeting through VC / OAVM.
- u. **OTHER INSTRUCTIONS**
- i. **Speaker Registration:** The Members who wish to speak during the Meeting may register themselves as speakers for the Meeting to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will open from Saturday, June 18, 2022 to Wednesday, June 22, 2022. Members shall be provided a 'queue number' before the Meeting. The Company reserves the right to restrict the speakers at the Meeting to only those Members who have registered themselves, depending on the availability of time for the Meeting
- ii. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact KFintech's toll free No. **1-800-309-4001** or send an e-mail to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for any further clarifications.
- iii. The Members, whose names appear in the Register of Members / List of Beneficial Owners as on Thursday, June 16, 2022 are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the Cut-off date i.e. Thursday, June 16, 2022 should treat this Notice for information purposes only.
- iv. In case a person has become a Member of the Company after dispatch of this Notice but on or before the Cut-Off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
1. Example for NSDL:
  2. MYEPWD <SPACE> IN12345612345678
  3. Example for CDSL:
  4. MYEPWD <SPACE> 1402345612345678
  5. Example for Physical:
  6. MYEPWD <SPACE> XXXX1234567890
- i. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- ii. Members who may require any technical assistance or support before or during the Meeting are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).

**Members are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-voting or e-voting at the Meeting.**

The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the Meeting of shareholders. The Shareholders, seeking any information with regard to any matter to be placed at the Meeting, are requested to write to the Company till at least 07 (Seven) days before the Meeting through email on [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com). The same will be replied by the Company suitably.

**General Instructions for the Members:**

- 1) The Securities and Exchange Board of India has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or KFintech.
- 2) As per Regulation 40 of Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFintech for assistance in this regard.
- 3) During the Meeting, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the Meeting, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the Meeting and announce the start of the casting of vote through the e-voting system.
- 4) The copy of the Scheme and the said documents required to be furnished pursuant to Section 230 (3) of the Act can be obtained free of charge by emailing the Company at [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com)
- 5) The Hon'ble NCLT has appointed CS Dhawal Gadda, Practicing Company Secretary (Membership Number: F8955, COP Number: 10394) as Scrutinizer (the "Scrutinizer") to scrutinize the e-voting during the Meeting and remote e-voting in a fair and transparent manner.
- 6) The Scrutinizer shall after the conclusion of e-voting at the Meeting, first download the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 02 (two) working days from the conclusion of this Meeting, who shall then countersign and declare the result of the voting forthwith.

- 7) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.radiocity.in](http://www.radiocity.in) and on the website of KFintech at [www.kfintech.com](http://www.kfintech.com) immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the Stock Exchanges.
- 8) Subject to receipt of requisite majority of votes in favour of the Scheme i.e., majority in number representing three-fourth in value (as per Sections 230 and other applicable provisions of the Act), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting (specified in the Notice).
- 9) We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DPs, and Members holding shares in physical mode are requested to update their email addresses with the RTA, KFintech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) to receive copies of the Notice along with explanatory statement in electronic mode.
- 10) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to KFintech in case the shares are held by them in physical form.



FORM NO. CAA. 2

[Pursuant to Section 230 (3) and Rules 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]  
IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

CA (CAA) No.39/MB/III/2021

IN THE MATTER OF SECTIONS 230 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN MUSIC BROADCAST LIMITED AND ITS SHAREHOLDERS

Music Broadcast Limited, a Company incorporated under the )  
Companies Act 1956, having Company Identification Number: )  
L64200MH1999PLC137729, and having its Registered Office at )  
5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway, )  
Kalanagar, Bandra (East), Mumbai 400 051 ) ..... "Music Broadcast Limited" or  
"Company" or "MBL"  
"Applicant Company"

**Explanatory Statement under Sections 230, 102 of the Companies Act, 2013 ("the Act") read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("CAA Rules") to the Notice of the Meeting of Equity Shareholders of Music Broadcast Limited ("Company" / "MBL") convened pursuant to Order of the Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT / Hon'ble Tribunal") dated March 31, 2022 read with modified Order dated May 12, 2022 ("together referred as NCLT Order")**

**1. Meeting for the Scheme of Arrangement**

This is an Explanatory Statement accompanying the Notice convening Meeting of Equity Shareholders of Music Broadcast Limited, being the Applicant Company above named for the purpose of considering and if thought fit, approving, with or without modification, the Scheme of Arrangement amongst Music Broadcast Limited and its Shareholders for issuance of Non- Convertible Non-Cumulative Redeemable Preference Shares ("NCRPS") by way of Bonus to the non-promoter shareholders of the Company as on Record Date to be determined by the Board of Directors/ Committee out of the reserves as mentioned in the Scheme of Arrangement of the Company, under Section 230 and other applicable provisions of the Act (the "Scheme"). Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

The proposed draft Scheme was placed before the Audit Committee of the Company at its Meeting held on October 22, 2020. On the basis of its evaluation and independent judgment and consideration of the Fairness Opinion dated October 20, 2020 issued by Sundae Capital Advisors Private Limited, a SEBI Registered Merchant Banker and Statutory Auditors Certificate confirming the accounting treatment in the Scheme, the Audit Committee approved and further recommended the Scheme to the Board of Directors of the Company.

The Board of Directors of the Company, at its Meeting held on October 22, 2020, took into account the Fairness Opinion, and Statutory Auditors certificate and the independent recommendations of the Audit Committee and on the basis of their independent judgment, approved the Scheme, subject to requisite approvals. A copy of the Scheme which has been, inter alia, approved by the Audit Committee and the Board of Directors of the Company at their respective Meetings held on October 22, 2020 is enclosed as **Annexure A**.

This Statement is being furnished as required under Sections 230, 102 of the Act read with Rule 6 of the CAA Rules.

**2. Date, time and mode of Meeting**

Pursuant to NCLT Order dated March 31, 2022 read with modified Order dated May 12, 2022, passed by the Hon'ble NCLT in Company Application C.A (CAA) 39/MB/III/2021 the Meeting of the Equity Shareholders of Music Broadcast Limited will be held to consider and if thought fit, approving, with or without modification(s), the said Scheme of Arrangement between Music Broadcast Limited and its shareholders through VC/ OAVM on **June 23, 2022 at 02.00 P.M.(IST)** ("Meeting").

In terms of the NCLT Order, the quorum for the aforesaid Meeting of the Equity Shareholders of the Company shall be as prescribed under Section 103 of the Act. Further in terms of the said Order, Hon'ble NCLT has appointed Mr. Harnam Singh IAS (Retd.), as the Chairman of this Meeting including for any adjournment(s) thereof.

Members are entitled to attend and vote in the said Meeting, by way of e-voting including remote e-voting.

**3. Background of the Company**

**A. Particulars of the Company:**

MBL (CIN: L64200MH1999PLC137729) was incorporated under the Companies Act, 1956 on November 4, 1999 as Music Broadcast Private Limited. However, the Company was converted from private limited company to public limited company on June 25, 2015, thus, the name of the Company was changed from Music Broadcast Private Limited to Music Broadcast Limited. The Company is a public company within the meaning of the Act. The Company has its Registered Office at 5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (East), Mumbai - 400051, Maharashtra. Its Permanent Account Number with the Income Tax Department is AAACM4036H. The email address of the Company is [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com) and website is [www.radiocity.in](http://www.radiocity.in). During the last five years, there has been no change in the Registered Office of the Company. The Equity shares of MBL are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). Currently, MBL is a widely held public listed company in which public shareholders hold 25.95% of the issued, subscribed, and paid-up equity share capital of the Company. MBL is a subsidiary of Jagran Prakashan Limited holding 73.21% shares in MBL i.e. 253,074,137 shares of ₹2/- (Rupees Two) each.

MBL is inter alia engaged in operating FM radio stations across India under the brand of "Radio City" It is India's first and leading FM Radio Station which started its operations in India in the year 2001. MBL currently has 39 FM radio stations. MBL, over the years, has consistently come up with tools and initiatives to raise social awareness over a spectrum of issues including but not limited to Women Empowerment, Voter Awareness, Road Safety, etc. and also acts as a medium to spread the awareness about government campaigns such as Covid -19 awareness program of public interest.

B. Main objects of the Company have been summarized as below for the perusal of the shareholders:

- 1) To carry on the business of recording, filming and screening, relaying, producing, distribution of AM & FM Broadcast, Satellite Broadcast at Radio, Television, Internet, Cable Television, Computers and other equipment, and for that purpose to hire, lease, purchase and sell time, space on any Satellite, Antennas, Transponders, Radio station or Television Centre in India or abroad or any other media currently in vogue or which may be in vogue at any time and for that purpose to manufacture and/deal in all kinds of audio and video equipment including professional grade equipment such as editing control unit, special effects, generator, video cameras telecine etc. setting up and running of the Radio, Television, video studios, audio recording centre, making of video vans or like items, filled with electronic equipment and Broadcast programmes either by own production or production from others of every kind including intranet, E-commerce, E-business, E.R.P and multimedia activities.
- 2) To carry on business of all communities equipment like receivers, transmitters, trans-receivers, walkie-talkie, radio, relay equipment, point to point communication equipment, antennas and associated equipment, single channel, multichannel, fixed frequency, variable frequency, static, mobile, airborne, shipborn equipment in any frequency spectrum, TV systems, receivers, transmitters, pattern generators and associated equipment, amplifiers, oscillators, synthesizers, waveform generating, measuring and associated equipment, sonic, ultrasonic and radio frequency ranging and depth finding equipments and telemetry coding and data transmission equipment, data acquisition, processing and logging equipment, calculators, computers, minicomputers, micro-computers, printers, readers display terminal, facsimile transmitting and receiving equipments and systems.

During the last five years, there has been no change in the objects clause of the Company.

C. The Share Capital of the Company as on date of this Notice is as follows:

Particulars	Amount (In INR)
<b>Authorised Share Capital</b>	
40,00,00,000 Equity Shares of Rs. 2/- each	80,00,00,000
50,000 Convertible Redeemable Preference shares of Rs. 10/- each	5,00,000
<b>Total</b>	<b>80,05,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
34,56,85,625 Equity Shares of Rs. 2/- each	69,13,71,250
<b>Total</b>	<b>69,13,71,250</b>

D. The details of Promoter and Promoter Group of the Company along with their addresses as on date of this Notice are mentioned herein below:

PROMOTER & PROMOTER GROUP					
Sr. No.	Name of Promoter/ Promoter Group	Category	Address	No of Shares	% of shareholding
1.	Jagran Prakashan Limited	Promoter	Jagran Building, 2, Sarvodaya Nagar, Kanpur 208005	25,30,74,137	73.21
2.	Mrs. Ruchi Gupta	Promoter Group	Puran Niwas, 7/51, Tilak Nagar, Kanpur, 208002	0	0
3.	RSMA Advisors Private Limited	Promoter Group	Flat No-602, Srishti Kalpana Apartment 4/276 G, Parvati Bagla Road, Kanpur 208002	29,15,512	0.84

E. The details of Directors and KMPs of the Company along with their addresses as on date of this Notice are mentioned herein below:

Sr. No.	Name	Category	Address
<b>DIRECTORS</b>			
1.	Mr. Vijay Tandon	Chairman (Non –Executive, Independent)	C-356, SFS Sheikh Sarai, Phase I, New Delhi 110017
2.	Mr. Anuj Puri	Director (Non- Executive, Independent)	Flat 202, Raheja Haven, Road No. 10, Ashok Nagar Society, Juhu, Mumbai-400 049; Maharashtra
3.	Mr. Madhukar Kamath	Director (Non- Executive, Independent)	A-1203/1204, Chaitanya Towers, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025
4.	Ms. Anita Nayyar	Director (Non- Executive, Independent)	C-8/8811, Vasant Kunj, Delhi – 110070
5.	Mr. Shailesh Gupta	Director (Non- Executive, Non-Independent)	Puran Niwas, 7/51, Tilak Nagar, Kanpur, 208002, Uttar Pradesh
6.	Mr. Rahul Gupta	Director (Non- Executive, Non-Independent)	Puran Niwas, 7/51, Tilak Nagar, Kanpur, 208002, Uttar Pradesh

Sr. No.	Name	Category	Address
<b>KEY MANAGERIAL PERSONNEL ('KMPs')</b>			
7.	Mr. Ashit Kukian	Chief Executive Officer	1103/Northside, Hiranandani Meadows, Pokhran Road No. 2, Thane West - 400 601
8.	Mr. Prashant Domadia	Chief Financial Officer	Flat No. 4, 2 <sup>nd</sup> Floor, Punit Appt. Joshi Lane, Tilak Road, Ghatkopar East, Mumbai 400077
9.	Ms. Arpita Kapoor	Company Secretary	A/204, Hareshwar Paradise, Dahisar (West) Mumbai 400068

#### F. Board Approvals

The Board of Directors of the Company at its Board Meeting held on October 22, 2020 by resolution passed unanimously approved the Scheme, as detailed below:

Name of the Director	Voted in favour / against / did not participate or vote
Mr. Vijay Tandon	In favour
Mr. Anuj Puri	In favour
Mr. Madhukar Kamath	In favour
Ms. Anita Nayyar	In favour
Mr. Shailesh Gupta	In favour
Mr. Rahul Gupta	In favour
Ms. Apurva Purohit*	In favour

\*Resigned w.e.f. July 1, 2021 due to her pre-occupation

#### G. Interest of Directors, Key Managerial Personnel and their relatives

No shares are held by the present Directors and KMPs of the Company, either individually or jointly, as a first holder or second holder or as a nominee and by their relatives, in the Company.

Save as aforesaid, none of the Directors and KMPs of the Company and their relatives have any concern or material interest in the Scheme of Arrangement between Music Broadcast Limited and its shareholders.

#### 4. **Rationale and benefits of the Scheme**

This Scheme is presented under the provisions of Section 230 and other applicable provisions of the Act, and in accordance with the regulations of the Foreign Exchange Management (Debt Instruments) Regulations, 2019 issued vide RBI Notification No. FEMA 396/2019-RB dated October 17, 2019. The Scheme provides for the following;

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

#### 5. **Salient Features of the Scheme**

The salient features of the Scheme are, inter alia, as stated below: -

- i. The Scheme of Arrangement is between the Company and its shareholders for the issue of NCRPS on preferential basis by way of bonus to the non-promoter shareholders of MBL as on Record Date, out of the reserves as mentioned in the Scheme, under Section 230 and other applicable provisions of the Act.

- ii. Upon the coming into effect of this Scheme, the Company shall, issue and allot by way of bonus NCRPS in the ratio of 1:10 i.e. one NCRPS of the Face Value of ₹ 10 (Rupees Ten) for every Ten equity share of the Face Value of ₹ 2 (Rupees Two) as on Record Date, issued at a premium of ₹ 90 (Rupees Ninety) per NCRPS carrying a dividend of 0.1% to the non-promoter shareholders of the Company.
- iii. All such NCRPS shall be issued in dematerialized form only.
- iv. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act and other applicable provisions. The Certificate issued by Price Waterhouse Chartered Accountant, LLP, Statutory Auditors, is open for inspection by the Members.
- v. The Appointed Date of the Scheme shall be Effective Date.
- vi. The Scheme is conditional upon and subject to:
  - a. the Stock Exchange no-objection/ observation letter having issued in relation to the Scheme under Regulation 37 of the Listing Regulations;
  - b. approval of the Scheme by the respective requisite majorities in number and value of such classes of persons including respective shareholders and/or unsecured creditors, if any of the Company as applicable or as may be required under the Act and as may be directed by the Tribunal;
  - c. the sanctions and Orders of the Hon'ble Tribunal, under Sections 230 of the Act being obtained by the Company; and
  - d. requisite form along with certified or authenticated copy of the Order of the Hon'ble NCLT sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by the Company.
- vii. Upon Scheme becoming effective, the authorized share capital shall automatically stand increased from current ₹80,05,00,000 (Rupees Eighty Crores and Five Lakhs only) to ₹ 89,01,96,000 (Rupees Eighty-Nine Crores One Lakh Ninety-Six Thousand Only) or such number of shares and amount as detailed in clauses 6.1 and 6.2 of the Scheme read with this Explanatory Statement, as may be required for issuance of bonus NCRPS to the non-promoter shareholders of the Company without any further act, instrument or deed on the part of MBL under Single Window Clearance System and only by filing requisite statutory forms and/or any other documents as required with the Registrar of Companies, Mumbai.
- viii. Upon Scheme becoming effective, Article 63.1 ("Capitalization of Profits") of the Articles of Association of the MBL shall without any act, instrument or deed be and stand altered, modified, and substituted pursuant to Section 14 of the Act and other applicable provisions, as detailed in clause 6.3 of the Scheme read with this Explanatory Statement.
- ix. The equity shares of the Company shall continue to be listed on the Stock Exchanges i.e. NSE and BSE and the Company shall make necessary applications to the Stock Exchanges, pursuant to Scheme coming into effect, to list NCRPS on Stock Exchanges i.e. NSE and BSE
- x. The NCRPS are to be rated by credit rating agency registered with SEBI in compliance with public issue of NCRPS under SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 as amended from time to time.
- xi. The NCRPS shall be redeemed on expiry of 36 months from the date of allotment.
- xii. The employees of the Company shall, in no way, be affected by the proposed Scheme, as there is no transfer of employees under the Scheme. On the Scheme becoming effective, all the employees of the Company shall continue with their employment, without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date.
- xiii. Tax at applicable rates will be deducted by the Company on payment of dividend and/or from the consideration to be paid on redemption/buyback (as the case may be) of NCRPS. The Issue, Redemption, Buyback of NCRPS are subject to tax implications under the applicable provisions of Income Tax Act as amended from time to time. Recipients are advised to consult their tax advisors for tax consequences. MBL shall not be responsible for any tax consequences on NCRPS holders.
- xiv. The proposed Scheme of Arrangement as mentioned in the Scheme will not cause any prejudice to the creditors of the Company. Even upon the issue of NCRPS which is not entailing any release of the Company's resources, the Company would have sufficient cash resources to discharge its liabilities towards its creditors on time and in the ordinary course of its business.
- xv. It was brought to the notice of the Chairman of the Meeting that the Scheme submitted before *inter alia* the Hon'ble NCLT, as is enclosed herewith as **Annexure A**, has the following minor changes, which are sought to be incorporated as follows:
  - (a) in clause 6.1, Upon Scheme becoming effective, the authorized share capital shall automatically stand increased from current ₹80,05,00,000 (Rupees Eighty Crores and Five Lakhs only) to ₹89,01,96,000 (Rupees Eighty-Nine Crores One Lakh Ninety-Six Thousand Only) or such number of shares and amount as may be required at the time of issue of bonus Non-Convertible Non-Cumulative Redeemable Preference Shares to the non-promoter shareholder as on the Record Date as detailed in clause 6.2 below, without any further act, instrument or deed on the part of MBL under Single Window Clearance System and only by filing requisite statutory forms and/or any other documents as required with the Registrar of Companies.
  - (b) in Clause 6.2 the revised Authorised capital structure of 89,69,600 Non-Convertible Non-Cumulative Redeemable Preference Shares upon the Scheme becoming effective be read along with as "or such number of shares and amount as may be required at the time of issue of bonus Non-Convertible Non-Cumulative Redeemable Preference Shares to the non-promoter shareholder as on the Record Date."



- (c) in Clause 6.3 (1) amendment in Memorandum and Articles of Association of MBL be read as *“The Authorised Share Capital of the Company is increased from ₹80,05,00,000/- (Rupees Eighty Crores and Five Lakhs only) divided into 40,00,00,000 (Forty Crores) Equity Shares of ₹2/- each and 50,000 (Fifty Thousand) Convertible Redeemable Preference shares of ₹10/- each to ₹89,01,96,000 (Rupees Eighty-Nine Crores One Lakh Ninety-Six Thousand Only) divided into 40,00,00,000 (Forty Crores) Equity Shares of ₹2/- each, 50,000 (Fifty Thousand) Convertible Redeemable Preference Shares of ₹10 and 89,69,600 (Eighty-Nine Lakhs Sixty Nine Thousand and Six Hundred) Non-Convertible Non-Cumulative Preference Shares of ₹10/- each or such number of shares and amount as may be required at the time of issue of bonus Non-Convertible Non-Cumulative Redeemable Preference Shares to the non-promoter shareholder as on the Record Date as per the NCLT Order sanctioning the Scheme of Arrangement between Music Broadcast Limited and its shareholders”*
- (d) in Annexure-1 to the Scheme under the heading Principal Terms and Conditions for issuance of Bonus NCPRS the issue size of 89,69,597 NCPRS amounting to ₹89,69,59,700 (Rounded off) is may be read as *“issue size of 89,69,597 NCPRS amounting to ₹89,69,59,700 (Rounded off) or such number of shares and amount as may be required at the time of issue of bonus Non-Convertible Non-Cumulative Redeemable Preference Shares to the non-promoter shareholder as on the Record Date.”*

The consent of the Members of the Company to this Scheme shall be deemed to be obtained with such modifications / corrections.

**Note: The above details are only the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.**

#### 6. Effect of Scheme on stakeholders.

The Scheme is not expected to have any adverse effects on the Directors, Key Managerial Personnel, Promoters, Non-promoter Members, Depositors, Creditors and Employees of the Company. The Company does not have any Debenture Holders, Deposit Trustees and Debenture Trustees.

Further no change in the Board of Directors of MBL is envisaged on account of the Scheme. It may be noted that after the approval of the Scheme by the Board of Directors Ms. Apurva Purohit had resigned from the Company w.e.f. July 1, 2021 due to pre-occupation.

Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of MBL and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in MBL. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

#### 7. Other terms

- a) No investigation proceedings: No investigation proceedings have been instituted or are pending in relation to the Company under the Act or under the corresponding provisions of the Companies Act, 1956.
- b) No Winding up proceedings: To the best of knowledge of the Company, there are no winding up petitions or resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016 pending against the Company in any Court or the National Company Law Tribunal in India.
- c) Amounts due to unsecured creditors: The Scheme embodies the arrangement between the Company and its Equity Shareholders. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of the Company. The Scheme does not involve any debt restructuring and the Company has a strong net worth with no debt, therefore the requirement to disclose details of debt restructuring is not applicable.
- As on March 31, 2022, the Applicant Company had 352 (Three Hundred Fifty Two Only) unsecured creditors and amount due to such unsecured creditors is of ₹ 4,88,73,906/- (Indian Rupees Four Crores Eighty Eight Lakhs Seventy Three Thousand Nine Hundred and Six Only).
- d) There are no ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken against the Company, its promoters and directors.

