

May 25, 2017

1. <b>National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> Floor Plot No. C/1, G Block; Bandra (East) Mumbai 400 051  NSE Scrip Code: RADIOCITY ISIN: INE919I01016	2. <b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street; Fort Mumbai 400 001 BSE Scrip Code: 540366 ISIN: INE919I01016
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Dear Sirs,

**Sub: Disclosure under Regulation 30 (2) and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to inform you that at the meeting of Board of Directors of the Company held today i.e. on Thursday, May 25, 2017, which commenced at 3.45 p.m. and concluded at 5.10 p.m., the Board inter alia:

1. Approved Financial Results for quarter and year ended March 31, 2017 as recommended by Audit Committee of the Company
2. Appointed Mr. Madhukar Kamath (DIN: 00230316) as Additional Independent Director of the Company with effect from May 25, 2017.

In view of above, please find enclosed herewith a copy of the following:-

1. Audited Financial Results of the Company for quarter and year ended March 31, 2017
2. Statutory Auditor's Report on the audited financial results for the year ended March 31, 2017
3. Details required under Regulation 30 of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 regarding appointment of Mr. Madhukar Kamath as Additional Independent Director of the Company.
4. A declaration with respect to Audit Report with unmodified opinion on the audited financial results.

Kindly take the above on record and oblige.

Yours faithfully  
**For Music Broadcast Limited**



**Chirag Bagadia**  
Company Secretary and Compliance Officer  
Encl: a/a

Details required under Regulation 30 of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

Sr. No	Details of events that need to be provided	Intimation of such event(s)
1.	Name of the Director	Mr. Madhukar Kamath
2.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointed as Additional Director - Independent
3.	Effective date of appointment	May 25, 2017
4.	Brief Profile	Enclosed
5.	Disclosure of Relationship between directors or Key Managerial Personnel of the Company	None

Brief profile of Mr. Madhukar Kamath (DIN No. 00230316) is given below:

Mr. Madhukar Kamath is an Economics graduate from Loyola Chennai. He studied Management at XLRI Jamshedpur. He has more than three decades of experience in Advertising and Marketing Services and has spent close to twenty five years in erstwhile Mudra now DDB Mudra Group, in two separate stints. Under his leadership, Mudra transformed itself from an Advertising Agency into one of India's leading Integrated Marketing Communications Groups. In between his two stints at DDB Mudra Group, Madhukar led Bates India as its CEO and was instrumental in the acquisition and successful integration of Clarion.

Further, he has served as the President of the AAI (Advertising Agencies Association of India) and Chairman of ASCI (The Advertising Standards Council of India). He was also the Chairman of AdAsia 2011, India's largest Marketing Congress, which was held in New Delhi. Currently he is on the Board of ABC (The Audit Bureau of Circulations) and is an Executive Committee Member of AAI. He is also the Chairman of the Mudra Foundation and serves as Chairperson of the Governing Council of MICA, India's foremost Strategic Marketing and Communications Institute. In 2013, Madhukar became an Executive Board member of Plan India. Mr. Kamath joined our Board on May 25, 2017.

Yours faithfully  
For Music Broadcast Limited

  
Chirag Bagadia  
Company Secretary and Compliance Officer





May 25, 2017

1. <b>National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> Floor Plot No. C/1, G Block; Bandra (East) Mumbai 400 051  NSE Scrip Code: RADIOCITY ISIN: INE919I01016	2. <b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street; Fort Mumbai 400 001 BSE Scrip Code: 540366 ISIN: INE919I01016
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Dear Sirs,

**Sub: Declaration pursuant to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In terms of Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we confirm that the Statutory Auditors of the Company, M/s. Price Waterhouse Chartered Accountant LLP (FRN: 012754N / N500016) have issued an Audit Report with unmodified opinion on the Audit Financial Results of the Company for the year ended March 31, 2017.

Kindly take the above on record and oblige.

