



SITI Networks Limited

UG Floor, FC-19 & 20, Sector-16 A, Film City,
Noida, Uttar Pradesh-201301, India

Tel: +91-120-4526700

Website : www.sitinetworks.com

February 5, 2021

To,

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street, Fort,
Mumbai- 400 001
BSE Scrip Code: 532795

The Manager
Listing Department
National Stock Exchange of India limited
Plaza, 5th Floor, Plot no. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
NSE Scrip Symbol: SITINET

Kind Attn. : Corporate Relationship Department

Subject: Proceedings of the Board Meeting held on February 5, 2021

Dear Sir,

Pursuant to Regulation 30 and other applicable Regulations of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company at their meeting held today i.e. on February 5, 2021, has *inter-alia*,:-

- (i) considered and approved the Un-Audited Financial Results of the Company, both on a Standalone and Consolidated basis, prepared under Ind-AS, for the third quarter and nine months ended on December 31, 2020, duly reviewed by M/s DNS & Associates, Chartered Accountants, the Statutory Auditors of the Company, pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements} Regulations, 2015, together with Limited Review report thereon;
- (ii) approved the sale of 6,667 Equity Shares (constituting 40% Equity Stake) held by Variety Entertainment Pvt. Ltd. ("Variety Entertainment"), being wholly owned subsidiary company of the Company, in the Equity Share Capital of Voice Snap Pvt. Ltd. ("Voice Snap") at an aggregate consideration of Rs.10,00,05,000/- (Rupees Ten Crore Five Thousand Only).

The Board is of the view that the technology and expertise of Voice Snap can not be used for the business of the Company or Variety Entertainment or any other group company/subsidiary of the Company. Moreover, since Voice Snap uses Primary Rate Interface ("PRI") lines of telecom at core of their solution. The Board is of the view that it may not bring in synergies and future growth of Variety or the Company or any other group company/subsidiary of the Company.

The Company shall keep updating the Stock Exchanges about the developments in this regard.

- (iii) approved the appointment of Mr.Raj Kumar Gupta as Additional Directors in the category of Independent Directors with effect from February 5, 2021.

The said appointments has been done on the basis of recommendation of Nomination and Remuneration Committee, confirming that Mr.Raj Kumar Gupta is not debarred from holding the office of Director pursuant to any SEBI order or any other authority.

Relevant details in connection with above appointment of Director of the Company, as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are enclosed herewith as Annexure-I.

We are enclosing herewith a copy of un-audited Financial Results along with Earning Release and Limited Review Certificate(s) on both standalone and consolidated Financial Statements, issued by the Statutory Auditor of the Company.

You are requested to kindly take the above on record.

Thanking you,

Yours truly,

For **Siti Networks Limited**


Suresh Kumar
Company Secretary & Compliance Officer
Membership No. ACS 14390



ANNEXURE - I

Details in connection with appointment of Mr. Raj Kumar Gupta as an Additional Director of the Company in the category of Independent Director, as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015.

Reason and Date of Change:

Name of Director	Reason for change	Date of appointment /cessation & term of appointment
Mr. Raj Kumar Gupta	Appointment as an Additional Director in the category of Independent Director	From February 5, 2021, up to the date of ensuing Annual General Meeting of the Company to be held in calendar year 2021

Brief Profile:

Mr. Raj Kumar Gupta, Commerce Graduate from BITS University, Pilani, Rajasthan and a Chartered Accountant, is a veteran in Finance and Accounts Profession with experience of over 5 decades. Mr. Gupta is a Senior Partner of M/s. Gupta Raj & Co., Chartered Accountants, a mid-sized firm providing Finance, Audit & Taxation services to various Business Houses.

Relationship with other Directors: Mr. Raj Kumar Gupta is not related with any other Director(s) of the Company.

