

MUSIC BROADCAST LIMITED
(Formerly known as 'Music Broadcast Private Limited')

ANNUAL REPORT 2015-16

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CORPORATE INFORMATION

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONS (KMP'S)

Mr. Rahul Gupta – Non Executive Director
Mr. Sameer Gupta – Non Executive Director
Mr. Anuj Puri - Non Executive Independent Director
Ms. Apurva Purohit - Whole-time Director
Mr. Abraham Thomas – Chief Executive officer
Mr. Prashant Domadia – Chief Financial Officer

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Chirag Bagadia

STATUTORY AUDITORS

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

INTERNAL AUDITORS

M/s. KPMG

PRINCIPAL BANKER

HDFC Bank Limited

SECRETARAL AUDITOR

Mr. Deepak Rane, Practising Company Secretary

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Pvt. Ltd
Alankit Assignments Limited

REGISTERED OFFICE

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

MUSIC BROADCAST LIMITED

DIRECTORS' REPORT FOR THE YEAR 2015-16

Your Directors are pleased to submit their **Seventeenth** Annual Report together with the Audited Accounts statements for the financial year ended 31st March 2016.

1. FINANCIAL RESULTS

Highlights of the Financial Results for the year ended March 31, 2016 are reproduced herein below –

(Rs. in '000)

Particulars	F.Y. 2015-16	F.Y. 2014-15
Income –		
Revenue from Advertisement	2,267,577	2,008,350
Other Income	132,876	66,690
Total Income...	2,400,453	2,075,040
Expenditure -		
Administration & other expenses	1,494,918	1,386,705
Interest	183,009	62,104
Depreciation and amortization expenses	163,108	157,000
Total Expenditure...	1,841,035	1,605,809
Profit before Exceptional items and Tax	559,418	469,231
Less : Exceptional items	135,750	-
Profit/(Loss) for the year before tax	423,668	469,231
Less: Current Tax (MAT)	(135846)	-
Add: MAT Credit Entitlement	135846	-
Profit for the year	423,668	469,231
Add: (Loss) brought forward	(1,622,402)	(2,076,373)
Less: Additional Depreciation as per Companies Act 2013	-	(1,027)
Less: Transfer to Debenture Redemption Reserve	(170833)	(14,236)
Loss carried to Balance Sheet after Deferred Tax Adjustments	(1,369,567)	(1,622,405)

2. BUSINESS OPERATIONS AND FUTURE OUTLOOK

A. Financial Performance

The company has grown in line with industry despite challenging year and gloomy industry outlook due to liquidity crunch and political paralysis in market place.

The Profit after Tax (PAT) is at Rs. 42 crores as compared to Rs 46.9 crores in FY15 mainly due to additional License fees hit of approx. Rs. 7 crores on existing 20 stations as well as an exceptional item of Rs.13.6 crores. Revenues were at Rs 226.8 crores, up by 13% as compared to Rs 200.8 crores in FY15.

Earnings before interest, tax, depreciation and amortization (EBITDA) is at Rs. 77.7 crores (after deducting exceptional items) up by 12.9% as compared to Rs 68.8 crores in FY15 by well managing the operating costs.

B. Operating Results and Future Outlook of Radiocity 91.1 FM

An robust 13% year on year growth of business across different parameters (FCT + Alliance + Digital) was achieved by Radiocity - 91.1 FM during the current financial year 2015-16. This growth is the result of focused approach taken towards different major revenue verticals and an increase in pricing in key markets including a hike in its ER by 7% in core markets. In addition to the above, the Franchisee & Satellite sales grew by 31% and Non FCT grew by 37%.

Programming & Marketing initiatives have resulted in listenership growth in the key markets. Radio City's continued its dominant leadership in Bangalore followed by Mumbai. Radio City retained the No.1 position in both the cities throughout the year and continued to be amongst the top 2 radio networks as per IRS. Radio City's property Love Guru and Blue Carpets were extremely successful during the year. Radio City Super Singer, Babber Sher and Radio City Garba Premier League continued to bring in huge listenership engagement and affinity.

C. Radio City Freedom awards

This year witnessed the launch of the third edition of Radio City Freedom Awards. RCFA - a platform to recognize & reward independent music artists across genres and languages who have pushed the boundaries to create unimagined musical breakthroughs in the independent music diaspora. Gearing towards marking a benchmark, this year we had the Awards at Hard Rock Café, Mumbai on the 24th of February 2016 and we received more than 600 nominations from across the country. The finale event was telecasted on NDTV Prime on the 19th & 20th of March, 2016.

D. Web Radio

The Company's internet business strengthened with Planetradiocity.com to approx. 20 million page views. The Web Radio Section's listenership reached 11 million streams/month reaching 160 countries, 215 cities in India. Apart from the flagship online radio station, the website also features, news, videos, and access to Radio City RJs, shows, Radio City properties and exclusive scoops on celebrities at Radio City Studio.

Radio City continues to upgrade features of its 'PlanetRadiocity' mobile app that archives all the popular PPFs of Radio City like the hilarious Babber Sher which has a nationwide fan following. Rare and exclusive videos of star visits to the Radio City studios along with Bollywood news, are added attractions.

E. Awards & Accolades earned by Radiocity 91.1FM for the year 2015-16

Radiocity 91.1 FM swept the following major Radio FM awards for the year 2015-16.

WON 6 GOLDEN MIKE AWARDS		
Category	Particulars	Property
Effectiveness	Best use of Radio for a launch	Dil Deke Dekho
Promotion	Best On Air Promotion for a Client (Multiple Station)	Trailer Launch – Dilwale
	Best On Air Promotion by a Single Radio Station for Self (Sponsored by a Client)	Dil Deke Dekho
	Best Public Service Initiative by a Radio Station or a Network of Radio Stations	Dil Deke Dekho
	Best Public Service Initiative by a Radio Station or a Network of Radio Stations	Salaam E Ishq
Innovation	Darr Dohara	Radio City Fun Ka Antenna
WON 4 AWARDS AT THE ASIAN CONSUMER EXHIBITION FORUM & AWARDS		
Category	Particulars	Property
Gold	Best Use of Celebrity Endorsement	Ham Sabki Zindigi Mein Hoti Hai - Thodi City
Gold	Best Use of Human story	Radio City Salaam-e- Ishq
Silver	Successful Use of CSR activity	Dil Deke Dekho
Gold	Successful use of Technology	Music Ka Nasha
WON 2 AWARDS AT THE BIG BANG AWARDS 2015		
Category	Particulars	Property
Silver	RJ Promotion	Radio City Love Guru
Bronze	In-house Program Promotion for Radio Spot	-----

F Audacity

With audacious ideas & out of the box executions that takes radio creativity to a whole new level and creative innovations and ideas forming the crux of all brand initiatives, India's premium and most loved Radio Network, Radio City 91.1 FM boosted its creative lateral with the launch of a specialized creative client solutions agency- '**AudaCITY**'.

G. . Rag Rag Mein Daude City

Driven by a 'micro-local' approach, the campaign 'Rag Rag Mein Daude City' was successfully launched with a foot-tapping anthem, capturing the listener's pride and love they for the city they reside in. The new Radio City anthem received a very positive response from both listeners and advertisers alike across markets.

H. Gig City

Gig City is an ON-AIR live musical concert is planned for listeners, taking into consideration the listener's passion for live music - a concert for free. It involves concerts from top artists and musical stars from Music Industry that will be broadcasted across 28 stations real time.

I. Human Resources

At Radio City 91.1 FM, human resource is a key asset capital and an important business driver for the Company's sustained growth and profitability. The company continues to place significant importance on its Human Resources and enjoys cordial relations at all levels.

The well-disciplined workforce which has served the company for over a decade lies at the very foundation of the company's major achievements and shall continue for the years to come. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

J. 'Phase III' Auctions

The year 2015-16 was an important year for the entire Radio Industry as the Ministry of Information & Broadcasting ("MIB") conducted e-auctions of first batch of Private FM Radio Phase III, wherein Radiocity 91.1 FM bagged 11 new frequencies all across India for an overall amount of Rs.6,257 Lakhs in cities like Kanpur, Jamshedpur, Madurai, Patna, Ajmer, Bikaner, Kolhapur, Kota, Nasik, Patiala and Udaipur. Further, the Company has exercised the option to migrate all existing 20 stations under Phase III regime at an aggregated Migration Fees of Rs.22,201 Lakhs for a period of 15 years effective April 1, 2015. This shall increase our footprints throughout the country and provide adequate exposure and platform to promote brand 'Radiocity 91.1FM.

Post Phase III e-auctions and taking into consideration, the added frequencies in its periphery, Radiocity 91.1 FM aspire to become one of the dominant player in important state clusters and continue its successful Phase II strategy of concentrating on advertiser-relevant markets.

3. FILING OF COMPOSITE SCHEME OF ARRANGEMENT WITH BOMBAY HIGH COURT PURSUANT TO JAGRAN-RADIO CITY DEAL.

Post completion of acquisition deal of Radio City 91.1 FM on June 11, 2015, between Jagran Prakashan Limited and Spectrum Broadcast Holdings Private Limited (formerly known as 'IVF Holdings Private Limited'), the holding Company of your Company, Radio City 91.1FM, now, being officially a part of Jagran Prakashan Limited, filed a composite Scheme of Arrangement with Bombay High Court, wherein Radio Mantra 91.1, a business undertaking(Radio business) of Shripuran Multimedia Limited shall be merged to your Company. The composite Scheme of Arrangement filed with Bombay High Court consists of two parts read as follows:

I) the amalgamation of Crystal Sound & Music Private Limited (“Crystal” or “Transferor Company 1”) and Spectrum Broadcast Holdings Private Limited, formerly known as IVF Holdings Private Limited (“Spectrum” or “Transferor Company 2”) with Jagran Prakashan Limited (“JPL” or “ Amalgamated Company), and

II) the demerger of Radio Business Undertaking of Shri Puran Multimedia Limited (“SPML” or “Demerged Company”) into Music Broadcast Limited (“MBL” or “Resulting Company”).

The rationale for demerger of Radio Business Undertaking of SPML into MBL is as follows:

1. Demerger of Radio Business Undertaking of SPML into MBL would enable MBL to consolidate related business, bring cost synergies and have focused management attention towards the business thereby enabling better growth in revenues and profits.

2. Demerger of the Radio Business Undertaking of SPML into MBL would more specifically help in increasing revenue and saving various administrative, managerial and other costs through various synergies besides improving organizational efficiency.

4. CREDIT RATING

During the year under review, your Company re-affirmed credit rating of “CRISIL AA/Stable” from CRISIL Limited on its Debentures listed with Bombay Stock Exchange Limited (“BSE”).

5. DIVIDEND

In order to conserve the resources of the company, the Directors of the Company do not recommend any dividend for the Financial Year ended on 31st March, 2016.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (‘IEPF’)

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

7. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in **Form MGT-9** pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year ended March 31, 2016 is attached as **ANNEXURE-I** to this Report.

8. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors duly met 9 (Nine) times on the following dates during the financial year ended March 31, 2016:

- | | |
|------------------------------------|-------------------------------------|
| (1) 25 th May, 2015 | (2) 10 th June, 2015 |
| (3) 11 th June, 2015 | (4) 24 th June, 2015 |
| (5) 28 th July, 2015 | (6) 9 th October, 2015 |
| (7) 29 th October, 2015 | (8) 18 th November, 2015 |
| (9) 28 th January, 2016 | |

Attendance of the directors at the board meetings:

Sr. No.	Name of the Director	No. of Board Meetings attended
1	Mrs. Apurva Purohit	9 of 9
2	§ Mr. Rahul Gupta	4 of 9
3	§ Mr. Sameer Gupta	5 of 9
4	# Mr. Sunil Theckath	1 of 9
5	# Mr. Vishal Nevatia	1 of 9

Ceased to be Director w.e.f. June 10, 2015. 1 meeting was held during their tenure.

§ Appointed as Director w.e.f. June 10, 2015. 8 meetings were held during their tenure.

9. NUMBER OF GENERAL MEETINGS HELD DURING THE YEAR 2015-16:

The general meeting of the Company were held for 4(Four) times during the financial year ended March 31, 2016:

- | | |
|------------------------------------|-----------------------------------|
| (1) 29 th May, 2015 | (2) 15 th June, 2015 |
| (3) 16 th October, 2015 | (4) 4 th January, 2016 |

Attendance of the directors at the general meeting of the Company:

Sr. No.	Name of the Director	No. of Board Meetings attended
1	Mrs. Apurva Purohit	4 of 4
2	§ Mr. Rahul Gupta	3 of 4
3	§ Mr. Sameer Gupta	1 of 4

§ Appointed as Director w.e.f. June 10, 2015.

10. BOARD EVALUATION

The Company has established a framework for performance evaluation in line with applicable regulatory provisions and in compliance with the Companies Act, 2013 and the performance evaluation of the Board and its Committees were carried out during the year under review.

The evaluation was made in the overall context of the effectiveness of the Board and the respective Committees in providing guidance to the operating management of the Company, level of attendance in the Board/ Committee meetings, constructive participation in the discussion on the agenda items, effective discharge of the functions and roles of the Board/ Committees. A detailed discussion followed on the basis of the aforesaid criteria and the Board collectively agreed that the Board and all its Committees fulfilled the above criteria and positively contributed in the decision making process at the Board/ Committee level.

The Board has evaluated the performance of the individual directors on the basis of evaluation criteria specified in the Nomination and Remuneration policy of the Company.

The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their roles as Directors, etc.

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

12. INDEPENDENT DIRECTORS

During the year under review, Company has identified Mr. Anuj Puri and Ms. Ekta Kapoor as Non-Executive Independent Director to be appointed on board and also filed their security clearance with Ministry of Information and Broadcasting (MIB).

The Company has obtained security clearance of Mr. Anuj Puri from MIB on February 05, 2016 and appointed him as Independent Director of the Company with effect from May 30, 2016.

Further, MIB vide its letter dated May 19, 2016 has denied the security clearance for appointment of Ms. Ekta Kapoor as Independent Director in the Company and the company is in process of making representation to MIB to reconsider their decision and grant approval for appointment of Ms. Ekta Kapoor as an Independent Director of Music Broadcast Ltd.

In view of above, the company is in process of identifying other suitable candidates to be appointed as Independent Director(s) of the company and shall apply for security clearance of MIB once short listed.

