

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



November 10, 2023

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

Subject : Un-audited Financial Results for the First Quarter of financial year 2023-24

Dear Sir,

Pursuant to applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") including Regulation 30, this is to inform you that the Un-audited financial results, both standalone and consolidated, for the quarter ended June 30, 2023, have been signed by the Resolution Professional (RP) while exercising the powers of Board of Directors of the Company which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code 2016 and by the CEO of Siti Networks Limited

Please find enclosed herewith the Un-audited Financial Results for the 1st quarter ended June 30, 2023, as per Regulation 33 of the SEBI Listing Regulations along with the Limited Review Reports thereon issued by the Statutory Auditor, on the Standalone and Consolidated Results.

You are requested to kindly take the above on record.

Thanking you

Yours truly
For **Siti Networks Limited**

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





Statement of standalone unaudited financial results for the quarter ended 30 June 2023 (₹ in million except per share data)

Particulars	Quarter ended 30 June 2023	Quarter ended 31 March 2023	Quarter ended 30 June 2022	Year ended 31 March 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
I Revenue from operations	1,173.28	1,349.74	1,336.41	5,311.51
II Other income	1.60	44.78	1.34	196.58
III Total revenue (I+II)	1,174.88	1,394.52	1,337.75	5,508.09
IV Expenses				
Purchases of stock-in-trade	2.33	2.56	0.30	10.08
Pay channel costs	898.92	795.30	790.96	3,284.54
Employee benefits expense	56.49	60.78	70.35	260.76
Finance costs	251.17	256.89	280.52	1,063.03
Depreciation and amortisation expenses	389.35	642.19	428.30	1,890.32
Other expenses	361.03	340.34	408.50	1,641.99
Total expenses (IV)	1,959.29	2,098.06	1,978.93	8,150.72
V Loss before exceptional items and tax (III-IV)	(784.41)	(703.54)	(641.18)	(2,642.63)
VI Exceptional items	53.20	346.20	-	346.20
VII Loss before tax (V-VI)	(837.61)	(1,049.74)	(641.18)	(2,988.83)
Tax expense				
(1) Current tax	-	-	-	-
(2) Deferred tax	-	-	-	-
VIII Total tax expense (1+2)	-	-	-	-
IX Loss for the period (VII-VIII)	(837.61)	(1,049.74)	(641.18)	(2,988.83)
X Other comprehensive income: Items that will not be reclassified to profit or loss	0.55	1.51	0.23	2.19
XI Total comprehensive loss (IX+X)	(837.06)	(1,048.23)	(640.95)	(2,986.64)
XII Paid-up equity share capital (Face value ₹ 1/- per share)	872.05	872.05	872.05	872.05
XIII Other equity				(10,360.16)
XIV Loss per equity share (of ₹ 1/- each) - Basic and diluted	(0.96)	(1.20)	(0.74)	(3.43)

See accompanying notes to the financial results.

Robert R. Velha





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



Statement of consolidated unaudited financial results for the quarter ended 30 June 2023 (₹ in million except per share data)