#### 1. Summary of Fairness Opinion

Sundae Capital Advisors Private Limited, a Category-I independent Merchant Banker, have given a fairness opinion on the issuance of bonus Preference Share Capital of the Company under the proposed Scheme. The fairness opinion which is annexed to this Explanatory Statement as **Annexure “E”**. The said merchant banker concluded as follows:

“On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the Scheme is fair and reasonable to the Equity Shareholders of the Company.”

#### 2. No Valuation Report

The proposed Scheme envisages issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares (“NCRPS”) on preferential basis by way of bonus to the non-promoter shareholders of MBL

Pursuant to the Scheme, no Equity Shares of the Company are proposed to be issued as consideration to its Members. Thus, there will be no change in the shareholding pattern of the Company. Thus, the Scheme does not fall within the ambit of any of the conditions mentioned in the SEBI Circular dated November 23, 2021 read with such other circulars issued by SEBI or as may be amended from time to time on Scheme of Arrangements. Hence, there is no requirement for obtaining a valuation report from an independent chartered accountant or a registered valuer.

3. Shareholding pattern as on March 31, 2022

- i. The pre/post-arrangement shareholding pattern of the Company - **There will be no change in the Equity shareholding pattern of the Company consequent to this Scheme of Arrangement.**

Details of pre and post Scheme of Arrangement EQUITY shareholding pattern of Music Broadcast Limited based on shareholding as at March 31, 2022:

Sr. No.	Description	Pre-arrangement		Post-arrangement	
		Number of equity shares	%	Number of equity shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>				
1	Indian				
a	Promoter	253074137	73.21	253074137	73.21
b	Promoter Group	2915512	0.84	2915512	0.84
2	Foreign	0	0	0	0
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>255989649</b>	<b>74.05</b>	<b>255989649</b>	<b>74.05</b>
<b>(B)</b>	<b>Public shareholding</b>				
1	Institutions	19471391	5.63	19471391	5.63
2	Non-institutions	<b>70224585</b>	20.32	<b>70224585</b>	20.32
<b>(B)</b>	<b>Total Public Shareholding</b>	<b>89695976</b>	<b>25.95</b>	<b>89695976</b>	<b>25.95</b>
	<b>TOTAL (A)+(B)</b>	<b>345685625</b>	<b>100.00</b>	<b>345685625</b>	<b>100.00</b>
<b>(C)</b>	Shares held by Custodians and against which DRs have been issued	0	0	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>345685625</b>	<b>100.00</b>	<b>345685625</b>	<b>100.00</b>

Details of pre and post Amalgamation / Arrangement PREFERENCE shareholding pattern of Music Broadcast Limited

Sr. No.	Description	Pre-arrangement		Post-arrangement	
		No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>				
1	Indian	0	0	0	0
2	Foreign	0	0	0	0
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(B)</b>	<b>Public shareholding</b>				
1	Institutions	0	0	1947139	21.71
2	Non-institutions	0	0	7022458	78.29
	<b>Total Public Shareholding</b>	<b>0</b>	<b>0</b>	<b>8969597</b>	<b>100.00</b>
<b>(C)</b>	Shares held by Custodians and against which DRs have been issued	0	0	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>0</b>	<b>0</b>	<b>8969597</b>	<b>100.00</b>

**Pre/post Arrangement capital structure of the Company**

The **PRE-ARRANGEMENT CAPITAL STRUCTURE** of the Company is as follows:

<b>Authorised Share Capital:</b>	<b>Amount in ₹</b>
40,00,00,000 Equity Shares of ₹ 2/- each	80,00,00,000
50,000 Preference Shares of ₹ 10/- each	5,00,000
<b>Total</b>	<b>80,05,00,000</b>
<b>Issued, Subscribed and Fully Paid up</b>	
34,56,85,625 Equity shares of ₹ 2 /- each	69,13,71,250
<b>Total</b>	<b>69,13,71,250</b>

The **POST-ARRANGEMENT CAPITAL STRUCTURE** of the Company will be as follows:

<b>Particulars</b>	<b>Amount in ₹</b>
<b>Authorised Share Capital:</b>	
40,00,00,000 Equity Shares of ₹2/- each	80,00,00,000
50,000 Preference Shares of ₹10/- each	5,00,000
89,69,600 Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹10/- each*	8,96,96,000
<b>Total</b>	<b>89,01,96,000</b>
<b>Issued, Subscribed and Fully Paid up:</b>	
34,56,85,625 Equity shares of ₹ 2 /- each	69,13,71,250
89,69,597 Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹ 10 /- each*	8,96,95,970
<b>Total</b>	<b>78,10,67,220</b>

\*or such number of shares or amount as may be required at the time of issue of bonus Non-Convertible Non-Cumulative Redeemable Preference Shares to the non-promoter shareholder as on the Record Date

4. Approvals and Intimations in relation to the Scheme

The shares of the Company are listed on NSE and BSE. The Company had filed the Scheme with NSE and BSE in terms of the SEBI Circulars issued from time to time ("SEBI Scheme Circular") for their approvals. Apart from the same, the Company also submitted the Report of its Audit Committee on the Scheme and various other documents to the stock exchanges and also submitted the same on their website in terms of the SEBI Scheme Circular and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said SEBI Scheme Circular was also duly filed by the said Company. NSE and BSE, by their respective letters dated 29<sup>th</sup> January, 2021 issued to the Company have since confirmed that they have 'no adverse observation' on the Scheme pursuant to the said SEBI Scheme Circular. Copies of the said complaints report are attached as Annexure "F" hereto. Copies of the said observation letters issued to the Company are attached as Annexure "G" hereto.

5. Inspection of Documents

In addition to the documents annexed hereto, the electronic copy of following documents will be available for inspection in the investor section of the website of the Company at [www.radiocity.in](http://www.radiocity.in)

- Copy of the Order dated March 31, 2022 read with Order dated May 12, 2022 passed by the Hon'ble NCLT in Company Application (CAA) No. 39/MB/II/2021;
- Memorandum and Articles of Association of the Company;
- Audited Financial Statements of the Company for the financial year ended March 31, 2021;
- Unaudited Financial Results (Limited reviewed) for the quarter and nine month ended December 31, 2021;
- Copy of the Scheme of Arrangement;
- Certificates of the Auditors of the Applicant Company confirming the accounting treatment under the Scheme;
- Register of Shareholding of Directors' and Key Managerial Personnel of the Applicant Company;
- Report from Audit Committee recommending the Scheme;
- All other requisite documents displayed on the Company's website in terms of the SEBI Circular dated November 23, 2021 read with such other circulars issued by SEBI or as may be amended from time to time on Scheme of Arrangements.

The Company Scheme Application along with the annexure thereto (which includes the Scheme) was filed by MBL with the Hon'ble NCLT on February 3, 2021.

After the Scheme is approved, by the Equity Shareholders of the Company, it will be implemented subject to the approval / sanction by Hon'ble NCLT.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the shareholders.

The Directors and KMPs of the Company and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general.

Dated this 20<sup>th</sup> day of May 2022

Place: Mumbai

Sd/-

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**Harnam Singh IAS (Retd.)**  
**Chairman appointed by**  
**Hon'ble NCLT for the Meeting**

**Registered office:**

5<sup>th</sup> Floor, RNA Corporate Park,  
Off Western Express Highway,  
Kalanagar, Bandra (East),  
Mumbai 400 051

E-mail: [arpitak@myradiocity.com](mailto:arpitak@myradiocity.com)

Tel: +91 22 66969100

Fax: +91 22 26429113



**SCHEME OF ARRANGEMENT**  
**BETWEEN**  
**MUSIC BROADCAST LIMITED**  
**(THE "COMPANY")**  
**AND**  
**ITS SHAREHOLDERS**

**A. Preamble:**

This Scheme of Arrangement ("Scheme") is presented under Sections 230 of the Companies Act, 2013, other relevant provisions thereof, and the rules made thereunder for the issuance of Non-convertible non-cumulative redeemable preference shares ("NCRPS") to the non-promoter shareholders of Music Broadcast Limited ("MBL") by way of bonus. The Scheme also provides for various other consequential matters or otherwise integrally connected herewith.

**B. Background and Description of the Company:**

- I. Music Broadcast Limited ("MBL/the Company") (CIN: L64200MH1999PLC137729)** is a public listed company incorporated under the Companies Act, 1956 having its registered office at 5<sup>th</sup> Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (East), Mumbai - 400051, Maharashtra.
- II.** The Equity shares of MBL are listed on BSE Limited & National Stock Exchange of India Limited.
- III.** MBL is a widely held public listed company in which public shareholders hold 25.95 % of the issued, subscribed, and paid-up equity share capital of the Company.
- IV.** MBL is a subsidiary of Jagran Prakashan Limited ("Promoter / Holding Company/JPL) holding 73.21 % shares in MBL i.e. 253,074,137 shares of ₹2/- (Rupees Two) each.
- V.** MBL is inter alia engaged in operating FM radio stations across India under the brand of "Radio City "It is India's first and leading FM Radio Station which started its operations in India in the year 2001. MBL currently has 39 stations. MBL, over the years, has consistently come up with tools and initiatives to raise social awareness over a spectrum of issues including but not limited to Women Empowerment, Voter Awareness, Road Safety, etc. and also acts as a medium to spread the awareness about government campaigns such as Covid -19 awareness

program of public interest.

**C. The rationale for the Scheme:**

This Scheme is presented under the provisions of Section 230 and other applicable provisions of the Companies Act, 2013, and in accordance with the regulations of the Foreign Exchange Management (Debt Instruments) Regulations, 2019 issued vide RBI Notification No. FEMA 396/2019-RB dated October 17, 2019. The Scheme provides for the following;

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

business environment.

- 6) The above-mentioned Scheme is beneficial to MBL, its promoter (JPL being the holding company of MBL), and non-promoter shareholders as it strengthen the image of MBL as well as JPL in the market as it commits itself for higher distributions going forward. This will also augur well for future fundraising requirement, if any, of JPL and MBL.

**D. Parts of the Scheme:**

This Scheme of Arrangement is divided into the following parts:

**Part I** - Deals with the Definitions and Share Capital;

**Part II** - Deals with the issuance of NCRPS to the non-promoter shareholders of MBL;

**Part III** - Deals with the accounting treatment; and

**Part IV** - Deals with the General Terms and Conditions.

## PART I

## DEFINITIONS AND SHARE CAPITAL

## 1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1. **"Act"** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time.
- 1.2. **"Appointed Date"** means the Effective date of this scheme.
- 1.3. **"Board of Directors" or "Board"** means the board of directors of MBL and shall include duly constituted committees of the Board and/or any person(s) duly authorized by the Board of Directors for the purpose of matters pertaining to the Scheme and/or any consequential or incidental matter in relation thereto.
- 1.4. **"Effective Date"** Effective Date" means the date on which the order approving the Scheme is passed by the National Company Law Tribunal ("NCLT"). All references in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"Scheme taking effect"** shall mean the Effective Date.
- 1.5. **"Free Reserve"** means General Reserve, Retained Earnings, and Other reserves as classified in the Audited Financial Statement of the Company as of March 31, 2020.
- 1.6. **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including but not limited to Securities and Exchange Board of India ("SEBI"), Stock Exchanges, Registrar of Companies, and the NCLT.
- 1.7. **"Music Broadcast Limited" ("MBL/the Company") (CIN: L64200MH1999 PLC137729)** is a public listed company incorporated under the Companies Act, 1956 having its registered office at 5th Floor, RNA Corporate Park, Off Western Express Highway, Kala Nagar, Bandra (East), Mumbai - 400051, Maharashtra.
- 1.8. **"NCLT"** means the National Company Law Tribunal, Mumbai Bench as constituted under the provisions of the Companies Act, 2013 having appropriate jurisdiction in relation to the matter of MBL.
- 1.9. **"Non- Promoter Shareholding"** means shareholding other than the

Promoter and Promoter Group shareholding as defined under Regulation 2(1) (oo) and (pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

- 1.10 **"NCRPS"** means non-convertible non-cumulative redeemable preference shares of the Face Value of ₹ 10/- (Rupees Ten) issued at a premium of ₹ 90 (Rupees Ninety) per NCRPS carrying a dividend of 0.1 % (Zero point one percent) by way of bonus to non-promoter shareholders.
- 1.11 **"Other Reserves"** means reserve classified as such in the Audited Financial Statements of the Company as of March 31, 2020.
- 1.12 **"Other shareholder"** means shareholder other than shareholder residing outside India, Promoter and Promoter Group.
- 1.13 **"Promoter & Promoter group shareholding"** means 74.05% of total shares of MBL held by such persons as defined under Regulation 2(1)(oo) and (pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- 1.14 **"Record date"** means the date as may be decided by the Board.
- 1.15 **"Registrar of Companies"** means the Registrar of Companies, Mumbai, Maharashtra.
- 1.16 **"RBI"** means the Reserve Bank of India.
- 1.17 **"Scheme"** means this Scheme of Arrangement in its present form (along with annexures annexed/attached hereto) with such modification(s) and amendment(s) if any as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and such other relevant regulatory authorities, as may be required from time to time ;
- 1.18 **"SEBI"** means the Securities and Exchange Board of India; and
- 1.19 **"Stock Exchange"** means the National Stock Exchange of India Limited and BSE Limited.
- 1.20 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, 2013 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time. The words importing the singular include the plural; words importing any gender include every gender. Headings, Sub-headings, and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme. The annexure to this scheme forms an integral and inseparable part of this scheme.

## 2. SHARE CAPITAL

The Authorised, Issued, Subscribed and Paid-up share capital of MBL as of March 31, 2020, is as under:

Particulars	Amount in ₹
<b>Authorised:</b>	
40,00,00,000 Equity Shares of ₹ 2/- each	80,00,00,000
50,000 Preference Shares of ₹ 10/- each	5,00,000
<b>Total</b>	<b>80,05,00,000</b>
<b>Issued, Subscribed and Fully Paid up:</b>	
34,56,85,625 Equity shares of ₹ 2 /- each	69,13,71,250
<b>Total</b>	<b>69,13,71,250</b>

Subsequent to March 31, 2020, there is no change in the Authorized, Issued, Subscribed, and Paid-up share capital of MBL.

Reserves and Surplus as per audited financials as of March 31, 2020, are as under.

Particulars	(₹in lakhs)
Capital Reserve	1,482.73
Capital Redemption Reserve	-
Securities Premium	34,002.35
Debenture Redemption Reserve	-
General Reserves	4,908.50
Retained Earnings	1,674.19
Other Reserves	14,197.34
<b>Total other Equity</b>	<b>56,265.11</b>

## 3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by NCLT shall be effective and operative from the Effective Date.



**PART II****ISSUANCE OF NCRPS TO THE NON-PROMOTER SHAREHOLDERS OF MBL****4. ISSUE OF NON CONVERTIBLE REDEEMABLE PREFERENCE SHARES**

- 4.1 The provisions of this clause 4 shall operate notwithstanding anything to the contrary in this Scheme or in any instrument, deed, or writing.
- 4.2 Upon coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 and other applicable provisions, if any, of the Act, MBL shall, issue and allot bonus NCRPS in the ratio of 1:10 i.e. one NCRPS for every Ten equity share as on Record Date of the Face Value of ₹10 (Rupees Ten) issued at a premium of ₹ 90 (Rupees Ninety) per NCRPS carrying a dividend of 0.1 %( Zero Point one percent ) to Other Shareholders by utilizing Other Reserves and to the remaining non-promoter shareholders who are residing outside India by utilizing general reserves as required under regulation of Foreign Exchange Management (Debt Instruments) Regulations, 2019 issued vide RBI Notification No. FEMA 396/2019-RB dated October 17, 2019, by virtue of and in the manner provided in this Scheme.
- 4.3 In issue and allotment of NCRPS as aforesaid, the fractional entitlements of shares of any shareholders of the Company shall not be taken into account, but such shares representing fractional entitlements shall be allotted to such person as may be authorized the Board of MBL, who will as soon as possible sell such NCRPS at the prevailing market rate and the net sale proceeds of such NCRPS, after adjusting the cost and the expenses in respect thereof, be distributed among such Members who are entitled to such fractions in the proportion of their respective fractional entitlements. These shareholders who are entitled to the fractional entitlements will be responsible for any tax implication arising on the sale of such NCRPS in accordance with the provisions of the Income Tax Act, 1961.

**5. TERMS AND CONDITIONS OF ISSUE**

- 5.1 The NCRPS shall be issued on the terms and conditions consistent with the principal terms and conditions which have been set forth in **Annexure 1** to this Scheme and the Board of Directors are hereby authorized to formalize the detailed terms and conditions of the NCRPS in accordance with the applicable laws.

- 5.2 Subject to receipt of necessary regulatory approvals and with a view to providing liquidity to NCRPS holders, as soon as practicable after the issuance of the NCRPS and in any case within the time period prescribed under the applicable laws, MBL shall take necessary steps towards the listing of the NCRPS on both stock exchanges in accordance with the Applicable SEBI regulations.
- 5.3 The NCRPS allotted to the Members pursuant to this Scheme shall be allotted in the dematerialized form to the Members who are holding equity shares of the Company in dematerialized form, or from whom the Company has received a notice in writing prior to the Record Date of details of their Demat account with a depository participant and who have provided such other confirmation and details as may be required, by direct credit to the account of each Member. No letter of allotment would be issued for the Bonus NCRPS in such cases.

To the extent of any Member holding equity shares of the Company in physical form, the Company shall issue and allot NCRPS in dematerialised form and keep the same in a separate suspense account specifically opened by the Company for the credit of such NCRPS. Those Members who shall convert their physical shares into dematerialised form, can approach the Company for the transfer of such NCRPS held by the Company in the suspense account, as aforesaid, and the Company shall upon receiving such request transfer the same to the respective Member once such Member provides details of his/her/its demat account along with such other documents as may be required. Further, in case of Members whose Demat details are incomplete/incorrect, the NCRPS will be credited to the said suspense account. Such NCRPS shall be transferred to the member upon receipt of such request made by the member to the Company and the Company shall credit the NCRPS into the account of the member in an aforementioned manner. The respective Members shall have all the rights of Members of the Company, including the right to receive interest and other corporate benefits, pending the transfer of such NCRPS.

- 5.4 Subject to receipt of the requisite approvals, if any, the NCRPS shall be issued within a period of 30 (thirty) days from the Record Date to the Members eligible to receive the same.
- 5.5 Issue of NCRPS in the manner contemplated in this Scheme will not entail declaration or payment of any dividend for any purposes including for the purposes of section 123 of the Act or any other relevant provision of the Act and accordingly the provisions pertaining to the Companies (Declaration and Payment of Dividend) Rules, 2014 are not applicable.

- 5.6 The issuance of NCRPS does not involve any release of assets by the Company to its shareholders.
- 5.7 The issuance of NCRPS in terms of this Scheme in regard to any equity shares of the Company which are held in abeyance under the provisions of section 126 of the Act or any other relevant provisions of the Act shall pending allotment or settlement dispute by order of a court or otherwise and subject to applicable laws, be held in abeyance by the Company. In case any Member is ineligible by virtue of provisions of the Articles of Association of the Company, the Act, rules, regulations, and guidelines formulated by SEBI or RBI or the provisions of any other applicable laws to hold, acquire or accept NCRPS, then such a Member is solely responsible for liquidating the said NCRPS and ensure compliance with such applicable laws if he holds, acquires or accepts any NCRPS.
- 5.8 Regulations of the Foreign Exchange Management (Debt Instruments) Regulations, 2019 issued vide RBI Notification No. FEMA 396/2019-RB dated October 17, 2019, have permitted Indian Companies to issue non-convertible non-cumulative redeemable preference shares to non-resident Members including by way of distribution as a bonus from its general reserves under a scheme of arrangement approved by the National Company Law Tribunal/Competent Authority in India under the provisions of the Act, as applicable, subject to the terms and conditions of the aforesaid 'RBI Notification' that will be complied with by the Company. The allotment of the NCRPS to the Members in terms of this Scheme shall be made in accordance with the provisions of applicable laws including the applicable RBI Notification and accordingly the Company is not required to procure a specific approval from the RBI in regard to allotment of NCRPS to non-resident Members. The Members shall be responsible for complying with the laws of India, including the regulatory requirement of RBI and SEBI, and the laws of their country of residence at the time of the sale of NCRPS or repatriation of money received from the sale of such NCRPS and the Company shall not be responsible or liable for the same in any manner whatsoever.
- 5.9 The Scheme does not involve "conveyance" or "transfer" of any property to any person.

## **6. INCREASE IN THE AUTHORISED SHARE CAPITAL**

- 6.1 Upon Scheme becoming effective, the authorized share capital shall automatically stand increased from current ₹80,05,00,000 (Rupees Eighty Crores and Five Lakhs only) to ₹89,01,96,000 (Rupees Eighty-Nine Crores One Lakh Ninety-Six Thousand Only) as detailed in clause 6.2 below, without any further act, instrument or deed on the part of MBL under Single Window Clearance System and only by filing requisite statutory forms and/or any other documents as required with the Registrar of Companies. Further, upon sanctioning of the Scheme

payment of any fees/stamp duty on increased Authorized Capital shall be borne and paid by MBL and the Memorandum and Articles of Association shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting amendment, and, no further resolutions under Sections 13, 14, 61, 64 of the Companies Act, 2013 or any other applicable provisions of the Companies Act, 2013 would be required to be separately passed.