13. PUBLIC DEPOSITS

The Company has not accepted deposits covered under Chapter V of the Companies Act, 2013 and accordingly, the disclosure requirements stipulated under the said Chapter are not applicable.

14. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, including any statutory modifications or any re-enactment thereof, for the time being in force, and under the appropriate guidance by the CSR Committee, a sum of Rs. 56 lakhs was contributed towards Promotion of Education and Livelihood Skills to Visually Impaired and Orphanage Students with better infrastructure facilities in accordance with Schedule VII of the Companies Act, 2013, as a part of Company's Corporate Social Responsibility for FY 2015-16. Details of the CSR activities undertaken by the Company during the financial year 2015-16 is given in the prescribed format and forms part of this Report as **ANNEXURE II**.

During the year under review, the CSR Committee was re-constituted pursuant to resignation of Mr. Vishal Nevatia and Mr. Vikram Nirula as Directors of the Company. Thereafter, Mr. Rahul Gupta and Mr. Sameer Gupta were appointed as members of the CSR Committee in place of Mr. Vishal Nevatia and Mr. Vikram Nirula. Further, attendance of the members at the CSR Meeting (on October 29, 2015) held during the year ended March 31, 2016 is tabled below:

Sr.No.	Name of the Member	No. of CSR Committee Meetings attended
1	Mrs. Apurva Purohit	1 of 1
2	Mr. Rahul Gupta	0 of 1
3	Mr. Sameer Gupta	1 of 1

15. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

During the year under review, 6 (Six) Audit Committee Meetings were convened and held on May 25, 2015, June 24, 2015, July 28, 2015, October 9, 2015, October 29, 2015, and January 28, 2016 respectively.

Attendance of the Directors at the Audit Committee during the year ended March 31, 2016:

Sr. No.	Name of the Director	No. of Audit Committee Meetings attended
1	Mr. Vishal Nevatia*	0 of 6
2	Mr. Sunil Theckath*	1 of 6
3	Ms. Apurva Purohit	6 of 6
4	Mr. Rahul Gupta§	3 of 6
5	Mr. Sameer Gupta§	4 of 6

* Ceased to be a Member w.e.f. June 10, 2015. 1 meeting was held during their tenure.

§ Appointed as Member w.e.f. June 10, 2015, 5 meetings were held during their tenure.

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

16. VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities and in line with the best practices for corporate governance. It has established a system through which directors & employees may report breach of code of conduct including code of conduct for unethical business practices, illegality, fraud and corruption etc at work place without fear of reprisal. The Company is also committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization, for whistle blowing in good faith.

The Board of Directors affirms and confirms that no personnel has been denied access to the Audit Committee. The Policy contains the provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases

The Vigil mechanism policy in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 of the Company is also available at the website of the Company on following web link: <http://www.planetradiocity.com/about-us/investors>

During the Financial Year 2015-2016, there was no complaint reported by any Director or employee of the company under this mechanism.

17. NOMINATION AND REMUNERATION COMMITTEE

The Company follows a Policy on appointment and Remuneration of Directors and Senior Management Employees. The Policy is approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and senior management employees. The said Policy also lays down criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as **Annexure III** to this Report.

During the year under review, 2 (two) Nomination and Remuneration Committee Meetings were convened:

Attendance of the Directors at the Nomination and Remuneration Committee Meeting during the year ended March 31, 2016 on April 10, 2015 and November 16, 2015.

Sr. No.	Name of the Director	No. of Audit Committee Meetings attended
1	Mr. Vishal Nevatia*	1 of 2
2	Mr. Sunil Theckath*	1 of 2
3	Mr. Rahul Gupta§	1 of 2
4	Mr. Sameer Gupta§	0 of 2

* Ceased to be a Member w.e.f. June 10, 2015. 1 meeting was held during their tenure.

§ Appointed as Member w.e.f. June 10, 2015, 1 meeting were held during their tenure.

18. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the process or operation was observed.

19. SECRETARIAL AUDIT

Pursuant to the provisions of section 204(1) of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Deepak Rane, Company Secretary in practice, Mumbai for conducting the Secretarial Audit of the Company for the financial year 2015-16 and furnish his report to the Board. The Secretarial Audit Report forms part of this Report as **Annexure V**. There are no qualifications or observations or other remarks made by the Secretarial Auditor on the audit conducted by him in his Report for the year under review.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

21. RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered into by the Company during the financial year under review with related parties were at an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

All such related party transactions are placed before the Audit Committee for approval, wherever applicable. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the relevant details of the transactions

Since all related party transactions entered by the Company were in the ordinary course of business and were on an arm's length basis, form AOC-2 as prescribed pursuant to Rule 8 (2) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

22. COST AUDIT

The Board of Directors, on recommendation of the Audit Committee and pursuant to Section 148 and all other applicable provisions of the Act, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), has approved the appointment and remuneration of the Cost Auditors, M/s Kishor Bhatia and Associates, Cost Accountants, Mumbai, to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2017. The aforesaid appointment of M/s Kishor Bhatia and Associates, is subject to the relevant notifications, orders, rules, circulars, etc. issued by the Ministry of Corporate Affairs and other regulatory authorities from time to time.

The remuneration payable to M/s Kishor Bhatia and Associates, Cost Accountants, shall be Rs. 60,000/- (Rupees Sixty Thousand only) plus out of pocket expenses and applicable taxes for the aforesaid audit. The remuneration payable to the Cost Auditors is required to be ratified subsequently by the shareholders. Accordingly, consent of the members has been sought for passing the resolution as set out at Item No. 4 of the Notice convening the AGM for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2017.

The Cost Audit Report for the financial year 2014-15 was filed on 15th September 2015 with Ministry of Corporate Affairs and the Cost Audit Report for the financial year 2015-16 will be filed on or before the due date.

23. STATUTORY AUDITOR

At the 16th AGM held on September 07, 2015, the Members had approved the appointment of M/s. Price Waterhouse Chartered Accountant LLP (FRN: 012754N / N500016) as the statutory auditors of the Company to hold the office from the conclusion of the 16th AGM till the conclusion of 21st AGM of the Company. As per the provisions of Section 139 of the Act, the Company shall place the matter relating to such appointment for ratification by members at every AGM. Accordingly, the

appointment of M/s. Price Waterhouse Chartered Accountant LLP (FRN: 012754N / N500016), as the statutory auditors of the Company is placed for ratification by the members of the Company.

M/s. Price Waterhouse Chartered Accountant LLP (FRN: 012754N / N500016) have furnished a certificate in terms of the Companies (Audit and Auditors) Rules, 2014 and confirmed their eligibility in terms of Section 141 and all other applicable provisions of the Act, read with the applicable rules thereto. Other relevant information has been furnished at Item No.3 of the Notice convening the AGM

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

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

24. CHANGES IN STRUCTURE OF SHARE CAPITAL, IF ANY

During the year under review, the Authorized Share Capital of the Company was increased from Rs. 42,05,00,000/- (Rupees Forty Two Crores Five Lacs only) to Rs. 46,05,00,000/- (Rupees Forty Six Crores Five Lacs only).

There was no change in the paid up share capital of the Company (comprising of equity shares) as on 31st March, 2016. None of the Directors holds any share and/or convertible instrument in the Company.

25. DIRECTOR AND KEY MANAGERIAL PERSONNEL

Appointment

There has been a change in designation of Ms. Apurva Purohit from Whole Time Director and CEO of the Company to Whole Time Director of the Company effective from 23rd November 2015.

At the 16th Annual General Meeting of the company held on 7th September, 2015 the company had appointed Mr. Rahul Gupta (DIN: 00359182) and Mr. Sameer Gupta (DIN: 00038353) as Non-Executive Directors of the Company liable to retire by rotation.

Mr. Anuj Puri (DIN: 00048386)), who was appointed as an Additional Independent Director of the Company with effect from 30th May 2016 and who in terms of Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company. The board of directors recommends his appointment.

Re-Appointment

As per the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rahul Gupta (DIN: 00359182), Director retires at the ensuing Annual General Meeting and, being eligible offers himself for re-appointment.

Key Managerial Person:

In terms of Section 203 of the Companies Act, 2013, Mr. Abraham Thomas was appointed as a Chief Executive Officer (CEO) of the Company with effect from 23rd November 2015.

Pursuant resignation of erstwhile Chief Executive Officer (CFO), Ms. Reshma Khalid, and w.e.f. June 30, 2015, Mr. Prashant Domadia was appointed as a CFO of the Company with effect from 23rd November 2015.

26. CHANGE IN NATURE OF BUSINESS

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

27. NAME OF THE COMPANY WHICH HAVE CEASED TO BE COMPANY'S SUBSIDIARY

Mega Sound and Music Private Limited have ceased to be wholly owned subsidiary of the Company w.e.f June 11, 2015.

28. ORDER PASSED BY REGULATOR OR COURTS OR TRIBUNALS

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

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

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

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

The Company is in the business of Private FM Radio Broadcasting. Hence, most of the information required to be provided relating to the Conservation of energy and Technology absorption is not applicable. However the information, as applicable, is given hereunder:

(A) CONSERVATION OF ENERGY:-

Though, the operations of the Company are not energy intensive. Nevertheless, continuous efforts such as installation and up gradation of energy efficient electronic devices aimed at reducing energy consumption are being made by the Company and its employees to reduce the wastage of scarce energy resources.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company has not imported any specific technology for its broadcasting, although it uses advanced mechanism including transmitters, Cummins etc. which are handled by the Company's in-house technical team. The Company uses the latest equipments in broadcasting its programs. The outdated technologies are constantly identified and updated with latest innovations.

(C) The total Foreign Exchange Inflow was Rs. 14,07,000/- and Outflow was Rs. 6,07,000/- during the year under review.

31. PARTICULARS OF EMPLOYEES

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

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

Information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of this Board Report for the year ended March 31, 2016 is given in **Annexure IV**

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

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

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

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

34. ACKNOWLEDGEMENT

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

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

Sd/-

**Ms. Apurva Purohit
Whole Time Director
DIN: 00190097**

Sd/-

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

**DATE: May 30, 2016
PLACE: Delhi**

Annexure I

**FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2016
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS AT 31.03.2016 -

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
1	Spectrum Broadcast Holdings Private Limited (formerly known as 'IVF Holdings Private Limited')	U65993MH2005PTC155967	Holding Company	71.34%	2 (46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF									
b) Central Govt.									
c) State Govt(s).									
d) Bodies Corp.	2,99,06,520	-	2,99,06,520	71.34	2,99,06,520	-	2,99,06,520	71.34	0
e) Bank/ FI									
f) Any Other									
Sub-Total (A)(1)									
(2) Foreign									
a) NRIs-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Bank/ FI									
e) Any Other									
Sub-Total (A)(2)									
Total shareholding of Promoter (A) (A)(1) + (A)(2)	2,99,06,520	-	2,99,06,520	71.34	2,99,06,520	-	2,99,06,520	71.34	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Bank/ FI									
c) Central Govt.									
d) State Govt(s).									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-Total (B)(1)									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	90,03,181	90,03,181	21.48	-	90,03,177	90,03,177	21.48	0
i) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-		4	4	0.00	0
ii) Individual									

shareholders holding nominal share capital in excess of Rs. 1 lakh										
c) Others – Trustees on behalf of Trust	-	30,08,066	30,08,066	7.18	-	30,08,066	30,08,066	7.18	-	
Subtotal (B) (2):	-	1,20,11,247	1,20,11,247	28.66	-	1,20,11,247	1,20,11,247	28.66	-	
Total Public shareholding (B) (B)(1) + (B)(2)	-	1,20,11,247	1,20,11,247	28.66	-	1,20,11,247	1,20,11,247	28.66	-	
A. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)	2,99,06,520	1,20,11,247	4,19,17,767	100	2,99,06,520	1,20,11,247	4,19,17,767	100	-	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Spectrum Broadcast Holdings Private Limited (formerly known as 'IVF Holdings Private Limited')	2,99,06,520	71.34	NIL	2,99,06,520	71.34	NIL	0.00
	Total	2,99,06,520	71.34	NIL	2,99,06,520	71.34	NIL	0.00

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Spectrum Broadcast Holdings Private Limited (formerly known as 'IVF Holdings Private Limited')				
	At the beginning of the year	2,99,06,520	71.34	2,99,06,520	71.34
	Increase during the year:-	-	-	-	-
	At the End of the year	2,99,06,520	71.34	2,99,06,520	71.34

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Crystal Sound and Music Private Limited	90,03,181	21.48	90,03,177	21.48
2	Apurva Purohit(As Nominee of Crystal Sound and Music Private Limited)	0	0.00	1	0.00
3	Anil Dimri (As Nominee of Crystal Sound and Music Private Limited)	0	0.00	1	0.00
4	Rachna Kanwar (As Nominee of Crystal Sound and Music Private Limited)	0	0.00	1	0.00
5	Sagorika Kantharia (As Nominee of Crystal Sound and Music Private Limited)	0	0.00	1	0.00
	At the End of the year	90,03,181	21.48	90,03,181	21.48
6	Mr. Rahul Gupta Jointly with Mr. Sameer Gupta as Trustees of Music Broadcast Employees Welfare Trust	30,08,066	7.18	30,08,066	7.18
	At the End of the year	30,08,066	7.18	30,08,066	7.18

**Please note that Mrs. Apurva Purohit, Mr. Anil Dimri, Ms. Rachna Kanwar and Ms. Sagorika Kantharia are Nominee shareholders of Crystal Sound and Music Private Limited during the year under review.*

Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
		Mr. Rahul Gupta			
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.):	---	----	#3008066	7.18 %
	At the End of the year	0	0.00	3008066	7.18 %
	#3008066 shares are held by Mr. Rahul Gupta (Director of MBL) jointly with Mr. Shailesh Gupta as Trustees of Music Broadcast Employees Welfare Trust.				