Particulars	Quarter ended 30 June 2023	Quarter ended 31 March 2023	Quarter ended 30 June 2022	Year ended 31 March 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
I Revenue from operations	3,219.76	3,375.47	3,306.82	13,453.49
II Other income	24.39	129.04	29.84	346.84
III Total revenue (I+II)	3,244.15	3,504.51	3,336.66	13,800.33
IV Expenses				
Purchases of stock-in-trade	0.07	-	0.04	-
Pay channel costs	2,087.67	1,838.34	1,795.78	7,387.76
Employee benefits expense	154.01	177.60	162.53	672.27
Finance costs	273.89	280.47	301.74	1,154.71
Depreciation and amortisation expenses	741.44	1,123.04	789.80	3,443.79
Other expenses	970.99	1,026.38	1,060.72	4,200.56
Total expenses (IV)	4,228.07	4,445.83	4,110.61	16,859.09
V Loss for the period before tax and share of loss in associates and joint ventures and exceptional items (III-IV)	(983.92)	(941.32)	(773.95)	(3,058.76)
VI Share of (loss)/profit of associates and joint ventures	(1.46)	(1.73)	(1.21)	(3.97)
VII Loss before exceptional items and tax (V+VI)	(985.38)	(943.05)	(775.16)	(3,062.73)
VIII Exceptional items	-	80.51	-	80.51
IX Loss before tax (VII-VIII)	(985.38)	(1,023.56)	(775.16)	(3,143.24)
(1) Current tax	10.57	33.60	26.37	138.85
(2) Deferred tax	(24.86)	(47.34)	(28.40)	(127.69)
X Total tax expense (1+2)	(14.29)	(13.74)	(2.03)	11.16
XI Loss for the period (IX-X)	(971.09)	(1,009.82)	(773.13)	(3,154.40)
XII Other comprehensive income:				
Items that will not be reclassified to profit or loss	1.41	6.39	0.80	8.79
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
Total comprehensive loss for the period	(969.68)	(1,003.43)	(772.33)	(3,145.61)
Net loss attributable to:				
A Owners of the parent	(875.32)	(765.04)	(729.73)	(2,799.85)
B Non-controlling interest	(95.77)	(244.78)	(43.40)	(354.55)
Other comprehensive loss attributable to:				
A Owners of the parent	1.07	4.43	0.57	6.14
B Non-controlling interest	0.34	1.96	0.23	2.65
Total comprehensive loss attributable to:				
A Owners of the parent	(874.25)	(760.61)	(729.16)	(2,793.69)
B Non-controlling interest	(95.43)	(242.82)	(43.17)	(351.90)
XIII Paid-up equity share capital (Face value ₹ 1/- per share)	872.05	872.05	872.05	872.05
XIV Other equity				(8,631.59)
XV Loss per equity share (of ₹ 1/- each) -Basic and diluted	(1.11)	(1.16)	(0.89)	(3.62)

See accompanying notes to the financial results

Rohit A. Mehra



**SITI NETWORKS LIMITED**

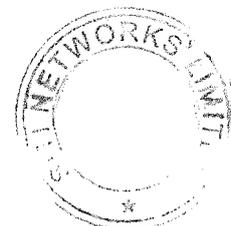
Regd. Office: Unit No. 38, 1st Floor, A Wing, Madhu Industrial Estate, P. B. Marg, Worli, Mumbai-400013