For SITI Networks Limited



Suresh Kumar
Company Secretary & Compliance Officer
Membership No. ACS 14390





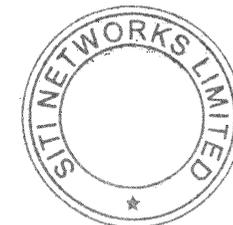
Part - I UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)						
Statement of consolidated unaudited results for the quarter and nine months ended December 31, 2020						
Particulars	(₹ in lacs except per share data)					
	Quarter ended December 31, 2020	Quarter ended September 30, 2020	Quarter ended December 31, 2019	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Year ended March 31, 2020
	(Unaudited)	(Unaudited)	(Unaudited) (Refer note 11)	(Unaudited)	(Unaudited) (Refer note 11)	(Audited) (Refer note 11)
Income						
I Revenue from operations	38,920.0	38,983.6	40,260.1	115,634.7	121,029.2	160,835.9
II Other income	202.4	198.6	534.2	954.4	1,197.1	1,671.1
III Total income (I+II)	39,122.4	39,182.2	40,794.3	116,589.1	122,226.3	162,507.0
Expenses						
IV Cost of materials consumed	29.7	4.9	18.8	42.1	44.3	67.8
Purchases of stock-in-trade	-	-	-	-	65.0	83.6
Pay channel, distribution, carriage sharing and related costs	22,404.2	21,535.7	22,252.2	64,742.4	63,925.2	85,408.2
Employee benefits expense	1,900.2	1,699.2	1,874.9	5,245.9	5,782.7	7,510.5
Finance costs	3,031.9	3,148.4	3,805.8	12,216.0	15,769.2	17,510.5
Depreciation and amortisation expenses	8,616.6	8,329.9	8,647.1	25,555.6	25,691.4	34,570.4
Other expenses	8,349.6	7,942.4	8,425.0	24,716.9	26,112.9	36,572.0
Total expenses (IV)	44,332.2	42,660.5	45,023.8	129,871.1	133,837.5	179,981.7
V Loss for the period before tax and share of profit/(loss) in associates and joint ventures and exceptional items (III-IV)	(5,209.8)	(3,478.3)	(4,229.5)	(13,282.0)	(11,611.2)	(17,474.7)
VI Share of profit of associates and joint ventures	27.6	74.1	72.3	212.7	142.7	103.3
VII Loss before exceptional items and tax (V+VI)	(5,182.2)	(3,404.2)	(4,157.2)	(13,069.3)	(11,468.5)	(17,371.4)
VIII Exceptional items	794.0	-	-	794.0	1,962.6	5,017.5
IX Loss before tax (VII-VIII)	(5,976.2)	(3,404.2)	(4,157.2)	(13,863.3)	(13,431.1)	(22,388.9)
Tax expense						
(1) Current tax	(189.6)	269.8	139.4	391.4	785.7	891.4
(2) Deferred tax	(19.9)	(275.1)	(129.8)	(507.5)	(1,622.8)	(1,868.7)
Total tax expense	(209.5)	(5.3)	9.6	(116.1)	(837.1)	(977.3)
XI Loss for the period (IX-X)	(5,766.7)	(3,398.9)	(4,166.8)	(13,747.2)	(12,594.0)	(21,411.6)
XII Other comprehensive income:						
Items that will not be reclassified to profit or loss	(18.7)	(7.8)	(5.8)	(56.1)	(17.5)	(124.3)
Income-tax relating to items that will not be reclassified to profit or loss	-*	-*	-*	-*	-*	-*
Total comprehensive income for the period (including non-controlling interest)	(5,785.4)	(3,406.7)	(4,172.6)	(13,803.3)	(12,611.5)	(21,535.9)
Net (loss)/income attributable to:						
A Owners of the parent	(5,745.1)	(3,971.0)	(3,690.7)	(14,383.3)	(12,426.1)	(20,227.1)
B Non-controlling interest	(21.6)	572.1	(476.1)	636.1	(167.9)	(1,184.5)
Other comprehensive income attributable to:						
A Owners of the parent	(14.1)	(3.2)	(5.0)	(42.4)	(15.0)	(104.9)
B Non-controlling interest	(4.6)	(4.6)	(0.8)	(13.7)	(2.5)	(19.4)
Total comprehensive income attributable to:						
A Owners of the parent	(5,759.2)	(3,974.2)	(3,695.7)	(14,425.7)	(12,441.1)	(20,332.0)
B Non-controlling interest	(26.2)	567.5	(476.9)	622.4	(170.4)	(1,203.9)
XIII Paid-up equity share capital (Face value ₹ 1/- per share)	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5
XIV Other equity (excluding revaluation reserves, if any)						(9,195.3)
XV Earnings per equity share (of ₹ 1/- each) (not annualised except for year ended March 31, 2020)						
a) Basic	(0.7)	(0.4)	(0.5)	(1.6)	(1.4)	(2.5)
b) Diluted	(0.7)	(0.4)	(0.5)	(1.6)	(1.4)	(2.5)