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20,000.00	9,315.67		29,315.67
ii) Interest due but not paid				-
iii) Interest accrued but not due	148.82	11.50		160.32
Total (i+ii+iii)	20,148.82	9,327.17	-	29,475.99
Change in Indebtedness during the financial year				
Addition	148.42	11,874.00		12,022.42
Reduction	148.82	12,527.17		12,675.99
Net Change	(0.41)	(653.17)	-	(653.57)
Indebtedness at the end of the financial year				
i) Principal Amount	20,000.00	8,674.00		28,674.00
ii) Interest due but not paid				
iii) Interest accrued but not due	148.42	15.15		163.57
Total (i+ii+iii)	20,148.42	8,689.15	-	28,837.57

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Crores)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount in Rs.
		Ms Apurva Purohit (w.e.f 10.06.2015 to 31.03.2016)	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	2.52			2.52
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	NIL			NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL			NIL
2.	Stock Option	NIL			NIL
3.	Sweat Equity	NIL			NIL
4.	Commission - As % of Profit - Others, specify	NIL			NIL
5.	Others, please specify	NIL			NIL
	Total (A)	2.52			2.52
	Ceiling as per the Act	4.86			

*Note: The remuneration paid to Ms. Apurva Purohit in the capacity of Whole-time Director has been calculated proportionately for number of days from which the Company became Public Limited and till the end of the financial year i.e. from 10/06/2015 to 31/03/2016. The details of remuneration paid/accrued to Ms. Apurva Purohit in the capacity of Whole-time Director for the period 01/04/2015 to 09/06/2015 have not been furnished, as the Company being a Private Limited during the said period, the relevant provisions of the Companies Act, 2013 on managerial remuneration were not applicable.

B. Remuneration of other directors: NA

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

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

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

(Rs in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount in Rs.
		Mr. Abraham Thomas (CEO) from 23/11/2015 to 31/03/2016	Mr. Chirag Bagadia (Company Secretary)	Mr. Prashant Domadia (CFO) 23/11/2015 to 31/03/2016	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	51.66	12.56	8.02	72.24
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - As % of Profit - Others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	5.16	5.16
	Total	51.66	12.56	13.18	77.40

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/Punishment /Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal, if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

ANNEXURE-II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	<p>The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy of the Company is available on following web link:</p> <p>http://www.planetradiocity.com/about-us/</p> <p>During the year under review, your Company undertook CSR activities for Promotion of Education and Livelihood Skills to Visually Impaired and Orphanage Students with better infrastructure facilities of various Trusts / Orphanages/ Blind Schools based out of Mumbai, Ahmedabad, Delhi, Bangalore, Lucknow, Surat, Jaipur, Vizag, Baroda, Coimbatore more particularly as set out herein</p>
2.	The Composition of the CSR Committee	<p>(1) Mr. Rahul Gupta (Non-Executive Director) (2) Mr. Sameer Gupta (Non-Executive Director) (3) Ms. Apurva Purohit (Whole Time Director)</p>
3.	Average net profit of the company for last 3 financial years	Rs. 83.99 Crores
4.	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	Rs. 56 Lacs
5.	<p>Details of CSR spent during the financial year</p> <p>(1) Total amount to be spent for the F.Y.</p> <p>(2) Amount unspent, if any</p> <p>(3) Manner in which the amount spent during the financial year</p>	<p>Rs. 56 Lacs</p> <p>Nil</p> <p>The manner in which the amount is spent is detailed below</p>

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Support to children of Welfare Society for Destitute Children (St. Catherines) and Happy Home (Blind School) with batter infrastructure	Education	Mumbai	19.73 Lacs	19.73 Lacs	19.73 Lacs	Directly to Welfare Society for Destitute Children (St. Catherines) (Rs. 13.77 Lacs) and Happy Home (Rs. 5.96 Lacs)
2	Support to children of Chetna Orphanage	Education	Lucknow	0.33 Lacs	0.33 Lacs	0.33 Lacs	Directly to Chetna Orphanage Rs. 0.33 Lacs
3	Support to child of Saath Charitable Trust, Orphanage	Education	Ahmedabad	5.69 Lacs	5.69 Lacs	5.69 Lacs	Directly to Saath Orphanage Rs. 5.69 Lacs
4	Support to children of Zion Social Welfare Society, Orphanage	Education	Delhi	6.38 Lacs	6.38 Lacs	6.38 Lacs	Directly to Zion Social Welfare Society Rs. 6.38 Lacs
5	Support to children of	Education	Bangalore	14.73 Lacs	14.73 Lacs	14.73 Lacs	Directly to Bosco Orphanage,

	Bangalore Oniyavara Seva Coota (Bosco) Orphanage with batter infrastructure						14.73 Lacs
6	Support to children of Charlie Help Universe Trust, Orphanage	Education	Surat	0.24 Lacs	0.24 Lacs	0.24 Lacs	Directly to Charlie Help Universe Trust, Orphanage , Rs. 0.24 Lacs
7	Support to children of RAYS Aasha ki ek kiran, Orphanage	Education	Jaipur	2.4 Lacs	2.4 Lacs	2.4 Lacs	Directly to RAYS Aasha ki ek kiran, Orphanage, Rs. 2.4 Lacs
8	Support to children of Helen Keller Memorial Association for the Blind	Education	Vizag	0.88 Lacs	0.88 Lacs	0.88 Lacs	Directly to Helen Keller Memorial Association for the Blind, Rs. 0.88 Lacs
9	Support to children of Lions Blind Girls Welfare Center Trust	Education	Baroda	4.2 Lacs	4.2 Lacs	4.2 Lacs	Directly to Lions Blind Girls Welfare Center Trust, 4.2 Lacs
10	Support to children of Kingskids home (Coimbatore Christian Center Trust)and Helping Hearts, Orphanage	Education	Coimbatore	1.42 Lacs	1.42 Lacs	1.42 Lacs	Directly to Kingskids home (Coimbatore Christian Center Trust) (Rs. 0.42 Lacs) and Helping Hearts, Orphanage (Rs. 1 Lac)
	TOTOAL			56 Lacs	56 Lacs	56 Lacs	

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

Sd/- Mr. Rahul Gupta Director DIN : 00359182	Sd/- Ms. Apurva Purohit Whole Time Director DIN : 00190097
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ANNEXURE III

**MUSIC BROADCAST LIMITED
(FORMERLY KNOWN AS 'MUSIC BROADCAST PRIVATE LIMITED')**

-Nomination cum Remuneration Policy-

I. Introduction:

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

II. Objective

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

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

The objective of this Policy is to inter-alia:

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

III. Nomination and Appointment:

A. Key Managerial Personnel:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

B. Non-Executive Directors:

1. As per the Act, the Company is required to have a minimum of 3 directors and upto a maximum of 15 directors, which maximum number can be increased pursuant to a special resolution passed by the Company.
2. Process to be adopted for the nomination and appointment of non-executive directors:
 - (a) The Committee will identify and recommend to the Board, person(s) who is qualified and eligible for appointment as a non-executive director of the Company ("Non-Executive Director"), not being an independent director of the Company ("Independent Director"), provided such Non-Executive Director meets the criteria set out under this Policy.

- (b) The person(s) so identified and recommended by the Committee to the Board, for appointment as a Non-Executive Director, and the agreement setting out the terms and conditions of his/her appointment and remuneration, will be subject to approval of the Board, and of the shareholders at the general meeting of the Company, whenever required under law.
3. For a person to be appointed as a Non-Executive Director (“Candidate”), he/she should fulfil/meet the following criteria:
- (a) The Candidate should have been allotted a director’s identification number.
 - (b) The number of companies in which such Candidate may be holding office as a director or a chairman or committee member should not exceed the limit stipulated by the Act.
 - (c) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Act.

C. Independent Directors:

1. In terms of section 149 (4) of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to have at least [2] directors as independent directors.
2. Process to be adopted for the nomination and appointment of an Independent Director:
- (a) The Committee will identify and recommend to the Board, person(s) who is qualified and eligible for appointment as an Independent Director of the Company, provided such person(s) meets the criteria set out under this Policy.
 - (b) The Committee may also select the Independent Director may be selected from a data bank containing names, addresses and qualifications of persons who are eligible and willing to act as independent directors, maintained by an authorised agency as per the Act. However, the Committee will nonetheless carry out its own verification and satisfy itself as to the candidature of the Independent Director.
 - (c) The appointment of an Independent Director will be subject to issuance by the Company of a formal letter of appointment in the manner provided by the Act.
 - (d) The person(s) so identified and recommended by the Committee to the Board, for appointment as the Independent Director, and the agreement setting out the terms and conditions of his/her appointment and remuneration will be subject to approval of the Board, and of the shareholders at the next general meeting of the Company as per requirements of the Act.
3. For a person to be appointed as an Independent Director (“Candidate”), he/she should fulfil/meet the following criteria:
- (a) If the Candidate is already an Independent Director, then his tenure and term will be as per the Act and the equity listing agreement.
 - (b) The Candidate should have been allotted a director’s identification number.

- (c) The number of companies in which such Candidate may be holding office as an independent director or a chairman or committee member should not exceed the limit stipulated by the Act.
- (d) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Act.
- (e) The Candidate should, in the opinion of the Board, be a person of integrity and possesses relevant expertise and experience.
- (f) The Candidate should not be or should not have been a promoter of the Company or its holding, subsidiary or associate company.
- (g) The Candidate should not be related to promoters or directors in the Company, its holding, subsidiary or associate company.
- (h) The Candidate should not have or should not have had any pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the 2 immediately preceding financial years or during the current financial year.
- (i) None of the Candidate's relatives should have or should have had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% more of its gross turnover or total income or Rs. 50,00,000 or such higher amount as may be prescribed, whichever is lower, during the 2 immediately preceding financial years or during the current financial year.
- (j) Neither himself/herself nor any of his/her relatives:
- (i) should hold or should have held the position of a key managerial personnel or should be or should have been an employee of the Company or its holding, subsidiary or associate company in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed.
 - (ii) should be or should have been an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed, of:
 - a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) should hold together with his/her relatives 2% or more of the total voting power of the Company;
 - (iv) should be a Chief Executive or director, by whatever name called, of any non-profit organisation that receives 25% or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the Company; or
 - (v) should be a material supplier, service provider or customer or a lessor or lessee of the Company.

(k) The Candidate should not be less than 21 years of age.

(n) The Candidate should possess the following minimum qualification and experience:

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

IV. Evaluation:

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

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

V. Removal

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

VI. Retirement

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

VII. Remuneration:

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

Fixed pay:

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

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

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual

- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package

Fixed Component		
Basic Salary	Allowances	Superannuation

Minimum Remuneration:

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

B. Non-Executive Directors:

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

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

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

C. Structure of Remuneration for Other Employees

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

VIII. General:

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

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

a. FREQUENCY OF MEETINGS

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

b. COMMITTEE MEMBERS' INTERESTS

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

c. SECRETARY

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

d. VOTING

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

e. MINUTES OF COMMITTEE MEETING

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

f. AMENDMENT

- The Board of Directors reserves the right to amend or modify the Nomination and Remuneration Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such

amendment or modification will be binding on the employees, key managerial personnel and senior management employees unless the same is notified to them in writing.

Annexure 1 to Nomination & Remuneration Policy

List of Statues

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

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

Annexure 2 to Nomination & Remuneration Policy

CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:

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

1. Executive Directors:

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

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

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

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

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the Company and various stakeholders;

- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence (in case of independent director).
- f. inform the Board immediately when they lose their independence (in case of independent director).
- g. assist the company in implementing the best corporate governance practices.
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the Company
- k. keep themselves well informed about the Company and the external environment in which it operates;
- l. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- m. abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
- n. provide various directions in the best interest of the Company on key issues

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

3. Board (Including Various Committees):

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

- a. the Board Ensure the integrity of financial information and robustness of financial and other controls.
- b. the Board oversees the management of risk and review the effectiveness of risk management process.
- c. the Board of directors works as a team.
- d. the Board is robust in taking and sticking to decisions.
- e. the Board as a whole up to date with latest developments in the regulatory environment and the market.

- f. sufficient board and committee meetings, of appropriate length, being held to enable proper consideration of issues.
- g. the relationships and communications with shareholders are well managed.
- h. the relationships and communications within the board constructive.
- i. all directors are allowed or encouraged to participate fully in board discussions.
- j. the board take the Initiative to maintain moral value of the Company
- k. the board contribute to enhance overall brand image of the Company

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

Annexure IV

DISCLOSURE OF INFORMATION UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

I. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16:

Ms. Apurva Purohit (Whole Time Director): 29 times

*The remuneration paid to Ms. Apurva Purohit in the capacity of Whole-time Director has been calculated proportionately for number of days from which the Company became Public Limited and till the end of the financial year i.e. from 10/06/2015 to 31/03/2016. The details of remuneration paid/accrued to Ms. Apurva Purohit in the capacity of Whole-time Director for the period 01/04/2015 to 09/06/2015 have not been furnished, as the Company being a Private Limited during the said period, the relevant provisions of the Companies Act, 2013 on managerial remuneration were not applicable.

II. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2015-16.

- a. Mrs. Apurva Purohit, Director – 11%
- b. Mr. Abraham Thomas, CEO – N.A.
- c. Mr. Prashant Domadia – CFO – N.A.
- d. Mr. Chirag Bagadia, CS & Compliance Officer – 20%

* Mr. Abraham Thomas, CEO and Mr. Prashant Domadia, CFO were appointed w.e.f 23rd November 2015 hence not eligible for increase in remuneration in the financial year 2015-16, further the remuneration paid to Ms. Apurva Purohit in the capacity of Whole-time Director has been calculated proportionately for number of days from which the Company became Public Limited and till the end of the financial year i.e. from 10/06/2015 to 31/03/2016. The details of remuneration paid/accrued to Ms. Apurva Purohit in the capacity of Whole-time Director for the period 01/04/2015 to 09/06/2015 have not been furnished, as the Company being a Private Limited during the said period, the relevant provisions of the Companies Act, 2013 on managerial remuneration were not applicable. Therefore, the same has not been taken into consideration while calculating the above ratios

III. Percentage increase in the median remuneration of employees in the financial year 2015-16 is 13%

IV. Number of permanent employees on the rolls of the company: There are 310 permanent employees as on March 31, 2016.

V. Explanation on the relationship between average increase in remuneration and company performance

Average increase in remuneration for financial year 2015-16 is 13% which is in line with company's policy and financial performance for the year. The company follows detailed performance review mechanism to ensure that the increase is commensurate with performance of the employee.

The remuneration policy followed by the Company rewards people based on criteria such as the responsibilities shouldered by the person, his / her academic / experience profile, his / her performance vis-à-vis set Key Result Areas (KRAs), the financial results of the Company and industry benchmarks. Through its remuneration policy, the Company endeavors to attract, retain, develop and motivate its highly skilled and dedicated workforce. The Company follows a compensation mix of fixed pay and performance based pay.

