



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



UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)

Statement of consolidated unaudited results for the quarter ended June 30, 2020

Particulars	₹ in lacs except per share data			
	Three months ended June 30, 2020	Preceding three months ended March 31, 2020	Corresponding three months ended June 30, 2019	Year ended March 31, 2020
	(Unaudited)	(Audited) (Refer note 5)	(Unaudited)	(Audited)
Income				
I Revenue from operations	37,731.1	40,829.3	39,191.9	161,858.5
II Other income	553.4	516.9	275.4	1,714.0
III Total income (I+II)	38,284.5	41,346.2	39,467.3	163,572.5
IV Expenses				
Cost of materials consumed	7.6	23.4	10.1	67.8
Purchases of stock-in-trade	-	18.6	65.0	83.6
Pay channel, carriage sharing and related costs	20,802.6	21,281.5	19,702.5	84,395.6
Employee benefits expense	1,646.5	1,694.8	2,056.1	7,477.5
Finance costs	3,387.9	3,552.1	4,405.1	15,768.1
Depreciation and amortisation expenses	8,609.1	8,879.3	8,470.7	34,570.7
Other expenses	8,424.8	9,653.1	9,004.7	35,769.8
Total expenses (IV)	42,878.5	45,102.8	43,714.2	178,133.1
V Loss for the period before tax and share of profit/(loss) in associates and joint ventures and exceptional items (III-IV)	(4,594.0)	(3,756.6)	(4,246.9)	(14,560.6)
VI Share of profit/(loss) of associates and joint ventures	110.9	(39.5)	41.9	103.3
VII Loss before exceptional items and tax (V+VI)	(4,483.1)	(3,796.1)	(4,205.0)	(14,457.3)
VIII Exceptional items	-	3,054.9	1,962.6	5,017.5
IX Loss before tax (VII-VIII)	(4,483.1)	(6,851.0)	(6,167.6)	(19,474.8)
Tax expense				
(1) Current tax	311.1	105.7	16.8	891.4
(2) Deferred tax	(212.6)	73.2	(1,235.7)	(1,549.5)
X Total tax expense	98.5	178.9	(1,218.9)	(658.1)
XI Loss for the period (IX-X)	(4,581.6)	(7,029.9)	(4,948.7)	(18,816.7)
XII Other comprehensive income:				
Items that will not be reclassified to profit or loss	(29.6)	(113.6)	(5.7)	(131.1)
Income-tax relating to items that will not be reclassified to profit or loss	-*	-*	-*	-*
Total comprehensive income for the period (including non-controlling interest)	(4,611.2)	(7,143.5)	(4,954.4)	(18,947.8)
Net (loss)/income attributable to:				
A Owners of the parent	(4,667.2)	(6,889.4)	(4,841.0)	(18,903.7)
B Non-controlling interest	85.6	(140.5)	(107.7)	87.0
Other comprehensive income attributable to:				
A Owners of the parent	(25.0)	(93.3)	(4.9)	(108.3)
B Non-controlling interest	(4.6)	(20.3)	(0.8)	(22.8)
Total comprehensive income attributable to:				
A Owners of the parent	(4,692.2)	(6,982.7)	(4,845.9)	(19,012.0)
B Non-controlling interest	81.0	(160.8)	(108.5)	64.2
XIII Paid-up equity share capital (Face value ₹ 1/- per share)	8,720.5	8,720.5	8,720.5	8,720.5
XIV Other equity (excluding revaluation reserves, if any)				(7,875.3)
XV Earnings per equity share (of ₹ 1/- each) (not annualised except for year ended March 31, 2020)				
a) Basic	(0.5)	(0.8)	(0.6)	(2.2)
b) Diluted	(0.5)	(0.8)	(0.6)	(2.2)

* rounded off to nil

See accompanying notes to the financial results.

UNAUDITED FINANCIAL RESULTS (STANDALONE)