Website: www.sitinetworks.com

CIN L64200MH2006PLC160733

**Notes:-**

- 1 SITI Networks Limited ('the Company' or 'the Holding Company'), its subsidiaries (collectively referred to as 'the Group'), its associates and joint ventures 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 maker(s) and hence, there are no additional disclosures required to be furnished in terms of Indian Accounting Standard 108 - Operating Segments.
- 2 The Company is undergoing Corporate Insolvency Resolution Process (CIRP) pursuant to order dated 22 February 2023 ("Admission Order") passed by Hon'ble National Company Law Tribunal, Mumbai, under the provisions of Insolvency and Bankruptcy Code, 2016 ("Code"/ "IBC"). By the Admission Order, Mr. Rohit Mehra was appointed as the interim Resolution Professional of the Company. The Admission Order was challenged by one of the Directors (powers suspended) of the Company before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") in an Appeal. By order dated 7 March 2023 ("Stay Order"), the Hon'ble NCLAT issued notice in the Appeal and passed an interim order staying the operation of the Admission Order. Pursuant to the Stay Order, the control and management of the Company was handed back to the Directors (powers suspended) of the Company by the interim Resolution Professional. By order dated 10 August 2023, the Hon'ble NCLAT dismissed the Appeal, along with all interim applications ("NCLAT Final Order") and upheld the Admission Order reinstating the CIRP of the Company. Mr. Rohit Mehra was subsequently confirmed as the Resolution Professional of the Company by the committee of creditors.
- 3 The standalone and consolidated financial results for the quarter ended 30 June 2023 have been signed by the Resolution Professional (RP) while exercising the powers of Board of Directors of the Company which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code 2016. Resolution Professional has signed these financial statements solely for the purpose of compliance and discharging his duty under the Corporate Insolvency Resolution Process, governed by the Insolvency and Bankruptcy Code, 2016. Since these financial statements belong to the period when the affairs of the Company were being managed and governed by the erstwhile Board of Directors of the Company, these financial statements have been prepared with the same 'basis of preparation' as adopted by the erstwhile Board of Directors of the Company as enumerated upon the Board under Section 134(5) of the Companies Act, 2013 and related regulations.
- 4 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 05 July 2016 and other accounting principles generally accepted in India.
- 5 The Statutory Auditors have expressed disclaimer of opinion in the limited review report in respect of the standalone and consolidated financial results for the quarter ended 30 June 2023.
- 6 Figures for the standalone and consolidated financial results for the quarter ended 31 March 2023 are the balancing figures of the full financial year ended 31 March 2023 and the published year to date figures upto the third quarter of the year ended 31 March 2023.
- 7 The Company/the Group continued to incur losses during the quarter ended 30 June 2023 and had negative working capital as at 30 June 2023. The Company/the Group also has negative net worth as at 30 June 2023. Further, financial creditors had proceeded against the Company for the recovery of their dues and an order was passed by Hon'ble NCLT admitting the company into Corporate Insolvency Resolution Process (CIRP) on 22nd February 2023, under the Insolvency and bankruptcy code 2016. Since the CIRP is currently in progress, as per the Code, it is required that the Company be managed as a going concern during the CIRP period. The standalone financial statements are prepared on a going concern basis. However there exists material uncertainty about the Company's ability to continue as going concern since the same is dependent upon the successful implementation of a resolution plan approved by NCLT. The appropriateness of preparation of standalone financial statements on going concern basis is critically dependent upon a successful CIRP as specified in the Code. Accordingly, there exists a material uncertainty about the company's ability to continue as a going concern since the future of the Company is dependent upon the successful implementation of the Resolution plan.
- 8 Pursuant to the commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, the Resolution Professional has begun to receive claims from financial creditors, operational creditors, employees and other creditors as on 22nd February 2023 and if any changes/updates which have happened during the stay period on CIRP upto 10th August 2023. The financial creditors have submitted claims amounting to ₹ 12,926.62 million as on 10 August 2023, out of which ₹ 11,513 million have been admitted by the Resolution Professional.
- 9 Pursuant to the commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, certain information including the minutes of meetings of the Committee of Creditors held on 1st September 2023, and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the member of CoC members and Hon'ble NCLT. However, the stock exchanges have been informed about the outcome of the meeting and the same was released by them as public announcement.
- 10 During the quarter ended 30 June 2023, the bank and financial institutions exercising their rights under various facility agreements have received an amount of ₹ 1,230 million from the Company's bank account during the quarter ended 30 June 2023 against the borrowings which have been classified as non-performing asset (NPA). Due to non-availability of confirmations from certain lenders, the Company has adjusted such amounts, with the liability for 'Principal Outstanding' on borrowings in the books of accounts.
- 11 As on 30 June 2023, the Company and some of its subsidiaries has defaulted in repayment of bank loans and accounts have been classified as Non-Performing Assets (NPA) by the lenders under the Consortium. The Company/subsidiaries is in the process of calculation of additional and penal interest as part of finance cost in terms with conditions put forth in arrangements entered into between the banks & financial institutions with the Company and in accordance with the requirements of Ind AS 109, Financial Instruments.
- 12 Exceptional items in the standalone financial results include the following:
 - a) During the quarter ended 30 June 2023, diminution in the value of investments in subsidiaries amounting to ₹ 53.20 million was booked.
 - b) During the quarter and year ended 31 March 2023, diminution in the value of investments in subsidiaries amounting to ₹ 346.20 million was booked.The total impact of 12 (a) and (b) above on the standalone financial results for the quarter ended 30 June 2023 amount to ₹ 53.20 million and for quarter and year ended 31 March 2023 amounts to ₹ 346.20 million. However there was no exceptional items in quarter ended 30 June 2022.
- 13 Exceptional items in the consolidated financial results include the following:
 - a) During the quarter and year ended 31 March 2023, pertains to provision of expected credit loss on old balances, in respect of one subsidiary, amounting to ₹ 19.80 million was booked.
 - b) During the quarter and year ended 31 March 2023, pertains to old advances written off, in respect of two subsidiaries, amounting to ₹ 60.71 million.The total impact of 13 (a) and (b) above on the consolidated financial results for the quarter ended 30 June 2023, quarter and year ended 31 March 2023, quarter ended 30 June 2022 and year ended 31 March 2023 amounts to ₹ Nil million, ₹ 80.51 million, ₹ 80.51 million and ₹ Nil million respectively.