VI. Comparison of remuneration of Key Managerial Personnel against performance of your company

Percentage increase in the remuneration of Key Managerial Personnel is based on the performance assessment of the each KMP and his role and responsibilities in the growth of the Company and average increase remuneration of KMP is 15.5%.

The remuneration paid to Ms. Apurva Purohit in the capacity of Whole-time Director has been calculated proportionately for number of days from which the Company became Public Limited and till the end of the financial year i.e. from 10/06/2015 to 31/03/2016. The details of remuneration paid/accrued to Ms. Apurva Purohit in the capacity of Whole-time Director for the period 01/04/2015 to 09/06/2015 have not been furnished, as the Company being a Private Limited during the said period, the relevant provisions of the Companies Act, 2013 on managerial remuneration were not applicable. Therefore, the same has not been taken into consideration while calculating the above ratios

VII. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer – Not Applicable since only Non-Convertible Debentures (NCD's) of the Company are listed on Bombay Stock Exchange.

VIII. Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Exceptional case of increase in remuneration of Managerial Personnel / Whole Time Director (as identified as per Nomination and Remuneration Policy of the Company) and employees other than Whole Time Director is given below:-

- a. The percent increase of managerial remuneration of Ms. Apurva Purohit, WTD from financial year 2014 - 15 to 2015-16 is as 11%
- b. The percent increase of salaries of employees other than managerial personnel from financial year 2014 - 15 to 2015-16 is as 13%

*The remuneration paid to Ms. Apurva Purohit in the capacity of Whole-time Director has been calculated proportionately for number of days from which the Company became Public Limited and till the end of the financial year i.e. from 10/06/2015 to 31/03/2016. The details of remuneration paid/accrued to Ms. Apurva Purohit in the capacity of Whole-time Director for the period 01/04/2015 to 09/06/2015 have not been furnished, as the Company being a Private Limited during the said period, the relevant provisions of the Companies Act, 2013 on managerial remuneration were not applicable. Therefore, the same has not been taken into consideration while calculating the above ratios.

IX. Key parameters for any variable component of remuneration availed by the directors:-

Remuneration payable to the Directors is guided by the Company's Nomination & Remuneration policy, as annexed to the Board of Directors' Report

X. Ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:-

Not applicable, since none of the employees received remuneration in excess of the highest paid director in the financial year under review

XI. Affirmation that remuneration is as per remuneration policy of the company

It is hereby affirmed that the remuneration is as per the remuneration policy of the Company

Annexure V

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2016**

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

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

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

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2016 (“**Audit Period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (“**the Act**”) and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to the Foreign Direct Investment;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, I further report that the Company has complied with the terms of ‘Grant of Permission Agreement’ (GOPA) being agreed by it with the Ministry of Information & Broadcasting, Government of India and as are specifically applicable to the Company with respect to the Company’s operating ‘FM Radio Broadcasting Services’ at a few cities in India.

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

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

and

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

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

- (i) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder;
- (iii) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (iv) The Listing Agreement with Stock Exchange with respect to Equity Shares listing;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as are applicable to the Overseas Direct Investment and External Commercial Borrowings.

I further report that -

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

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

Sd/-

Mr. Deepak Prakash Rane

Practicing Company Secretary

Membership No: 24110

COP: 8717

Place: Mumbai

Date: May 11, 2016

Music Broadcast Limited
Statement of Accounts for the year ended
March 31, 2016

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To The Members Of Music Broadcast Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Music Broadcast Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 7th & 8th Floor, Tower - B, DLF Cyber City Gurgaon - 122 002

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

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Other matter

9. The standalone financial statements of the Company for the year ended March 31, 2015, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 25, 2015, expressed an unmodified opinion on those financial statements.


Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its standalone financial statements – Refer Note 26.
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2016.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

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



Anurag Khandelwal
Partner
Membership Number 078571

New Delhi
May 30, 2016

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the standalone financial statements for the year ended March 31, 2016

Page 1 of 2

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Music Broadcast Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 over financial reporting 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 over financial reporting were 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 over financial reporting.



Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the standalone financial statements for the year ended March 31, 2016

Page 2 of 2

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 control over financial reporting 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

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

Anurag Khandelwal

Anurag Khandelwal
Partner
Membership Number 078571

New Delhi
May 30, 2016

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the standalone financial statements as of and for the year ended March 31, 2016

- i.(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets 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 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 10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company does not carry any inventory and accordingly, clause 3 (ii) (a) to 3(ii) (c) of the Order are not applicable to the Company and hence not commented upon.
- 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. 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.
- v. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vi. (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, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. lakhs)	Assessment year	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	387.00	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	98.92	2009-10	Commissioner of Income Tax (Appeals)

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




Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the standalone financial statements for the year ended March 31, 2016

Page 2 of 2

- vii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- viii. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- ix. 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.
- x. 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.
- xi. 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.
- xii. 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 Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiii. 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.
- xiv. 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.
- xv. 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

New Delhi
May 30, 2016

MUSIC BROADCAST LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note No.	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	3,890.97	3,890.97
Reserves and Surplus	3	6,062.67	1,825.99
Non-Current Liabilities			
Long-term Borrowings	4	23,274.00	28,482.33
Long-term Provisions	5	359.79	317.88
Current Liabilities			
Short-term Borrowings	6	400.00	-
Trade Payables	7	-	-
-Total outstanding dues of micro enterprises and small enterprises and		-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		3,722.08	3,407.49
Other Current Liabilities	8	7,682.78	1,778.03
Short-term Provisions	9	113.38	70.43
Total		45,505.67	39,773.12
II ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	682.45	708.76
Intangible Assets	11	20,739.37	1,163.33
Capital Work-in-progress		6,566.28	28.94
Non-current Investments	12	-	1.00
Long-term Loans and Advances	13	4,637.03	2,243.63
Other Non-current Assets	14	286.50	971.15
Current Assets			
Current Investments	15	1,420.00	-
Trade Receivables	16	8,747.37	7,715.39
Cash and Bank Balances	17	1,490.22	5,435.01
Short-term Loans and Advances	18	928.63	21,161.74
Other Current Assets	19	7.82	344.18
Total		45,505.67	39,773.12

Significant Accounting Policies 1

The accompanying notes are an integral part of these financial statements
This is the Balance Sheet referred to in our report of even date

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

Anurag Khandelwal
Partner
Membership Number-078571

Place: New Delhi
Date: May 30, 2016

For and on Behalf of the Board

Apurva Purohit

Apurva Purohit
Director

Director

Abraham Thomas

Abraham Thomas
Chief Executive Officer

Prashant Domadia

Prashant Domadia
Chief Financial Officer

Chirag Bagadia

Chirag Bagadia
Company Secretary



MUSIC BROADCAST LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
I Revenue from Operations		22,675.77	20,083.50
II Other Income	20	1,328.76	666.90
III Total Revenue (I + II)		24,004.53	20,750.40
IV Expenses:			
License Fees		1,681.85	949.87
Employee Benefits	21	4,971.84	4,315.29
Finance Costs	22	1,830.09	621.04
Depreciation and Amortisation	10,11,23	1,631.08	1,570.00
Other Expenses	24	8,295.49	8,601.89
Total Expenses		18,410.35	16,058.09
V Profit Before Exceptional items and Tax (III-IV)		5,594.18	4,692.31
VI Exceptional Items	25	1,357.50	-
VII Profit Before Tax (V - VI)		4,236.68	4,692.31
VIII Tax Expense			
Current Tax (MAT)		1,358.46	-
(Including Rs. 369.68 lakhs related to earlier years (Previous Year: Nil))			
MAT Credit Entitlement		(1,358.46)	-
IX Profit for the Year (VII - VIII)		4,236.68	4,692.31
X Earnings per Equity Share in Rupees	32		
Nominal value (per share)		10	10
Basic		10.11	11.20
Diluted		10.11	11.20

Significant Accounting Policies 1

The accompanying notes are an integral part of these financial statements
This is the Statement of Profit and Loss referred to in our report of even date

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

Anurag Khandelwal
Partner
Membership Number-078571

Place: New Delhi
Date: May 30, 2016

For an on Behalf of the Board


Apurva Purohit
 Director


Abraham Thomas
 Chief Executive Officer


Prashant Domadia
 Chief Financial Officer


Chirag Bagadia
 Company Secretary



MUSIC BROADCAST LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
A. Cash Flow From Operating Activities:		
Profit before Tax and exceptional item	5,594.18	4,692.31
Adjustments for:		
Depreciation and Amortization	1,631.08	1,570.00
Finance Costs	1,830.09	621.04
Interest Income	(1,168.78)	(506.75)
Interest on Income Tax refund	(19.19)	(60.97)
(Profit) on Fixed Assets Sold	(1.02)	(3.21)
(Profit) on Investments Sold	(82.64)	-
Provision for Doubtful Debts and Advances	396.41	288.66
Provision for Gratuity and Leave Encashment	84.85	119.98
Liabilities no Longer Required Written-back	(15.40)	(5.16)
	<u>2,655.40</u>	<u>2,023.59</u>
Operating Profit Before Working Capital Changes	8,249.58	6,715.90
Adjustments for Changes In Working Capital :		
- Increase in Trade Payables	314.59	44.27
- Increase in Other Current Liabilities & provisions	1,750.24	1,230.37
- (Increase) in Trade Receivables	(1,428.39)	(1,629.64)
- (Increase)/ Decrease in Long Term Loan and Advances	(474.45)	83.89
- (Increase)/ Decrease in Short Term Loan and Advances	(356.89)	130.58
- Decrease/ (Increase) in Other Current Assets	73.85	(55.88)
	<u>(121.05)</u>	<u>(196.41)</u>
Net cash generated from operations before exceptional items	8,128.53	6,519.49
Direct taxes received/(paid) including Interest on refund	(1,045.20)	72.10
Exceptional items	(1,357.50)	-
Net cash generated from operating activities	5,725.83	6,591.59
B. Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(28,610.79)	(273.88)
Proceeds from Sale of Fixed Assets	1.02	3.21
Redemption of Investments	4,028.64	-
Purchase of Investments	(5,365.00)	-
Inter-Corporate Deposits Given	-	(20,090.00)
Repayment of Inter-Corporate Deposit Given	20,590.00	-
Maturity of Bank Deposits classified as Non Current	609.85	(501.16)
Proceeds from Bank Deposits classified as Cash and Cash Equivalents	804.88	350.65
Interest Received	1,506.09	322.76
Net Cash Used In Investing Activities	(6,435.31)	(20,188.42)



MUSIC BROADCAST LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
C. Cash Flow From Financing Activities:		
Loan Taken from Related Party	3,600.00	-
Repayment of Loan to Related Party	(3,200.00)	-
Proceeds from Issue of Debentures	8,274.00	20,000.00
Repayment of long-term borrowings	(9,315.86)	(3,505.83)
Interest and other finance cost paid	(1,788.78)	(505.83)
Net Cash Used In Financing Activities	(2,430.44)	15,988.34
Net Increase/(Decrease) In Cash and Cash Equivalents	(3,139.91)	2,391.51
Cash and Cash Equivalents at the Beginning of the Year	4,316.27	1,924.76
Cash and Cash Equivalents at the End of the Year	1,176.36	4,316.27
Cash and Cash Equivalents Comprise		
Cash on Hand	0.28	0.15
Bank Balances		
- in Current Accounts	1,176.08	4,316.12
	1,176.36	4,316.27

Notes :

1. Figures in brackets indicate cash outflow.
2. The above Cash Flow Statement has been prepared under the indirect method set out in AS 3 - Cash Flow Statement as notified under Section 211(3C) of the Companies Act 1956 and relevant provision under Companies Act, 2013.
3. Refer Note 24 (b) for amount paid as CSR contribution.

This is the Cash Flow Statement referred to in our report of even date

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

Anurag Khandelwal
 Anurag Khandelwal
 Partner
 Membership Number-078571

Place: New Delhi
 Date: May 30, 2016

For and on Behalf of the Board

Apurva Purohit
 Apurva Purohit
 Director

Prashant Domadia
 Prashant Domadia
 Chief Financial Officer

Abraham Thomas
 Abraham Thomas
 Chief Executive Officer

Chirag Bagadia
 Chirag Bagadia
 Company Secretary



MUSIC BROADCAST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(All amount in Rupees Lakhs unless stated otherwise)

1. (A) BACKGROUND

Music Broadcast Limited ("the Company") was incorporated in India on November 4, 1999. The Company is engaged in the business of operating Private FM Radio Stations through the brand 'Radio City'. The Company started its operations in India in July, 2001 in Bangalore and operate its radio stations in 20 cities across India. The Company has acquired 11 new FM channels under e-Auction of first batch of private FM radio Phase III. Further, the Company has exercised the option to migrate all existing 20 stations under Phase III regime for a period of 15 years effective April 1, 2015.

On receipt of approval from Ministry of Information and Broadcasting (MIB), the entire shareholding of Spectrum Broadcast Holdings Private Limited, the holding Company (formerly known as IVF Holdings Private Limited) has been transferred to Jagran Prakashan Limited (JPL) on June 10, 2015.

(B) SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, till the Standards of Accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Finance Reporting Authority, the existing Accounting Standards notified under Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material respects with accounting standards notified under section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules 2006 as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has considered its operating cycle as 12 months for the purpose of current and non-current of classification of assets and liabilities.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

b. Use of estimates:

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

c. Tangible fixed assets:

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



Capital work in progress is stated at cost.

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

Depreciation on tangible fixed assets:

During the year, Company has revised the estimated useful life of all assets on the basis of technical evaluation which are also in alignment with the useful life mentioned under Schedule II of the Companies Act, 2013.

Nature of Asset	Useful life till March 31, 2015 (In Years)	Revised useful life (In Years)
Towers, Antenna & Transmitters	5	13
Computers	3	3 - 6
Furniture & Fixtures	5	10
Studio Equipment's	5	15
Air Conditioners & UPS & Gen Set	5	15
Vehicle	5	8

d. Intangible assets:

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

Intangible assets, other than migration fees are amortized on a straight line basis over a period of 5 years.

The migration fee capitalized is being amortized, with effect from April 1, 2015, equally over a period of fifteen years, being the period of the license.

e. Impairment of assets:

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.



f. Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried at cost of acquisition. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments, such reduction being determined and made for each investment individually.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

g. Cash and cash equivalents

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

h. Provisions and Contingent Liability

i. The Company creates a provision when there is a present obligation arising as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.

ii. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is wither not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

i. Employee benefits

Short term employee benefits are recognised in the period during which the services have been rendered. The Company's contribution to Employee Provident Fund and Employee's Pension Scheme 1995 are charged to revenue. These are defined contribution plans and the Company deposits these amounts with the fund administered and managed by the provident fund authorities. The Company does not carry any further obligations, apart from the contributions made on monthly basis.