## 6.2 Revised Capital Structure upon Scheme becoming effective

Particulars	Amount in ₹
<b>Authorised:</b>	
40,00,00,000 Equity Shares of ₹2/- each	80,00,00,000
50,000 Preference Shares of ₹10/- each	5,00,000
89,69,600 Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹10/- each	8,96,96,000
<b>Total</b>	<b>89,01,96,000</b>

## 6.3 Amendment in Memorandum and Articles of Association of MBL

- 1) Consequently, Clause V of the Memorandum of Association of the MBL shall without any act, instrument or deed be and stand altered, modified and substituted pursuant to Section 13 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as set out below;

*"The Authorised Share Capital of the Company is increased from ₹80,05,00,000/- (Rupees Eighty Crores and Five Lakhs only) divided into 40,00,00,000 (Forty Crores) Equity Shares of ₹2/- each and 50,000 (Fifty Thousand) Convertible Redeemable Preference shares of ₹10/- each to ₹89,01,96,000 (Rupees Eighty-Nine Crores One Lakh Ninety-Six Thousand Only) divided into 40,00,00,000 (Forty Crores) Equity Shares of ₹2/- each, 50,000 (Fifty Thousand) Convertible Redeemable Preference Shares of ₹10 and 89,69,600 (Eighty-Nine Lakhs Sixty Nine Thousand and Six Hundred) Non-Convertible Non-Cumulative Preference Shares of ₹10/- each as per the NCLT order sanctioning the Scheme of Arrangement between Music Broadcast Limited and its shareholders"*

- 2) In addition to the above, Article 63.1 (“Capitalisation of Profits”) of the Articles of Association of the MBL shall without any act, instrument or deed be and stand altered, modified, and substituted pursuant to Section 14 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as set out below;

*“63.1 The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —*

*(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and*

*(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend, either in the same proportion or in any other proportion or only to the non-promoter shareholders”*

### **PART III**

#### **ACCOUNTING TREATMENT**

##### **7. ACCOUNTING TREATMENT IN THE BOOKS OF MBL**

- 7.1 Notwithstanding anything to the contrary contained in any other clause of the Scheme, MBL shall recognize the financial liability for the issuance of NCRPS as bonus shares, when the bonus issue is appropriately authorized and is no longer at the discretion of MBL. On the said date, MBL shall recognize the present value of the redemption amount of the NCRPS as a financial liability with an adjustment to equity as per Ind AS 32. Subsequently, the NCRPS shall be measured as per Ind AS 109 at amortised cost using the effective interest rate method. The interest expense on the financial liability shall be recognised in the statement of profit and loss.
- 7.2 The NCRPS issued to the shareholders residing outside India will be issued out of General Reserve as required under RBI Notification No. FEMA 396/2019-RB dated October 17, 2019.
- 7.3 The NCRPS will be issued to Other Shareholders by utilizing Other Reserves.
- 7.4 The present value of the premium payable on redemption of the NCRPS will be adjusted out of Securities Premium balance.
- 7.5 MBL may transfer within equity from General Reserve/ Other Reserves/ Securities Premium to retained earnings or undertake any

other transfer of reserves within equity, as may be required, in compliance with the requirements of the Companies Act, 2013.

- 7.6 MBL shall ensure that an adequate reconciliation is included as part of the notes to the financial statements in respect of matters which have been dealt with in accordance with the Ind-AS as mentioned above, to synchronise with the requirements of Sections 43 and 52 of the Companies Act, 2013.

## **PART IV**

### **GENERAL TERMS AND CONDITIONS**

#### **8. GENERAL TERMS AND CONDITIONS**

- 8.1 MBL acting through its Board of Directors or any director/ executives or any committee authorized on that behalf (hereinafter referred to as the "Delegate") may assent to any modification(s) or amendments to this Scheme, which NCLT and/ or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. MBL acting through Board of Directors or Delegates are authorized to do and execute all acts, deeds, matters, and things necessary for bringing this Scheme into effect or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by NCLT or any Governmental Authorities, which the Board of Directors of MBL find unacceptable for any reason, then MBL shall be at liberty to withdraw the Scheme.
- 8.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates of MBL may give and are authorized to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt it is clarified that where this Scheme requires the approval of the Board of Directors of MBL to be obtained for any matter, the same may be given through their Delegates.



- 8.3 Even upon the issue of NCRPS which is not entailing any release of the Company's resources, the Company would have sufficient cash resources to discharge its liabilities towards its creditors on time and in the ordinary course of its business.
- 8.4 The NCRPS are to be rated by credit rating agency registered with SEBI in compliance with public issue of NCRPS under SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013.
- 8.5 To the extent applicable, the Company shall comply with the provisions of SEBI Circular No. CIR/CFD/DIL/2017/21 dated March 10, 2017, and SEBI circular dated May 26, 2017 which provides for Listing of NCRPS issued through a Scheme of Arrangement as modified, while inter alia procuring the approval of the Members of the Company.

#### **9. SCHEME CONDITIONAL UPON SANCTIONS, ETC.**

This Scheme is conditional upon and subject to the Scheme being agreed to by the requisite majority of the members of MBL as required under the Act and the requisite orders of the NCLT being obtained;

#### **10. FILING OF NCLT ORDER WITH ROC**

The certified copies of the orders of the NCLT sanctioning this Scheme shall be filed with the Registrar of Companies, Mumbai, Maharashtra.

#### **11. DECLARATION OF DIVIDEND**

Nothing contained herein shall be construed as restricting MBL from being entitled to declare and pay dividends, whether interim or final, to its members whether during the pendency of this Scheme or otherwise and the holders of the Shares of MBL shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the Articles of Association of MBL, including the right to receive dividends. It is clarified that any provisions in respect of the declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any member of MBL to demand or claim any dividends which, subject to the provisions of the Act, as applicable shall be entirely at the discretion of the Board of Directors and subject to the approval if required of the members of MBL.

**12. SEVERABILITY**

- 12.1 The Provisions contained in this Scheme are inextricably interlinked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the Board of Directors of MBL.
- 12.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of MBL affect the validity or implementation of the other parts and/or provisions of this Scheme.

**13. DISCLOSURES MANDATED BY STOCK EXCHANGES**

The following disclosures are made pursuant to the observation letters of the Stock Exchanges dated January 29, 2021

- 13.1 The NCRPSs allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange
- 13.2 There shall be no change in the shareholding pattern of the Company between the record date and the listing which may affect the status of the approval provided by BSE Limited through its observation letter to this Scheme, under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**14. COSTS, CHARGES, EXPENSES, STAMP DUTY, AND TAX**

All costs, charges, fees, and expenses incurred or payable in relation to or in connection with this Scheme and incidental to the completion of this Scheme, on the orders of NCLT, if any and to the extent applicable and payable, shall be borne and paid by the MBL. For the avoidance of doubt, it is clarified that Members will be required to bear and pay all taxes as may be applicable to them in relation to NCRPS.

**15. WITHDRAWAL OF THIS SCHEME**

Notwithstanding anything else to the contrary in the Scheme, MBL, acting through its Board of Directors, shall be at liberty to withdraw this Scheme for any reason whatsoever including but not limited to inordinate delays or any condition/alteration imposed by NCLT or any other authority being not acceptable to it. In case of withdrawal of this Scheme by MBL, the entire Scheme shall become null and void and in that event, no rights and liabilities shall accrue to or be incurred by the MBL or its members or any other person, and MBL shall bear and pay the costs, charges and expenses for and/or in connection with this Scheme.

**16. BINDING EFFECT**

This Scheme when sanctioned by the NCLT and upon effectiveness shall be binding on MBL, all its members, and all other persons, notwithstanding anything to the contrary in any other instrument, deed, or writing.

**Annexure-1****Principal Terms and Conditions for issuance of Bonus NCRPS**

Issuer	Music Broadcast Limited
Réipients	Non-promoter shareholders
Type of Instrument	Non-Convertible Non-Cumulative Redeemable Preference Shares
Issue size	89,69,597 NCRPS amounting to ₹ 89,69,59,700 (Rounded off)
Face Value	₹ 10 /- per NCRPS
Premium	₹ 90/- per NCRPS
Coupon Rate	0.1%
Premium at the time of Redemption	₹ 20/- per NCRPS
Redemption/Maturity	The NCRPS shall be redeemed on expiry of 36 months from the date of allotment.
Listing	Proposed to be listed on the Stock Exchanges subject to approval thereof
Credit Ratings	To be rated by a rating agency appointed by the Board of Directors.
Market Lot	One Bonus NCRPS.
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited.
Taxation	1. Tax at applicable rates will be deducted by the Company on payment of dividend and/or from the consideration to be paid on redemption/buyback (as the case may be) of NCRPS.

	<p>2. Issue, Redemption, Buyback of NCRPS are subject to tax implications under the applicable provisions of Income Tax Act as amended from time to time. Recipients are advised to consult their tax advisors for tax consequences. MBL shall not be responsible for any tax consequences on NCRPS holders.</p>
Lock-in Period	There is no Lock-In Period.
Voting Rights	In accordance with the provisions of Section 47 of the Companies Act, 2013.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT - II**

**CA 177 OF 2022  
IN  
C.A(C.A.A.)/39/MB/2021**

In the matter of the Companies Act, 2013

AND

In the matter of Section 230 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

AND

In the matter of Scheme of Arrangement between Music Broadcast Limited and its Shareholders.

**MUSIC BROADCAST LIMITED,**  
CIN: L64200MH1999PLC137729

)  
)....Applicant Company

*Order delivered on :- 12.05.2022*

***Coram:***

**Hon'ble Member (Judicial) : Justice P.N. Deshmukh (Retd.)**  
**Hon'ble Member (Technical) : Mr. Shyam Babu Gautam**

***Appearances (via videoconferencing):***

**For the Applicants:** Mr. Hemant Sethi, Ms Vidisha Poonja i/b Hemant Sethi & Co.,  
Advocates



**CA 177 of 2022  
in  
C.A.(C.A.A.)/39/MB/2021**

**ORDER**

***Per: Shyam Babu Gautam, Member Technical***

1. The court is convened via video conferencing.
2. The present CA 177 of 2022 is filed for modification of the Order passed in C.A (C.A.A) 39 of 2021 dated 31.03.2022. The said is carried out in accordance with the clause III of the present Application. The said Order in C.A (C.A.A) 39 of 2021 shall be reads as under :-
3. The Counsel for the Applicant states that the present Scheme (“**Scheme**” or the “**Scheme of Arrangement**”) is an Arrangement among Music Broadcast Limited and (“*the Applicant Company*”) its Shareholders.
4. The Counsel for the Applicant submits that Applicant Company is *inter alia* engaged in operating FM radio stations across India under the brand of “*Radio City*” It is India’s first and leading FM Radio Station which started its operations in India in the year 2001. MBL currently has 39 stations. The Applicant Company over the years, has consistently come up with tools and initiatives to raise social awareness over a spectrum of issues including but not limited to Women Empowerment, Voter Awareness, Road Safety, etc. and also acts as a medium to spread the awareness about government campaigns such as Covid -19 awareness program of public interest.

**CA 177 of 2022**  
**in**  
**C.A.(C.A.A.)/39/MB/2021**

5. The background, circumstances, rationale and benefits of the Scheme are that:

- 1) *MBL is a subsidiary company of Jagran Prakashan Limited (“Promoter / Holding Company/ JPL”) which holds 73.21% of the equity shares of MBL. JPL is one of the leading media groups in India with interests spanning across print, radio, digital, out of home, and brand activations. JPL is a public limited company and its equity shares are listed on BSE and NSE. JPL has a corporate governance framework that ensures transparency in all its dealings and the functioning of its Management and the Board. JPL enjoys the reputation of being extremely investor-friendly and has been consistent in rewarding its shareholders meaningfully. It has been its philosophy to enrich the shareholders to the extent possible in all the circumstances. It was this reputation that helped MBL close successfully its initial public offering in 2017 at a premium which was over 32 times of the then face value of Rs. 10 each.*
- 2) *The radio industry is undergoing a transformation right now and the turn of event in the industry has also impacted MBL. In the recent past, its performance has not been commensurate to the potential of the company and is reflected in its market performance as well.*
- 3) *MBL intends to ensure that it continues to get the support of its esteemed public shareholders who have supported the company so far.*
- 4) *In view of the above, the Board of Directors of MBL has formulated this*

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*Scheme of Arrangement for issuance of non-convertible non-cumulative redeemable preference shares (“NCRPS”) to its non-promoter shareholders on a preferential basis by way of bonus. The face value of such NCRPS will be Rs.10 (Rupees Ten) each issued at a premium of Rs.90 (Rupees Ninety) per NCRPS to be redeemed on expiry of 36 months at a premium of Rs.20 (Rupees Twenty) each pursuant to the provisions of Section 230 and other relevant provisions of the Companies Act, 2013.*

- 5) *The Company has a strong net worth with no debt. MBL is also confident in running the business profitably and generating sufficient cash to meet its future requirements. However, it is considered prudent to conserve the cash to meet any unforeseen requirement that may arise during and aftermath of the Covid 19 pandemic which has created an unprecedented challenging business environment.*
  - 6) *The above-mentioned Scheme is beneficial to MBL, its promoter (JPL being the holding company of MBL), and non-promoter shareholders as it strengthen the image of MBL as well as JPL in the market as it commits itself for higher distributions going forward. This will also augur well for future fundraising requirement, if any, of JPL and MBL.*
6. The Counsel for the Applicant Company submits that in view of the aforesaid, the Board of Directors of the Applicant Company vide its resolution dated October 22, 2020 approved the Scheme of Arrangement between the Applicant Company and it’s Shareholders.

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7. The Counsel for the Applicant Company further submits that the shares of Applicant Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”). Pursuant to the Securities Exchange Board of India (“**SEBI**”) circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time (“**SEBI Circular**”) read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), Applicant Company had applied to BSE and NSE for their “Observation Letter” / “No Objection Letter” to file the Scheme for sanction of the Tribunal by its letter dated October 29, 2020. Both BSE and NSE by its letter dated January 29, 2021 have respectively given their “No Objection Letter” letters to Applicant Company, to file the Scheme with the Tribunal.
8. This Tribunal hereby directs that a meeting of the Equity Shareholders of the Applicant Company be convened and held on June 23, 2022 at 02.00 p.m. for the purpose of considering, and if thought fit, approving the proposed Scheme, through video conferencing and/ or other audio visual means, without holding a general meeting requiring the physical presence of shareholders at a common venue, as the same in the current Covid-19 environment mandating social distancing norms shall not be feasible.
9. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company proposes to provide the facility of remote

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e-voting to its Equity Shareholders in respect of the resolution to be passed at the aforesaid meeting. The Equity Shareholders of the Applicant Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through video conferencing and/or other audio visual means on June 23, 2022 at 2.00 p.m. The e-voting facility for the Equity Shareholders of the Applicant Company shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

10. That at least 30 (thirty) clear days before the aforesaid meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting at the day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent by e-mail to the Equity Shareholders of the Applicant Company whose email addresses are duly registered with the Applicant Company, addressed to each of the shareholders, at their last known e-mail addresses as per the records of the Applicant Company.
11. Notice of convening the Meeting of the Equity Shareholders of Applicant Company, indicating the day, date and time aforesaid, shall be advertised once each in the "Financial Express" (Mumbai edition) and Marathi translation thereof in

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“Navshakti” (Mumbai edition) both having circulation in Mumbai, not less 30 days before the date fixed for the meeting. Considering the lockdown prevailing due to COVID-19 pandemic, the Applicant Company will have the option to publish notices online in the respective e-newspaper editions.

12. That Mr. Harnam Singh IAS (Retd.), Address at: Flat No. 22, Ritu Co-operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai - 400053 (Mobile No: 09930063941), shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Applicant Company with remuneration at Rs. 3,00,000/-.
13. The quorum for the aforesaid meeting of the Equity Shareholders of Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Equity Shareholders present through video conferencing and/or other audiovisual means. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
14. The voting by proxy shall not be permitted as the meeting would be held through video conferencing and/ or other audiovisual means. However, voting in case of body corporate be permitted, provided the prescribed form / authorization is filed with the Applicant Company at its registered office at Music Broadcast Limited, 5<sup>th</sup> Floor, RNA Corporate Park, Off. Western Express Highway, Kala Nagar, Bandra (East), Mumbai - 400051 no later than 48 hours



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before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

15. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall have all powers as per the Articles of Association of the Applicant Company and also under the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the extent necessary and applicable, in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise at the meeting or at any adjournment thereof.
16. The value and number of the shares of each Equity Shareholder shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books/ register/ depository records are disputed, the Chairperson of the meeting shall determine the value for the purposes of the meeting of Equity Shareholders and his/her decision in that behalf would be final.
17. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall report to this Tribunal, the result of the aforesaid meetings within 30 (thirty) days of the conclusion of the aforesaid meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

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18. The Counsel for the Applicant Company submits that the Scheme is an arrangement between the Applicant Company and their respective shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230 (1)(a) of the Act as there is no compromise and/or arrangement with Unsecured Creditors and that the Unsecured Creditors of the Applicant Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices hence, their interests are not getting affected in any way. Further there is no transfer of liability from one company to another as the Scheme contemplated is not merger or demerger therefore, no notice of the unsecured creditor is required to be convened. The Counsel for the Applicant Company further submitted that the Applicant Company does not have any Secured Creditors and in so far as unsecured creditors are concerned, there are 111 Unsecured Creditors of Rs 9,88,19,116/- in value.
19. This Bench directs conduct of the meetings of the unsecured creditors of Applicant Company as follows:-
  - a. That the meeting of the Unsecured creditors of Applicant Company be convened and held on June 23, 2022 at 3:30 p.m. through video conferencing and/or other audio visual means for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Arrangement between Applicant Company and its Shareholders. The proposed Scheme, wherein the Unsecured Creditors of the Applicant Company will be able to cast their votes electronically. In addition to the above, the Applicant

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Company shall provide facility of remote e-voting to its Unsecured

Creditors to cast their vote.

20. This Bench further issued directions with regard to the notices to be issued by Applicant Company as follows: -

i. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company be held as aforesaid, a notice in the prescribed form CAA.2, convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 shall be sent by e-mail to each of the unsecured creditors at their registered email-address as per the records of the Applicant Company. The Unsecured Creditors whose e-mail address' are not available with the Applicant Company or who have not received notice convening said meetings, can access/download the said notices from the websites of the Applicant Company and on the websites of the Stock Exchanges *i.e BSE Limited and National Stock Exchange of India Limited*.

ii. That at least 30 clear days before the meetings of the unsecured creditors of Applicant Company to be held as aforesaid, a notice in the prescribed Form No. CAA.3 convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies

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Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 and and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations ) Rules, 2016 shall be sent by Registered A.D. or by hand delivery to (i) Central Government through the office of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai, (ii) the Registrar of Companies, Maharashtra, Mumbai (iii) the Income Tax Authorities within whose jurisdiction Applicant Company assessments are made, clearly indicating the PAN of Applicant Company and Reserve Bank of India, pursuant to section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016, with a direction that they may submit their representations, if any, within a period of 30 days from the date of receipt of such notice, to the Tribunal with a copy of such representations to be simultaneously served upon Applicant Company. If no response is received by the Tribunal from such Authorities, within a period of 30 (Thirty) days from the date of receipt of such notice, it will be presumed that such authorities have no representation/objection to the Scheme.

iii. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company to be held as aforesaid, an advertisement in prescribed Form No. CAA.2 as per Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, convening the said meetings indicating the place, day, date and time as aforesaid, stating that copies of the Scheme and the statement required to be furnished pursuant to Section

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230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 copy of the Scheme can be obtained free of charge the Applicant Companies as aforesaid, be published once each in Financial Express in English language and the translation thereof in Marathi language in Navshakti, both be circulated in Mumbai.

iv. That Applicant Company shall also serve notice upon other sectoral regulators as may be applicable to Applicant Company pursuant to section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016. If no response is received by the Tribunal from such sectoral regulators within 30 (thirty) days of the date of receipt of notice it will be presumed that such sectoral regulators has no objection to the proposed Scheme.

21. This Bench appoints the Chairperson for the meetings as aforesaid, as follows:

- i. That Mr. Harnam Singh IAS (Retd.) Address at Flat No.22,Ritu Co-Operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai-400053, shall be the Chairman, for the above- mentioned meeting of the unsecured creditors of Applicant Company to be held as aforesaid of any adjournments thereof.
- ii. That the Chairman to file an affidavit not less than 7 days before the date fixed for the holding of the meeting of Applicant Company and to report

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- this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- iii. The Chairman appointed for the aforesaid meeting of Applicant Company to issue the notices of the meeting of the unsecured creditors referred to above. The said Chairman shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
- iv. That the quorum of the aforesaid meeting of the unsecured creditors of Applicant Company, shall be 5 or as prescribed under Section 103 of the Companies Act, 2013 present through video conferencing or other audio-visual means . However, voting in case of body corporate be permitted through authorized representative. The voting by proxy shall not be permitted as meeting would be held through video conferencing and/or other audio visual means.
- v. That the voting shall be allowed on the proposed Scheme by voting in person or through authorized representative. The voting by authorized representative in case of body corporate shall be permitted provided that/ authorization duly signed by the person entitled to attend and vote at the meeting, is filed

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with the Applicant Company at its Registered Offices not later than, 48 hours before the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

vi. That the voting shall be allowed on the proposed Scheme in case of the unsecured creditors of Applicant Company by voting through electronic means only.

vii. That the list of unsecured creditors with the value of the amount due to each of them, shall be in accordance with the books/register of Applicant Company and where the entries in the books are disputed, the Chairman shall determine the value for the purpose of the meeting.

viii. That the Chairman to report to this Tribunal, the result of the afore-said meetings within 7 days of the conclusion of the meetings of Applicant Company and the said report shall be verified by the respective Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

22. That the scrutinizer for the aforesaid meetings of Applicant Company shall be CS Dhawal Gadda, Membership Number :- F8955, Address At: B304, 3<sup>rd</sup> Floor, Eastern Business District, LBS Marg, Bhandup W, Mumbai - 4000678 [Mobile No: 9967682228] with remuneration fixed at Rs.1,50,000/-.