Yours faithfully  
For Music Broadcast Limited



**Chirag Bagadia**  
Company Secretary and Compliance Officer



## MUSIC BROADCAST LIMITED

(CIN No. L64200MH1999PLC137729)

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



### AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. in lakhs, except per share data)

Sr. No.	Particulars	Quarter ended 31	Quarter ended 31	Quarter ended 31	Year ended 31	Year ended 31
		March 2017	December 2016	March 2016	March 2017	March 2016
		(refer note 7)	Unaudited	(refer note 7)	Audited	Audited
1(a)	Revenue from operations	6,655	7,279	6,425	27,142	22,548
(b)	Other Operating Income				-	-
(c)	<b>Total Income</b>	<b>6,655</b>	<b>7,279</b>	<b>6,425</b>	<b>27,142</b>	<b>22,548</b>
2	<b>Expenditure</b>					
(a)	Employees cost	1,701	1,682	1,496	6,507	5,112
(b)	Marketing and advertising expenses	640	537	592	2,398	2,060
(c)	License fees	484	495	447	1,922	1,716
(d)	Depreciation	563	504	315	1,968	1,672
(e)	Other expenditure	2,170	1,903	1,628	7,190	5,844
(f)	<b>Total Expenditure</b>	<b>5,558</b>	<b>5,121</b>	<b>4,478</b>	<b>19,985</b>	<b>16,406</b>
3	<b>Profit(+)/Loss(-) from Operations before Other Income, Interest and Exceptional items (1 - 2)</b>	<b>1,097</b>	<b>2,158</b>	<b>1,947</b>	<b>7,157</b>	<b>6,142</b>
4	Other Income	168	86	135	444	1,475
5	<b>Profit(+)/Loss(-) before Interest &amp; Exceptional items (3 + 4)</b>	<b>1,265</b>	<b>2,244</b>	<b>2,082</b>	<b>7,601</b>	<b>7,617</b>
6	Finance costs	590	496	336	1,901	2,066
7	<b>Profit / (Loss) before Exceptional items (5-6)</b>	<b>675</b>	<b>1,748</b>	<b>1,746</b>	<b>5,700</b>	<b>5,551</b>
8	Exceptional items	-	-	-	-	1,358
9	<b>Profit / (Loss) before tax (7-8)</b>	<b>675</b>	<b>1,748</b>	<b>1,746</b>	<b>5,700</b>	<b>4,193</b>
10	Tax expense	225	541	571	2,034	1,431
11	<b>Net Profit / (Loss) for the period (9-10)</b>	<b>450</b>	<b>1,207</b>	<b>1,175</b>	<b>3,666</b>	<b>2,762</b>
12	Other comprehensive income, net of income tax					
A	Items that will not be reclassified to profit or loss	(37)	-	(34)	(111)	(34)
B	Items that will be reclassified to profit or loss				-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>(37)</b>	<b>-</b>	<b>(34)</b>	<b>(111)</b>	<b>(34)</b>
13	<b>Total comprehensive income for the period (10-11)</b>	<b>413</b>	<b>1,207</b>	<b>1,141</b>	<b>3,555</b>	<b>2,728</b>
14	Paid-up equity share capital (Face Value of Rs.10 each)	5,705	4,192	4,504	5,705	4,504
15	Paid up Debt Capital #	15,090	21,719	22,423	15,090	22,423
16	Reserves (net of debit balance in Profit & Loss Account)				49,105	16,799
17	Earning Per Share (EPS) (Rs.10 each)					
	-Basic	0.96	2.68	2.79	8.05	6.47
	-Diluted	0.96	2.68	2.79	8.05	6.47
18	*Debt Equity Ratio	0.28	1.92	1.05	0.28	1.05
19	**Debt Service Coverage Ratio	0.10	3.83	0.77	0.99	0.88
20	***Interest Service Coverage Ratio	2.81	5.37	6.72	4.80	3.78

# Includes listed debentures of face value of Rs 10 lakhs each amounting to Rs 15,000 lakhs (March 2016 : Rs 20,000)

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

\*\*Debt Service Coverage Ratio = Earnings before Depreciation, Interest and Tax/ (Interest + Principal Repayment during the period).

\*\*\*Interest Service Coverage Ratio = Earnings before Depreciation, Interest and Tax / Interest Expense.



## STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT MARCH 31, 2017

	As at March 31, 2017	As at March 31, 2016
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,534	823
Intangible assets	27,625	22,214
Intangible assets under development	-	6,566
Financial assets		
i. Investments	-	-
ii. Other financial assets	1,218	1,336
Deferred tax assets	2,524	3,164
Other non-current assets	1,112	1,460
Non current tax assets (net)	174	658
<b>Total non-current assets</b>	<b>36,187</b>	<b>36,221</b>
<b>Current assets</b>		
Financial assets		
i. Investments	2,675	1,467
ii. Trade receivables	8,166	7,628
iii. Cash and cash equivalents	8,552	1,251
iv. Bank balances other than (iii) above	18,237	337
v. Loans	-	-
vi. Other financial assets	364	462
Other current assets	1,930	1,605
<b>Total current assets</b>	<b>39,924</b>	<b>12,750</b>
<b>Total assets</b>	<b>76,111</b>	<b>48,971</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	5,705	4,203
<b>Other equity</b>		
Equity component of compound financial instrument	-	8,274
Reserves and surplus	34,908	(5,672)
Other reserves	14,198	14,198
<b>Total equity</b>	<b>54,811</b>	<b>21,003</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
i. Borrowings	4,991	14,978
Employee benefit obligations	540	412
<b>Total non-current liabilities</b>	<b>5,531</b>	<b>15,390</b>
<b>Current liabilities</b>		
Financial liabilities		
i. Borrowings	-	2,300
ii. Trade payables	3,285	2,228
iii. Other financial liabilities	11,317	5,926
Employee benefit obligations	147	116
Other current liabilities	1,020	2,008
<b>Total current liabilities</b>	<b>15,769</b>	<b>12,578</b>
<b>Total liabilities</b>	<b>21,300</b>	<b>27,968</b>
<b>Total equity and liabilities</b>	<b>76,111</b>	<b>48,971</b>





Notes:			
1	The above financial results for the year ended March 31, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors on May 25, 2017.		
2	These financials results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) amendment rules, 2016 and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Circular dated July 5, 2015 and other accounting principles generally accepted in India. Beginning April 1, 2016, the Company has for the first time adopted Indian Accounting Standards (Ind AS) with a transition date of April 1, 2015.		
3	The Composite Scheme of Arrangement ("the Scheme") involving amalgamation of Spectrum Broadcast Holdings Private Limited ("SBHPL") and Crystal Sound & Music Private Limited ("CSMPL") into Jagran Prakashan Limited (JPL), and demerger of FM radio business ("Radio Mantra" or "Demerged Undertaking") of Shri Puran Multimedia Limited ("SPML") into the Company, has been approved by the Hon'ble High Court of Allahabad on September 22, 2016 and the Hon'ble High Court of Mumbai on October 27, 2016. The Scheme having January 1, 2016 as the appointed date, became effective upon filing of the aforesaid orders with the respective Registrars of Companies (RoCs) of Uttar Pradesh on November 18, 2016 and Mumbai on November 17, 2016. Pursuant to the Scheme, all assets and liabilities of radio business of SPML and certain assets and liabilities of CSMPL were transferred to the Company with effect from the appointed date in accordance with the Scheme. Necessary adjustments, to the extent applicable, have been considered.		
4	The Company has completed the Initial Public Offering (IPO) of fresh issue of 12,012,012 equity share and Offer for Sale of 26,58,518 equity shares of Rs.10 each at an issue price of Rs.333 per share. The equity shares of the Company were listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) w.e.f. March 17th, 2017. Utilisation of IPO Proceeds is summarised as below:		
	Particulars	Amount	
	Issue Proceeds	40,000	
	Less : Transaction cost arising on share issue	1,773	
	<b>Net Proceeds from IPO (net of amount payable to shareholders under offer for sale)</b>	<b>38,227</b>	
	Less: Amount utilised as per the objects of the issue as per prospectus	14,750	
	Funds to be utilised (remain kept in fixed deposits and accounts with banks)	23,476	
5	The reconciliation of net profit and loss for the reported year ended March 31, 2016 in accordance the Indian GAAP to total comprehensive income in accordance with Ind AS is given below:		
	Description	Corresponding quarter ended March 31, 2016	Corresponding year ended March 31, 2016
	Net profit or loss as per previous Indian GAAP	1,637	4,237
	Adjustments pursuant to schemes of arrangement referred to in note 1 above	42	42
	<b>Profit after tax</b>	<b>1,679</b>	<b>4,279</b>
	Adjustments:		
	Fair valuation of investments	35	47
	Fair valuation of Security Deposits	(3)	(5)
	Reversal of lease equalisation entry	(4)	(4)
	Remeasurements of post-employment benefit obligations	52	52
	Fair valuation of plan assets	(30)	(26)
	Borrowings-Transaction cost adjustment	(5)	(170)
	Tax effect on adjustments	(549)	(1,411)
	<b>Total adjustments</b>	<b>(504)</b>	<b>(1,517)</b>
	<b>Profit after tax as per Ind AS</b>	<b>1,175</b>	<b>2,762</b>
	Other comprehensive income (net of taxes)	(34)	(34)
	<b>Total comprehensive income as per Ind AS</b>	<b>1,141</b>	<b>2,728</b>
6	The reconciliation of total equity as at March 31, 2016 in accordance the Indian GAAP to total comprehensive income in accordance with Ind AS is given below:		
	Description	As at March 31, 2016	As at April 1, 2015
	Total equity as per IGAAP	9,954	5,717
	Adjustments pursuant to schemes of arrangement referred to in note 1 above	1,838	-
	<b>Total equity (shareholder's funds)</b>	<b>11,792</b>	<b>5,717</b>
	Ind AS Adjustments:		
	Fair valuation of investments	47	-
	Other equity	8,274	-
	Fair valuation of security deposits	(5)	-
	Reversal of lease equalisation entry	88	92
	Fair valuation of plan assets	-	26
	Borrowings-Transaction cost adjustment	40	211
	Tax effects of adjustments	767	2,161
	<b>Total adjustments</b>	<b>9,211</b>	<b>2,488</b>
	<b>Total equity as per Ind AS</b>	<b>21,003</b>	<b>8,205</b>
7	The secured listed redeemable non-convertible debentures (privately placed) of the Company aggregating to Rs. 15000 Lakhs as on March 31, 2017 are secured by way of First Pari Passu charge on the entire book assets, including fixed assets, current assets and investments of the Company and also by letter of comfort provided by Jagran Prakashan Limited, the holding company in favor of the Company and the Debenture Trustee. Credit rating by CRISIL for listed redeemable non-convertible debentures has been reaffirmed to CRISIL "AA Stable". Details of principal and interest payment of secured redeemable non convertible debentures are as follows:		
	Particulars	Previous due date (October 1, 2016 to March 31, 2017)	Next due date (April 1, 2017 to September 30, 2017)
	Principal - Series A	March 4, 2017	
	Interest - Series A, B and C	March 4, 2017	September 4, 2017
8	The figures of last quarter for the current year and for the previous year are the balancing figures between audited figures in respect of the full financial year and year to date figures upto third quarter.		
9	The Company is engaged primarily in the business of operating Private FM Radio Stations which constitutes a single reportable segment.		