The Company has Defined Benefit plans namely leave encashment and gratuity for all employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the projected unit credit method. Every employee is entitled to benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. Gratuity Fund is not recognised by the income tax authorities and is administered and managed by the Kotak Life insurance fund.

Termination benefits are recognised as an expense immediately. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions are recognised immediately in the Statement of Profit and Loss as income or expense.

j. Revenues

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Specifically the following basis are adopted for recognizing various sources of revenues of the Company:



Advertisement Revenue

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

Other Income

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

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

k. Foreign currency transactions:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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

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

Foreign Currency Monetary Items outstanding as at Balance Sheet date are valued using the conversion rate prevailing as at Balance Sheet date and the exchange differences on restatement are recognised as income or as expense in the Statement of Profit and Loss.

The Company does not have any derivative transactions.

l. License fees

License fees are charged to revenue 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 revenue on the basis of billing rates inclusive of any taxes and without deduction of any discount given to the advertiser and any commission paid to advertising agencies.

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

m. Leases

Assets acquired under finance leases are recognised as fixed assets. Liability is recognised at the lower of the fair value of the leased assets at inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charge to the Statement of profit and loss.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases are charged to Statement of Profit and Loss on a straight line basis over the period of the lease.



In case of non-cancellable operating leases, the total rent payable including future escalations till the expiry of lease is charged equally to Statement of profit and loss over the period of lease including renewals.

n. Income taxes

- i. Tax expense comprises of current tax and deferred tax.
- ii. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- iii. Deferred tax assets and liabilities are computed on the timing differences at the Balance Sheet date using the tax rate and tax laws that have been enacted or substantively enacted by the Balance sheet date. Deferred tax assets are recognised subject to consideration of prudence based on management estimates of reasonable certainty that sufficient taxable income will be available in the future periods against which such deferred tax assets can be realised. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.
- iv. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set-off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.
- v. Minimum Alternative tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

o. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

p. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated.



q. Borrowing Cost

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

r. Segment Information

The Company is engaged in the business of operating Private FM Radio Stations through the brand 'Radio City', which in the context of the Accounting Standard 17 on Segment Reporting is considered to constitute single reportable business segment and single geographical segment. Accordingly, no separate disclosure for primary or secondary segments is given.



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
2. SHARE CAPITAL		
AUTHORISED:		
46,000,000 (March 31, 2015: 42,000,000) Equity Shares of Rs.10/- each	4,600.00	4,200.00
50,000 (March 31, 2015: 50,000) Convertible Redeemable Preference Shares of Rs.10/- each	5.00	5.00
ISSUED:		
41,917,767 (March 31, 2015: 41,917,767) equity shares of Rs.10/- each, fully paid-up	4,191.78	4,191.78
Less : Amount recoverable from ESOP Trust*	(300.81)	(300.81)
SUBSCRIBED AND PAID-UP:		
41,917,767 (March 31, 2015: 41,917,767) equity shares of Rs.10/- each, fully paid-up	4,191.78	4,191.28
Add: Issued during the year	-	0.50
Less : Amount recoverable from ESOP Trust*	(300.81)	(300.81)
TOTAL	3,890.97	3,890.97

<u>Equity Shares</u>	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	41,917,767	4,191.78	41,912,767	4,191.28
Add: Issued during the year	-	-	5,000	0.50
Less: ESOP recoverable*	3,008,066	300.81	3,008,066	300.81
Shares outstanding at the end of the year	38,909,701	3,890.97	38,909,701	3,890.97

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

<u>Preference Shares</u>	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	-	-	4,900	0.49
Less: redeemed during the year	-	-	(4,900)	(0.49)
Shares outstanding at the end of the year	-	-	-	-

(b) Rights, Preferences and Restrictions Attached to Shares

Equity Shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

(c) Shares held by holding Company and subsidiary of holding company

	As at March 31, 2016	As at March 31, 2015
29,906,520 shares (Previous year 29,906,520) held by Spectrum Broadcast Holding Private Limited (Formerly, IVF Holdings Private Limited), the Holding Company	299.07	299.07
9,003,181 shares (Previous year 9,003,181) held by Crystal Sound & Music Private Limited, subsidiary of Holding Company	90.03	90.03

(d) Details of Shares Held by Shareholders Holding More than 5% of the Aggregate Shares in the Company

	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	%age	Number of Shares	%age
Spectrum Broadcast Holding Private Limited (Formerly IVF Holdings Private Limited) the Holding Company	29,906,520	71.35%	29,906,520	71.35%
Crystal Sound & Music Private Limited, subsidiary of Holding Company	9,003,181	21.48%	9,003,181	21.48%
Mr. George Thomas Jointly with Mr. Sunil Theekath as Trustees of Music Broadcast Employees Welfare Trust	-	0.00%	3,008,066	7.17%
Mr. Rahul Gupta Jointly with Mr. Shailesh Gupta as Trustees of Music Broadcast Employees Welfare Trust	3,008,066	7.17%	-	0.00%
	41,917,767	100%	41,917,767	100%

(e) Terms of securities convertible into equity shares - Refer Note 4(b)



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
3. RESERVES AND SURPLUS		
Capital Reserve	14,197.34	14,197.34
Securities Premium Account	3,710.31	3,710.31
Debenture Redemption Reserve		
Balance as at the beginning of the year	142.36	-
Add: Transferred from Surplus in Statement of Profit and Loss	1,708.33	142.36
Balance as at the end of the year	1,850.69	142.36
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	(16,224.02)	(20,763.73)
Add: Profit for the Year	4,236.68	4,692.35
Less: Appropriations		
- Additional Depreciation as per Companies Act, 2013	-	10.27
- Transfer to Debenture Redemption Reserve	1,708.33	142.36
Balance as at the end of the year	(13,695.67)	(16,224.02)
TOTAL	6,062.67	1,825.99



(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
4. LONG-TERM BORROWINGS		
SECURED		
Debentures		
1,500 (Previous Year 2,000) Listed Redeemable non-convertible debentures of Rs.10,00,000/- each [refer note (a) below]	15,000.00	20,000.00
UNSECURED		
Debentures		
Compulsorily Convertible Debentures held by Jagran Prakashan Limited [refer note (b) below]	8,274.00	-
Term loan		
Indian Rupee Loan from a Bank [refer note (c) below]	-	208.33
Loan From Holding Company [Note (d) below]	-	8,274.00
TOTAL	23,274.00	28,482.33

(a) Nature of Security: Secured by :

First Pari Passu charge on the entire book assets, including fixed assets, current assets and investments of the Company with Aggregate Market value of above Rs. 200 cr and also by letter of comfort provided by Jagran Prakashan Limited, the ultimate holding company in favor of MBL and the Debenture Trustee. These debentures are listed on Bombay Stock Exchange.

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

Nature of Debentures	Date of Allotment	Date of redemption	Amount
9.7% Non-convertible debenture Series A	March 4, 2015	March 4, 2017	Rs. 5,000
9.7% Non-convertible debenture Series B	March 4, 2015	March 4, 2018	Rs. 10,000
9.7% Non-convertible debenture Series C	March 4, 2015	March 4, 2020	Rs. 5,000
Total			Rs. 20,000

The proceeds from the NCDs were utilized for acquiring new radio licenses in Phase III auction including capital expenditure and payment of Migration Fees of Private Radio Licenses for migration from Phase II to Phase III.

(b) During the year, the Company issued 8,274 Compulsorily Convertible Debentures (CCD's) carrying 0% interest coupon rate of Rs.1,00,000/- (Rupees One Lakh only) each for cash. The CCD holder shall have an option to convert the CCD's into the equity shares of the Company at any time after 3 (three) years but within 5 (five) years from the date of allotment of CCD's. If CCD holder does not exercise the option of conversion within the period of 5 years, then the CCD's shall be compulsorily converted into the equity shares of the Company on completion of 5 years from the date of allotment of CCD's. 1 Equity share of Rs. 10 each shall be issued for every one CCD's of Rs. 1,00,000 each.

(c) Unsecured loan from HDFC bank was taken during the financial year 2013-14 and carried interest @ 13%. The loan was repayable in 12 quarterly installments of Rs 208.33 lakhs each along with monthly interest, from the date of loan. The said loan has been repaid during the year.

(d) Interest free loans from India Value Fund Trustee Company Private Limited- India Value Fund Scheme B initially repayable by March'17 has been repaid during the year.



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
5. LONG-TERM PROVISIONS		
Provision for Employee Benefits [Refer Note 21(a) (ii)]		
Provision for Gratuity	173.51	154.34
Provision for Leave Encashment	186.28	163.54
Total	359.79	317.88

6. SHORT-TERM BORROWINGS

UNSECURED

Intercorporate Deposit from Jagran Prakashan Limited [refer Note (a) below]	400.00	-
Total	400.00	-

(a) During the year, the Company has taken an Intercorporate Deposit (ICD) from the Jagran Prakashan Limited at an interest rate of 9.75%. The loan is for a period of 245 days.

7. TRADE PAYABLES

Trade Payables [Refer Note (a) below]

-Total outstanding dues of micro enterprises and small enterprises and (Refer Note 36 also)

-Total outstanding dues of creditors other than micro enterprises and small enterprises

	3,722.08	3,407.49
Total	3,722.08	3,407.49

(a) Based on the information available with the Company, there are no dues to micro and small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2016. Based on the information available with the Company there was neither any interest payable or paid to any supplier under the aforesaid Act and accordingly there is no such amount remaining unpaid as at March 31, 2016.



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
8. OTHER CURRENT LIABILITIES		
Current Maturities of Long-term Borrowings		
- Listed Redeemable Non-convertible Debentures (Refer Note 4 (a))	5,000.00	-
- Term Loans (Refer Note 4 (c))	-	833.33
Interest accrued but not due on borrowings	163.57	160.32
Advance from Customers	191.71	90.67
Employee Benefits Payable	742.55	528.85
Statutory Dues Payable including PF and TDS	196.15	164.86
Payable to Income tax Department [refer note (a) below]	1,388.80	-
	<u>7,682.78</u>	<u>1,778.03</u>

(a) Subject to reconciliation

(b) There are no amounts due for payment to the Investor Education and Protection Fund under Section 205 C of the Companies Act, 1956.

9. SHORT-TERM PROVISIONS

Provision for Employee Benefits [Refer Note 21 (a)(iii)]	56.02	49.23
Provision for Gratuity	57.36	21.20
Provision for Leave Encashment	<u>113.38</u>	<u>70.43</u>



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

10: TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at April 1, 2015	Additions	As at March, 31, 2016	Disposals/ Adjustments	For the Year	As at March, 31, 2016	Disposals/ Adjustments	As at March, 31, 2016	As at March 31, 2015
OWNED ASSETS									
Freehold Land	-	1.86	1.86	-	-	-	-	1.86	-
Buildings	-	5.86	5.86	-	0.08	0.08	-	5.78	-
Towers, Antenna & Transmitters	3,688.99	-	3,688.99	-	24.39	3,462.58	-	236.41	260.80
(Refer Note 1, Below)									
Furniture and Fixture	1,523.78	33.75	1,379.63	177.90	12.07	1,272.12	177.90	107.51	85.93
Studio Equipments	2,054.24	20.80	2,073.87	1.17	9.79	1,946.13	1.17	127.74	116.73
Vehicles	51.15	-	51.15	-	4.54	30.40	-	20.75	25.29
Office Equipments	1,040.47	18.84	1,044.01	15.30	12.49	966.91	15.30	77.10	70.75
Computers	800.76	8.78	808.95	0.59	52.84	703.65	0.59	105.30	149.36
Total	9,159.39	89.89	9,054.32	194.96	116.20	8,450.63	194.96	682.45	708.76
PREVIOUS YEAR	8,944.23	269.78	9,159.39	54.62	295.61	8,450.63	44.35	708.76	744.86

Note

- These include Jointly held assets amounting to Rs. 1,833 lakhs (March 31, 2015: Rs. 1,574 lakhs) at Common Transmission Infrastructure (CTI). This CTI is jointly owned and held by the Company along with other FM radio operators.
- The Company has changed the useful life of assets on the basis of technical evaluation which are also in alignment with the useful life mentioned under Schedule II of the Companies Act, 2013. Consequently the depreciation on fixed assets has been calculated as per revised useful life.

11: INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK		
	As at April 1, 2015	Additions	As at March, 31, 2016	Disposals/ Adjustments	For the Year	As at March, 31, 2016	Disposals/ Adjustments	As at March 31, 2015	
OWNED ASSETS									
One Time Entry/Migration Fees	12,391.48	22,101.06	22,101.06	12,391.48	1,473.40	11,324.11	11,324.11	1,473.40	1,067.37
(Refer note (a) below)									
Software	291.82	57.23	349.05	-	41.48	237.34	-	111.71	95.96
Copy Rights	4.50	-	4.50	-	-	4.50	-	-	-
Music Portal	46.51	-	46.51	-	-	46.51	-	-	-
Total	12,734.31	22,158.29	22,501.12	12,391.48	1,514.88	11,324.11	11,324.11	1,761.75	1,163.33
PREVIOUS YEAR	12,718.36	15.95	12,734.31	-	1,274.40	11,570.98	-	1,163.33	2,421.78

Capital Work-in-Progress
(Refer note (b) below)

6,566.28

Notes :

- During the year under Phase III auction of licenses, the Company paid Rs. 22,101 lakhs for 20 existing FM stations and Rs. 6,257 lakhs for acquiring 11 new FM stations. These licenses allow the Company to operate FM radio stations for a period of 15 years commencing from April 1, 2015. Consequently, the non-refundable entry fees paid under phase II has been decapitalised. Amount paid for 11 new stations will be capitalised as and when these stations start their operations.

(b) Capital Work-in-Progress includes interest cost of Rs 309 lakhs incurred on borrowing utilised for acquisition of 11 FM stations in Phase III.