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23. The Applicant Company pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is directed to serve the notice of the meeting of its Equity Shareholders and Unsecured Creditors upon:

- i. The Central Government of India (through the Regional Director, Western Region, Ministry of Corporate Affairs);
- ii. Concerned Income Tax Authority within whose jurisdiction the assessments of the Applicant Company is made: PAN: AACCM4036H
- iii. Registrar of Companies, Mumbai, Maharashtra;
- iv. BSE Limited;
- v. National Stock Exchange of India Limited;
- vi. Securities and Exchange Board of India; and

It is directed that they may submit their representation, if any, within a period of 30 (thirty) days from the date of receipt of such notice, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company failing which, it will be presumed that the aforesaid authorities have no representations to make on the Scheme.

24. The Applicant Company shall host the notices directed herein, on their respective websites, if any.

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25. The Applicant Company shall file compliance report to report to this Tribunal

that the directions regarding issue of notices and publication of advertisement as stated in above paragraphs have been duly complied with.

26. In view of the above CA 177 of 2022 is allowed and disposed of.

27. Ordered accordingly.

**Sd/-**

**SHYAM BABU GAUTAM  
MEMBER (TECHNICAL)**

**Sd/-**

**JUSTICE P.N DESHMUKH  
MEMBER (JUDICIAL)**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH-II**

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In the matter of the Companies Act, 2013  
AND

In the matter of Section 230 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

AND

In the matter of Scheme of Arrangement between Music Broadcast Limited and its Shareholders.

**MUSIC BROADCAST LIMITED,**

CIN: L64200MH1999PLC137729

....Applicant Company

**Order Delivered on 31.03.2022**

***Coram:***

Hon'ble Member (Judicial) : Justice P. N. Deshmukh (Retd.)

Hon'ble Member (Technical) : Mr. Shyam Babu Gautam

***Appearances:***

For the Applicants : Mr. Hemant Sethi, Ms Vidisha  
Poonja i/b Hemant Sethi & Co.

**ORDER**

***Per: Shyam Babu Gautam, Member (Technical)***

1. The court is convened via video conferencing.

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2. The Counsel for the Applicant states that the present Scheme (“Scheme” or the “Scheme of Arrangement”) is an Arrangement among Music Broadcast Limited and (*“the Applicant Company”*) its Shareholders.
3. The Counsel for the Applicant submits that Applicant Company is *inter alia* engaged in operating FM radio stations across India under the brand of “Radio City” It is India’s first and leading FM Radio Station which started its operations in India in the year 2001. MBL currently has 39 stations. The Applicant Company over the years, has consistently come up with tools and initiatives to raise social awareness over a spectrum of issues including but not limited to Women Empowerment, Voter Awareness, Road Safety, etc. and also acts as a medium to spread the awareness about government campaigns such as Covid-19 awareness program of public interest.
4. The background, circumstances, rationale and benefits of the Scheme are that:
  - 1) *MBL is a subsidiary company of Jagran Prakashan Limited (“Promoter / Holding Company/ JPL”) which holds 73.21% of the equity shares of MBL. JPL is one of the leading media groups in India with interests spanning across print, radio, digital, out of home, and brand activations. JPL is a public limited company and its equity shares are listed on BSE and NSE. JPL has a corporate governance framework that ensures transparency in all its dealings*

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*and the functioning of its Management and the Board. JPL enjoys the reputation of being extremely investor-friendly and has been consistent in rewarding its shareholders meaningfully. It has been its philosophy to enrich the shareholders to the extent possible in all the circumstances. It was this reputation that helped MBL close successfully its initial public offering in 2017 at a premium which was over 32 times of the then face value of ₹10 each.*

- 2) The radio industry is undergoing a transformation right now and the turn of event in the industry has also impacted MBL. In the recent past, its performance has not been commensurate to the potential of the company and is reflected in its market performance as well.*
- 3) MBL intends to ensure that it continues to get the support of its esteemed public shareholders who have supported the company so far.*
- 4) In view of the above, the Board of Directors of MBL has formulated this Scheme of Arrangement for issuance of non-convertible non-cumulative redeemable preference shares (“NCRPS”) to its non-promoter shareholders on a preferential basis by way of bonus. The face value of such NCRPS will be ₹10 (Rupees Ten) each issued at a premium of ₹90 (Rupees Ninety) per NCRPS to be redeemed on expiry of 36 months at a premium of ₹20 (Rupees Twenty) each pursuant to the provisions of Section 230 and other relevant provisions of the Companies Act, 2013.*
- 5) The Company has a strong net worth with no debt. MBL is also confident in running the business profitably and generating sufficient cash to meet its future requirements. However, it is considered prudent to conserve the cash to meet any unforeseen requirement that may arise during and aftermath of the Covid 19 pandemic which has created an unprecedented challenging business environment.*
- 6) The above-mentioned Scheme is beneficial to MBL, its promoter (JPL being the holding company of MBL), and non-promoter shareholders as it*

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*strengthen the image of MBL as well as JPL in the market as it commits itself for higher distributions going forward. This will also augur well for future fundraising requirement, if any, of JPL and MBL.*

5. The Counsel for the Applicant Company submits that in view of the aforesaid, the Board of Directors of the Applicant Company *vide* its resolution dated October 22, 2020 approved the Scheme of Arrangement between the Applicant Company and its Shareholders.
6. The Counsel for the Applicant Company further submits that the shares of Applicant Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”). Pursuant to the Securities Exchange Board of India (“**SEBI**”) circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time (“**SEBI Circular**”) read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), Applicant Company had applied to BSE and NSE for their “Observation Letter” / “No Objection Letter” to file the Scheme for sanction of the Tribunal by its letter dated October 29, 2020. Both BSE and NSE by its letter dated January 29, 2021 have respectively given their “No Objection Letter” letters to Applicant Company, to file the Scheme with the Tribunal.

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7. This Tribunal hereby directs that a meeting of the Equity Shareholders of the Applicant Company be convened and held on June 7, 2022 at 02.00 p.m. for the purpose of considering, and if thought fit, approving the proposed Scheme, through video conferencing and/ or other audio visual means, without holding a general meeting requiring the physical presence of shareholders at a common venue, as the same in the current Covid-19 environment mandating social distancing norms shall not be feasible.
8. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company proposes to provide the facility of remote e-voting to its Equity Shareholders in respect of the resolution to be passed at the aforesaid meeting. The Equity Shareholders of the Applicant Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through video conferencing and/or other audio visual means on June 7 2022 at 02.00 p.m. The e-voting facility for the Equity Shareholders of the Applicant Company shall be provided in compliance with the conditions specified under the Companies (Management



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and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

9. That at least 30 (thirty) clear days before the aforesaid meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting at the day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent by e-mail to the Equity Shareholders of the Applicant Company whose email addresses are duly registered with the Applicant Company, addressed to each of the shareholders, at their last known e-mail addresses as per the records of the Applicant Company.
10. Notice of convening the Meeting of the Equity Shareholders of Applicant Company, indicating the day, date and time aforesaid, shall be advertised once each in the "Financial Express" (Mumbai edition) and Marathi translation thereof in "Navshakti" (Mumbai edition) both having circulation in Mumbai, not less 30 days before the date fixed for the

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meeting. Considering the lockdown prevailing due to COVID-19 pandemic, the Applicant Company will have the option to publish notices online in the respective e-newspaper editions.

11. That Mr. Harnam Singh IAS (Retd.), Address at: Flat No. 22, Ritu Co-Operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai-400053 [Mobile No: 09930063941], shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Applicant Company with remuneration fixed at Rs.3,00,000/-.
12. The quorum for the aforesaid meeting of the Equity Shareholders of Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Equity Shareholders present through video conferencing and/or other audio visual means. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
13. The voting by proxy shall not be permitted as the meeting would be held through video conferencing and/ or other audio visual means. However, voting in case of body corporate be permitted, provided the prescribed form / authorization is filed with the Applicant Company

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at its registered office at Music Broadcast Limited, 5th Floor, RNA Corporate Park, Off. Western Express Highway, Kala Nagar, Bandra (East), Mumbai - 400051 no later than 48 hours before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

14. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall have all powers as per the Articles of Association of the Applicant Company and also under the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the extent necessary and applicable, in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise at the meeting or at any adjournment thereof.
15. The value and number of the shares of each Equity Shareholder shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books/register/depository records are disputed, the Chairperson of the meeting shall determine the value for the purposes of the meeting of Equity Shareholders and his/her decision in that behalf would be final.
16. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall report to this Tribunal,

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the result of the aforesaid meetings within 30 (thirty) days of the conclusion of the aforesaid meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

17. The Counsel for the Applicant Company submits that the Scheme is an arrangement between the Applicant Company and their respective shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Act as there is no compromise and/or arrangement with Unsecured Creditors and that the Unsecured Creditors of the Applicant Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices hence, their interests are not getting affected in any way. Further there is no transfer of liability from one company to another as the scheme contemplated is not merger or demerger therefore, no notice or meeting of the unsecured creditor is required to be convened. The Counsel for the Applicant Company further submitted that the Applicant Company does not have any Secured Creditors and in so far as unsecured creditors are concerned, there are 111 Unsecured Creditors of Rs.9,88,19,116/- in value.
18. This Bench directs conduct of the meetings of the unsecured creditors of Applicant Company as follows: -

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- a. That the meeting of the unsecured creditors of Applicant Company be convened and held through video conferencing and/or other audio visual means for the purpose of considering and, if thought fit, approving with or without modifications(s) the proposed arrangement embodied in the Scheme of Demerger of the Demerged Undertaking the Transferor Company into the Transferee Company.
19. This Bench further issued directions with regard to the notices to be issued by Applicant Company as follows: -
- i. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company be held as aforesaid, a notice in the prescribed form CAA.2, convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 and the prescribed Form of Proxy in prescribed Form No. MGT-11 as per Rule 19 of the Companies (Management and Administration) Rules, 2014, shall be sent by Registered Post A.D. or by speed post or by cou-

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rier or by hand delivery or by email to each of the secured creditors and unsecured creditors at their registered or last known addresses or at their registered email address as per the records of Applicant Company.

- ii. That at least 30 clear days before the meetings of the unsecured creditors of Applicant Company to be held as aforesaid, a notice in the prescribed Form No. CAA.3 convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 and the prescribed Form of Proxy in prescribed Form No. MGT-11 as per Rule 19 of the Companies (Management and Administration) Rules, 2014, shall be sent by Registered Post A.D. or by speed post or by courier by e-mail or by hand delivery to (i) Central Government through the office of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai, (ii) the Registrar of Companies, Maharashtra, Mumbai (iii) the Income Tax Authorities within whose jurisdiction Applicant Company assessments are made, clearly indicating the PAN of Applicant Company and

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Reserve Bank of India, pursuant to section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016, with a direction that they may submit their representations, if any, within a period of 30 days from the date of receipt of such notice, to the Tribunal with a copy of such representations to be simultaneously served upon Applicant Company. If no response is received by the Tribunal from such Authorities, within a period of 30 (Thirty) days from the date of receipt of such notice, it will be presumed that such authorities have no representation/objection to the Scheme.

- iii. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company to be held as aforesaid, an advertisement in prescribed Form No. CAA.2 as per Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, convening the said meetings indicating the place, day, date and time as aforesaid, stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and that the form of proxy can be obtained for



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free of charge at the respective Registered Offices of the Applicant Companies as aforesaid, be published once each in 'Financial Express' in English language and the translation thereof in Marathi language in 'Navshakti', both be circulated in Mumbai.

- iv. That Applicant Company shall also serve notice upon other sectoral regulators as may be applicable to Applicant Company pursuant to section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016. If no response is received by the Tribunal from such sectoral regulators within 30 (thirty) days of the date of receipt of notice it will be presumed that such sectoral regulators has no objection to the proposed Scheme.

20. This Bench appoints the Chairperson for the meetings as aforesaid, as follows:

- i. That Mr. Harnam Singh IAS (Retd.), Address at: Flat No. 22, Ritu Co-Operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai-400053, shall be the Chairman, for the above-mentioned meeting of the unsecured creditors of Applicant Company to be held as aforesaid of any adjournments thereof.

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- ii. That the Chairman to file an affidavit not less than 7 days before the date fixed for the holding of the meeting of Applicant Company and to report this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- iii. The Chairman appointed for the aforesaid meeting of Applicant Company to issue the notices of the meeting of the unsecured creditors referred to above. The said Chairman shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
- iv. That the quorum of the aforesaid meeting of the unsecured creditors of Applicant Company, shall be fixed at a majority of persons representing three-fourths in value of the unsecured creditors respectively, present in person, through video-conferencing or through proxy.

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- v. That the voting shall be allowed on the proposed Scheme by voting in person or by proxy. The voting by proxy or authorised representative in case of body corporate shall be permitted, provided that a proxy in the prescribed form / authorization duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Offices not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- vi. That the voting shall be allowed on the proposed Scheme in case of the unsecured creditors of Applicant Company by voting through electronic means and Postal Ballot also.
- vii. That the voting at the meeting of the unsecured creditors of the Applicant Companies, as the case may be, on all resolutions to take place by poll.
- viii. That the list of unsecured creditors with the value of the amount due to each of them, shall be in accordance with the books/register of Applicant Company and where the entries in the books are disputed, the Chairman shall determine the value for the purpose of the meeting.

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- ix. That the Chairman to report to this Tribunal, the result of the aforesaid meetings within 7 days of the conclusion of the meetings of Applicant Company and the said report shall be verified by the respective Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
21. That the scrutinizer for the aforesaid meetings of Applicant Company shall be CA. Avinash Jagdish Purohit, Address At: Office No. 51, 5<sup>th</sup> Floor, 'D' Wing, Rahul Complex, Paud Road, Kothrud, Pune, Maharashtra-411038 [Mobile No: 07588053127], with remuneration fixed at Rs.1,50,000/-.
22. The Applicant Company pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is directed to serve the notice of the meeting of its Equity Shareholders upon:
- i. The Central Government of India (through the Regional Director, Western Region, Ministry of Corporate Affairs);
  - ii. Concerned Income Tax Authority within whose jurisdiction the assessments of the Applicant Company is made:  
PAN: AACCM4036H
  - iii. Registrar of Companies, Mumbai, Maharashtra;

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- iv. BSE Limited;
- v. National Stock Exchange of India Limited;
- vi. Securities and Exchange Board of India; and

It is a directed that they may submit their representation, if any, within a period of 30 (thirty) days from the date of receipt of such notice, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company failing which, it will be presumed that the aforesaid authorities have no representations to make on the Scheme.

- 23. The Applicant Company shall host the notices directed herein, on their respective websites, if any.
- 24. The Applicant Company shall file compliance report to report to this Tribunal that the directions regarding issue of notices and publication of advertisement as stated in above paragraphs have been duly complied with.
- 25. Ordered accordingly.

**Sd/-**

**SHYAM BABU GAUTAM  
MEMBER (TECHNICAL)**

31.03.2022  
SAM

**Sd/-**

**JUSTICE P. N. DESHMUKH  
MEMBER (JUDICIAL)**



# Independent Auditor's Report

To the Members of Music Broadcast Limited

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

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

### Basis for opinion

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the

### Key audit matter

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

#### Key audit matter

#### Assessment of carrying amount of deferred tax balances and impact of changes in estimates

[Refer to the accompanying notes 1(o) and 12 to the financial statements]

Pursuant to the enactment of the Finance Act, 2019 and The Taxation Laws (Amendment) Act, 2019, announcing key changes to corporate tax rates in the Income-tax Act, 1961, the management has carried out an assessment to consider the implications of the amendments providing an option to pay tax at a concessional rate, subject to compliance with conditions prescribed therein, specifically surrender of specified deductions/ incentives. Basis the management's assessment including projections of future taxable profits and the impact on carrying amount of deferred tax, including Minimum Alternate Tax (MAT) credit, balances, the Company has estimated to adopt lower rate of tax in a future year after utilising the available MAT credit balance. Accordingly, the deferred tax balances were re-measured as at March 31, 2021 resulting in increase in deferred tax liability by ₹ 123.08 lakhs during the year.

We considered this as a key audit matter because of the significance of the amounts involved, interpretation of the tax laws in assessing satisfaction of the prescribed conditions, significant judgments involved in estimation of future taxable profits, period over which MAT credit would be utilised and the expected year of adoption of the concessional tax rate.

#### How our audit addressed the key audit matter

Our procedures in relation to the management's assessment included the following:

- Understanding and evaluation of the process and controls designed and implemented by the management in relation to 'Income Taxes'.
- Reviewing the Company's accounting policy in respect of recognising deferred tax assets/ liabilities, including MAT credit.
- Evaluating the management's assessment of availing benefits and exemptions under the Income-tax laws.
- Assessing appropriateness of the tax rate applied to future taxable profits in light of current tax laws and substantively enacted tax rates.
- With the involvement of our experts, evaluating the management's assessment on the availability of future taxable profits to support re-measurement of deferred tax balances as at the year-end.
- Assessing the reasonableness of the assumptions underlying the management's forecasts of future profits by comparing to historical results and the approved business plans in light of the relevant economic and industry indicators.
- Performed sensitivity analyses on the projected taxable profits by varying key assumptions, within reasonably foreseeable range.
- Assessing the adequacy of disclosures (notes 12 and 20) in the financial statements on deferred tax and on basis of management estimates.

Based on the above procedures performed, the management's assessment of carrying value of deferred tax balances was considered to be consistent with our understanding.

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

### Emphasis of matter

- We draw your attention to Note 2(b) to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) pandemic on the business operations of the Company. The management believes that no adjustments, other than those already made, are required in the financial statements, however, in view of the various preventive measures, restrictions etc. and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.



### Other Information

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

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

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

We have nothing to report in this regard.

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

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

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

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- Report on other legal and regulatory requirements**
14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 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.
  - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - 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:
    - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 25(a) and 25(b) to the financial statements.
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
    - The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
16. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

**Anurag Khandelwal**  
Partner  
Membership Number: 078571  
UDIN: 21078571AAAAAX1628

Place: Gurugram  
Date: May 20, 2021



## Annexure A to Independent Auditors' Report

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

### REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

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

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements

included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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



## OPINION

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

### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/ N500016

Chartered Accountants

### Anurag Khandelwal

Partner

Membership Number: 078571

UDIN: 21078571AAAAAX1628

Place: Gurugram

Date: May 20, 2021

## Annexure B to Independent Auditors' Report

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

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



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

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

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 16 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/ N500016

Chartered Accountants

**Anurag Khandelwal**

Partner

Membership Number: 078571

UDIN: 21078571AAAAAX1628

Place: Gurugram

Date: May 20, 2021



## Balance Sheet

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3 (a)	6,780.18	7,355.76
Right-of-use assets	3 (b)	2,180.84	2,132.40
Intangible assets	4	19,332.64	21,424.32
Financial assets			
i. Investments	5 (a) (i)	4,098.93	-
ii. Other financial assets	5 (e)	1,285.60	1,135.94
Deferred tax assets (net)	12	1,766.64	998.87
Other non-current assets	6	370.19	403.30
Non current tax assets (net)	7 (a)	665.73	448.09
<b>Total non-current assets</b>		<b>36,480.75</b>	<b>33,898.68</b>
<b>Current assets</b>			
Financial assets			
i. Investments	5 (a) (ii)	16,093.53	20,835.83
ii. Trade receivables	5 (b)	7,726.95	10,624.46
iii. Cash and cash equivalents	5 (c)	989.37	761.37
iv. Bank balances other than (iii) above	5 (d)	2,046.34	495.99
v. Other financial assets	5 (e)	211.41	185.48
Other current assets	8	2,118.86	1,975.13
<b>Total current assets</b>		<b>29,186.46</b>	<b>34,878.26</b>
<b>Total assets</b>		<b>65,667.21</b>	<b>68,776.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9 (a)	6,913.71	6,913.71
<b>Other equity</b>			
Reserves and surplus	9 (b)	39,865.59	42,067.77
Other reserves	9 (c)	14,197.34	14,197.34
<b>Total equity</b>		<b>60,976.64</b>	<b>63,178.82</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	10(b)	1,845.57	1,828.82
Employee benefit obligations	11	136.73	376.02
<b>Total non-current liabilities</b>		<b>1,982.30</b>	<b>2,204.84</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	10 (a)	48.74	35.42
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	10 (a)	1,166.89	2,043.02
ii. Lease liabilities	10(b)	497.38	383.64
iii. Other financial liabilities	10 (c)	209.99	258.46
Employee benefit obligations	11	33.71	44.60
Other current liabilities	13	751.56	628.14
<b>Total current liabilities</b>		<b>2,708.27</b>	<b>3,393.28</b>
<b>Total liabilities</b>		<b>4,690.57</b>	<b>5,598.12</b>
<b>Total equity and liabilities</b>		<b>65,667.21</b>	<b>68,776.94</b>

The above balance sheet should be read in conjunction with the accompanying notes.  
As per our report of even date attached.

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

For and on behalf of the Board of Directors

Anurag Khandelwal  
Partner  
Membership Number: 078571

Shailesh Gupta  
Director  
DIN: 00192466

Apurva Purohit  
Director  
DIN: 00190097

Chirag Bagadia  
Company Secretary

Ashit Kukian  
Chief Executive Officer

Prashant Domadia  
Chief Financial Officer

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021



## Statement of Profit and Loss

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	14	12,759.48	24,782.14
Other income (net)	15 (a)	737.38	477.33
Other gains/(losses) - net	15 (b)	754.96	1,153.21
<b>Total income</b>		<b>14,251.82</b>	<b>26,412.68</b>
<b>EXPENSES</b>			
License fees		1,860.97	1,967.99
Employee benefit expense	16	4,740.57	5,538.74
Depreciation and amortisation expense	17	3,323.07	3,478.41
Other expenses	18	7,280.78	11,561.12
Finance costs	19	322.16	974.67
<b>Total expenses</b>		<b>17,527.55</b>	<b>23,520.93</b>
<b>Profit before tax</b>		<b>(3,275.73)</b>	<b>2,891.75</b>
Income tax expense			
- Current tax	20	-	616.64
- Deferred tax		(856.81)	(545.64)
<b>Total tax expense</b>		<b>(856.81)</b>	<b>71.00</b>
<b>Profit for the year</b>		<b>(2,418.92)</b>	<b>2,820.75</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		305.78	36.94
Income tax relating to this item		(89.04)	(10.76)
Other comprehensive income for the year, net of tax		216.74	26.18
<b>Total comprehensive income for the year</b>		<b>(2,202.18)</b>	<b>2,846.93</b>
<b>Earnings per equity share for profit from operation attributable to owners of Music Broadcast Limited:</b>			
Nominal value of shares (₹ per share)		2.00	2.00
Basic earnings ₹ per share	27	(0.70)	0.82
Diluted earnings ₹ per share		(0.70)	0.82

The above statement of profit and loss should be read in conjunction with the accompanying notes.  
As per our report of even date attached.