* rounded off to nil
 See accompanying notes to the financial results.

Part - I UNAUDITED FINANCIAL RESULTS (STANDALONE)						
Statement of standalone unaudited results for the quarter and nine months ended December 31, 2020						
Particulars	(₹ in lacs except per share data)					
	Quarter ended December 31, 2020	Quarter ended September 30, 2020	Quarter ended December 31, 2019	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Year ended March 31, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income						
I Revenue from operations	17,926.9	18,108.1	20,308.8	54,170.8	61,537.8	81,893.9
II Other income	33.6	52.6	276.3	207.8	508.8	651.7
III Total income (I+II)	17,960.5	18,160.7	20,585.1	54,378.6	62,046.6	82,545.6
Expenses						
IV Cost of materials consumed	2.9	0.7	6.9	4.3	20.1	39.4
Purchases of stock-in-trade	18.2	4.5	3.6	29.0	96.8	121.4
Pay channel, carriage sharing and related costs	9,530.6	9,204.2	9,646.5	28,051.7	29,508.3	39,023.8
Employee benefits expense	1,057.6	984.2	1,083.4	2,969.3	3,575.6	4,471.8
Finance costs	2,687.3	2,798.1	3,147.1	8,317.4	10,171.7	13,182.2
Depreciation and amortisation expenses	4,833.2	4,840.9	4,805.7	14,566.6	14,263.1	19,649.6
Other expenses	4,537.3	4,682.6	4,995.3	14,172.0	16,495.0	21,716.6
Total expenses (IV)	22,667.1	22,515.2	23,688.5	68,110.3	74,130.6	98,204.8
V Loss before exceptional items and tax (III-IV)	(4,706.6)	(4,354.5)	(3,103.4)	(13,731.7)	(12,084.0)	(15,659.2)
VI Exceptional items	794.0	-	-	794.0	-	2,800.3
VII Loss before tax (V-VI)	(5,500.6)	(4,354.5)	(3,103.4)	(14,525.7)	(12,084.0)	(18,459.5)
Tax expense						
(1) Current tax	-	-	-	-	-	407.6
(2) Deferred tax	-	-	-	-	-	477.5
VIII Total tax expense	-	-	-	-	-	885.1
IX Loss for the period (VII-VIII)	(5,500.6)	(4,354.5)	(3,103.4)	(14,525.7)	(12,491.6)	(18,937.0)
X Other comprehensive income:						
Items that will not be reclassified to profit or loss	(7.3)	3.7	(3.8)	(21.8)	(11.3)	(72.6)
Income-tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
XI Total comprehensive income (IX+X)	(5,507.9)	(4,350.8)	(3,107.2)	(14,547.5)	(12,502.9)	(19,009.6)
XII Paid-up equity share capital (Face value ₹ 1/- per share)	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5
XIII Other equity (excluding revaluation reserves, if any)						(25,514.9)
XIV Earnings per equity share (of ₹ 1/- each) (not annualised except for year ended March 31, 2020)						
a) Basic	(0.6)	(0.5)	(0.4)	(1.7)	(1.4)	(2.2)
b) Diluted	(0.6)	(0.5)	(0.4)	(1.7)	(1.4)	(2.2)

See accompanying notes to the financial results.