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

As at
March 31, 2016 As at
March 31, 2015

12. NON-CURRENT INVESTMENTS

(At cost & fully paid-up unless otherwise stated)

Trade, Unquoted

Investment in Equity Instruments

i Subsidiaries

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

- **1.00**

Aggregate amount of unquoted investments

- **1.00**

Aggregate provision for diminution in value of unquoted investments

- -



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2016	As at March 31, 2015
13. LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered Good (Unless Otherwise Stated)		
Capital Advances	910.00	17.38
Security Deposits		
- Considered Good	1,800.95	1,326.50
- Considered Doubtful	80.08	64.40
Less: Allowances for Doubtful Deposits	80.08	64.40
	1,800.95	1,326.50
Income Tax Paid (including Tax Deducted at Source)	1,926.08	899.75
Less: Provision for Income Tax	1,358.46	-
	567.62	899.75
MAT Credit Entitlement	1,358.46	-
	<u>4,637.03</u>	<u>2,243.63</u>
14. OTHER NON-CURRENT ASSETS		
Unsecured, Considered Good (Unless Otherwise Stated)		
Others:		
- in Fixed Deposits held as Margin Money	272.66	882.51
- Interest Accrued on Fixed Deposits	13.84	88.64
	<u>286.50</u>	<u>971.15</u>

(a) These deposits are under lien with the bankers and government authorities.



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

As at
March 31, 2016 As at
March 31, 2015

15. CURRENT INVESTMENTS

(At cost & fully paid-up unless otherwise stated)

Quoted

Investment in Mutual Funds

DWS Insta cash plus - Growth 157,904.959 (Previous Year: NIL) units	300.00	-
SBI Premier liquid fund - Growth 8699.405 (Previous Year: NIL) units	200.00	-
Religare Liquid Fund - Growth 9,930.946 (Previous Year: NIL) units	200.00	-
DSP Blackrock Liquid - Growth 948.196 (Previous Year: NIL) units	20.00	-
Birla Sunlife Cash Plus - Growth 127,678.808 (Previous Year: NIL) units	300.00	-
TATA Liquid Fund Plan Advantage - Growth 7407.317 (Previous Year: NIL) units	200.00	-
LIC Nomura Liquid Fund - Growth 7538.562 (Previous Year: NIL) units	200.00	-
	<u>1,420.00</u>	<u>-</u>

(a) Other Disclosures :

Aggregate amount of quoted investments	1,420.00	-
Market value of quoted investments	1,467.08	-



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2016		As at March 31, 2015	
16. TRADE RECEIVABLES				
Unsecured				
Outstanding for a Period Exceeding Six Months from the date they are due for payment				
Considered Good	720.30		1,428.23	
Considered Doubtful	909.32		591.37	
Less: Provision for Doubtful Trade Receivables	909.32	720.30	591.37	1,428.23
Other Receivables				
Considered Good	8,027.07		6,287.16	
Considered Doubtful	274.80		212.02	
Less: Provision for Doubtful Trade Receivables	274.80	8,027.07	212.02	6,287.16
		8,747.37		7,715.39

17. CASH AND BANK BALANCES

Cash and Cash Equivalents				
Cash on Hand		0.28		0.15
Bank Balances				
- in Current Accounts		1,176.08		4,316.12
Other bank balances				
- With Maturity of More Than Three Months but Less Than Twelve Months) [Refer Note (a) below]		18.23		488.74
- in Fixed Deposits Held as Margin Money		295.63		630.00
		1,490.22		5,435.01

(a) These deposits are under lien with the bankers and government authorities.

18. SHORT-TERM LOANS AND ADVANCES

Unsecured, Considered Good (Unless Otherwise Stated)

Loans and Advances to Related Parties				
Advance recoverable in cash or kind				590.00
- Unsecured, considered good	221.22		256.98	
- Unsecured, considered doubtful	26.67		26.67	
- Less: Allowances for Doubtful advances	26.67		26.67	
		221.22		256.98
Other Loans and Advances				
- Intercompany Deposits Others				20,000.00
- Prepaid Expenses	575.41			245.37
- Balances with statutory / government authorities	132.00			69.39
Advance paid under dispute	244.98		244.98	
- Less: Allowances for other advances	244.98		244.98	
		928.63		21,161.74

19. OTHER CURRENT ASSETS

Unsecured, Considered Good (Unless Otherwise Stated)

Facility charges receivable				73.85
Interest Accrued on Fixed deposits		7.82		270.33
		7.82		344.18



(All amounts in Rs. Lakhs, unless otherwise stated)

	Year Ended March 31, 2016	Year Ended March 31, 2015
20. OTHER INCOME		
Interest Income		
- On Fixed Deposits	151.92	145.60
- On Loans Given	1,016.86	361.15
- On Income Tax Refund	19.19	60.97
	1,187.97	567.72
Net Profit on Sale of Investments		
- From Current Investments	82.64	-
Profit on Sale of Assets (Net)	1.02	3.21
Liabilities no Longer Required Written-back	15.40	5.16
Facility income	29.44	84.36
Miscellaneous Income	12.29	6.45
	1,328.76	666.90
21. EMPLOYEE BENEFITS		
Salary, Wages and Bonus	4,653.58	4,037.25
Contribution to Employees Provident and Other Funds [Refer Note (a) (i) and (ii)]	180.84	153.91
Contribution to Gratuity Fund [Refer Note (a) (iii)]	83.84	89.03
Staff Welfare Expenses	53.58	35.10
	4,971.84	4,315.29



(All amounts in Rs. Lakhs, unless otherwise stated)

(a) The Company has classified various benefits provided to the employees as under:-

i. Defined Contribution Plans - Provident Fund

During the Year, the Company has recognised the following amounts in the Statement of Profit and Loss

Particulars	Year Ended	Year Ended
	March 31, 2016	March 31, 2015
Employers' Contribution to Provident Fund	142.83	123.05
Labor Welfare Fund	0.13	0.12
Total	142.96	123.17

ii. State Plans

During the Year, the Company has recognised the following amounts in the Statement of Profit and Loss

Particulars	Year Ended	Year Ended
	March 31, 2016	March 31, 2015
Employers' Contribution to Employees' Pension Scheme, 1995 *	37.88	30.74

* Included in Contribution to Employees Provident and other Funds above

iii. Defined Benefit Plans

- Contribution to Gratuity Funds – Employee's Gratuity Fund
- Leave Encashment

1. In accordance with Accounting Standard 15 – Employee Benefits notified under Section 211 (3C) of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013, actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions:-

Particulars	Leave Encashment (Unfunded)		Employee's Gratuity Fund (Funded)	
	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Discount Rate (per annum)	8.00%	7.80%	8.00%	7.80%
Rate of Increase in Compensation levels (per annum)	7.50%	6.75%	7.50%	6.75%
Rate of Return on Plan Assets (per annum)	NA	NA	8.00%	9.00%
Expected Average Remaining Working Lives of Employees (In Years)	NA	NA	7.11	13.61

The expected rate of return is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

2. Changes in the Present Value of Obligation

Particulars	Leave Encashment (Unfunded)		Employee's Gratuity Fund (Funded)	
	Year Ended	Year Ended	Year Ended	Year Ended
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Present Value of Obligation as at April 1	184.75	149.40	273.57	188.95
Current Service Cost	65.81	41.12	46.88	35.37
Interest Cost	13.58	12.17	20.63	16.88
Actuarial (Gain)/ Loss on Obligations	12.84	(7.41)	49.18	50.38
Benefits Paid	(33.32)	(10.54)	(57.87)	(18.01)
Present Value of Obligation as at March 31	243.66	184.75	332.39	273.57

3. Changes in the Fair value of Plan Assets

Particulars	Employee's Gratuity Fund (Funded)	
	Year Ended	Year Ended
	March 31, 2016	March 31, 2015
Fair Value of Plan Assets at April 1	95.62	82.02
Expected Return on Plan Assets	10.00	9.10
Actuarial Gain/ (Loss) on Plan Assets	(2.76)	4.50
Fair Value of Plan Assets at March 31	102.86	95.62



(All amounts in Rs. Lakhs, unless otherwise stated)

4. Net Actuarial (Gain) / Loss Recognised

Particulars	Leave Encashment (Unfunded)		Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2016	Year Ended March 31, 2015
Actuarial (Gain)/ Loss on Obligations	12.84	(7.41)	49.18	50.38
Actuarial (Gain)/ Loss on Plan Assets	-	-	2.76	(4.50)
Actuarial (Gain)/ Loss Recognized in the Period	12.84	(7.41)	51.94	45.88

5. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Fair Value of Plan Assets as at the End of the Period Funded Status	102.86	95.62
Present Value of Funded Obligation as at March 31	332.39	273.57
Unfunded Net Asset / (Liability) Recognized in Balance Sheet	229.53	177.95
Short Term Provisions (Refer Note 9)	56.02	49.23
Long Term Provisions (Refer Note 5)	173.51	154.34

6. Expenses Recognised in the Statement of Profit and Loss

Particulars	Leave Encashment (Unfunded)*		Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2016	Year Ended March 31, 2015
Current Service Cost	65.81	41.12	46.88	35.37
Interest Cost	13.58	12.17	20.63	16.88
Expected Return on Plan Assets	-	-	(10.00)	(9.10)
Net Actuarial (Gain)/ Loss Recognised	12.84	(7.41)	51.95	45.88
Total Expenses Recognized in Employee Benefits	92.23	45.88	109.46	89.03
Less: Adjustment in the value of planned assets for earlier years	-	-	25.62	-
Total Expenses Recognized in the Statement of Profit and Loss	92.23	45.88	83.84	89.03

7. Major Categories of Plan Assets (as a % age of total planned assets)

Particulars	Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Central and State Government Securities	NA	NA
Debentures and Bonds	NA	NA
Equity Shares	NA	NA
Policy of Insurance	100%	100%
Total	100%	100%

Note: Plan assets are held with Kotak Life Insurance and breakup thereof has not been provided by them.

8. Estimated amount of contribution to be paid to the plan within one year is Nil.

9. Actual Return on Plan Assets

Particulars	Employee's Gratuity Fund (Funded)	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Actual Return on Plan Assets	7.23	13.61

10. Experience Adjustments

Particulars	Employee's Gratuity Fund (Funded)				
	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012
Defined Benefit Obligation	332.39	273.57	188.94	169.84	122.98
Plan Asset	102.86	95.62	82.01	79.03	48.18
Surplus / (Deficit)	(229.53)	(177.95)	(106.93)	(90.45)	(74.80)
Experience Adjustments Arising on:					
- the Plan Liabilities	24.16	10.35	4.62	0.72	0.72
- the change in financial assumptions	(11.34)	-	-	-	-
- the change due to demographic assumptions	9.09	-	-	-	-
- the Plan Assets	2.77	(4.50)	4.14	(0.40)	3.40

Particulars	Leave Encashment (Unfunded)				
	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012
Defined Benefit Obligation	243.64	184.75	149.40	116.70	92.33
Experience Adjustments Arising on:					
- the Plan Liabilities	(0.80)	(27.48)	(15.30)	-	-
- the change in financial assumptions	5.51	20.07	(13.92)	-	-
- the change due to demographic assumptions	2.80	-	-	-	-
Net Actuarial Loss/(Gain) for the year	7.51	(7.41)	(29.22)	-	-



(All amounts in Rs. Lakhs, unless otherwise stated)

	Year Ended March 31, 2016	Year Ended March 31, 2015
22. FINANCE COSTS		
Interest Expense:		
- on Borrowings	1,749.55	393.13
- on Income Tax	38.06	-
Other Borrowing Costs	42.48	227.91
	<u>1,830.09</u>	<u>621.04</u>
23. DEPRECIATION AND AMORTIZATION		
Depreciation on Tangible assets (Note 10)	116.20	295.61
Amortization on Intangible Assets (Note 11)	1,514.88	1,274.40
	<u>1,631.08</u>	<u>1,570.01</u>
24. OTHER EXPENSES		
Repairs and maintenance:		
Building	53.23	54.25
Plant and Machinery	108.15	115.90
Power and fuel expenses	723.54	707.69
Rates and taxes	36.31	25.41
Travelling and conveyance	223.22	461.52
Communication cost	97.13	105.61
Marketing and advertisement expenses	2,039.49	2,173.21
Insurance	23.61	28.97
Corporate social responsibility expenditure [Refer note (b) below]	56.00	28.73
Provision for doubtful debts and advances	396.41	288.66
Auditor's remuneration (excluding Service tax):		
Statutory audit fees	35.50	25.00
Other services(certification)	5.50	9.50
Out of pocket expense	0.94	0.74
Royalty	578.98	501.44
Programming Cost	887.21	867.09
Rent [Refer Note (a) below]	1,291.60	1,327.40
Annual Software License Maintenance fee	214.53	200.01
Legal and professional charges	310.55	463.98
Commission on sales	678.91	700.68
Office maintenance charges	333.42	302.06
Miscellaneous expenses	201.26	214.04
	<u>8,295.49</u>	<u>8,601.89</u>



(a) Leases

(i) The Company is obligated under non-cancellable leases for offices renewable on a periodic basis at the option of lessor and lessee.

Future minimum lease payments under non-cancellable operating leases which are as follows:-

Particulars	As at March 31, 2016	As at March 31, 2015
Not later than one year	952.18	392.34
Later than one year but less than five years	3,608.38	811.32
Later than five years	9,219.74	111.49
Total	13,780.30	1,315.15

(ii) Total lease payments recognised in the Statement of Profit and Loss Rs.1,291.60 Lakhs (Previous Year Rs.1,327.40 Lakhs).