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

For and on behalf of the Board of Directors

Anurag Khandelwal  
Partner  
Membership Number: 078571

Shailesh Gupta  
Director  
DIN: 00192466

Apurva Purohit  
Director  
DIN: 00190097

Chirag Bagadia  
Company Secretary

Ashit Kukian  
Chief Executive Officer

Prashant Domadia  
Chief Financial Officer

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021



## Statement of Cash Flows

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>		<b>(3,275.73)</b>	<b>2,891.75</b>
<b>Adjustments for:</b>			
Depreciation and amortisation expense	17	3,323.07	3,478.41
Finance costs	19	322.16	974.67
Interest income	15 (a)	(667.43)	(427.72)
Interest on income tax expense/(refund)		(22.49)	3.78
Changes in fair value of financial assets at fair value through profit or loss	15 (b)	(358.24)	(72.61)
Unwinding of discount on security deposits	15 (a)	(47.46)	(49.61)
Net gain on disposal of property, plant and equipment	15 (b)	(1.49)	(19.86)
Net gain on sale of investments	15 (b)	(392.90)	(1,055.31)
Lease liabilities no longer required written back		(80.60)	-
Loss allowance for doubtful debts and advances	18	452.46	557.78
		<b>2,527.08</b>	<b>3,389.53</b>
<b>Operating Profit Before Working Capital Changes</b>		<b>(748.65)</b>	<b>6,281.28</b>
<b>Change in operating assets and liabilities:</b>			
- (Decrease)/Increase in trade payables		(862.81)	(388.80)
- (Decrease)/Increase in other current liabilities		123.42	(426.40)
- (Decrease) in other financial liabilities		(97.37)	(840.57)
- (Decrease)/Increase in employee benefit obligations		(250.18)	(71.57)
- (Increase)/Decrease in other financial assets		(30.13)	(8.32)
- Decrease in other non-current assets		35.79	38.60
- (Increase)/Decrease in other current assets		125.11	(191.87)
- (Increase)/Decrease in trade receivables		2,445.05	1,640.91
		1,488.88	(248.02)
<b>Cash generated from operations</b>		<b>740.23</b>	<b>6,033.26</b>
Income taxes paid (net)		(195.15)	(1,104.33)
<b>Net cash inflow from operating activities</b>		<b>545.08</b>	<b>4,928.93</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant and equipment		(22.24)	(548.90)
Payments for purchase of intangible assets	4	-	(39.39)
Proceeds from sale of property, plant and equipment		5.98	19.86
Proceeds from sale of investments		20,112.97	18,861.20
Payments for purchase of investments		(18,718.68)	(21,400.00)
(Investment in)/proceeds from bank deposits		(1,551.57)	5,909.55
Interest received		557.06	418.75
<b>Net cash inflow/(outflow) from investing activities</b>		<b>383.52</b>	<b>3,221.07</b>



(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		-	(7,378.54)
Principal element of lease payments		(378.44)	(489.49)
Interest and other finance costs paid		(322.16)	(1,002.49)
<b>Net cash outflow from financing activities</b>		<b>(700.60)</b>	<b>(8,870.52)</b>
Net increase/(decrease) in cash and cash equivalents		<b>228.00</b>	<b>(720.52)</b>
Cash and cash equivalents at the beginning of the year		761.37	1,481.89
<b>Cash and cash equivalents at the end of the year</b>		<b>989.37</b>	<b>761.37</b>
Non-cash investing activities			
- Acquisition of right-of-use assets		640.28	-
Reconciliation of cash and cash equivalents as per the cash flow statement			
Bank balances	5 (c)		
- in current accounts		989.32	661.27
- in Fixed Deposits (Less than three months maturity)		-	100.00
Cash on hand	5 (c)	0.05	0.10
		<b>989.37</b>	<b>761.37</b>

Notes:

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

The statement of cash flow should be read in conjunction with the accompanying notes.  
As per our report of even date attached.

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

For and on behalf of the Board of Directors

**Anurag Khandelwal**  
Partner  
Membership Number: 078571

**Shailesh Gupta**  
Director  
DIN: 00192466

**Apurva Purohit**  
Director  
DIN: 00190097

**Chirag Bagadia**  
Company Secretary

**Ashit Kukian**  
Chief Executive Officer

**Prashant Domadia**  
Chief Financial Officer

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021





## Statement of Changes in Equity

(All amounts in ₹ lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL		Notes		Amount	
Particulars					
As at April 1, 2019				5,530.97	
Changes in equity share capital			9(a)	1,382.74	
<b>As at March 31, 2020</b>				<b>6,913.71</b>	
Changes in equity share capital			9(a)	-	
<b>As at March 31, 2021</b>				<b>6,913.71</b>	

B. OTHER EQUITY		Notes		Reserves and surplus					Total other equity		
Particulars				Capital reserve	Capital redemption reserve	Securities premium	Debiture redemption reserve	General reserve	Retained earnings	Other Reserves	
<b>Balance as at April 1, 2019</b>		9(b)		1,482.73	174.51	35,210.58	1,020.83	3,658.50	(943.57)	14,197.34	54,800.92
Profit for the year				-	-	-	-	-	2,820.75	-	2,820.75
Other comprehensive income				-	-	-	-	-	26.18	-	26.18
<b>Total comprehensive income for the year</b>				-	-	-	-	-	<b>2,846.93</b>	-	<b>2,846.93</b>
Transfer to debenture redemption reserve		9(b)(iv)		-	-	-	229.17	-	(229.17)	-	-
Transfer to general reserve				-	-	-	(1,250.00)	1,250.00	-	-	-
Utilisation for issue of bonus shares		9(b)(ii),(iii)		-	(174.51)	(1,208.23)	-	-	-	-	(1,382.74)
<b>Balance as at March 31, 2020</b>				<b>1,482.73</b>	-	<b>34,002.35</b>	-	<b>4,908.50</b>	<b>1,674.19</b>	<b>14,197.34</b>	<b>56,265.11</b>

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

The above statement of changes in equity should be read in conjunction with the accompanying notes. As per our report of even date attached.

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

For and on behalf of the Board of Directors

Anurag Khandelwal  
Partner  
Membership Number: 078571

Shailesh Gupta  
Director  
DIN: 00192466

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Director  
DIN: 00190097

Chirag Bagadia  
Company Secretary

Ashtit Kukian  
Chief Executive Officer

Prashant Domadia  
Chief Financial Officer

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021



## Notes to the Financial Statements

### BACKGROUND

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

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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

#### a) Basis of preparation

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

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

##### (ii) Historical cost convention

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

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

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

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing April 1, 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### b) Business combinations

i) The acquisition method of accounting is used to account for all business combinations, other than those described in (ii) below, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of the transferor companies comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement

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

Acquisition-related costs are expensed as incurred.

The excess of the

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

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

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

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

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's



## Notes to the Financial Statements

previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

- (ii) Business combinations involving entities that are controlled by the Company are accounted for using the pooling of interests method as follows
- The assets and liabilities of the combining entities are reflected at their carrying amounts.
  - No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
  - The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
  - The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
  - The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
  - The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
- c) Segment reporting**  
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker viz. the Board of Directors, who are responsible for making strategic decisions and assessing the financial performance and position of the Company. Refer note 30 for segment information presented.
- d) Foreign currency translation**
- i) Functional and presentation currency**  
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR),

which is the Company's functional and presentation currency.

**ii) Transactions and balances**

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

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

**e) License fees**

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

**f) Property, plant and equipment**

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

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

**Transition to Ind AS**

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

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

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



## Notes to the Financial Statements

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

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

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

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

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

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

### g) Intangible assets

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

#### Transition to Ind AS

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

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

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

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

### h) Impairment of assets

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

### i) Cash and cash equivalents

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

### j) Trade receivables

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

### k) Investments and other financial assets

#### i. Classification

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

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

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

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



## Notes to the Financial Statements

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

### ii. Recognition

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

### iii. Measurement

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

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

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

or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

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

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### iv. Impairment of financial assets

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

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used practical expedient as permitted under Ind AS -109 'Financial Instruments'. This expected credit loss allowance is computed based on provision matrix which takes into account historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

### v. Derecognition of financial assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a



## Notes to the Financial Statements

contractual obligation to pay the cash flows to one or more recipients.

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

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

### vi. Income recognition

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

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

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

### l) Offsetting financial instruments

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

### m) Trade and other payables

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

### n) Borrowings

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

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

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

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



## Notes to the Financial Statements

### o) Income tax

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

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

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

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

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### p) Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are

recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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

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

#### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

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

#### Gratuity obligations

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

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

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

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



## Notes to the Financial Statements

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

### Defined contribution plans

The Company's contributions to employee provident fund, employee state insurance fund and employees' pension scheme, 1995 are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due. The Company deposits these amounts with the fund administered and managed by the provident fund/employee state insurance authorities. The Company has no further payment obligations once the contributions have been paid.

### (iv) Termination benefits

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

### q) Provisions

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

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

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

liability. The increase in the provision due to the passage of time is recognised as interest expense.

### r) Revenue recognition

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

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

### s) Borrowing costs

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

### t) Leases

#### As a lessee:

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

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

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

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

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable, and





## Notes to the Financial Statements

- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

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

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

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

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

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

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

### u) Contributed equity

Equity shares are classified as equity.

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

### v) Dividends

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

### w) Earnings per share

#### (i) Basic earnings per share

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

#### (ii) Diluted earnings per share

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

### x) Rounding of amounts

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

## NOTE 2: CRITICAL ESTIMATES AND JUDGEMENTS

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

The areas involving critical estimates or judgements are:

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



## Notes to the Financial Statements

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

**b) Estimation of uncertainties relating to the global health pandemic (COVID-19)**

The outbreak of Covid-19 pandemic has created economic disruption throughout the world including India. Consequently, the advertisement revenues and profitability for the year ended March 31, 2021 have been adversely impacted. The second wave across India has raised concerns over economic growth and business conditions, while the restrictions are currently more localized and for shorter duration as compared to previous year. Moreover, increasing pace of inoculation and efforts by the government are likely to help mitigate some of the

adverse impact. The Company continues to keep its radio stations running in a manner consistent with the directives from the government and local authorities, and continues to ensure compliance with the necessary protocols

In assessing the recoverability of the receivables, tangible and intangible assets, and other financial and non-financial assets, the Company has considered internal and external information including economic forecasts available. The Company has performed sensitivity analysis on the assumptions used and based on such information and assessment, the Company expects to recover the carrying amount of these assets. The impact of the pandemic may differ from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions.



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

	Freehold land	Buildings	Towers, antenna and transmitters	Furniture and fixtures	Studio equipment	Vehicles	Office equipment	Computers	Total
<b>Year ended March 31, 2020</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	1.86	3,569.11	1,804.65	1,000.61	1,006.16	43.72	765.93	784.57	8,976.61
Additions	-	-	74.07	39.78	175.04	-	158.23	119.24	566.36
Disposals	-	-	-	9.56	-	3.12	1.22	0.42	14.32
<b>Closing gross carrying amount</b>	<b>1.86</b>	<b>3,569.11</b>	<b>1,878.72</b>	<b>1,030.83</b>	<b>1,181.20</b>	<b>40.60</b>	<b>922.94</b>	<b>903.39</b>	<b>9,528.65</b>
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	-	2.66	361.60	284.38	179.00	21.93	242.24	400.14	1,491.95
Depreciation charge during the year	-	74.90	152.73	108.63	76.52	6.42	111.04	165.02	695.26
Disposals	-	-	-	9.56	-	3.12	1.22	0.42	14.32
Closing accumulated depreciation	-	77.56	514.33	383.45	255.52	25.23	352.06	564.74	2,172.89
<b>Net carrying amount</b>	<b>1.86</b>	<b>3,491.55</b>	<b>1,364.39</b>	<b>647.38</b>	<b>925.68</b>	<b>15.37</b>	<b>570.88</b>	<b>338.65</b>	<b>7,355.76</b>
<b>Year ended March 31, 2021</b>									
<b>Gross carrying amount</b>									
Opening gross carrying amount	1.86	3,569.11	1,878.72	1,030.83	1,181.20	40.60	922.94	903.39	9,528.65
Additions	-	-	31.87	-	3.18	-	30.22	3.19	68.46
Disposals	-	-	-	6.49	-	-	14.72	1.24	22.45
<b>Closing gross carrying amount</b>	<b>1.86</b>	<b>3,569.11</b>	<b>1,910.59</b>	<b>1,024.34</b>	<b>1,184.38</b>	<b>40.60</b>	<b>938.44</b>	<b>905.34</b>	<b>9,574.66</b>
<b>Accumulated depreciation</b>									
Opening accumulated depreciation	-	77.56	514.33	383.45	255.52	25.23	352.06	564.74	2,172.89
Depreciation charge during the year	-	74.33	143.72	108.40	82.05	5.19	102.56	123.30	639.55
Disposals	-	-	-	2.00	-	-	14.72	1.24	17.96
Closing accumulated depreciation	-	151.89	658.05	489.85	337.57	30.42	439.90	686.80	2,794.48
<b>Net carrying amount</b>	<b>1.86</b>	<b>3,417.22</b>	<b>1,252.54</b>	<b>534.49</b>	<b>846.81</b>	<b>10.18</b>	<b>498.54</b>	<b>218.54</b>	<b>6,780.18</b>

**Note:**

Contractual obligations - Refer note 26 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

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

Particulars	Category of right-to-use assets Building Leases	
	As at March 31, 2021	As at March 31, 2020
	<b>Opening balance</b>	2,132.40
Reclassification on account of adoption of IND AS	-	2,790.06
Additions during the year	640.28	-
Depreciation during the year	(591.84)	(657.66)
<b>Closing balance</b>	<b>2,180.84</b>	<b>2,132.40</b>

#### Note:

- The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss
- The total cash outflow for leases for the year ended March 31, 2021 ₹ 596.59 (March 31, 2020 was ₹ 719.57).
- Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.
- In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercising a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated)

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

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

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

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

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

Effective April 1, 2020, Ind AS 116 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- The reduction in use lease payments affects only payments originally due on or before June 30, 2021; and
- There are no substantive change to other terms and conditions of the lease.

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

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

The application of the practical expedient has resulted in the reduction of total lease liabilities of ₹ 80.60 lakhs. The effect of this reduction has been recorded in profit or loss in the period in which the event or condition that triggers those payments occurred.



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 4: INTANGIBLE ASSETS

	One time entry / migration fees	Software	Total
<b>Year ended March 31, 2020</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	30,669.34	304.86	30,974.20
Additions	-	39.39	39.39
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>30,669.34</b>	<b>344.25</b>	<b>31,013.59</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	7,260.53	203.25	7,463.78
Amortisation charge for the year	2,049.88	75.61	2,125.49
Disposals	-	-	-
<b>Closing accumulated amortisation</b>	<b>9,310.41</b>	<b>278.86</b>	<b>9,589.27</b>
<b>Net carrying amount</b>	<b>21,358.93</b>	<b>65.39</b>	<b>21,424.32</b>
<b>Year ended March 31, 2021</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	30,669.34	344.25	31,013.59
Additions	-	-	-
Disposals	-	-	-
<b>Closing gross carrying amount</b>	<b>30,669.34</b>	<b>344.25</b>	<b>31,013.59</b>
<b>Accumulated amortisation</b>			
Opening accumulated amortisation	9,310.41	278.86	9,589.27
Amortisation charge for the year	2,049.88	41.80	2,091.68
Disposals	-	-	-
<b>Closing accumulated amortisation</b>	<b>11,360.29</b>	<b>320.66</b>	<b>11,680.95</b>
<b>Net carrying amount</b>	<b>19,309.05</b>	<b>23.59</b>	<b>19,332.64</b>

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

	As at March 31, 2021		As at March 31, 2020	
	Carrying amount of one time entry/ migration fees	Average remaining useful life (In years)	Carrying amount of one time entry/ migration fees	Average remaining useful life (In years)
Stations acquired under a Composite scheme of arrangement	948.40	9	1,053.78	10
Stations acquired under Phase III	5,099.99	10.7	5,571.09	11.7
Existing stations renewed under Phase III	13,260.66	9	14,734.06	10
<b>Total</b>	<b>19,309.05</b>		<b>21,358.93</b>	



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 5: FINANCIAL ASSETS

#### 5 (a) Investments

##### (i) Non-current Investments

	As at March 31, 2021	As at March 31, 2020
<b>Quoted</b>		
Investment in bonds [refer note 5(a)(i)(A)] (at amortised cost)	4,098.93	-
<b>Total (bonds)</b>	<b>4,098.93</b>	-
<b>Total non-current investments</b>	<b>4,098.93</b>	-
Aggregate amount of quoted investments and market value thereof	4,131.69	-
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

##### (ii) Current Investments

	As at March 31, 2021	As at March 31, 2020
<b>Quoted</b>		
Investment in mutual funds [refer note 5(a)(ii)(A)]	8,623.53	20,835.83
<b>Unquoted</b>		
Investment in corporate fixed deposits [refer note 5(a)(ii)(B)]	7,470.00	-
<b>Total (mutual funds and corporate deposits)</b>	<b>16,093.53</b>	<b>20,835.83</b>
<b>Total current investments</b>	<b>16,093.53</b>	<b>20,835.83</b>
Aggregate amount of quoted investments and market value thereof	8,623.53	20,835.83
Aggregate amount of unquoted investments	7,470.00	-
Aggregate amount of impairment in the value of investments	-	-

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

	As at March 31, 2021	As at March 31, 2020
8.70% Bank of Baroda Perpetual Bond (ISIN code INE028A08174)	1,032.35	-
8.50% State Bank of India Perpetual Bond (ISIN code INE062A08223)	1,038.58	-
8.15% Bank of Baroda Perpetual Bond (ISIN code INE028A08240)	1,005.90	-
7.73% State Bank of India Perpetual Bond (ISIN code INE062A08272)	1,022.10	-
<b>Total</b>	<b>4,098.93</b>	-

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

	As at March 31, 2021	As at March 31, 2020
38,86,298.62 (March 31, 2020: Nil) units in Axis Dynamic Bond Fund -Direct Plan- Growth	964.25	-
Nil (March 31, 2020: 12,244,588.38) units in IDFC Ultra Short Duration Fund - Direct Plan - Growth	-	1,396.67
Nil (March 31, 2020: 12,53,983.15) units in UTI FTIF - Series XXVII - VI - Direct Plan - Growth	-	140.70
Nil (March 31, 2020: 66,711.08) units in DSP Ultra Short Fund -Direct Plan -Growth	-	1,815.65
Nil (March 31, 2020: 129,324.45) units in Axis Banking and PSU Debt Fund - Direct Plan - Growth	-	2,510.19
59,27,774.52 (March 31, 2020: 4,551,662.61) units in L&T Triple Ace Bond Fund - Direct Plan- Growth	3,535.27	2,515.55
Nil (March 31, 2020: 125,314.36) units in Edelweiss Overnight Fund - Direct Plan - Growth	-	1,296.82
44,54,687.99 (March 31, 2020: Nil) units in Edelweiss Arbitrage Fund - Direct Plan - Growth	701.49	-
43,71,787.30 (March 31, 2020: Nil) units in Kotak Dynamic Bond - Direct Plan- Growth	1,334.29	-
48,50,476.60 (March 31, 2020: Nil) units in Nippon India Short Term Fund - Direct Plan - Growth	2,088.23	-
Nil (March 31, 2020: 303,912.83) units in Kotak Overnight Fund - Direct Plan - Growth	-	3,239.29
Nil (March 31, 2020: 3,706,461.41) units in Nippon India Overnight Fund - Direct Plan - Growth	-	3,972.84
Nil (March 31, 2020: 3,664,192.75) units in ICICI Overnight - Direct Plan - Growth	-	3,948.12
	<b>8,623.53</b>	<b>20,835.83</b>



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

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

	As at March 31, 2021	As at March 31, 2020
7.5% LIC Housing Finance Limited -1 year fixed deposits	1,990.00	-
7.0% LIC Housing Finance Limited -1 year fixed deposits	3,980.00	-
6.0% LIC Housing Finance Limited -1 year fixed deposits	1,500.00	-
	<b>7,470.00</b>	-

### 5 (b) Trade receivables

	As at March 31, 2021	As at March 31, 2020
Trade receivables	9,868.43	12,413.21
Trade receivables from related parties (refer note 24)	157.47	57.74
Less: Loss allowance	2,298.95	1,846.49
<b>Total trade receivables</b>	<b>7,726.95</b>	<b>10,624.46</b>
Current portion	7,726.95	10,624.46
Non-current portion	-	-

### Break up of security details

	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	10,025.90	12,470.95
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
<b>Total</b>	<b>10,025.90</b>	<b>12,470.95</b>
Loss allowance	(2,298.95)	(1,846.49)
<b>Total trade receivables</b>	<b>7,726.95</b>	<b>10,624.46</b>

### 5 (c) Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- in current accounts	989.32	661.27
- in fixed deposits (maturity less than three months)	-	100.00
Cash on hand	0.05	0.10
<b>Total cash and cash equivalents</b>	<b>989.37</b>	<b>761.37</b>

### 5 (d) Other bank balances

	As at March 31, 2021	As at March 31, 2020
- in fixed deposits held as margin money [refer note below]	565.01	478.68
- in fixed deposits with original maturity for more than 3 month and less than 12 months	1,450.00	-
- interest accrued on fixed deposits	31.33	17.31
<b>Total other bank balances</b>	<b>2,046.34</b>	<b>495.99</b>

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



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### 5 (e) Other financial assets