Suresh Kone



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SITI NETWORKS LIMITED

Regd. Office: Unit No. 38, 1st Floor, A Wing, Madhu Industrial Estate, P. B. Marg, Worli, Mumbai-400013



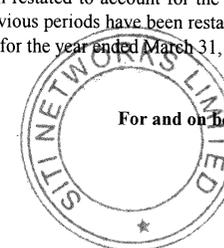
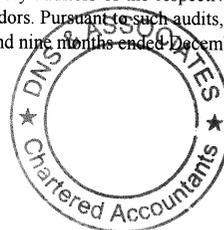
Website: www.sitinetworks.com

CIN L64200MH2006PLC160733

Notes:-

- 1 SITI Networks Limited ('the Company' or 'the Holding Company'), its subsidiaries, associates and joint ventures (collectively referred to as 'the Group') predominantly operate in a single business segment of cable and broadband distribution only in India. The aforesaid is in line with the way operating results are reviewed and viewed by the chief operating decision makers and hence, there are no additional disclosures required to be furnished in terms of Indian Accounting Standard 108 - Operating Segments.
- 2 The standalone and consolidated financial results for the quarter and nine months ended December 31, 2020 have been reviewed by the Audit Committee and approved by the Company's Board of Directors in their respective meetings held on February 5, 2021.
- 3 This statement of standalone and consolidated financial results for the quarter and nine months ended December 31, 2020 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated July 05, 2016 and other accounting principles generally accepted in India. Previous year amounts have been regrouped/reclassified wherever considered necessary.
- 4 The statutory auditors have carried out limited review of the standalone and consolidated financial results for the quarter and nine months ended December 31, 2020, as prepared by the management of the Company, in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India.
- 5 The Company/the Group continued to incur losses during the quarter and nine months ended December 31, 2020 and had negative working capital as at December 31, 2020. The Company/the Group also has negative net worth as at December 31, 2020. As at December 31, 2020, there are instances of delays in payments of obligations and borrowings, but in view of the management, the expected revenue growth and expected improvement in operating margins under the Tariff Order 2017, and other likely mitigating factors such as, continued endeavor to secure additional funds by the Company/its subsidiaries besides on-going discussions with the lenders for debt restructuring, for which revised debt repayment plans are being submitted to the lenders, and continuous dialogue with its vendors. Further, the Company is under discussion with our partners for consolidation of operations in East India to attain the benefits of economies of scale and operational efficiencies, accordingly, these standalone/ consolidated financial results for the quarter and nine months ended December 31, 2020 continue to be prepared on a going concern basis in view of the above.
- 6 In view of aforementioned ongoing discussions with the lenders, *inter alia*, for reducing existing interest rates, additional interest levied, if any, has not been provided for.
- 7 For the quarter ended September 30, 2020, and for quarter and nine months ended December 31, 2020, the 'subscription income' included in the 'Revenue from Operations' in these financial results, *inter alia*, includes the amounts payable to the broadcasters' towards their share in relation to the pay channels subscribed by the customers. The aforementioned corresponding amounts (i.e. the broadcasters' share) has also been presented as an expense in these financial results. The said amounts are ₹ 9,204.2 lacs, ₹ 9,530.6 lacs and ₹ 28,051.7 lacs for the quarter ended September 30, 2020, and