(b) Expenditure towards Corporate Social Responsibility activities

i) Gross amount required to be spent by the Company during the year is Rs. 56.00 Lakhs.

ii) Amount spent during the year is as under:

Particulars	Year Ended	Year Ended
	31-Mar-16	31-Mar-15
1 Welfare Society for Destitute Children (St. Catherines)	13.78	6.01
2 Happy Home & School for the Blind	5.96	6.58
3 Saath Charitable Trust	5.69	0.94
4 Zion Social Welfare Society	6.38	-
5 Bangalore Oniyavara Seva Coota (Bosco)	14.73	6.72
6 Chetana Sanssthan	0.33	-
7 Charlie Help Universe Trust	0.24	-
8 RAYS Aasha ki ek kiran	2.40	-
9 Helen Keller Memorial Association for the Blind	0.87	-
10 Lions Blind Girls Welfare Center Trust	4.20	-
11 Kingskids home (Coimbatore Chrisitan Center Trust)	0.42	-
12 Helping Hearts	1.00	-
13 Saraswati Anathashram Orphanage	-	1.08
14 Kothrud Blind School	-	1.00
15 Blind People Association India	-	1.80
16 Arpan Seva Sanssthan Orphanage	-	1.71
17 Saksham Blind School	-	2.88
Total	56.00	28.73

25. EXCEPTIONAL ITEMS

Special Incentive given to certain employees

	Year Ended March 31, 2016	Year Ended 31-Mar-15
Special Incentive given to certain employees	1,357.50	-
	1,357.50	-



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

26 CONTINGENT LIABILITIES

Particulars	As at March 31, 2016	As at March 31, 2015
a) T-series Performance Royalty	390.72	276.10

27 CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2016	As at March 31, 2015
Estimated amount of contracts on capital account pending to be executed	263.84	8.64
Total	263.84	8.64



(All amounts in Rs. Lakhs, unless otherwise stated)

28 VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS (on accrual basis)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Capital Goods	6.07	19.77
Total	6.07	19.77

29 EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Sponsorship Fees	5.18	3.48
Total	5.18	3.48

30 EARNINGS IN FOREIGN CURRENCY (on accrual basis)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Advertisement Revenue	14.07	27.46
Total	14.07	27.46

31 UNHEDGED FOREIGN CURRENCY EXPOSURE

Nature	As at March 31, 2016		As at March 31, 2015	
	Rs.	USD	Rs.	USD
Trade Receivables	0.68	0.01	10.13	0.16

32 EARNINGS PER SHARE (EPS)

Particulars		Year Ended March 31, 2016	Year Ended March 31, 2015
Net Profit as per Statement of Profit and Loss	A	4,236.68	4,692.31
Weighted Average Number of Equity Shares outstanding	B	41,917,767	41,913,822
Basic Earning per share (Rs)	A/B	10.11	11.20
Add: Weighted average number of potential equity share on account of Compulsorily convertible debentures	C	6,206	-
Weighted average number of shares outstanding for diluted EPS	D= B + C	41,923,973	-
Diluted Earning per share (Rs)	A / D	10.11	11.20
Face Value per share (Rs)		10	10



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

33 Related Parties Disclosures

A. Names of related parties and nature of relationship :

Where Control exists

I (a) Ultimate Holding Company :

Jagran Media Networks India Private Limited

(b) Intermediary Holding Company :

Jagran Media Network Investment Pvt. Ltd. (w.e.f June 10, 2015)
Jagran Prakashan Limited (w.e.f June 10, 2015)

II Holding Company :

Spectrum Broadcast Holdings Private Limited (Formerly, IVF Holdings Private Limited)

Other Related Parties with whom transactions have taken place during the year:

III Fellow Subsidiaries

Crystal Sound & Music Private Limited
Midday Infomedia Limited

IV Other Related Parties

Music Broadcast Employee Welfare Trust

V **Key Management Personnel, their Relatives and Hindu Undivided Families of Key Management Personnel and their Relatives :-**

- 1 Mr. Rahul Gupta (w.e.f June 10, 2015)
- 2 Mr. Sameer Gupta (w.e.f June 10, 2015)
- 3 Ms. Apurva Purohit
- 4 Mr. Abraham Thomas (w.e.f November 23, 2015)
- 5 Mr. Ashit Kukian (upto November 9, 2015)

Non Executive Director
Non Executive Director
Whole time Director
Chief Executive Officer
Chief Operating Officer



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

Sl. NO.	Nature of Transaction	PARTIES IN 'I' & 'II'		PARTIES IN 'III' & 'IV'		PARTIES IN 'V'		TOTAL
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	
	Transaction with Related Parties							
(1)	RECEIVING OF SERVICES Jagran Prakashan Limited Crystal Sound & Music Private Limited Mid-day Infomedia Limited	29.76	-	1.87 0.41	5.00	-	-	29.76 1.87 0.41 5.00
(2)	REMUNERATION Apuva Purohit Abraham Thomas Ashit Kukian	29.76	-	2.08	5.00	-	-	31.84 5.00
(3)	SALE OF AIRTIME Jagran Prakashan Limited Mid-day Infomedia Limited Crystal Sound & Music Private Limited	33.17	-	2.50 66.33	440.73	1,323.42 71.23 123.47 160.36	277.23	1,323.42 71.23 123.47 160.36 277.23
(4)	INTEREST INCOME Jagran Prakashan Limited- ICD Spectrum Broadcast Holding Private Limited	33.17	79.11	68.83	440.73	-	-	1,555.02 400.70 1,555.02 400.70
(5)	EXPENSES REIMBURSEMENT RECEIVED Spectrum Broadcast Holding Private Limited Crystal Sound & Music Private Limited	2.00	-	-	-	-	-	33.17 2.50 66.33 440.73
(6)	INTEREST/PREMIUM EXPENSE Jagran Prakashan Limited- ICD	92.58	-	-	-	-	-	621.35 14.79 79.11
(7)	LOAN(BORROWING) Jagran Prakashan Limited- ICD Jagran Prakashan Limited- 0% CCD	3,600.00 8,274.00	-	-	-	9.20 9.20	-	2.00 2.00 9.20 9.20
(8)	LOAN(BORROWING) REPAYMENT Jagran Prakashan Limited- ICD	11,874.00	-	-	-	-	-	92.58 92.58
(9)	LOANS AND ADVANCES (ASSET) Spectrum Broadcast Holdings Private Limited	3,200.00	-	-	-	-	-	3,600.00 8,274.00 11,874.00
(10)	LOANS AND ADVANCES (ASSET) REPAYMENT RECEIVED Spectrum Broadcast Holdings Private Limited - ICD Jagran Prakashan Limited- ICD	560.00 20,000.00 20,560.00	-	-	-	-	-	3,200.00 3,200.00
(11)	SALE OF INVESTMENT IN EQUITY SHARES Rahul Gupta Semmeer Gupta	-	-	-	-	0.50 0.49 0.99	-	50.00 20,000.00 20,560.00



BALANCES									
(1) LOANS AND ADVANCES (ASSET)									
Spectrum Broadcast Holdings Private Limited - ICD	590.00	9.19	9.19	9.19				9.19	590.00
Music Broadcast Employee Welfare Trust	590.00	9.19	9.19	9.19				9.19	599.19
(2) TRADE RECEIVABLES									
Jagran Prakashan Limited	4.40	2.45	-	-				4.40	-
Mid-Day Infomedia Ltd	4.40	2.45	-	-				6.85	-
(3) BORROWINGS									
Jagran Prakashan Limited 0% Compulsory Convertible Debentures	8,274							8,274.00	-
Jagran Prakashan Limited- ICD	400							400.00	-
	8,674.00							8,674.00	-
(4) TRADE PAYABLES AND OTHER CURRENT LIABILITIES									
Interest Accrued on Borrowings- ICD to Jagran Prakashan Limited	15.15							15.15	-
Crystal Sound & Music Private Limited	15.16							15.15	15.13
								15.15	15.13
(5) INTEREST RECEIVABLE									
Spectrum Broadcast Holdings Private Limited	-	-	97.91	97.91				-	97.91
	-	-	97.91	97.91				-	87.91



MUSIC BROADCAST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

- 34 The Company has unabsorbed depreciation and brought forward losses as per the Income Tax Act, 1961. In the absence of virtual certainty backed by convincing evidence, the Company has not recognised any deferred tax asset as at March 31, 2016. The break up of deferred tax assets and liabilities are as follows :

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Deferred Tax Liability (DTL)		
WDV on fixed assets	858.97	607.09
Total Deferred Tax Liability	858.97	607.09
Deferred Tax Assets (DTA)		
Provision for Doubtful Debts	409.80	248.25
Provision for Doubtful Loans and Advances	121.73	28.14
Provision for Gratuity	79.44	84.53
Provision for Leave Encashment	84.32	57.09
Brought forward loss and unabsorbed depreciation	163.68	189.08
Total Deferred Tax Assets	858.97	607.09
Net Deferred Tax	-	-

- 35 Other disclosure of investments in accordance with AS 13 Accounting for Investments

Particulars	As at March 31, 2016	As at March 31, 2015
Non current Investments (Note 14)	-	1.00
Current Investments (Note 15)	1,420.00	-
Total	1,420.00	1.00

- 36 Dues to micro and small enterprises

The Company has no dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2016	As at March 31, 2015
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

- 37 The Board of Directors of the Company, in its meeting held on October 9, 2015 and October 29, 2015 approved a Composite Scheme of Arrangement wherein its 100% subsidiaries Spectrum Broadcast Holdings Private Limited (SBHPL) and Crystal Sound and Music Private Limited (CSMPL) (referred as "Transferor Companies") shall be merged into the Company and the radio business (Radio Mantra) of Shri Pura Multimedia Limited (SPML) (referred as "Transferor Companies"), a promoter Company, shall be demerged into Music Broadcast Limited (MBL) (referred as Transferee Companies"), a subsidiary of the Company, subject to requisite approvals. Upon the scheme becoming effective, certain assets and liabilities of SBHPL and CSMPL shall be merged with the assets and liabilities of the transferee Companies w.e.f. 1st January, 2016 (Appointed date). Also the transferor Companies will carry on business in trust of transferee Company with effect from appointed date for all intent and purposes and shall not be liable or entitled to any loss or profit for the period thereafter.

- 38 Consequent to the approval of shareholders and filing with the Ministry of Corporate Affairs during the year, the Company was converted from private limited company into a public limited company with effect from June 25, 2015.

- 39 Previous year's figures have been regrouped and reclassified to conform to the current year's classification wherever necessary.

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

Anurag Khandelwal
Anurag Khandelwal
Partner
Membership Number-078571

Place: New Delhi
Date: May 30, 2016

For an on behalf of the Board

Apurva Purohit

Apurva Purohit
Director

Director

Prashant Domadia
Prashant Domadia
Chief Financial Officer

Abraham Thomas
Abraham Thomas
Chief Executive Officer

Chirag Bagadia
Chirag Bagadia
Company Secretary



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

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

NOTICE
17TH ANNUAL GENERAL MEETING OF
MUSIC BROADCAST LIMITED

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of Music Broadcast Limited (formerly known as Music Broadcast Private Limited) will be held at the Company's registered office at 5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (E), Mumbai 400 051 on Monday, September 12, 2016 at 10.00 am to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited financial statements of the company for the financial year ended March 31, 2016, including the Reports of Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Rahul Gupta (DIN 00359182), who retires by rotation, being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditor of the Company for FY 2016-17 and to fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT based on the recommendation of audit committee and pursuant to Section 139(1), 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the resolution passed by the Members at the 16th AGM held on September 07, 2015, the appointment of M/s. Price Waterhouse Chartered Accountant LLP (FRN: 012754N / N500016) as the Statutory Auditor of the Company from the conclusion of this meeting until the conclusion of the next AGM be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them in consultation with the Statutory Auditor."

4. To appoint Mr. Anuj Puri as an Non-Executive Independent Director of the Company and to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, Mr. Anuj Puri (DIN 00048386), who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from May 30, 2016 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013, and is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a member proposing his

candidature for the office of Non-Executive Independent Director, be and is hereby appointed as an Non-Executive Independent Director of the Company to hold office for 5 (five) consecutive years, up to May 29, 2021, not liable to retire by rotation;

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

SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the year 2016-17 to M/s Kishore Bhatia and Associates, Cost Accountant appointed by the Board of Directors of the Company on recommendation of Audit Committee to conduct the audit of cost records of the Company for the financial year 2016-17, amounting to Rs. 60,000/- (Rupees Sixty Thousand Only) plus service tax as applicable and reimbursement of conveyance on actual basis as incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 94(1) and other applicable provisions of the Companies Act, 2013 read with rule 5 (2) of the Companies (Management and Administration) Rules, 2014, approval of the members be and is hereby accorded to keep the Register of Members, Index of Members, Register and Index of Debenture holders and such other Registers, as may be required to be maintained under Section 88 of the Companies Act, 2013, together with copies of certificates and documents required to be annexed hereto, at the office of the Registrar and Transfer Agents of the Company, as may be appointed from time to time;

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

7. To consider and if through fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

RESOLVED THAT pursuant to provisions of Section 188(1)(f), 197 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for the payment of professional fees to Ms. Apurva Purohit (DIN: 00190097), Non-Executive Director of the Company who, in the opinion of the Board / Nomination and Remuneration Committee of the Company, possesses the requisite qualifications to act as Mentor to the company, as much as 1% of Profit before Tax (PBT) of each financial year starting from 1st April, 2016,

being office or place of profit in the company within the meaning of Section 188 (1) (f) of the Companies Act, 2013, for strategic business planning, formulation and implementation of various growth strategies for the Company as well as financial planning and management of the Company on the terms as agreed between Board of Directors and Ms. Apurva Purohit and as briefly mentioned in the explanatory statement to this resolution and the said professional fees are in line with Nomination and Remuneration Policy of the Company;

RESOLVED FURTHER THAT any one of the director of the company and/or Mr. Shailesh Gupta, Authorised Signatory of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and if through fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the members of the Company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

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

August 08, 2016
New Delhi

By Order of Board of Directors

Sd/-

Chirag Bagadia
Company Secretary
Membership No: A21579

NOTES:

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

EXPLANATORY STATEMENT AS PER SECTION 102 OF COMPANIES ACT 2013

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

Item No. 3 of Notice of Annual General Meeting

This Statement for Item No. 3 is provided though not required as per Section 102 of the Act. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of the Notice, relating to the appointment of the Statutory Auditors of the Company for the FY 2016-17.

Item No. 4 of Notice of Annual General Meeting

The Board of Directors of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 (Act) and the Articles of Association of the Company, appointed Mr. Anuj Puri as an Additional Director of the Company with effect from May 30, 2016.

Mr. Anuj Puri holds a bachelor's degree in commerce, is an Associate of the Institute of Chartered Accountants of India (New Delhi), Associate of the Chartered Insurance Institute, UK, Associate of Insurance Institute of Surveyors & Adjusters (India) and an Associate of the Insurance Institute of India. With over 24 years of experience in multi-disciplinary advisory and transactions ranging from real estate to social development projects, he has expertise in undertaking demand assessment studies and transactional services including marketing strategies based on technical real estate market analysis.