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Security deposits				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	115.06	1,041.19	185.48	906.77
- Doubtful	280.42	83.97	280.42	83.97
	<b>395.48</b>	<b>1,125.16</b>	<b>465.90</b>	<b>990.74</b>
Less: Loss allowance	280.42	83.97	280.42	83.97
	<b>115.06</b>	<b>1,041.19</b>	<b>185.48</b>	<b>906.77</b>
Others:				
- in fixed deposit with bank held as margin money [refer note below]	-	244.41	-	229.17
- interest accrued on investment in bonds	96.35	-	-	-
<b>Total other financial assets</b>	<b>211.41</b>	<b>1,285.60</b>	<b>185.48</b>	<b>1,135.94</b>

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

### NOTE 6: OTHER NON-CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
Capital advances	7.54	4.86
Prepayments	362.65	398.44
<b>Total other non-current assets</b>	<b>370.19</b>	<b>403.30</b>

### NOTE 7: NON-CURRENT TAX ASSETS/CURRENT TAX LIABILITY (NET)

	As at March 31, 2021	As at March 31, 2020
<b>(a) Non-current tax assets (net)</b>		
Opening balance	448.09	169.84
Less: Current tax payable for the year (net of MAT credit utilised)	-	(616.00)
Add: Taxes paid (net of refund received ₹ 5.78 (March 31, 2020: Nil))	217.64	894.89
Less: Provision for earlier years	-	(0.64)
<b>Total non-current tax assets</b>	<b>665.73</b>	<b>448.09</b>
<b>(b) Current tax liability (net)</b>		
Opening balance	-	205.67
Current tax payable for the year (net of MAT credit utilised)	-	-
Less: Taxes paid during the year	-	(205.67)
<b>Total current tax liability</b>	<b>-</b>	<b>-</b>

### NOTE 8: OTHER CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
Prepayments	808.53	786.29
Balances with statutory/government authorities	168.97	266.24
Advances to others		
- Considered good	50.25	62.22
- Considered doubtful	26.67	26.67
Less: Loss allowance for advance to others	26.67	26.67
Advance with gratuity fund	308.14	45.98
Advance paid under protest (including ₹ 200 (March 31, 2020: ₹ 200) referred in note 25 (a))	490.70	490.70
Less: Loss allowance for advance paid under protest	290.70	290.70
Other receivables [including related party balances refer note 24 (h)]	582.97	614.40
<b>Total other current assets</b>	<b>2,118.86</b>	<b>1,975.13</b>





## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 9: EQUITY SHARE CAPITAL AND OTHER EQUITY

#### 9(a) Equity share capital

##### Authorised equity share capital

Particulars	Number of shares	Amount
As at April 1, 2019	335,000,000	6,700.00
Increase on account of issue of bonus shares [refer note (viii) below]	65,000,000	1,300.00
<b>As at March 31, 2020</b>	<b>400,000,000</b>	<b>8,000.00</b>
Increase during the year	-	-
<b>As at March 31, 2021</b>	<b>400,000,000</b>	<b>8,000.00</b>

##### Authorised preference share capital

Particulars	Number of shares	Amount
As at April 1, 2019	50,000	5.00
Increase on account of issue of bonus shares [refer note (viii) below]	-	-
<b>As at March 31, 2020</b>	<b>50,000</b>	<b>5.00</b>
Increase during the year	-	-
<b>As at March 31, 2021</b>	<b>50,000</b>	<b>5.00</b>

#### (i) Issued, subscribed and paid up equity share capital

Particulars	Number of shares	Equity share capital (par value)
As at April 1, 2019	276,548,500	5,530.97
Increase on account of issue of bonus shares [refer note (viii) below]	69,137,125	1,382.74
<b>As at March 31, 2020</b>	<b>345,685,625</b>	<b>6,913.71</b>
Increase during the year	-	-
<b>As at March 31, 2021</b>	<b>345,685,625</b>	<b>6,913.71</b>

#### Terms and rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 2 per share (March 31, 2020: ₹ 2 per share). Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

#### (ii) Shares of the Company held by holding company

	As at March 31, 2021	As at March 31, 2020
	Number of shares	Number of shares
Jagran Prakashan Limited, the holding company	253,074,137	253,074,137

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

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% holding	Number of shares	% holding
Jagran Prakashan Limited, the holding company (face value ₹ 2 per share (March 31, 2020: ₹ 2 per share))	253,074,137	73.21%	253,074,137	73.21%
Franklin Templeton Mutual Fund (face value ₹ 2 per share (March 31, 2020: ₹ 2 per share))	24,421,468	7.06%	24,421,468	7.06%
<b>Total</b>	<b>277,495,605</b>	<b>80.27%</b>	<b>277,495,605</b>	<b>80.27%</b>

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

- (a) 3,125,000 equity shares of ₹ 10 each fully paid up were allotted as consideration on November 24, 2016 pursuant to the scheme of arrangement with Shri Puran Multimedia Limited. These were converted into 15,625,000 equity shares of ₹ 2 each fully paid-up.



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

- (b) 221,238,800 equity shares of ₹ 2 each fully paid up were allotted in February 2019 on account of sub-division of 55,309,700 equity shares of ₹ 10 each fully paid up.
- (c) 69,137,125 equity shares of ₹ 2 each as fully paid up were issued to shareholders in March 2020 on account of issue of bonus shares.
- (v) **Preference share capital**  
The Company has only one class of preference shares having a par value of ₹ 10 per share.
- (vi) **Sub-division of equity shares**  
The Board of Directors at its meeting held on December 31, 2018 approved the sub-division of equity shares of the Company from the face value of ₹ 10 per share to face value of ₹ 2 per share, subject to the approval of the shareholders of the Company. The shareholders approved such sub-division of shares on February 6, 2019. Accordingly, on February 21, 2019, 221,238,800 equity shares of ₹ 2 each fully paid-up were allotted against 55,309,700 equity shares of ₹ 10 each fully paid-up remaining outstanding after completion of buy back [refer note (vii) below].
- (vii) **Buy Back of equity shares**  
The Board of Directors at its meeting held on July 24, 2018 approved the buyback of fully paid-up equity shares of the Company for an aggregate amount not exceeding ₹ 5,700, for a price not exceeding ₹ 385 per equity share, out of free reserves / securities premium account. The Company completed the buyback of 1,745,079 equity shares at an average price of ₹ 326.61 per equity share in December 2018 and, accordingly, utilised ₹ 5,699.63 (excluding transaction costs) towards the buyback of shares.  
  
Further, the Company has transferred a sum equal to the nominal value of the shares so purchased, i.e., ₹ 174.51, from the general reserve to the capital redemption reserve account.
- (viii) **Issue of bonus shares**  
The Board of Directors at its meeting held on January 27, 2020 recommended issue of one bonus share for every four equity shares held by the equity shareholders. The shareholders approved such issue of bonus shares on March 03, 2020. Accordingly on March 16, 2020 69,137,125 equity shares of ₹ 2 each as fully paid up were allotted to the members.  
  
Further, the Company has transferred a sum equal to the nominal value of the shares so issued, i.e., ₹ 1,382.74, from the securities premium and capital redemption reserve amounting to ₹ 1,208.23 and ₹ 174.51 respectively."
- (ix) **Proposed issue of non-convertible non-cumulative redeemable preference shares**  
The Board of Directors at its meeting held on October 22, 2020 approved a Scheme of Arrangement ("the Scheme") under Section 230 of the Companies Act, 2013, for issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares ("NCRPS") to the non-promoter shareholders of the Company by way of bonus out of its reserves in the ratio of 1:10 i.e. one NCRPS carrying a dividend of 0.1 % having the Face Value of ₹ 10 each issued at a premium of ₹ 90 for every ten equity shares held, to be redeemed on expiry of 36 months at a premium of ₹ 20 per NCRPS, as per the terms and conditions mentioned in the Scheme. The Scheme shall become effective upon obtaining requisite approvals from regulatory authorities and National Company Law Tribunal.

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

	As at March 31, 2021	As at March 31, 2020
Capital reserve	1,482.73	1,482.73
Securities premium	34,002.35	34,002.35
General reserve	4,908.50	4,908.50
Retained earnings	(527.99)	1,674.19
<b>Total reserves and surplus</b>	<b>39,865.59</b>	<b>42,067.77</b>
(i) <b>Capital reserve</b>		
Opening balance	1,482.73	1,482.73
<b>Closing balance</b>	<b>1,482.73</b>	<b>1,482.73</b>
(ii) <b>Capital redemption reserve</b>		
Opening balance	-	174.51
Utilised for issue of bonus shares	-	(174.51)
<b>Closing balance</b>	<b>-</b>	<b>-</b>



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
<b>(iii) Securities premium</b>		
Opening balance	34,002.35	35,210.58
Utilised for issue of bonus shares	-	(1,208.23)
<b>Closing balance</b>	<b>34,002.35</b>	<b>34,002.35</b>
<b>(iv) Debenture redemption reserve</b>		
Opening balance	-	1,020.83
Appropriations during the year	-	229.17
Transfer to general reserve	-	(1,250.00)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(v) General reserve</b>		
Opening balance	4,908.50	3,658.50
Transfer from debenture redemption reserve	-	1,250.00
<b>Closing balance</b>	<b>4,908.50</b>	<b>4,908.50</b>
<b>(vi) Retained earnings</b>		
Opening balance	1,674.19	(943.57)
Net profit for the year	(2,418.92)	2,820.75
Items of other comprehensive income recognised directly in retained earnings		
-Remeasurements of post employment benefit obligation, net of tax	216.74	26.18
Transfer to debenture redemption reserve	-	(229.17)
<b>Closing balance</b>	<b>(527.99)</b>	<b>1,674.19</b>

### Nature and purpose of reserves

#### Capital reserve

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

#### Capital redemption reserves

A sum equal to the nominal value of the shares purchased transferred to the capital redemption reserve in accordance with the provisions of Section 69 of the Act [refer note 9(a)(vii)]. The capital redemption reserve is utilised by the Company in accordance with the provisions of the Act.

#### Securities premium

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

#### Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits. During the year ended March 31, 2020 the Company transferred the balance from debenture redemption reserve to general reserve on account of repayment of non-convertible debentures.

### Note 9 (c): Other reserves

	As at March 31, 2021	As at March 31, 2020
Other reserves	14,197.34	14,197.34
<b>Total other reserves</b>	<b>14,197.34</b>	<b>14,197.34</b>

### Nature and purpose of reserves

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



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 10: FINANCIAL LIABILITIES

#### Note 10 (a): Trade payables

	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Total outstanding dues of micro and small enterprises (refer note 28)	48.74	35.42
Total outstanding dues of creditors other than micro and small enterprises	1,165.66	2,020.42
Trade payables to related parties [refer note 24(h)]	1.23	22.60
<b>Total trade payables</b>	<b>1,215.63</b>	<b>2,078.44</b>

#### Note 10 (b): Lease liabilities

	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Lease liabilities	497.38	1,845.57	383.64	1,828.82
	<b>497.38</b>	<b>1,845.57</b>	<b>383.64</b>	<b>1,828.82</b>

The following is the movement in lease liabilities during the year ended March 31, 2021:

	As at March 31, 2021	As at March 31, 2020
<b>Opening balance</b>	2,212.46	-
Additions during the year	589.53	2,701.95
Finance cost accrued during the year	218.15	230.08
Payment of lease liabilities (including interest)	(596.59)	(719.57)
Lease liability concessions	(80.60)	-
<b>Closing balance</b>	<b>2,342.95</b>	<b>2,212.46</b>

#### Note 10 (c): Other financial liabilities

	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Capital creditors	88.84	39.94
Employee benefits payable	121.15	218.52
<b>Total other current financial liabilities</b>	<b>209.99</b>	<b>258.46</b>

#### Note 10 (d): Net debt reconciliation

	Other assets			Liabilities from financing activities			Total
	Current investments	Cash and cash equivalents	Fixed deposits with banks	Lease obligation	Non-current borrowings	Others	
Net surplus/(debt) as at April 1, 2019	17,030.46	1,481.89	5,000.00	-	(7,410.14)	-	16,102.21
Recognised on adoption of Ind AS 116 [refer note 10]	-	-	-	(2,701.95)	-	-	(2,701.95)
Cash flows	3,805.37	(720.52)	(5,000.00)	489.49	7,378.54	-	5,952.88
Interest expense	-	-	-	(230.08)	(663.43)	-	(893.51)
Interest paid	-	-	-	230.08	695.03	-	925.11
<b>Net surplus/(debt) as at March 31, 2020</b>	<b>20,835.83</b>	<b>761.37</b>	<b>-</b>	<b>(2,212.46)</b>	<b>-</b>	<b>-</b>	<b>19,384.74</b>
Recognised on adoption of Ind AS 116 [refer note 10]	-	-	-	(589.53)	-	-	(589.53)
Cash flows	(4,742.30)	228.00	1,450.00	378.44	-	-	(2,685.86)
Lease liability concessions	-	-	-	80.60	-	-	80.60
Interest expense	-	-	-	(218.15)	-	(32.06)	(250.21)
Interest paid	-	-	-	218.15	-	32.06	250.21
<b>Net surplus/(debt) as at March 31, 2021</b>	<b>16,093.53</b>	<b>989.37</b>	<b>1,450.00</b>	<b>(2,342.95)</b>	<b>-</b>	<b>-</b>	<b>16,189.95</b>



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 11: EMPLOYEE BENEFIT OBLIGATIONS

	As at March 31, 2021			As at March 31, 2020		
	Current	Non-current	Total	Current	Non-current	Total
Leave obligations (i)	33.71	136.73	170.44	44.60	376.02	420.62
Gratuity (ii)	-	-	-	-	-	-
<b>Total employee benefit obligations</b>	<b>33.71</b>	<b>136.73</b>	<b>170.44</b>	<b>44.60</b>	<b>376.02</b>	<b>420.62</b>

#### (i) Leave obligations

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

#### (ii) Post-employment obligations

##### Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972, except that there is no benefit ceiling. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company has taken a group gratuity policy for the purpose. The Company has fully funded the liability and generally maintains a target level of funding over a period of time based on estimations of expected gratuity payments.

#### (iii) Defined contribution plans

##### Provident fund

The Company also has a defined contribution plan. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the year towards defined contribution plan is ₹ 223.54 (March 31, 2020: ₹ 255.24).

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employer's contribution to provident fund	165.08	189.93
Employer's contribution to Employees' Pension Scheme, 1995	58.46	65.31
<b>Total</b>	<b>223.54</b>	<b>255.24</b>

#### Balance sheet amounts - Gratuity

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

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2019</b>	696.19	(625.32)	70.87
Current service cost	93.72	-	93.72
Past service cost and loss/(gain) on curtailments and settlement	-	-	-
Interest expense/(income)	51.17	(39.02)	12.15
<b>Total amount recognised in profit or loss</b>	<b>144.89</b>	<b>(39.02)</b>	<b>105.87</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/ (income)	-	(54.84)	(54.84)
(Gain)/loss from change in demographic assumptions	0.37	-	0.37
(Gain)/loss from change in financial assumptions	63.48	-	63.48
Experience (gains)/losses	(45.95)	-	(45.95)
<b>Total amount recognised in other comprehensive income</b>	<b>17.90</b>	<b>(54.84)</b>	<b>(36.94)</b>
Employer contributions	-	(70.00)	(70.00)
Benefit payments	(115.78)	-	(115.78)
<b>March 31, 2020</b>	<b>743.20</b>	<b>(789.18)</b>	<b>(45.98)</b>



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

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

The net liability disclosed above relating to funded plan is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	544.36	743.20
Fair value of plan assets	(852.50)	(789.18)
<b>(Surplus)/ Deficit of funded plan (gratuity)</b>	<b>(308.14)</b>	<b>(45.98)</b>

### (iv) Significant actuarial assumptions were as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate	6.50%	6.24%
Salary growth rate	5.50%	10.00%
Withdrawal rate	25% at younger ages reducing to 2% at older ages	25% at younger ages reducing to 2% at older ages

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

### (v) Sensitivity analysis

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

Particulars	Change in assumption		Impact on defined benefit obligation					
	As at March 31, 2021	As at March 31, 2020	Increase in assumption			Decrease in assumption		
			As at March 31, 2021	As at March 31, 2020		As at March 31, 2021	As at March 31, 2020	
Discount rate	0.50%	0.50%	Decrease by	3.04%	3.98%	Increase by	3.22%	4.20%
Salary growth rate	0.50%	0.50%	Increase by	3.23%	4.03%	Decrease by	3.07%	3.86%
Withdrawal rate	10%	10%	Increase/(Decrease) by	0.09%	-2.10%	Decrease/(Increase) by	-0.14%	2.36%

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

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



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

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

Particulars	As at March 31, 2021	As at March 31, 2020
Group gratuity policy	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**(vii) Risk exposure**

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

**Asset volatility:**

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

**Changes in bond yields:**

A decrease in bond yields will increase plan liabilities.

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

Funding levels are monitored on an annual basis.

Expected contribution to post-employment benefit plan for the year ending March 31, 2022 is ₹ 69.93 (March 31, 2021 is ₹ 70.09).

The weighted average duration of the defined benefit obligation is 6.97 years (March 31, 2020: 5.66 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at March 31, 2021	68.40	73.64	174.03	770.62	1,086.69
As at March 31, 2020	76.48	73.93	257.98	473.19	881.58

**NOTE 12: DEFERRED TAX ASSETS (NET)**

The balance comprises temporary differences attributable to:

	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax liabilities (DTL)</b>		
Property, plant and equipment and intangible assets	3,589.54	3,371.63
Financial assets at fair value through profit or loss	200.12	-
Employee benefit obligations	46.84	-
<b>Total</b>	<b>3,836.50</b>	<b>3,371.63</b>
<b>Deferred tax assets (DTA)</b>		
Financial assets at fair value through profit or loss	-	8.39
Unused tax credits (MAT credit)	3,559.05	3,549.69
Loss allowance on financial assets	738.32	631.99
Employee benefit obligations	-	105.86
Right-of-use assets	40.80	20.15
Tax losses	1,106.01	-
Others	158.96	54.42
<b>Total</b>	<b>5,603.14</b>	<b>4,370.50</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>1,766.64</b>	<b>998.87</b>



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### Movement in deferred tax assets and liabilities

	Property, plant and equipment and intangible assets	Loss allowance on financial assets	Tax losses	Unused tax credits (MAT credit)	Other items	Total
<b>At April 1, 2019 [DTA/(DTL)]</b>	(4,127.51)	657.36	-	3,810.08	124.07	464.00
(Charged)/credited						
- to profit or loss	755.88	(25.37)	-	(260.39)	75.51	545.63
- to other comprehensive income	-	-	-	-	(10.76)	(10.76)
<b>At March 31, 2020</b>	<b>(3,371.63)</b>	<b>631.99</b>	<b>-</b>	<b>3,549.69</b>	<b>188.82</b>	<b>998.87</b>
(Charged)/credited						
- to profit or loss	(217.91)	106.33	1,106.01	9.36	(146.98)	856.81
- to other comprehensive income	-	-	-	-	(89.04)	(89.04)
- transfer from other reserve to retained earnings						
- directed to equity						
<b>At March 31, 2021</b>	<b>(3,589.54)</b>	<b>738.32</b>	<b>1,106.01</b>	<b>3,559.05</b>	<b>(47.20)</b>	<b>1,766.64</b>

The Finance Act, 2019 reduced the Company's applicable tax rate from 30% to 25% plus applicable surcharge and cess ("Reduced Rate"). Additionally, the newly inserted Section 115BAA by the Taxation Laws (Amendment) Act, 2019 effective from April 1, 2019, provided an option to pay taxes at 22% plus applicable surcharge and cess ("New Rate"), subject to complying with certain conditions.

Based on the assessment of future taxable profits, the Company has decided to continue with the Reduced Rate until the Minimum Alternate Tax (MAT) credit asset balance is utilised and opt for the New Rate thereafter.

Accordingly, basis the management's assessment of future taxable profits, the Company has remeasured its deferred tax balance as on March 31, 2021, which resulted in increase in deferred tax liability by ₹ 123.08 for the year ended March 31, 2021 (March 31, 2020: decrease in deferred tax liability by ₹ 750.57).