for quarter and nine months ended December 31, 2020 in the standalone financial results and ₹ 19,332.2 lacs, ₹ 20,502.4 lacs and ₹ 58,927.7 lacs for the quarter ended September 30, 2020, and for the quarter and nine months ended December 31, 2020 in the consolidated financial results respectively. Had these expenses been disclosed on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 9,204.2 lacs, ₹ 9,530.6 lacs and ₹ 28,051.7 lacs for the quarter ended September 30, 2020, and for quarter and nine months ended December 31, 2020 in the standalone financial results, and ₹ 19,332.2 lacs, ₹ 20,502.4 lacs and ₹ 58,927.7 lacs for the quarter ended September 30, 2020, and for quarter and nine months ended December 31, 2020 in the consolidated financial results respectively, though there would have been no impact on the net loss for the quarter and period then ended. The management is in process of evaluating the aforesaid presentation in light of generally accepted accounting principles, including Ind AS-115, 'Revenue from contracts with customers' and industry practices.
- 8 COVID-19 was declared as pandemic by the World Health Organization (WHO) on March 11, 2020 and is continuing to spread across the world and India. Since March 2020, the Indian Government has announced a 21 days nationwide lockdown which has been extended in multiple tranches till 31 May 2020 with relaxation to essential services and selected economic activities. The Company and the Group has continued to operate and provide cable television and broadband distribution services to its customers, which has been declared as an essential service. Based on the management's assessment and review of current economic scenario, the management does not expect any significant impact of COVID-19 on the Company and the Group. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results, and the Company and the Group will continue to closely monitor any material changes arising from future economic conditions and continually assess its impact on the operations and financial matrices.
- 9 During the Quarter ended December 31, 2020, Siti Broadband Services Private Limited 100 % subsidiary of Siti Networks Limited has acquired 51% equity share capital in E-Net Entertainment Private Limited w.e.f. December 15, 2020.
- 10 Exceptional items, for the quarter and nine months ended December 31, 2020 relates to pay channel cost of ₹ 794.0 lacs which was being disclosed in contingent liabilities due to pending settlement has been settled and recognized.
- 11 The review of comparative financial results for the nine months and quarter ended period ended December 31, 2019 and audit of financial results for the year ended March 31, 2020, was carried out and reported by erstwhile auditors of the Company. These comparative financial results which were based on management certified and unaudited financial information included revenue and expenses in respect of certain subsidiaries which were accounted for on estimate basis pending negotiation and final agreement with the vendors and customers. These comparative financial results upto periods till March 31, 2020 have now been audited by the statutory auditors of the respective entities and accordingly, been restated to account for the impact on the revenue and expenses following the finalization of agreements with those customers and vendors. Pursuant to such audits, the financial results for the previous periods have been restated to give effect of the same and has resulted net increase in loss before tax of ₹ 807.3 lacs for the quarter and nine months ended December 31, 2019 and ₹ 2,914.0 lacs for the year ended March 31, 2020.