For and on behalf of the Board of Music Broadcast Limited



Vijay Tandon  
Chairman  
DIN: 00156305

Place: Mumbai  
Dated: May 25, 2017



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MUSIC BROADCAST LIMITED

#### Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements Music Broadcast Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Ind AS 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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 Ind AS financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2017, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

9. We draw attention to the note 25 of the financial statements in respect of Composite Scheme of Arrangement ("the Scheme"). The Company has applied the accounting treatment as prescribed in the Scheme approved by the Hon'ble High Court of Allahabad and Hon'ble High Court of Mumbai.

### Other Matter

10. The comparative financial information of the Company for the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide report dated May 25, 2015. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.
11. The financial information of the Company for the year ended March 31, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 30, 2016. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

12. 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 ("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.





13. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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, 2017 on its financial position in its Ind AS financial statements – Refer Note 27;
    - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017
    - 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, 2017.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 33.

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



Anurag Khandelwal  
Partner  
Membership Number 078571

Place: Mumbai  
Date: May 25, 2017



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

Referred to in paragraph 13 (f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2017

### **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, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls 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 was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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.

#### **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





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

Referred to in paragraph 13 (f) of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2017

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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.

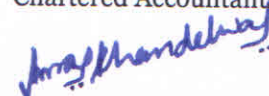
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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, 2017, 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  
Partner

Membership Number 078571

Place: Mumbai  
Date: May 25, 2017

## Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
- (b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 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 property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on property, plant and equipment to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. 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.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income 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, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (INR lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	5.02	2009-10	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	98.92	2009-10	Commissioner of Income Tax (Appeals)
Total		103.94		

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 12 of the Independent Auditors' Report of even date to the members of Music Broadcast Limited on the financial statements for the year ended March 31, 2017

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- viii. 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.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer have been applied for the purposes for which they were obtained. The Company has not raised any money by term loans.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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



Anurag Khandelwal  
Partner  
Membership Number 078571

Place: Mumbai  
Date: May 25, 2017