### NOTE 13: OTHER CURRENT LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Advance from customers	8.74	19.61
Statutory dues payable	242.92	240.12
Refund liabilities [refer note below]	34.04	35.82
Other liabilities [including related party balances refer note 24 (h)]	465.86	332.59
<b>Total other current liabilities</b>	<b>751.56</b>	<b>628.14</b>

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

### NOTE 14: REVENUE FROM OPERATIONS

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Revenue from contract with customers</b>		
<b>Sale of services</b>		
Advertisement income	12,759.48	24,782.14
<b>Total revenue from operations</b>	<b>12,759.48</b>	<b>24,782.14</b>

\*Including revenue from exchange of services of ₹ 1,432.35 (March 31, 2020: ₹ 3,157.11)

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





## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Performance obligation satisfied at a point in time</b>		
Advertisement income	12,759.48	24,782.14
<b>Total revenue from operations</b>	<b>12,759.48</b>	<b>24,782.14</b>

- (ii) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price on account of adjustments made to the contract price is as follows:

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Advertisement income</b>		
Revenue as per contract price	12,939.38	25,672.50
Less: Rebates and discounts	(179.90)	(890.36)
<b>Total revenue from operations</b>	<b>12,759.48</b>	<b>24,782.14</b>

### NOTE 15 (A): OTHER INCOME

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Interest on fixed deposits and bonds	5 (d)	667.43	427.72
Interest on income tax refund		22.49	-
Unwinding of discount on security deposits	5 (e)	47.46	49.61
<b>Total other income</b>		<b>737.38</b>	<b>477.33</b>

### NOTE 15 (B): OTHER GAINS/(LOSSES)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Net fair value gains on financial assets mandatorily measured at fair value through profit or loss	5 (a)	358.24	72.61
Net gain on sale of investments		392.90	1,055.31
Net gain on disposal of property, plant and equipment	3 (a)	1.49	19.86
Miscellaneous income		2.33	5.43
<b>Total other gains/(losses)</b>		<b>754.96</b>	<b>1,153.21</b>

### NOTE 16: EMPLOYEE BENEFIT EXPENSE

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus		4,626.45	5,085.80
Contribution to provident and other funds		223.54	255.24
Gratuity	11	88.45	105.87
Leave compensation		(228.09)	40.59
Staff welfare expenses		30.22	51.24
<b>Total employee benefits expense</b>		<b>4,740.57</b>	<b>5,538.74</b>

### NOTE 17: DEPRECIATION AND AMORTISATION EXPENSE

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	3 (a)	639.55	695.26
Depreciation on right of use assets	3 (b)	591.84	657.66
Amortisation of intangible assets	4	2,091.68	2,125.49
<b>Total depreciation and amortisation expense</b>		<b>3,323.07</b>	<b>3,478.41</b>



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 18: OTHER EXPENSES

	Year ended March 31, 2021	Year ended March 31, 2020
Repairs and maintenance:		
Buildings	31.88	27.44
Plant and machinery	176.06	168.66
Office maintenance charges	462.79	518.16
Power and fuel expenses	783.21	945.17
Rates and taxes	35.90	56.56
Travelling and conveyance	71.55	157.60
Telephone and communication charges	113.98	123.84
Marketing and advertisement expenses	1,545.18	4,154.35
Insurance	32.94	32.48
Corporate social responsibility expenditure [refer note (b) below]	136.00	-
Loss allowance for doubtful debts and advances	452.46	277.36
Loss allowance for doubtful deposits	-	280.42
Payments to auditors [refer note (a) below]	46.31	63.13
Royalty	243.80	687.63
Programming costs	1,055.03	1,413.43
Rent [refer note 3(b)]	(45.80)	-
Common transmission infrastructure usage charges	956.53	941.97
Annual software license maintenance fee	363.17	378.05
Legal and professional fees	228.17	434.10
Professional fees to director	-	21.85
Commission on sales	172.23	224.78
Procurement of air time	144.75	341.23
Miscellaneous expenses	274.64	312.91
<b>Total other expenses</b>	<b>7,280.78</b>	<b>11,561.12</b>

#### Note

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

###### Payments to auditors

	Year ended March 31, 2021	Year ended March 31, 2020
<b>As auditor:</b>		
Audit fees	43.00	44.00
<b>In other capacities</b>		
Certification fees (including other services)	3.00	10.50
Reimbursement of expenses	0.31	8.63
<b>Total payments to auditors</b>	<b>46.31</b>	<b>63.13</b>

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

##### (b) Corporate social responsibility expenditure

	Year ended March 31, 2021	Year ended March 31, 2020
Promotion of Education and Livelihood Skills to Visually Impaired and Orphan Students with better infrastructure facilities along with support to Cancer Patients and neglected senior citizens	136.00	-
<b>Total</b>	<b>136.00</b>	<b>-</b>
Amount required to be spent as per Section 135 of the Act	136.00	-
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	136.00	-



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 19: FINANCE COSTS

	Year ended March 31, 2021	Year ended March 31, 2020
Interest and finance charges on financial liabilities not at fair value through profit or loss	32.06	663.43
Interest expense on lease liabilities	218.15	230.08
Other borrowing costs	71.95	81.16
<b>Total finance costs</b>	<b>322.16</b>	<b>974.67</b>

### NOTE 20: INCOME TAX EXPENSE

#### (a) Income tax expense

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Current tax</b>		
Current year tax on profits	-	616.00
Adjustments for current tax of prior periods	-	0.64
<b>Total current tax expense</b>	<b>-</b>	<b>616.64</b>
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	(1,212.34)	307.35
(Decrease)/increase in deferred tax liabilities	364.89	(961.16)
Adjustments for deferred tax of prior periods	(9.36)	108.17
<b>Total deferred tax expense/(benefit)</b>	<b>(856.81)</b>	<b>(545.64)</b>
<b>Income tax expense</b>	<b>(856.81)</b>	<b>71.00</b>

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

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before income tax expense	(3,275.73)	2,891.75
Tax rate	29.12%	29.12%
<b>Tax at the Indian tax rate of 29.12% (March 31, 2020 – 29.12%)</b>	<b>(953.89)</b>	<b>842.08</b>
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	39.60	-
Corporate social responsibility expenditure	-	-
Re-measurement of net deferred tax asset/(liability) on account of changes in tax rate [refer note 12]	123.08	(751.00)
Other items	(20.20)	25.32
Expenses allowed under tax but not debited to statement of profit and loss	(45.40)	(45.40)
<b>Income tax expense</b>	<b>(856.81)</b>	<b>71.00</b>

### NOTE 21: FAIR VALUE MEASUREMENTS

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

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



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### Financial instruments by category

	As at March 31, 2021			As at March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Mutual funds, bonds & corporate deposits	8,623.53	-	11,568.93	20,835.83	-	-
Trade receivables	-	-	7,726.95	-	-	10,624.46
Cash and cash equivalents	-	-	989.37	-	-	761.37
Security and other deposits	-	-	1,497.01	-	-	1,321.42
Other bank balances	-	-	2,046.34	-	-	495.99
<b>Total financial assets</b>	<b>8,623.53</b>	<b>-</b>	<b>23,828.60</b>	<b>20,835.83</b>	<b>-</b>	<b>13,203.24</b>
<b>Financial liabilities</b>						
Trade payables	-	-	1,215.63	-	-	2,078.44
Capital creditors	-	-	88.84	-	-	39.94
Employee benefits payable	-	-	121.15	-	-	218.52
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,425.62</b>	<b>-</b>	<b>-</b>	<b>2,336.90</b>

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

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

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

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

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

Particulars	Notes	As at March 31, 2021				As at March 31, 2020			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
<b>Financial Investments at FVPL:</b>									
Mutual funds	5 (a)	8,623.53	-	-	8,623.53	20,835.83	-	-	20,835.83
<b>Total financial assets</b>		<b>8,623.53</b>	<b>-</b>	<b>-</b>	<b>8,623.53</b>	<b>20,835.83</b>	<b>-</b>	<b>-</b>	<b>20,835.83</b>

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

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

- (ii) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.

- (iii) **Valuation process**

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



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 22: FINANCIAL RISK MANAGEMENT

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

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

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

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

#### (A) Credit risk

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

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

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

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

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

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

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

All of the entity's debt investments at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses, which is Nil (March 31, 2020: Nil). Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### (i) Reconciliation of loss allowance - Deposits

	Amount
Loss allowance on April 1, 2019	364.39
Changes in loss allowances	-
Loss allowance on March 31, 2020	364.39
Changes in loss allowances	-
Loss allowance on March 31, 2021	<b>364.39</b>

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

	Amount
Loss allowance on April 1, 2019	1,569.13
Changes in loss allowances	277.36
Loss allowance on March 31, 2020	<b>1,846.49</b>
Changes in loss allowances	452.46
Loss allowance on March 31, 2021	<b>2,298.95</b>

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

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

#### Significant estimates and judgements

##### Impairment of financial assets

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

### (B) Liquidity risk

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

#### (i) Financing arrangements

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

	As at March 31, 2021	As at March 31, 2020
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
- Fund based	10,100.00	9,000.00
- Non fund based	234.00	-
Expiring beyond one year	-	-
	<b>10,334.00</b>	<b>9,000.00</b>

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

#### (ii) Maturities of financial liabilities

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

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



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

Contractual maturities of financial liabilities	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>March 31, 2021</b>					
<b>Non-derivatives</b>					
Trade payables	1,215.63	-	-	-	1,215.63
Other financial liabilities	209.99	-	-	-	209.99
Lease liabilities	689.25	712.77	1,311.70	138.01	2,851.73
<b>Total non-derivative liabilities</b>	<b>2,114.87</b>	<b>712.77</b>	<b>1,311.70</b>	<b>138.01</b>	<b>4,277.35</b>
<b>March 31, 2020</b>					
<b>Non-derivatives</b>					
Trade payables	2,078.44	-	-	-	2,078.44
Other financial liabilities	258.46	-	-	-	258.46
Lease liabilities	571.55	535.43	1,436.53	253.17	2,796.68
<b>Total non-derivative liabilities</b>	<b>2,908.45</b>	<b>535.43</b>	<b>1,436.53</b>	<b>253.17</b>	<b>5,133.58</b>

### (C) Market risk

#### (i) Foreign exchange risk

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

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

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

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets:		
Trade receivables	3.87	5.95
<b>Net exposure to foreign currency risk</b>	<b>3.87</b>	<b>5.95</b>

#### (b) Sensitivity

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

Particulars	Impact on profit after tax	
	March 31, 2021	March 31, 2020
INR/USD Increase by 2% (March 31, 2020 - 2%)*	0.08	0.12
INR/USD Decrease by 2% (March 31, 2020 - 2%)*	(0.08)	(0.12)

\*Holding all other variables constant

### NOTE 23: CAPITAL MANAGEMENT

#### Risk management

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

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



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Net debt including lease liabilities	1,353.58	1,451.09
Total equity	60,976.64	63,178.82
Net debt to equity ratio	0.02	0.02

### NOTE 24: RELATED PARTY TRANSACTIONS

#### (a) Parent entities

The Company is controlled by the following Company:

Name	Type	Place of incorporation	Ownership interest	
			March 31, 2021	March 31, 2020
Jagran Media Network Investment Private Limited	Ultimate Parent Company	India	0.00%	0.00%
Jagran Prakashan Limited	Immediate Parent Company	India	73.21%	73.21%

#### (b) Fellow subsidiary

Name	Type	Place of incorporation
Midday Infomedia Limited	Fellow subsidiary	India

#### (c) Entity over which holding company exercises significant influence

Name	Place of incorporation
MMI Online Limited	India

#### (d) Entities in which KMP/relatives of KMP can exercise significant influence

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

#### (e) Other related parties

Type	Name	Relationship
Key management personnel (KMP)	Rahul Gupta	Non executive director
	Shailesh Gupta	Non executive director
	Anuj Puri	Non executive director
	Apurva Purohit	Non executive director
	Vijay Tandon	Chairman, Non executive director
	Madhukar Kamath	Non executive director
	Anita Nayyar	Non executive director (w.e.f January 27, 2020)
	Ashit Kukian	Chief Executive Officer
	Prashant Domadia	Chief Financial Officer
	Chirag Bagadia	Company Secretary

#### (f) Key management personnel compensation

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

	Year ended	Year ended
	March 31, 2021	March 31, 2020
Short term employee benefits	164.09	196.51
Post employment benefits*	(3.89)	9.22
Long term employee benefits*	(11.48)	6.46
<b>Total compensation</b>	<b>148.72</b>	<b>212.19</b>

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





## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### (ii) Transaction with non executive directors

	Year ended March 31, 2021	Year ended March 31, 2020
Sitting fees	9.20	8.90
Professional fees to director	-	21.85
<b>Total</b>	<b>9.20</b>	<b>30.75</b>

The remuneration of directors and other key management personnel is determined by the Nomination and Remuneration Committee of the Board having regard to the performance of the respective individual and the market trends.

### (g) Transactions with related parties

The following transactions occurred with related parties

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Sale and purchase of services:</b>		
<b>Purchase of advertisement space / material:</b>		
- Jagran Prakashan Limited	27.40	304.98
- Midday Infomedia Limited	52.97	166.97
<b>Advertisement income (net)</b>		
- Jagran Prakashan Limited	108.59	243.41
- Midday Infomedia Limited	17.35	183.62
<b>Other Income</b>		
- Jagran Prakashan Limited	2.13	-
<b>Revenue from website designing, development &amp; maintenance services</b>		
- Midday Infomedia Limited	-	75.00
<b>Purchase of fixed assets</b>		
- Jagran Prakashan Limited	0.39	-
<b>Other transaction:</b>		
<b>Rent charged by related parties for use of common facilities / utilities:</b>		
- Jagran Prakashan Limited	31.50	31.65
- VRSM Enterprises LLP	43.64	38.10
<b>Staff welfare expenses</b>		
- Jagran Prakashan Limited	-	5.45
<b>Expenses reimbursement paid</b>		
- Jagran Prakashan Limited	35.69	26.30
- Midday Infomedia Limited	5.91	-
<b>Expenses reimbursement received</b>		
- Jagran Prakashan Limited	3.59	7.71
- Midday Infomedia Limited	58.75	9.58
- MMI Online Limited	-	5.82
<b>Security deposit given</b>		
- Jagran Prakashan Limited	50.00	-
- VRSM Enterprises LLP	-	35.00



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

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

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

	As at March 31, 2021	As at March 31, 2020
<b>Trade payables:</b>		
- Jagran Prakashan Limited	-	22.60
- Midday Infomedia Limited	1.23	-
<b>Total payables to related parties [note 10(b)]</b>	<b>1.23</b>	<b>22.60</b>
<b>Other liabilities:</b>		
- Jagran Prakashan Limited	-	49.82
- Midday Infomedia Limited	2.34	2.12
<b>Other liabilities to related parties [note 13]</b>	<b>2.34</b>	<b>51.94</b>
<b>Trade receivables:</b>		
- Jagran Prakashan Limited	63.88	43.75
- Midday Infomedia Limited	93.59	13.99
<b>Total receivables from related parties [note 5(b)]</b>	<b>157.47</b>	<b>57.74</b>
<b>Other receivables:</b>		
- Jagran Prakashan Limited	2.10	-
- Midday Infomedia Limited	34.59	81.00
<b>Other receivables from related parties [note 8]</b>	<b>36.69</b>	<b>81.00</b>
<b>Security deposit given</b>		
- VRSM Enterprises LLP	35.00	35.00
- Jagran Prakashan Limited	50.00	-
<b>Security deposits to related parties [note 5 (e)]</b>	<b>85.00</b>	<b>35.00</b>

### (j) Terms and conditions

The sales, purchases and other transactions with related parties were made on normal commercial terms and conditions and at market rates. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash, except barter balances, which are settled on receipt/ provision of service by the company. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2020: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### NOTE 25: CONTINGENT LIABILITIES

- Claim against the Company not acknowledged as debt: The Company has received certain claims towards royalty for use of sound recordings over its radio stations amounting to ₹ 429.17 (March 31, 2020: ₹ 429.17). Out of the above, the Company has paid ₹ 200 (March 31, 2020: ₹ 200) under protest (refer note 8) and issued bank guarantee for remaining amount. Based on the external legal counsel advice, the Company believes that more likely than not, no outflow of resources will be required.
- Claim against the Company not acknowledged as debt: In respect of defamation cases, it is either not quantifiable or cannot be reliably estimated. Hence the same has not been disclosed.
- The amount of provident fund payable, if any, in relation to certain allowances cannot be estimated reliably, though not likely to be significant. Hence, this amount has not been disclosed.



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 26: CAPITAL AND OTHER COMMITMENTS

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

	As at March 31, 2021	As at March 31, 2020
Property, plant and equipment	16.18	23.51
<b>Total</b>	<b>16.18</b>	<b>23.51</b>

### NOTE 27: EARNINGS PER SHARE

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>a) Basic earnings ₹ per share</b>		
Basic earnings ₹ per share attributable to the equity holders of the Company [refer note below]	(0.70)	0.82
<b>b) Diluted earnings ₹ per share</b>		
Diluted earnings ₹ per share attributable to the equity holders of the Company [refer note below]	(0.70)	0.82
<b>c) Reconciliations of earnings used in calculating earnings ₹ per share</b>		
Basic earnings ₹ per share		
Profit attributable to the equity holders of the Company used in calculating basic earnings ₹ per share	(2,418.92)	2,820.75
Diluted earnings ₹ per share:		
Profit attributable to the equity holders of the Company used in calculating diluted earnings ₹ per share	(2,418.92)	2,820.75
<b>d) Weighted average number of equity shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings ₹ per share [refer note below]	345,685,625	345,685,625

#### Note:

The per share calculations for all periods presented reflect changes in the number of shares retrospectively on account of issue of bonus shares [refer note 9(a)(viii)].

### NOTE 28: DUES TO MICRO AND SMALL ENTERPRISES

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

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1.	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	48.74	35.42
2.	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
3.	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
4.	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
5.	Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6.	Amount of interest due and payable for the period of delay in making (which have been paid but beyond the appointment day during the year) but without adding the interest specified under MSMED Act.	-	-
7.	Interest accrued and remaining unpaid at the end of each accounting year.	-	-
8.	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-



## Notes to the Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

### NOTE 29: UTILISATION OF INITIAL PUBLIC OFFERING ('IPO') PROCEEDS

	Year ended March 31, 2021	Year ended March 31, 2020
Issue proceeds	-	40,000.00
Less: Transaction costs arising on share issue	-	1,773.41
Net proceeds from IPO	-	38,226.59
Less: Amount utilised as per the objects of the issue as per prospectus	-	38,226.59
<b>Total</b>	<b>-</b>	<b>-</b>

### NOTE 30: SEGMENT INFORMATION

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

Revenues of approximately Nil (March 31, 2020: ₹ 1,556.56) are derived from a single external customer.

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

For and on behalf of the Board of Directors

**Anurag Khandelwal**  
Partner  
Membership Number: 078571

**Shailesh Gupta**  
Director  
DIN: 00192466

**Apurva Purohit**  
Director  
DIN: 00190097

**Chirag Bagadia**  
Company Secretary

**Ashit Kukian**  
Chief Executive Officer

**Prashant Domadia**  
Chief Financial Officer

Place: Gurugram  
Dated: May 20, 2021

Place: Mumbai  
Dated: May 20, 2021

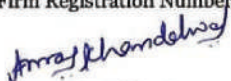
## Price Waterhouse Chartered Accountants LLP

### Review Report

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

1. We have reviewed the unaudited financial results of Music Broadcast Limited (the "Company") for the quarter ended December 31, 2021 and the year to date results for the period April 01, 2021 to December 31, 2021 which are included in the accompanying 'Unaudited financial results for the quarter and nine months ended December 31, 2021' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

  
Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 22078571AAAAAE1563  
Place: Gurugram  
Date: January 24, 2022

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

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

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



**MUSIC BROADCAST LIMITED**

(CIN L64200MH1999PLC137729)

Regd. Office: 5th Floor, RNA Corporate Park, Off. Western Express Highway, Kalanagar, Bandra(East), Mumbai - 400051. Tel No.+91 22 66969100 Website : www.radiocity.in



**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021**

Sr. No.	Particulars	Quarter ended		Quarter ended		Quarter ended		Year ended	
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021		
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>								
(a)	Revenue from operations	5,988.87	4,204.32	4,066.70	12,240.83	8,511.34	12,759.48		
(b)	Other Income	388.07	478.88	501.74	1,254.92	1,266.11	1,492.34		
	<b>Total Income</b>	<b>6,376.94</b>	<b>4,683.20</b>	<b>4,568.44</b>	<b>13,495.75</b>	<b>9,777.45</b>	<b>14,251.82</b>		
<b>2</b>	<b>Expenses</b>								
(a)	License fees	496.91	474.99	472.75	1,429.12	1,383.36	1,860.97		
(b)	Employee benefit expense	1,345.48	1,250.40	1,216.14	3,881.47	3,519.62	4,740.57		
(c)	Finance costs	65.70	65.77	82.61	199.30	249.18	322.16		
(d)	Depreciation and amortisation expense	820.18	820.00	824.03	2,459.04	2,502.37	3,323.07		
(e)	Other expenses	2,368.58	2,022.39	1,962.16	6,016.43	5,020.86	7,280.78		
	<b>Total Expenses</b>	<b>5,096.85</b>	<b>4,633.55</b>	<b>4,557.69</b>	<b>13,985.36</b>	<b>12,675.39</b>	<b>17,527.55</b>		
<b>3</b>	<b>Profit before Exceptional items (1 - 2)</b>	<b>1,280.09</b>	<b>49.65</b>	<b>10.75</b>	<b>(483.61)</b>	<b>(2,897.94)</b>	<b>(3,275.73)</b>		
<b>4</b>	<b>Exceptional items</b>	<b>1,280.09</b>	<b>49.65</b>	<b>10.75</b>	<b>(483.61)</b>	<b>(2,897.94)</b>	<b>(3,275.73)</b>		
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>-</b>	<b>-</b>	<b>10.75</b>	<b>(483.61)</b>	<b>(2,897.94)</b>	<b>(3,275.73)</b>		
<b>6</b>	<b>Tax Expense</b>								
(a)	Current tax	-	-	15.78	-	15.78	-		
(b)	Deferred tax	379.58	20.41	(12.35)	(125.11)	(862.00)	(856.81)		
	<b>Total tax expense</b>	<b>379.58</b>	<b>20.41</b>	<b>3.43</b>	<b>(125.11)</b>	<b>(862.22)</b>	<b>(856.81)</b>		
<b>7</b>	<b>Net Profit for the period (5-6)</b>	<b>900.51</b>	<b>29.24</b>	<b>7.32</b>	<b>(364.50)</b>	<b>(2,031.72)</b>	<b>(2,418.92)</b>		
<b>8</b>	<b>Other comprehensive income, net of income tax</b>								
A	Items that will not be reclassified to profit or loss	-	0.64	16.42	(13.79)	206.13	216.74		
B	Items that will be reclassified to profit or loss	-	-	-	-	-	-		
	<b>Total other comprehensive income, net of income tax</b>	<b>-</b>	<b>0.64</b>	<b>16.42</b>	<b>(13.79)</b>	<b>206.13</b>	<b>216.74</b>		
<b>9</b>	<b>Total comprehensive income for the period (7-8)</b>	<b>900.51</b>	<b>29.88</b>	<b>23.74</b>	<b>(378.29)</b>	<b>(1,825.59)</b>	<b>(2,202.18)</b>		
<b>10</b>	<b>Paid-up equity share capital (Face Value of Rs. 2 each)</b>	<b>6,913.71</b>	<b>6,913.71</b>	<b>6,913.71</b>	<b>6,913.71</b>	<b>6,913.71</b>	<b>6,913.71</b>		
<b>11</b>	<b>Other equity (including reserves)</b>								
<b>12</b>	<b>Earning Per Share (EPS) (Face Value of Rs. 2 each) (not annualised)</b>	<b>0.260</b>	<b>0.008</b>	<b>0.002</b>	<b>(0.105)</b>	<b>(0.588)</b>	<b>(0.700)</b>		
	<b>-Basic &amp; Diluted</b>								



(Rs. in lakhs, except per share data)



<b>Notes:</b>	
1	The above financial results for the quarter and nine months ended December 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors on January 24, 2022.
2	The Company is engaged primarily in the business of operating private FM radio stations, which constitutes single reportable segment. Accordingly, the Company is single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".
3	Section 115BAA of the Income Tax Act provides an option to pay taxes at 22% plus applicable surcharge and cess ("New Rate"), subject to complying with certain conditions. Based on the assessment of future taxable profits, the Company has decided to continue with the existing rate until the Minimum Alternate Tax (MAT) credit asset balance is utilised and opt for the New Rate thereafter. The management re-measures its deferred tax balance at each reporting period end.
4	The Board of Directors at its meeting held on October 22, 2020 approved a Scheme of Arrangement ("the Scheme") under Section 230 of the Companies Act, 2013, for issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares ("NCRPS") to the non-promoter shareholders of the Company by way of bonus out of its reserves in the ratio of 1:10 i.e. one NCRPS carrying a dividend of 0.1% having the Face Value of ₹ 10 each issued at a premium of ₹ 90 for every ten equity shares held, to be redeemed on expiry of 36 months at a premium of ₹ 20 per NCRPS, as per the terms and conditions mentioned in the Scheme. The Scheme shall become effective upon obtaining requisite approvals from regulatory authorities and National Company Law Tribunal.
5	Management has considered various internal and external information available up to the date of approval of the financial results in assessing the impact of COVID-19 on the results for the quarter and nine months ended December 31, 2021 and no material impact is expected, but the Company will continue to monitor changes in future economic conditions, as they arise.
 <b>For and on behalf of the Board of Directors of Music Broadcast Limited</b>	
 Shallesh Gupta Director DIN: 00192466	
Place: Mumbai Dated: January 24, 2022	





3rd Floor, C - 11, Community Centre  
Janak Puri, New Delhi - 110 058

Ph.: +91 11 49149740  
E-mail: info@sundaecapital.com  
www.sundaecapital.com

October 20, 2020

To,  
**The Board of Directors**  
**Music Broadcast Limited**  
**5th Floor, RNA Corporate Park**  
**Off. Western Express Highway, Kala Nagar**  
**Bandra (East), Mumbai - 400 051**

**Sub.: Fairness Opinion on proposed Scheme of Arrangement between Music Broadcast Limited (the "Company") and its shareholders and creditors for issuance of Non-convertible non-cumulative redeemable preference shares ("NCRPS") to the non-promoter shareholders of Music Broadcast Limited by way of bonus.**

Dear Sir / Madam,

We, Sundae Capital Advisors Private Limited (referred to as "Sundae" or "We"), refer to the engagement letter dated October 15, 2020, with Music Broadcast Limited (referred to as "MBL" or the "Company"), wherein we have been requested to provide a fairness opinion on the proposed Scheme of Arrangement of the Company in terms of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

#### SCOPE AND PURPOSE OF THIS REPORT

The equity shares of Music Broadcast Limited are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited (BSE"). MBL is proposing to present a Scheme of Arrangement ("Scheme") under Section 230 of the Companies Act, 2013, other relevant provisions thereof and the rules made thereunder before its Board of Directors in their meeting for issuance of Non-convertible non-cumulative redeemable preference shares ("NCRPS") to the non-promoter shareholders of MBL by way of bonus.