Place : Noida
Date : February 5, 2021



For and on behalf of the Board of Directors of
SITI Networks Limited


Suresh Arora
Whole Time Director



DNS & Associates

Chartered Accountants

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date results of SITI Networks Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of SITI Networks Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of SITI Networks Limited ('the Company') for the quarter and nine months ended 31 December 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. As described in note 7 to the accompanying Statement, the Company's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense, is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹9,204.2 lakhs, ₹9,530.6 lakhs and ₹28,051.7 lakhs for the quarter ended 30 September 2020 and for quarter and nine months ended 31 December 2020, while there would have been no impact on the net profit/loss for the quarter ended 30 September 2020 and quarter and nine months ended 31 December 2020.

The reports on the standalone financial results for the quarter and nine months ended 31 December 2019 and year ended 31 March 2020, which were reviewed and audited by the previous auditors respectively, were also qualified with respect to this matter.

5. Based on our review conducted as above, except for the effects of the matters described in the previous sections, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting principles laid down in



DNS & Associates

Chartered Accountants

Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to note 5 to the accompanying Statement, which indicates that the Company has incurred a net loss (including other comprehensive income) of ₹5,507.9 lakhs and ₹14,547.5 lakhs during the quarter and nine months ended 31 December 2020 respectively, and as of that date, the Company's accumulated losses amount to ₹200,689.2 lakhs resulting in a negative net worth of ₹31,335.7 lakhs, and its current liabilities exceeded its current assets by ₹52,066.3 lakhs resulting in negative working capital. Further, as at 31 December 2020, there are delays/defaults in repayment of obligations and borrowings. The above factors along with other matters as set forth in note 5 indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. However, basis the impact of Tariff Order 2017, ongoing discussions with the lenders of the Company, and other factors mentioned in the aforesaid note to the Statement, the management is of the view that going concern basis of accounting is appropriate for preparation of these results. Our conclusion is not modified in respect of this matter.
7. The review of unaudited financial results for the quarter and nine months ended 31 December 2019 and audit of financial results for year ended 31 March 2020 included in the Statement was carried out and reported by M/s Walker Chandiook & Co LLP, Chartered Accountants, who have expressed their qualified conclusions vide their review reports dated 7 February 2020 and qualified opinion vide their audit report dated 29 June 2020, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For DNS & Associates

Chartered Accountants

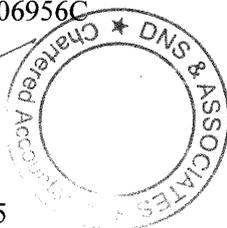
Firm Registration No. 006956C

Sumant Sahni

Partner

Membership No. 502945

UDIN: 21502945AAAAAB4968



Place: Gurugram

Date: 5 February 2021

DNS & Associates

Chartered Accountants

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of SITI Networks Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of SITI Networks Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of SITI Networks Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures (refer Annexure 1 for the list of subsidiaries, associates and joint ventures included in the Statement) for the quarter ended 31 December 2020 and consolidated year to date results for the period 1 April 2020 to 31 December 2020 being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the accounting principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



DNS & Associates

Chartered Accountants

4. As described in note 7 to the accompanying Statement, the Group's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹19,332.2, ₹20,502.4 lakhs and ₹58,927.7 lakhs for the quarter ended 30 September 2020 and for quarter and nine months ended 31 December 2020 respectively, while there would have been no impact on the net loss for the quarter ended 30 September 2020 and quarter and nine months ended 31 December 2020.

Further, with respect to the above matter, qualifications have been given by other firms of Chartered Accountants vide their review reports dated 25 January 2021, 25 January 2021, 03 February 2020, 28 January 2021 and 28 January 2021 on the financial results of the subsidiaries of the Holding Company, namely, Siti Prime Utranchal Communication Private Limited, Central Bombay Cable Network Limited, Indian Cable Net Company Limited, Siti Jind Digital Media Communications Private Limited and Siti Siri Digital Network Private Limited respectively, and is reproduced by us as under, with the aggregate amount pertaining to such subsidiaries, as also included in the above paragraph:

The company's/group's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense for the above mentioned subsidiaries which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹9,344.5, ₹9,730.8 lakhs and ₹27,780.1 lakhs for the quarter ended 30 September 2020 and quarter and nine months ended 31 December 2020, while there would have been no impact on the net loss/profit for the quarter ended 30 September 2020 and quarter and nine months ended 31 December 2020.

The reports on the consolidated financial results for the quarter and nine months ended 31 December 2019 and year ended 31 March 2020, which were reviewed and audited by the previous auditors respectively, were also qualified with respect to this matter.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 7 below, except for the effects of the matters described in the previous sections, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 5 to the accompanying Statement, which indicates that the Group has incurred a net loss (including other comprehensive income) of ₹5,785.4 lakhs and ₹13,803.3 lakhs during the quarter and nine months ended 31 December 2020 respectively, and as of that date, the Group's accumulated losses amount to ₹183,006.4 lakhs resulting in a negative net worth of ₹13,652.9 lakhs, and its current liabilities exceeded its current assets by ₹52,583.1 lakhs resulting in negative working capital. Further, as at 31 December 2020, there are delays/defaults in repayment of obligations and borrowings. The above factors along with other matters as set forth in note 5 indicate a material uncertainty, which may cast significant doubt about the Group's ability to continue as a going concern. However, basis the impact of Tariff Order 2017, ongoing discussions with the lenders of the Holding Company, and other factors