- 14 For the quarter ended 30 June 2023, 31 March 2023 and 30 June 2022 and year ended 31 March 2023, 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 ₹ 898.92 million, ₹ 795.30 million, ₹ 790.96 million, and ₹ 3,284.54 million for quarter ended 30 June 2023, 31 March 2023 and 30 June 2022 and year ended 31 March 2023 respectively in the standalone financial results and ₹ 2,087.67 million, ₹ 1,838.34 million, ₹ 1,795.78 million and ₹ 7,387.76 million for quarter ended 30 June 2023, 31 March 2023 and 30 June 2022 and year ended 31 March 2023 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 ₹ 898.92 million, ₹ 795.30 million, ₹ 790.96 million, and ₹ 3,284.54 million for quarter ended 30 June 2023, 31 March 2023 and 30 June 2022 and year ended 31 March 2023 respectively in the standalone financial results and ₹ 2,087.67 million, ₹ 1,838.34 million, ₹ 1,795.78 million and ₹ 7,387.76 million for quarter ended 30 June 2023, 31 March 2023 and 30 June 2022 and year ended 31 March 2023 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.

- 15 (a) IndusInd Bank Limited has filed application under Recovery of Debt and Bankruptcy Act 1993 against the Company before Debt Recovery Tribunal ('DRT'), Lucknow for recovery of its outstanding loans of ₹ 1,488.29 million on 05 August 2022. Written statement has been filed by the Company against which rejoinder has been filed by IndusInd Bank Limited and matter is pending for arguments on admission. The next date of hearing is yet to be fixed by the Tribunal.

Further, IDBI Bank Limited has filed application under Recovery of Debt and Bankruptcy Act 1993 against the Company before Debt Recovery Tribunal, Lucknow for recovery of its outstanding loans of ₹ 1,639.22 million on 28 November 2022. Written statement has been filed by the Company against which rejoinder is pending to be filed by IDBI Bank Limited. The next date of hearing is yet to be fixed by the Tribunal.

(b) The Company has filed a petition before the Telecom Disputes Settlement and Appellate Tribunal ('TDSAT'), New Delhi for restoration of signals of Zee Entertainment Enterprises Limited on the Company's network. TDSAT has passed an interim order pursuant to which, the Company has agreed to deposit an amount of ₹ 400 million with The Registrar, TDSAT, New Delhi. The next date of hearing is 21st December 2023 for further proceedings.

(c) Aditya Birla Finance Limited ('ABFL') had filed statement of claim Siti Networks Ltd and Others before Sole Arbitrator Justice L. N Rao (Retd) Judge of Hon'ble Supreme Court of India after disposal 2 Petitions filed by ABFL against the Company before the Delhi High Court. Earlier, the company in compliance with the order of Delhi High Court dated March 28, 2022 has deposited ₹ 238 million with the Registry, Delhi High Court and has been adjusted against the net amount payable to ZEEL. The Sole Arbitrator has passed an order placing some restrictions on the payments to be made to ZEEL which shall be effective till the final disposal of the arbitral proceedings. The above arrangement shall continue till the final disposal of the Arbitration Case. Main Arbitration case will be heard by Sole Arbitrator after completion of pleadings by all parties. Dates in the Arbitration case have already notified to the parties for completion pleadings and fixed 3rd November 2023 for determination of points of difference after admission of documents by each party against other party.

(d) Zee Entertainment Enterprises Limited ('ZEEL') vide its letter dated 4th August 2023, informed the Company that it has discharged the liability of the Company towards IndusInd Bank Limited in which ZEEL has provided the Debt Service Reserve Account ('DSRA guarantee'). As a result, ZEEL stands subrogated in place of IndusInd vis a vis Company as per the applicable laws.

(e) Axis Bank had filed a petition against Siti Network Ltd U/s 7 of IBC for non-payment of loan amount of Rs. 2,322.59 million before NCLT Mumbai. Copy of petition and application received from the petitioner. Main petition and Application listed on 10th August 2023 for appearance of the respondent. The respondent was waiting for fresh notice from Hon'ble NCLT Mumbai for further proceedings. The appeal was subsequently dismissed on 25th August 2023.