Mr. Anuj Puri has successfully handled marketing of projects within the Office, Retail, Hospitality and Residential domains. His vast expertise repertoire also encompasses feasibility studies, program requirement derivation and fund & investor sourcing. Mr. Puri has held various key positions in the industry and is Chairman of Real Estate, Infrastructure & Construction Committee for CII Maharashtra, Member of CII National Committee on Real Estate & Housing, Member of FICCI Real Estate Committee, Advisory Board member of Retailers Association of India, Board member of Asia Pacific Real Estate Association (APREA) as well as a Fellow of Royal Institute of Chartered Surveyors (FRICS). At present, Mr. Puri is the Chairman & Country Head of Jones Lang LaSalle (JLL), one of India's largest real estate service providers with operations in 11 cities across India and staff strength of over 6800.

In terms of the provisions of Section 161(1) of the Act, Mr. Anuj Puri (DIN 00048386) would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Anuj Puri (DIN 00048386) for the office of Non-Executive Independent Director of the Company.

Mr. Anuj Puri (DIN 00048386) has given the requisite declaration pursuant to Section 149(7) of the Companies Act, 2013 to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act. Further, he is not disqualified from being appointed as director in terms of Section 164 of the Act and has given his consent to act as a director of the Company

Further, as per the said Section 149, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of the Company and he shall not be included in the total number of directors for retirement by rotation.

In the opinion of the Board, Mr. Anuj Puri (DIN 00048386) fulfills the conditions for his appointment as a Non-Executive Independent Director as specified in the Companies Act, 2013. Mr. Anuj Puri (DIN 00048386) is independent of the management.

Keeping in view his vast expertise and knowledge, the Board feels that appointment of Mr. Anuj Puri (DIN 00048386) as a Non-Executive Independent Director will be in the interest of the Company. The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval and adoption by the shareholders.

Copy of the draft letter for appointment of Mr. Anuj Puri (DIN 00048386) as a Non-Executive Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Apart from Mr. Anuj Puri and his relatives, none of the Directors and Key Managerial personnel or relatives of them are interested in the above resolution.

Item No. 5 of Notice of Annual General Meeting

The board of directors of the Company, on recommendation of Audit Committee, approved the appointment and remuneration of M/s Kishore Bhatia and Associates, Cost Accountant, to conduct audit of the cost records of the Company for the financial year 2016-17.

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules 2014, remuneration payable to the Cost Auditors is to be ratified by the members of the Company. Accordingly members are requested to ratify the remuneration payable to cost auditor by the Company for the financial year 2016-17 as set out in item no 4 of the notice.

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

The Board of Directors recommends the resolution for your approval.

Item No. 6 of Notice of Annual General Meeting

As per Section 88 of the Companies Act, 2013 ('Act') the following registers are required to be kept and maintained by a company:

- (i) Register of Members;
- (ii) Register of debenture holders; and
- (iii) Register of any other security holders

As required under the provisions of Section 94 the Companies Act, 2013, read along with the Companies (Management and Administration) Rules, 2013, there under certain documents such as the Register of Members/Debenture holders, Index thereof and certain other registers, certificates, documents etc., as provided under Section 88 of the Companies Act, 2013 are required to be kept at the registered office of the Company. However, such registers or copies of returns may also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a special resolution Passed at a general meeting of the Company and the Registrar has been given a copy of the proposed special resolution in advance.

Currently the Register/ Index of Members is being maintained at the office of the Registrar and Share Transfer Agent, M/s. Karvy Computershare Pvt. Ltd having its office at 7th floor, 701, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Off Bandra Kurla Complex, Bandra East, Mumbai - 400 051, India and Register/ Index of Debenture Holder is being maintained at the office

of the Registrar and Share Transfer Agent, Alankrit Assignments Limited having its office at Alankit Heights, 1E/13 Jhandewalan Extension, New Delhi - 110055, INDIA.

A copy of the proposed special resolution set out above will be delivered to the concerned Registrar of Companies in advance

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

The Board of Directors recommends the resolution for your approval.

Item No. 7 of Notice of Annual General Meeting

Ms. Apurva Purohit (DIN 00190097), Non-Executive Director of the Company is an IIM –B alumnus and has more than 25 years of experience in managing media organizations besides advising, mentoring and training on issues ranging from leadership skills and building great organizational cultures and businesses and has been associated with the Company since July 2005 and had played the instrumental role in the e-auction of First batch of Private FM Phase III Channels, wherein the Company has successfully won 11 frequencies.

The company has entered into an agreement with Ms. Apurva Purohit for availing her professional services for strategic business planning, formulation and implementation of various growth strategies for the Company as well as financial planning and management of the Company.

As per the said agreement, Ms. Purohit shall act as Mentor to oversee business operations of the company and to guide the management from time to time by sharing your vast experience in media organisation which will be purely of professional nature with effect from 1st July 2016.

Board / Nomination and Remuneration Committee of the Company are of the opinion that Ms. Apurva Purohit, possesses the requisite qualifications to act as Mentor to the company and professional fee payable to her is in line with Nomination and Remuneration Policy of the Company.

Further, as per Section 188 (1) (f) of the Companies Act, 2013, office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise.

Further as per rule 15 (3) (b) of Companies (Meeting of board and its Powers) Rules, 2014, except with the prior approval of company by ordinary resolution, a company shall not enter into a transaction, where transaction entered into is for appointment to any office or place of profit in the company at a monthly remuneration exceeding Rs. 2.5 Lakh.

Since Ms. Apurva Purohit, will be receiving professional fees over and above the remuneration to which she is entitled as Non-Executive director of the company, approval of the shareholders by way of ordinary resolution at their General Meeting is required in compliance with Section 188 (1) (f) of the Companies Act, 2013.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

1	Name of the Related Party	Ms. Apurva Purohit
2	Name of the Director or Key managerial person who is related, if any and nature of relationship	Ms. Apurva Purohit, Non-Executive Director of the Company will be holding office or place of profit
3	Nature, material terms, monetary value and particulars of contract or arrangement	<p>(a) Company shall avail the professional services of Ms. Apurva Purohit for strategic business planning, formulation and implementation of various growth strategies for the Company as well as financial planning and management of the Company.</p> <p>(b) Ms. Purohit shall act as Mentor to oversee business operations of the company and to guide the management from time to time by sharing your vast experience in media organisation which will be purely of professional nature.</p> <p>(c) She will be entitled for professional fee by way of commission as much as 1% of Profit before Tax (PBT) of each financial year starting from 1st April, 2016.</p> <p>(d) The Company will reimburse her for travel, hotel and other incidental expenses incurred by you towards the performance of her role and duties.</p>
4	Any other information relevant or important for the members to take a decision on the proposed resolution	None.

Other than Ms. Apurva Purohit (DIN: 00190097) and her relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out in Item No. 7 of this Notice.

The Board of Directors recommends the resolution for your approval.

Item No. 8 of Notice of Annual General Meeting

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed. Further, Section 20(2) of the Companies Act, 2013 states that a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its Annual General Meeting.

Accordingly, the Board of Directors proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request had been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the resolution set out at Item No. 8 of the Notice for approval of the members.

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

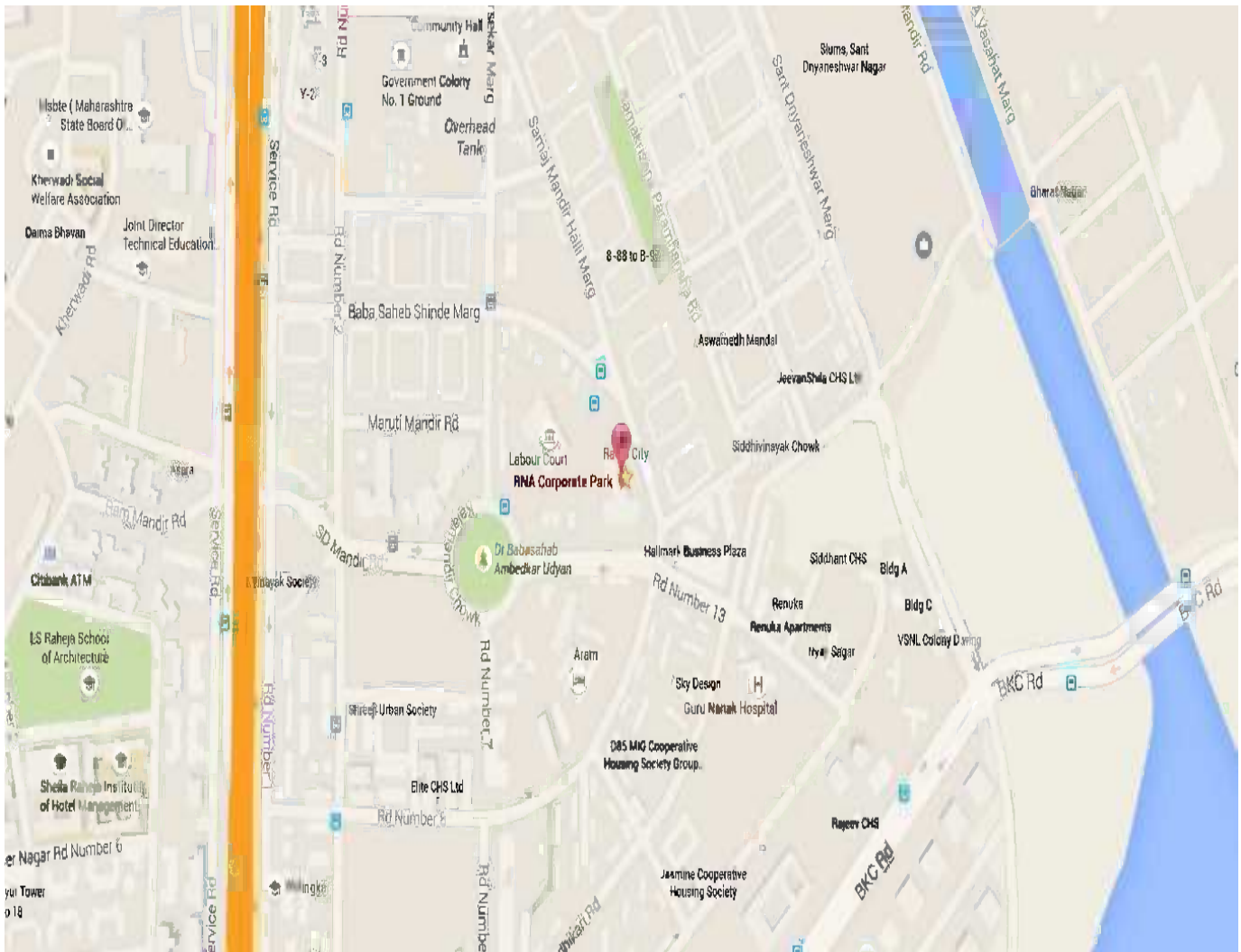
Registered Office
5th Floor, RNA Corporate Park
Off Western Express Highway
Kalanagar, Bandra (East)
Mumbai 400 051

By Order of Board of Directors

Sd/-

Chirag Bagadia
Company Secretary
Membership No: A21579

Route Map to the venue of Annual General Meeting



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

Annexure A

Criteria	Mr. Rahul Gupta (DIN 00359182)	Mr. Anuj Puri (DIN 00048386)
Appointed as	Non-Executive, Non Independent Director	Non-Executive, Independent Director
Date of Birth	14/07/1980	19/06/1966
Age	36	50
Original date of Appointment	10/06/2015	30/05/2016
Relationship with Other Directors or KMP's	Brother of Mr. Sameer Gupta, Director of the Company	None
Experience and expertise in specific functional area	Mr. Rahul Gupta (DIN: 00359182) is the whole time Director of Shri Puran Multimedia Limited. Mr. Rahul Gupta (DIN: 00359182) started his career with Independent Newspapers (Ireland) and then pursued MBA at Lancaster University (UK). Post MBA he joined Independent Newspapers London and worked in the advertising department of the world famous "The Independent". Since 2006, Rahul has been working with Shri Puran Multimedia Limited as Director	Mr. Anuj Puri holds a bachelor's degree in commerce, is an Associate of the Institute of Chartered Accountants of India (New Delhi), Associate of the Chartered Insurance Institute, UK, Associate of Insurance Institute of Surveyors & Adjusters (India) and an Associate of the Insurance Institute of India. With over 24 years of experience in multi-disciplinary advisory and transactions ranging from real estate to social development projects, he has expertise in undertaking demand assessment studies and transactional services including marketing strategies based on technical real estate market analysis
Qualification	MBA, Lancaster University, Lancaster	Chartered Accountant
Directorships held in other public limited companies in India	<ol style="list-style-type: none"> 1. Shri Puran Multimedia Limited 2. Jagran Infotech Limited 3. Crystal Sound and Music Private Limited (Deemed Public Company) 4. Spectrum Broadcast Holdings Private Limited (Deemed Public Company) 	<ol style="list-style-type: none"> 1. Jagran Prakashan Limited 2. Jones Lang LaSalle Investments Advisors Private Limited 3. Shopping Centres Association of India 4. Puri Crawford Insurance Surveyors and Loss Assessors India Private Limited
Shareholding in Music	Nil	No

Broadcast Limited		
No of Board meetings attended during the year	4 of 9	N.A.
Terms and Conditions of Appointment and Remuneration	Reappointed as Non-Executive Director liable to retire by rotation	Appointed as Non-Executive Independent Director not liable to retire by rotation
Remuneration Last drawn	Nil	Nil
Membership/Chairmanship of committees in public limited companies in India	Nil	Nil

Music Broadcast Limited
(formerly known as Music Broadcast Private Limited)

CIN: U64200MH1999PLC137729

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

ATTENDANCE SLIP

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

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **17th ANNUAL GENERAL MEETING** of the Company to be held on Monday, September 12, 2016 at 10.00 am., 5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (E), Mumbai 400 051.

Signature of Shareholder / Proxy

*Applicable for investors holding shares in electronic form.

Music Broadcast Limited
(formerly known as Music Broadcast Private Limited)

CIN: U64200MH1999PLC137729

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

PROXY FORM

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

Name of the member(s)	
Registered address:	

e-mail id:	
Folio No./ Client Id*	
DP Id*	

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

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

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

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

and whose signature(s) are appended below as my/our proxy to attend and vote for me/us and on my/our behalf at the **17th Annual General Meeting** of the Company of to be held on Monday, September 12, 2016 at 10.00 am., 5th Floor, RNA Corporate Park, Off Western Express Highway, Kalanagar, Bandra (E), Mumbai 400 051 and at any adjournment thereof in respect of the resolutions mentioned in the Notice.

*Applicable for investors holding shares in electronic form.

Signed this..... day of.....2016

Signature of shareholder

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Notes:

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