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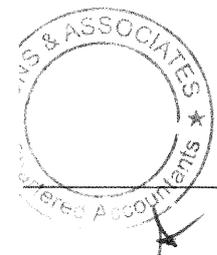
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mentioned in the aforesaid note to the Statement, the management is of the view that going concern basis of accounting is appropriate for preparation of these results. Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial results of twenty one subsidiaries included in the Statement, whose financial information reflects total assets of ₹121,859.4 lakhs as at 31 December 2020, total revenues of ₹20,641.7 lakhs and ₹61,041.9 lakhs, total net profit after tax of ₹101.5 lakhs and ₹529.9 lakhs and total comprehensive income of ₹(29.7 lakhs) and ₹375.9 lakhs for the quarter and nine months ended on 31 December 2020 respectively, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹27.6 lakhs and ₹212.7 lakhs and total comprehensive loss of ₹27.6 lakhs and ₹212.7 lakhs, for the quarter and nine months ended on 31 December 2020, respectively, as considered in the Statement, in respect of two associates and two joint ventures, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

8. The Statement includes the interim financial results of two subsidiaries (Siti Saistar Digital Media Private Limited and Siti Vision Digital Media Private Limited), which have not been reviewed by their auditors, whose financial information reflects total assets of ₹14,723.2 lakhs as at 31 December 2020, total revenues of ₹1,731.8 lakhs and ₹5,322.0 lakhs, net profit after tax of ₹(225.1) lakhs and ₹214.1 lakhs and total comprehensive income of ₹(225.1) lakhs and ₹214.1 lakhs for the quarter and nine months ended on 31 December 2020 respectively. These interim financial results have been furnished to us by the Holding Company's management. Our conclusion on the Statement, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with SEBI Circular, in so far as it relates to the aforesaid subsidiaries are based solely on such unreviewed interim financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group. Our conclusion is not modified in respect of this matter with respect to our reliance on the financial results certified by the Board of Directors.
9. The review of unaudited quarterly consolidated financial results for the quarter and nine months ended 31 December 2019 and audit of consolidated financial results for the year ended 31 March 2020 included in the Statement was carried out and reported by M/s Walker Chandiook & Co LLP, Chartered Accountants, who have expressed their qualified conclusions vide their review reports dated 7 February 2020 and qualified opinion vide their audit report dated 29 June 2020, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Such comparative financial information is based on the previous consolidated financial statements prepared in accordance with the recognition and measurement principles of the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and is adjusted for restatement differences as explained in Note 11 of the unaudited financial results, which have been reviewed by us.



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Firm Registration No. 006956C

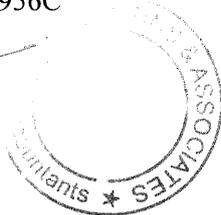


Sumant Sahni

Partner

Membership No. 502945

UDIN: 21502945AAAAAC3810



Place: Gurugram

Date: 5 February 2021

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Annexure 1 to the Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of SITI Networks Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