This Fairness Report is being issued in accordance with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, on the proposed Scheme of Arrangement. This certificate has been issued for the sole purpose to facilitate the Companies to comply with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and it shall not be valid for any other purpose.

#### COMPANY BACKGROUND

Music Broadcast Limited (CIN: L64200MH1999PLC137729) is a public limited company incorporated under the Companies Act, 1956 having its registered office at 5th Floor, RNA Corporate Park, Off



Western Express Highway, Kalanagar, Bandra (East), Mumbai - 400051, Maharashtra. The Equity shares of MBL are listed on BSE Limited & National Stock Exchange of India Limited. MBL is a widely held public listed company in which public shareholders hold 25.95% of the issued, subscribed, and paid-up equity share capital of the Company. MBL is a subsidiary of Jagran Prakashan Limited ("Promoter" / "Holding Company" / "JPL") holding 253,074,137 equity shares of ₹ 2/- (Rupees Two) each representing 73.21% of the paid-up capital of the MBL.

MBL is inter alia engaged in operating FM radio stations across India under the brand of "Radio City" "It is India's first and leading FM Radio Station which started its operations in India in the year 2001. MBL currently has 39 stations. MBL, over the years, has consistently come up with tools and initiatives to raise social awareness over a spectrum of issues including but not limited to Women Empowerment, Voter Awareness, Road Safety, etc. and also acts as a medium to spread the awareness about government campaigns such as COVID -19 awareness program of public interest.

The Authorized, Issued, Subscribed, and Paid-up share capital of MBL as of March 31, 2020, is as under:

Particulars	Amount in ₹
<b>Authorized:</b>	
40,00,00,000 Equity Shares of ₹ 2/- each	80,00,00,000
50,000 Preference Shares of ₹ 10/- each	5,00,000
<b>Total</b>	<b>80,05,00,000</b>
<b>Issued, Subscribed and Fully Paid up:</b>	
34,56,85,625 Equity shares of ₹ 2 /- each	69,13,71,250
<b>Total</b>	<b>69,13,71,250</b>

#### THE RATIONALE FOR THE SCHEME

The Scheme is presented under the provisions of Section 230 and other applicable provisions of the Companies Act, 2013, and in accordance with the regulations of the Foreign Exchange Management (Debt Instruments) Regulations, 2019 issued vide RBI Notification No. FEMA 396/2019-RB dated October 17, 2019. The Scheme provides for the following:

- MBL is a subsidiary company of Jagran Prakashan Limited ("Promoter / Holding Company/ JPL") which holds 73.21% of the equity shares of MBL. JPL is one of the leading media groups in India with interests spanning across print, radio, digital, out of home, and brand activations. JPL is a public limited company and its equity shares are listed on BSE and NSE. JPL has a corporate governance framework that ensures transparency in all its dealings and in the functioning of its Management and the Board. JPL enjoys the reputation of being extremely investor-friendly and has been consistent in rewarding its shareholders meaningfully. It has been its philosophy to enrich the shareholders to the extent possible in all the circumstances. It was this reputation that helped MBL close successfully its initial public offering in 2017 at a premium which was over 32 times of the then face value of ₹ 10 each.

- The radio industry is undergoing a transformation right now and the turn of event in the industry has also impacted MBL. In the recent past, its performance has not been commensurate to the potential of the company and is reflected in its market performance as well.
- MBL intends to ensure that it continues to get the support of its esteemed public shareholders who have supported the company so far.
- In view of the above, the Board of Directors of MBL has formulated this Scheme of Arrangement for issuance of non-convertible non-cumulative redeemable preference shares (“NCRPS”) to its non-promoter shareholders on a preferential basis by way of bonus. The face value of such NCRPS will be Rs. 10 (Rupees Ten) issued at a premium of Rs. 90 (Rupees Ninety) per NCRPS to be redeemed on expiry of 36 months at a premium of Rs. 20 (Rupees Twenty) pursuant to the provisions of Section 230 and other relevant provisions of the Companies Act, 2013.
- The Company has a strong net worth with no debt. MBL is also confident in running the business profitably and generating sufficient cash to meet its future requirements. However, it is considered prudent to conserve the cash to meet any unforeseen requirement that may arise during and aftermath of the COVID 19 pandemic which has created an unprecedented challenging business environment.
- The above-mentioned Scheme is beneficial to MBL, its promoter (JPL being the holding company of MBL), and non-promoter shareholders as it strengthens the image of MBL as well as JPL in the market as it commits itself for higher distributions going forward. This will also augur well for future fundraising requirement, if any, of JPL and MBL

Further, in terms of Clause 6.3(2) of the Scheme, the Article No. 63.1 of the Articles of Association of the Company is proposed to be altered as under, subject to the approval of the shareholders to the Scheme:

*“63.1 The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —*

*(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and*

*(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend, either in the same proportion or in any other proportion or only to the non-promoter shareholders”*

#### SOURCE OF INFORMATION AND REPRESENTATIONS

For the purpose of forming our opinion on the Scheme of Arrangement, we have relied on the discussions with the Management of MBL and the following information and documents made available to us:

- Management Certified draft Scheme of Arrangement for the proposed transaction;
- Other information as available in the public domain.

We have obtained explanations and information considered reasonably necessary for our exercise, from the executives and representatives of the Company. Our analysis considers those facts and circumstances present at the Company at the date of this Fairness Opinion. Our opinion would most likely to be different if another date was used.

#### EXCLUSIONS AND LIMITATIONS

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Company for the purpose of this opinion. With respect to the estimated financials, if any, provided to us by the management, we have assumed that such financials were prepared in good faith and reflect the best currently available estimates and judgments by the management of Company. We express no opinion and accordingly accept no responsibility with respect to or for such estimated financials or the assumptions on which they were based. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of the Companies. We have solely relied upon the information provided to us by the management. We have not reviewed any books or records of the Company. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Company and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Company. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent, we have relied upon information which was publicly available or provided or otherwise made available to us by the Company for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of the Company with respect to these matters. In addition, we have assumed that the Proposed Scheme of Arrangement will be approved by the regulatory authorities and that the proposed transaction will be consummated substantially in accordance with the terms set forth in the Proposed Scheme of Arrangement.

We understand that the management of the Company during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Scheme of Arrangement, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that the Company may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company or any of its assets, nor did we negotiate with any other party in this regard.

We have acted as an advisor to the Company for providing a fairness opinion on the proposed transaction and will receive professional fees for our services. In the ordinary course of business, Sundae is engaged in merchant banking business including corporate advisory, restructuring,

valuations, etc. We may be providing various other unrelated independent professional advisory services to the Company in the ordinary course of our business.

It is understood that this letter is solely for the benefit of and use by the Board of Directors of the Company for the purpose of this transaction and for onwards submission to the Stock Exchange(s) and other regulatory or compliance authorities(s) in the due course of the proposed Scheme of Arrangement and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, Statute, Act, guideline or similar instruction. Management should not make this report available to any party, including any regulatory or compliance authority / agency except as mentioned above. The letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to the Company underlying decision to effect to the proposed transaction or as to how the holders of equity shares or secured or unsecured creditors of the Company should vote at their respective meetings to be held in connection with the transaction. We do not express and should not be deemed to have expressed any views on any other terms of transaction. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of the Company will trade following the announcement of the transaction or as to the financial performance of the Company following the consummation of the transaction.

In no circumstances however, will Sundae or its associates, directors or employees accept any responsibility or liability to any third party. Our liability (statutory or otherwise) for any economic loss or damage arising out of rendering this opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement with the Company.

#### OUR OPINION

With reference to the above and based on information and explanation provided by the management and representatives of MBL and after analyzing the Scheme, we understand that the Company's non-promoter shareholders' have significantly lost the value since the initial public offering in 2017.

In view of the above, the Company has formulated the proposed Scheme of Arrangement in which it shall, issue and allot bonus NCRPS in the ratio of 1:10 i.e. one NCRPS for every Ten equity shares held on the record date. Pursuant to the issue of NCRPS, there is no change in the shareholding pattern of the Company and therefore no valuation report is required in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time. The NCRPS shall have a face value of ₹ 10 (Rupee Ten) and will be issued at a premium of ₹ 90 (Rupees Ninety) per NCRPS to be redeemed on expiry of 36 months at a premium of ₹ 20 (Rupees Twenty) carrying a dividend of 0.1% (Zero Point one percent) pursuant to the provisions of Section 230 and other relevant provisions of the Companies Act, 2013. The principal terms and conditions of the NCRPS have been given in Annexure 1 of our Opinion.

On the basis of the foregoing and based on the information and explanation provided to us and subject to the approval of the shareholders, in our opinion, the proposed transaction under the Scheme of arrangement is fair and reasonable to the holders of equity shares of the Company.

The aforesaid Scheme of Arrangement shall be subject to the receipt of approvals from NCLT and other statutory authorities as may be required. The detailed terms and conditions are more fully set forth in the Draft Scheme of Arrangement. Sundae has issued this Fairness Opinion with the understanding the Draft Scheme of Arrangement shall not be materially altered and the parties hereto agree that the Fairness Opinion shall not stand good in case the final Scheme of Arrangement alters the transaction.

**for Sundae Capital Advisors Private Limited  
(SEBI Regn. No. INM00012494)**

**NITIN  
SOMANI**

**NitiN Somani  
Director**

Digitally signed by NITIN SOMANI  
DN: cn=N, o=Personel, postalCode=110075, st=Delhi,  
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**Annexure-1****Principal Terms and Conditions for issuance of NCRPS**

Issuer	Music Broadcast Limited
Recipients	Non-promoter shareholders
Type of Instrument	Non-Convertible Non-Cumulative Redeemable Preference Shares
Issue size	89,69,597 NCRPS amounting to ₹ 89,69,59,700 (Rounded off)
Face Value	₹ 10 /- per NCRPS
Premium	₹ 90/- per NCRPS
Coupon Rate	0.1%
Premium at the time of Redemption	₹ 20/- per NCRPS
Redemption/Maturity	The NCRPS shall be redeemed on expiry of 36 months from the date of allotment.
Listing	Proposed to be listed on the Stock Exchanges subject to approval thereof
Credit Ratings	To be rated by rating agency appointed by the Board of Directors.
Market Lot	One Bonus NCRPS.
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited.
Taxation	<p>1. Tax at applicable rates will be deducted by the Company on payment of dividend and/or from the consideration to be paid on redemption / buyback (as the case may be) of NCRPS.</p> <p>2. Issue, Redemption, Buyback of NCRPS are subject to tax implications under the applicable provisions of Income Tax Act as amended from time to time. Recipients are advised to consult their tax advisors for tax consequences. MBL shall not be responsible for any tax consequences on NCRPS holders.</p>
Lock in Period	There is no Lock-In Period.
Voting Rights	In accordance with the provisions of Section 47 of the Companies Act 2013.



December 02, 2020

To,  
**BSE Limited**  
 Corporate Relationship Department  
 Phiroze Jeejeebhoy Towers  
 Dalal Street; Fort  
 Mumbai 400 001  
 BSE Scrip Code: 540366  
 ISIN: INE919I01024

Dear Sir,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Arrangement between Music Broadcast Limited and its shareholders.**

**Ref: Report on Complaints' pursuant to SEBI Circular No. CFD/DIL3/CIRI2017/21 dated March 10, 2017 as amended ("SEBI Circular")**

With reference to the captioned subject and further to our application filed with the BSE Limited on October 29, 2020 and uploaded on the BSE's website on November 10, 2020 under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular, please find enclosed herewith for your perusal the "Report on Complaints" in accordance with Para 16(a) of Annexure I of the SEBI Circular.

The Complaints Report will also be uploaded on the website of the Company ie. [www.radiocity.in](http://www.radiocity.in) as per the requirement of the SEBI Circular.

We request you to take the same on record and display the Complaints Report on your website please.

Yours faithfully,  
**For Music Broadcast Limited**

**Chirag Bagadia**  
**Company Secretary**  
 Membership No: A21579

Encl: a/a





**Report on Complaints (for the period October 29, 2020 to December 01, 2020)**

**Part A**

Sr. No.	Particulars	Remarks
1	Number of complaints received directly	NIL
2	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3	Total Number of complaints/ comments received (1+2)	NIL
4	Number of complaints resolved	Not Applicable
5	Number of complaints pending	Not Applicable

**Part B**

Sr. No	Name of the Complainant	Date of Complaint	Status (Resolved/Pending)
1	Not Applicable		

Yours faithfully,  
**For Music Broadcast Limited**

**Chirag Bagadia**  
**Company Secretary**  
 Membership No: A21579







**November 27, 2020**

**To,**  
 Manager- Listing Compliance  
 National Stock Exchange of India Limited  
 'Exchange Plaza'. Col, Block G, Bandra Kurla Complex.  
 Bandra (E), Mumbai - 400 051  
 BSE Scrip Code: 540366  
 ISIN: INE919I01024

Dear Sir,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Arrangement between Music Broadcast Limited and its shareholders.**

**Ref: Report on Complaints' pursuant to SEBI Circular No. CFD/DIL3/CIRI2017/21 dated March 10, 2017 as amended (~SEBI Circular")**

With reference to the captioned subject and further to our application filed with National Stock Exchange of India Limited ("NSE") on October 29, 2020 and uploaded on the NSE's website on November 05, 2020 under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular, please find enclosed herewith for your perusal the "Report on Complaints" in accordance with Para I 6(a) of Annexure I of the SEBI Circular.

The Complaints Report will also be uploaded on the website of the Company i.e. [www.radiocity.in](http://www.radiocity.in) as per the requirement of the SEBI Circular.

We request you to take the same on record and display the Complaints Report on your website please.

Yours faithfully,  
**For Music Broadcast Limited**

**Chirag Bagadia**  
**Company Secretary**  
 Membership No: A21579

Encl: As above





**Report on Complaints (for the period October 29, 2020 to November 26, 2020)**

**Part A**

Sr. No.	Particulars	Remarks
1	Number of complaints received directly	NIL
2	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3	Total Number of complaints/ comments received (1+2)	NIL
4	Number of complaints resolved	Not Applicable
5	Number of complaints pending	Not Applicable

**Part B**

Sr. No	Name of the Complainant	Date of Complaint	Status (Resolved/Pending)
1	Not Applicable		

Yours faithfully,  
**For Music Broadcast Limited**

**Chirag Bagadia**  
**Company Secretary**  
 Membership No: A21579



BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India  
 T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com  
 Corporate Identity Number: L67120MH2005PLC155188



DCS/AMAL/PB/R37/1888/2020-21

"E-Letter"

January 29,2021

The Company Secretary,  
**Music Broadcast Limited.**  
 RNA Corporate Park, 5th Floor, Off Western Express Highway,  
 Kalanagar, Bandra (East), Mumbai, Maharashtra, 400051

Dear Sir,

**Sub: Observation letter regarding the Draft Scheme of Arrangement between Music Broadcast Ltd and its Shareholders**

We are in receipt of the Draft Scheme of Arrangement of Music Broadcast Limited and their respective shareholders filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated January 29,2021 has inter alia given the following comment(s) on the draft scheme of arrangement: :

- "Company to ensure compliance with the said Circular"
- "Company shall ensure that suitable disclosure about the latest financials of the companies being not more than 6 months old is done before filing the same with the Hon'ble NCLT "
- "Company shall ensure that it obtains credit rating of the non convertible redeemable preference shares in terms of the provisions of SEBI (Issue and Listing of Non Convertible Redeemable Preference Shares) Regulations, 2013 before listing of the same with the stock exchanges."
- "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall duly comply with various provisions of the Circular."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India  
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com  
Corporate Identity Number: L67120MH2005PLC155188

However, the listing of Non-Convertible Non-Cumulative Redeemable Preference Shares (NCRPS) of Music Broadcast Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular No. CIR/IMD/DF/50/2017 dated May 26, 2017. Further, Music Broadcast Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of NCRPS of Music Broadcast Limited is at the discretion of the Exchange. In addition to the above, the listing of NCRPS of Music Broadcast Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions and submitting the detailed compliance report of the same as per the format specified in Annexure VI as per SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 :

- 1) The NCRPSs proposed to be issued pursuant to the scheme will be issued only to the shareholders of the listed entity which has listed its specified securities on the Exchange.
- 2) The minimum tenure of the NCRPSs shall be one year
- 3) The NCRPSs proposed to be listed have been assigned such minimum credit rating as specified for public issue of NCRPSs in terms of SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, as the case may be a credit rating agency registered with the Board. Kindly also mention the actual rating obtained.
- 4) The valuation report has been prepared after considering the valuation of NCRPSs to be issued pursuant to the scheme.
- 5) The draft scheme contains all the disclosures, as specified under para 5(A)(V) of the SEBI circular CIR/IMD/DF/50/2017 dated May 26, 2017.
- 6) Company shall ensure the following for the proposed issue of NCRPSs under the scheme:
  - a) The captioned issue of NCRPSs is in compliance with all the applicable provisions of the Companies Act, 2013 including the provisions related to creation and maintenance of Capital Redemption Reserve.
  - b) All such NCRPSs shall be issued in dematerialised form only.
  - c) All the provisions of SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 have been/ shall be complied with except the provisions related to making a public issue, or making a private placement, or filing of offer document, etc.
- 7) The following provisions shall be incorporated in the scheme:
  - i. The NCRPSs allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange.”
  - ii. “There shall be no change in the shareholding pattern of Music Broadcast Limited between the record date and the listing which may affect the status of this approval.”

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India  
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com  
Corporate Identity Number: L67120MH2005PLC155188

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

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

**Nitinkumar Pujari**  
**Senior Manager**



### National Stock Exchange Of India Limited

Ref: NSE/LIST/25142\_II

January 29, 2021

The Company Secretary  
Music Broadcast Limited  
5<sup>th</sup> Floor, RNA Corporate Park,  
Off Western Express Highway,  
Kalanagar, Bandra(E),  
Mumbai - 400051

**Kind Attn.: Mr. Chirag Bagadia**

Dear Sir,

**Sub: Observation Letter for Draft Scheme of Arrangement between Music Broadcast Limited (The “Company”) and its shareholders**

We are in receipt of the Draft Scheme of Arrangement between Music Broadcast Limited (The “Company”) and its shareholders vide application dated October 29, 2020.

Based on our letter reference no Ref: NSE/LIST/25142 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (‘Circular’), kindly find following comments on the draft scheme:

- a. *The Company shall duly comply with various provisions of the Circular.*
- b. *The Company shall ensure that suitable disclosure about the latest financials of the company being not more than 6 months old is done before filing the same with the Hon’ble National Company Law Tribunal.*
- c. *The company shall ensure that the company obtains credit rating of non convertible redeemable preference shares in terms of provisions of SEBI (Issue and Listing of Non Convertible Redeemable Preference Shares) Regulations, 2013 before listing of the same with the stock exchange.*
- d. *The Company shall ensure that additional information and undertakings, if any submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*
- e. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*



Continuation Sheet

*f. It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from January 29, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,  
For National Stock Exchange of India Limited

Jiten Patel  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL [http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)

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