(f) A lender and a shareholder has filed an application against one of the subsidiary, SITI Vision Digital Media Private Limited, under section 7 of the Insolvency and Bankruptcy Code, 2016 before NCLT, Delhi for initiation of CIRP on the ground that the Company has defaulted in making repayment of Term Loan and interest. The petition is pending for order with the principal bench of NCLT, Delhi on the next date of hearing which is yet to be communicated while the case of lender has been dismissed by NCLT and lender has approached NCLAT but the same not listed till date.

(g) Aditya Birla Finance Limited has filed an application against one of the subsidiary, SITI Broadband Services Private Limited, under section 7 of the Insolvency and Bankruptcy Code, 2016 before NCLT, Delhi for initiation of CIRP on the ground that the Company has defaulted in making repayment of Term loan. By an order dated 31 October 2023, Siti Broadband Services Private Limited has been admitted into insolvency proceedings.

(h) Aditya Birla Finance Limited has filed an application against one of the subsidiary, SITI Jind Digital Media Communications Private Limited, under section 7 of the Insolvency and Bankruptcy Code, 2016 before NCLT, Delhi for initiation of CIRP on the ground that Company has defaulted in making repayment of term loan. The petition is pending of order with the principal bench of NCLT, Delhi on the next date of hearing.

- 16 Previous period figures have been re-grouped / reclassified wherever necessary to conform to current period's classification.

For SITI Networks Limited

Place : Noida

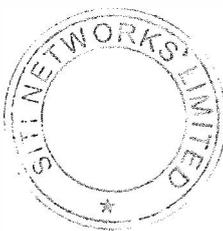
Date : 10 November 2023



Rohit Mehra

Resolution Professional

Registration No:IBBI/IPA-001/IP-P00799/2017-18/11374



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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date 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 Resolution Professional of SITI Networks Limited (a Company under CIRP vide NCLT order dated 22 February 2023)

Introduction

1. We were engaged to review the accompanying statement of standalone unaudited financial results ('the Statement') of SITI Networks Limited ('the Company') for the quarter 30 June 2023 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. The Hon'ble National Company Law Tribunal, Mumbai Bench admitted petition for initiation of Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code 2016 filed by the Financial Creditor vide order no. CP no. 690/IBC/MB/2022 on 22 February 2023. The order was challenged by the suspended Director of the Company and National Company Law Tribunal (NCLAT) vide its interim order dated 07 March 2023 stayed the initiation of the CIRP against the Company. The appeal filed was subsequently dismissed by the National Company Law Appellate Tribunal (NCLAT) Principal Bench, New Delhi on 10 August 2023. Pursuant to the NCLAT Final Order, the Resolution Professional (RP) has on 16 August 2023 taken over management and control of the company.

As described in note no. 2 and note no. 3 to the Statement, the management of the affairs of the Company and power of the Board of Directors are now vested with the Resolution Professional. Further, a moratorium in terms of Section 14 of the IBC is in force with respect to the affairs of the Company during its ongoing CIRP. The financial results of the Company have been signed by the Resolution Professional while exercising the power of Board of Directors of the Company, which have been conferred to him in terms of the provisions of the Code.

3. The Statement, which is the responsibility of the Company's Management has been prepared by the Board of Directors (Powers Suspended) and approved by the Resolution Professional and the Chief Executive Officer, 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.



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Scope of review

4. 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 draw attention to the below mentioned points in paragraph 5 below pertaining to various elements of the Statement that may require necessary adjustments/ disclosures in the Statement including but not limited to an impact on the Company's ability to continue as a going concern and these adjustments when made, may have material and pervasive impact on the outcome of the Statement for the quarter ended 30 June 2023. Accordingly, pending these adjustments including certain major points mentioned below and unavailability of sufficient and appropriate evidence in respect of these items, we are unable to express our conclusion on the attached Statement of the Company.

Basis for Disclaimer of Conclusion

5. (i) As described in note 11 to the accompanying Statement, the Company has defaulted in repayment of dues to various banks and such accounts have been classified as Non-Performing Assets (NPA) by the lenders under the Consortium. The Company has not provided for additional and penal interest as part of finance cost in terms with conditions put forth in arrangements entered into between the banks & financial institutions with the Company and in accordance with the requirements of Ind AS 109, Financial Instruments.