Statement of standalone unaudited results for the quarter ended June 30, 2020

Particulars	₹ in lacs except per share data			
	Three months ended June 30, 2020	Preceding three months ended March 31, 2020	Corresponding three months ended June 30, 2019	Year ended March 31, 2020
	(Unaudited)	(Audited) (Refer note 5)	(Unaudited)	(Audited)
Income				
I Revenue from operations	18,135.8	20,356.1	19,858.9	81,893.9
II Other income	121.6	142.9	123.6	651.7
III Total income (I+II)	18,257.4	20,499.0	19,982.5	82,545.6
IV Expenses				
Cost of materials consumed	0.7	19.3	0.5	39.4
Purchases of stock-in-trade	6.2	24.6	73.8	121.4
Pay channel, carriage sharing and related costs	9,316.9	9,515.5	9,037.0	39,023.8
Employee benefits expense	927.5	896.1	1,336.9	4,471.8
Finance costs	2,832.0	3,010.5	3,705.7	13,182.2
Depreciation and amortisation expenses	4,892.5	5,386.5	4,690.5	19,649.6
Other expenses	4,952.2	5,221.7	6,376.3	21,716.6
Total expenses (IV)	22,928.0	24,074.2	25,220.7	98,204.8
V Loss before exceptional items and tax (III-IV)	(4,670.6)	(3,575.2)	(5,238.2)	(15,659.2)
VI Exceptional items	-	2,800.3	-	2,800.3
VII Loss before tax (V-VI)	(4,670.6)	(6,375.5)	(5,238.2)	(18,459.5)
Tax expense				
(1) Current tax	-	69.9	-	477.5
(2) Deferred tax	-	-	-	-
VIII Total tax expense	-	69.9	-	477.5
IX Loss for the period (VII-VIII)	(4,670.6)	(6,445.4)	(5,238.2)	(18,937.0)
X Other comprehensive income:				
Items that will not be reclassified to profit or loss	(18.2)	(61.3)	(3.8)	(72.6)
Income-tax relating to items that will not be reclassified to profit or loss	-	-	-	-
XI Total comprehensive income (IX+X)	(4,688.8)	(6,506.7)	(5,242.0)	(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
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	(0.5)	(0.7)	(0.6)	(2.2)
b) Diluted	(0.5)	(0.7)	(0.6)	(2.2)

See accompanying notes to the financial results.



Signature: *Susheela*



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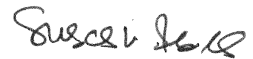
Notes:-

- 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 ended June 30, 2020 have been reviewed by the Audit Committee and approved by the Company's Board of Directors in their respective meetings held on September 15, 2020.
- 3 The above results have 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.
- 4 The statutory auditors have carried out limited review of these standalone and consolidated financial results for the quarter ended June 30, 2020 and have expressed a modified review conclusion on these results.
- 5 Figures for the standalone and consolidated financial results for the quarter ended March 31, 2020 are the balancing figures of the full financial year ended March 31, 2020 and the published year to date figures upto the third quarter of the year ended March 31, 2020.
- 6 The Company/the Group continued to incur losses during the quarter ended June 30, 2020 and had negative working capital as at June 30, 2020. The Company/the Group also has negative net worth as at June 30, 2020. As at June 30, 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 endeavour 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, these standalone/consolidated financial results for the quarter ended June 30, 2020 continue to be prepared on a going concern basis.
- 7 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.
- 8 For the quarter ended June 30, 2020, June 30, 2019 and March 31, 2020 and year ended March 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. Broadcaster's share) has also been presented as an expense in these financial results. The said amounts are ₹ 9,316.9 lacs, ₹ 9,037.0 lacs, ₹ 9,515.5 lacs and ₹ 39,023.8 lacs for quarter ended June 30, 2020, June 30, 2019 and March 31, 2020 and year ended March 31, 2020 respectively in the standalone financial results and ₹ 19,093.1 lacs, ₹ 18,103.8 lacs, ₹ 19,340.7 lacs and ₹ 77,575.4 lacs for quarter ended June 30, 2020, June 30, 2019 and March 31, 2020 and year ended March 31, 2020 respectively in the consolidated financial results.

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 ₹ 9,316.9 lacs, ₹ 9,037.0 lacs, ₹ 9,515.5 lacs and ₹ 39,023.8 lacs for quarter ended June 30, 2020, June 30, 2019 and March 31, 2020 and year ended March 31, 2020 respectively in the standalone financial results and ₹ 19,093.1 lacs, ₹ 18,103.8 lacs, ₹ 19,340.7 lacs and ₹ 77,575.4 lacs for quarter ended June 30, 2020, June 30, 2019 and March 31, 2020 and year ended March 31, 2020 respectively in the consolidated financial results. However, there would not have been any impact on the net loss for the respective quarters and year ended in both the standalone and consolidated financial results. 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.
- 9 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.
- 10 Due to the aforementioned nationwide lockdown causing local disturbances, the management of two subsidiary companies were unable to complete the limited review process within the prescribed timelines. As a result, the Statement includes total revenues of ₹ 1,735.8 lakhs, total net loss after tax of ₹ 6.8 lakhs, and total comprehensive income of ₹ (6.8) lakhs for the quarter ended 30 June 2020 relating to these two subsidiaries, which have not been subjected to review by their auditors and are based on the financial results prepared by their management.

Place : Noida
Date : September 15, 2020

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


Suresh Arora
Whole Time Director