List of entities included in the Statement

Subsidiaries

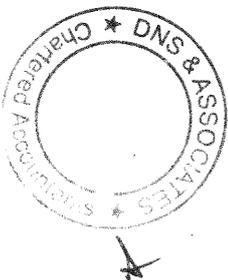
1. Central Bombay Cable Network Limited
2. Indian Cable Net Company Limited
3. Master Channel Community Network Private Limited
4. Siti Networks India LLP
5. Siti Broadband Services Private Limited
6. Siti Faction Digital Private Limited
7. Siti Global Private Limited
8. Siti Guntur Digital Network Private Limited
9. Siti Jai Maa Durgee Communications Private Limited
10. Siti Jind Digital Media Communications Private Limited
11. Siti Jony Digital Cable Network Private Limited
12. Siti Krishna Digital Media Private Limited
13. Siti Maurya Cable Net Private Limited
14. Siti Prime Uttaranchal Communication Private Limited
15. Siti Sagar Digital Cable Network Private Limited
16. Siti Saistar Digital Media Private Limited
17. Siti Siri Digital Network Private Limited
18. Siti Vision Digital Media Private Limited
19. Siticable Broadband South Limited
20. Variety Entertainment Private Limited
21. Indinet Service Private Limited
22. Siti Karnal Digital Media Network Private Limited
23. E-Net Entertainment Private Limited

Joint Ventures

1. Wire And Wireless Tisai Satellite Limited
2. Paramount Digital Media Services Private Limited

Associates

1. Voice Snap Services Private Limited
2. C&S Medianet Private Limited





SITI NETWORKS LIMITED

SITI Networks' Q3FY21 Operating EBITDA surges to Rs.638 Mn.

SITI Networks Limited announces consolidated Ind-AS results for Q3FY21

New Delhi, February 5, 2021: **SITI Networks Limited** (BSE: 532795, NSE: SITINET), an Essel Group Company, one of India's largest Multi-System Operators (MSO), has released its Consolidated Audited Financial Results for Q3 FY21, ending December 31, 2020, showcasing **continued focus on strict control on expenses and operational efficiencies**.

SITI's **Q3 FY21 Operating EBITDA surged to Rs. 638 Mn**. This was achieved through strict control over expenses and operating efficiencies. SITI's **Operating EBITDA Margin for Q3 FY21** moved to **16.3%** through control of various cost elements.

Total Revenue (excluding Activation) remained flat compared to the previous quarter at **Rs. 3,906 Mn**. **Subscription revenue** too remained mostly flat compared to the last quarter at **Rs. 2,706 Mn**.

SITI Broadband also expanded its footprint to 21 cities by the end of **Q3FY21**, with the **net base increasing to 1.90 lakhs**. SITI's **continuous** efforts to improve operational efficiencies through improvement of its systems, processes, and personnel have yielded results. This has resulted in a better and intimate ground connect with its **24,000+ strong distribution network** resulting in

While commenting on the results, **Mr. Anil Malhotra, CEO of SITI Networks Limited**, mentioned:

"SITI's continued focus on operational efficiencies and strict control over expenses has ensured our Operating EBITDA moving to Rs.638 Mn and Operating EBITDA margins remaining at a healthy 16.3% in Q3 FY21. Our Total Revenue (excluding Activation) largely remained flat compared to the previous quarter to Rs.3,906 Mn in the same period. During the quarter, SITI Broadband also expanded its footprint to cover 21 cities across the country with a 1.9 lakh strong and growing base. Our close working with our 24,000+ ground distribution partners would stand us in good stead over the coming quarters, focusing on sweating of assets. "

About SITI Networks Limited

SITI Networks Limited is a part of the Essel Group, one of India's leading business houses with a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development, and education.

SITI Networks Limited is one of India's largest Multi System Operator (MSO). With ten digital head ends and a network of more than 33,000 km of optical fiber and coaxial cable, it provides its cable services in India's ~800+ Locations.

SITI Networks Limited deploys State-of-the-art technology for delivering multiple TV signals to enhance the consumer viewing experience. Its product range includes Digital & Analogue Cable Television, Broadband, and Local Television Channels. SITI Networks has been providing services in analog and digital mode, armed with the technical capability to provide features like Video on Demand, Pay per View, Over-The-Top content (OTT), Electronic Programming Guide (EPG), and Gaming through a Set-Top Box (STB). All products are marketed under the SITI brand name.