(ii) Further, as described in note 8 to the accompanying Statement, the financial creditors have submitted claims amounting to ₹ 12,926.62 million as on 10 August 2023, out of which ₹ 11,513 million have been admitted by the RP. The corresponding balance of such borrowings as on 30 June 2023 is ₹ 10,854.80 million in the books of accounts. Due to non-availability of further information and in absence of reconciliations of the balances as per the claims made and the outstanding balances in the books of accounts, we are unable to comment upon the impact of such non-accrual of additional/ penal interest along with other sufficient appropriate audit evidence with respect to recognition of liabilities, their measurement and all related disclosures to be made, on the financial information for the quarter ended 30 June 2023.

Our report on the standalone financial results for the quarter and year ended 31 March 2023 was also qualified with respect to the matter stated in paragraph 5 (i) above.



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(iii) As described in note 9 to the accompanying statement, we have not been provided with certain information including the minutes of meetings of the Committee of Creditors (CoC) and Monitoring Committee, and the outcome of certain procedures carried out as a part of the CIRP, citing confidentiality reasons. Accordingly, we are unable to comment on the impact, if any, on the accompanying Statement including recognition, measurement and disclosures, that may arise has we been provided access to above-mentioned information.

(iv) As described in note 8 to the accompanying Statement, and as per the information and explanations provided to us by the management of the Company, pursuant to the commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, the Resolution Professional has started receiving claims from operational creditors, employees and other creditors. We have not been provided with details of such claims against the Company along with any reconciliation thereof with books of account for our review and accordingly, in absence of such workings, reconciliations and other sufficient appropriate audit evidence, we are unable to comment upon the impact of such claims on the financial information for the quarter ended 30 June 2023.

(v) As described in note 7 to the accompanying Statement, which indicates that the Company has incurred a net loss (including other comprehensive income/loss) of ₹ 837.06 million during the quarter ended 30 June 2023 respectively, and as of that date, the Company's accumulated losses amount to ₹ 27,259.90 million resulting in a negative net worth of ₹ 10,324.54 million and its current liabilities exceeded its current assets by ₹ 15,506.56 million resulting in negative working capital. Accordingly, there exists a material uncertainty about the company's ability to continue as a going concern since the future of the Company is dependent upon the successful implementation of the Resolution plan. The financial statements have been prepared using going concern basis of accounting based on their assessment of the successful outcome of the ongoing Resolution process and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.

(vi) As described in note 14 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 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 ₹ 898.92 million for the quarter ended 30 June 2023, while there would have been no impact on the net loss for the quarter ended 30 June 2023.

Our reports on the standalone financial results for the quarter and year ended 31 March 2023 and quarter ended 30 June 2022 were also qualified with respect to this matter.



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Disclaimer for Conclusion

6. In view of the nature the matters described in the paragraph 5, '*Basis of Disclaimer of Conclusion*'; above for which absence of sufficient and appropriate audit evidence has resulted in limitation of work and the consequent adjustments not being determined, we are unable to state whether the accompanying statement has been prepared in accordance with the recognition and measurement principles laid down in the relevant Indian Accounting Standards and other accounting principles generally accepted in India, or that the Statement discloses the information required to be disclosed in terms of Regulation 33 of the listing Regulations including the manner in which it is to be disclosed, or that it contains material misstatement. Thus, we do not express a conclusion on the accompanying financial results.

For DNS & Associates

Chartered Accountants

Firm Registration No: 006956C



Ankit Marwaha

Partner

Membership No.: 518749

UDIN: 23518749BGYYMI8552



Place: Noida

Date: 10 November 2023

DNS & Associates

Chartered Accountants

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date 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 Resolution Professional of SITI Networks Limited (a Company under CIRP vide NCLT order dated 22 February 2023)

Introduction

1. We were engaged to review 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 30 June 2023 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. The Hon'ble National Company Law Tribunal, Mumbai Bench admitted petition for initiation of Corporate Insolvency Resolution Process (CIRP) against Holding Company under Section 7 of the Insolvency and Bankruptcy Code 2016 filed by the Financial Creditor vide order no. CP no. 690/IBC/MB/2022 on 22 February 2023. The order was challenged by the suspended Director of the Holding Company and National Company Law Tribunal (NCLAT) vide its interim order dated 07 March 2023 stayed the initiation of the CIRP against the Holding Company. The appeal filed was subsequently dismissed by the National Company Law Tribunal Principal Bench, New Delhi on 10 August 2023. Pursuant to the NCLAT Final Order, the Resolution Professional (RP) has on 16 August 2023 taken over management and control of the company.

As described in note no. 2 and note no. 3, the management of the affairs of the Holding Company and power of the Board of Directors are now vested with Resolution Professional. Further, a moratorium in terms of Section 14 of the IBC is in force with respect to the affairs of the Holding Company during its ongoing CIRP. The financial results of the Group have been signed by the Resolution Professional while exercising the power of Board of Directors of the Company, which have been conferred to him in terms of the provisions of the Code.

3. The Statement, which is the responsibility of the Holding Company's management and prepared by the Holding Company's Board of Directors (powers suspended) and approved by the Resolution Professional and the Chief Executive Officer, has been prepared in accordance with the recognition and measurement 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



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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.

Scope of review

4. 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.

We draw attention to the below mentioned points in paragraph 5 below pertaining to various elements of the Statement that may require necessary adjustments/ disclosures in the Statement including but not limited to an impact on the Holding Company's ability to continue as a going concern and these adjustments when made, may have material and pervasive impact on the outcome of the Statement for the quarter ended 30 June 2023. Accordingly, pending these adjustments, including the matters mentioned below including certain major points mentioned below and unavailability of sufficient and appropriate evidence in respect of these matters, we are unable to express our conclusion on the attached Statement.

Basis for Disclaimer of Conclusion

5. (i)(a) As described in note 11 to the accompanying Statement, the Holding Company and some of its subsidiaries has defaulted in repayment of bank loans and accounts have been classified as Non-Performing Assets (NPA) by the lenders under the Consortium. The Holding Company and some of its subsidiaries has not provided additional and penal interest as part of finance cost in terms with conditions put forth in arrangements entered into between the banks & financial institutions with the Company and in accordance with the requirements of Ind AS 109, Financial Instruments.

(i)(b) Further, as described in note 8 to the accompanying Statement, the financial creditors have submitted claims amounting to INR 12,962.62 million as on 10 August 2023, out of which INR 11,513 million have been admitted by the RP. The carrying value of such borrowings as per the books of account of the Holding Company as on 30 June 2023 is INR 10,854.80 million.



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Due to non-availability of further information and in absence of reconciliations of the balances as per the claims made, claims admitted and the outstanding balances as per the books of accounts, we are unable to comment upon the impact of such non-accrual of additional/penal interest along with other sufficient appropriate audit evidence with respect to recognition of liabilities, their measurement and all related disclosures to be made, on the financial information for the quarter ended 30 June 2023.

Our report on the consolidated financial results for the quarter and year ended 31 March 2023 was also qualified with respect to the matter stated in paragraph 5 (i)(a) above.

(ii) As described in note 9 to the accompanying statement, we have not been provided with sufficient appropriate documentation pertaining to the minutes of meetings of the Committee of Creditors (CoC) and Monitoring Committee, and the outcome of procedures carried out as a part of the CIRP, citing confidentiality considerations. Accordingly, we are unable to comment on the impact, if any, including recognition, measurement and disclosures, on the accompanying Statement, that may arise had we been provided access to above-mentioned information/documentation.

(iii) As described in note 8 to the accompanying Statement, and as per the information and explanations provided to us by the management of the Company, pursuant to the commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, the Resolution Professional has started receiving claims from operational creditors, employees and other creditors. We have not been provided with details of such claims against the Company along with any reconciliation thereof with books of account for our review and accordingly, in absence of such workings, reconciliations and other sufficient appropriate audit evidence, we are unable to comment upon the impact of such claims on the financial information for the quarter ended 30 June 2023.

(iv) We draw attention to note 7 to the accompanying Statement, which indicates that the Group has incurred a net loss of (including other comprehensive income) ₹ 969.68 million during the quarter ended 30 June 2023, and as of that date, the Group's accumulated losses amount to ₹ 25,566.31 million resulting in a negative net worth of ₹ 8,633.17 million and its current liabilities exceeded its current assets by ₹ 15,069.72 million resulting in negative working capital. As at 30 June 2023, there are delays/ defaults in repayment of obligations and borrowings. Further, the Holding Company is already under Corporate Insolvency Resolution Process (CIRP). Accordingly, there exists a material uncertainty about the company's ability to continue as a going concern since the future of the Company is dependent upon the successful implementation of the Resolution plan. The financial statements have been prepared using going concern basis of accounting based on their assessment of the successful outcome of the ongoing Resolution process and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.

(v) As described in note 14 to the accompanying Statement, the Group's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which



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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 ₹ 2,087.67 million for the quarter ended 30 June 2023, while there would have been no impact on the net loss for the quarter ended 30 June 2023.

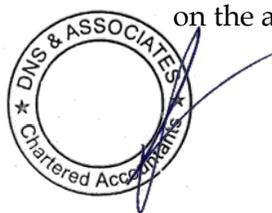
Further, with respect to the above matter, qualification have been given by other firms of Chartered Accountants vide their review reports dated 9 August 2023, 9 August 2023, 14 August 2023, 11 August 2023, 10 August 2023, 10 August 2023 and 9 August 2023 respectively on the quarterly financial results of the subsidiaries of the Holding Company, namely, Siti Prime Uttaranchal Communication Private Limited, Siti Jind Digital Media Communications Private Limited, Indian Cable Net company Limited, Siti Vision Digital Media Private Limited, Siti Siri Digital Network Private Limited, Central Bombay Cable Network Limited, and Siti Saistar Digital Media 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 costs' each would have been lower by ₹ 2,087.67 million for the quarter ended 30 June 2023, while there would have been no impact on the net loss for the quarter ended 30 June 2023.

Our reports on the consolidated financial results for the quarter and year ended 31 March 2023 and quarter ended 30 June 2022 were also qualified with respect to the matter stated in paragraph (v) above.

Disclaimer for Conclusion

6. In the view of the nature of the matters described in paragraph 5, 'Basis of Disclaimer of Conclusion', for which absence of sufficient and appropriate audit evidence has resulted in limitation of work and the consequent adjustments not being determined, we are unable to state whether the accompanying Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, or that the Statement discloses 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. Thus, we do not express a conclusion on the accompanying Statement.



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7. We did not review the interim financial results of twenty subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 9,722.65 million as at 30 June 2023, total revenues of ₹ 2,161.41 million, total net loss after tax of ₹ 252.47 million and total comprehensive loss of ₹ 251.61 million for the quarter ended on 30 June 2023, and cash flows (net) of ₹ 515.04 million for the quarter ended 30 June 2023, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹ 1.46 million and net loss after tax of ₹ million and total comprehensive loss of ₹ 1.46 million for the quarter ended 30 June 2023, as considered in the Statement, in respect of one associate 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 4 above.
8. As stated in paragraph 7 above, we have been provided with reports from other auditors on the the interim financial results for the quarter ended 30 June 2023 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 4 above. However, we have not been provided with any information by the Management of the Company, or other auditors with respect to any subsequent events between the date of issuance of the review reports by such auditors and the date of issuance of our report on Consolidated Unaudited Quarterly Financial Results and Year to Date Financial Results of Siti Networks Limited for the quarter ended 30 June 2023. As a result, we are unable to comment on the possible impact, if any, on the accompanying Statement, had we been provided access to above-mentioned information.
9. (i) We draw attention to note 15(f) which indicates a lender and a shareholder has filed an application against one of the subsidiary, SITI Vision Digital Media Private Limited, under section 7 of the Insolvency and Bankruptcy Code, 2016 before NCLT, Delhi for initiation of CIRP on the ground that Company has defaulted in making repayment of Rs 20.50 million. The petition is pending of order with the principal bench of NCLT, Delhi on the next date of hearing.
- (ii) We draw attention to note 15(g) which indicates a lender and a shareholder has filed an application against one of the subsidiary, SITI Broadband Services Private Limited, under section 7 of the Insolvency and Bankruptcy Code, 2016 before NCLT, Delhi for initiation of CIRP on the ground that Company has defaulted in making repayment of Rs 47.8 million. By an order dated 31 October 2023, Siti Broadband Services Private Limited has been admitted into insolvency proceedings.
- (iii) We draw attention to note 15(h) which indicates a lender and a shareholder has filed an application against one of the subsidiary, SITI Jind Digital Media Communications Private Limited, under section 7 of the Insolvency and Bankruptcy Code, 2016 before NCLT, Delhi for



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initiation of CIRP on the ground that Company has defaulted in making repayment of Rs. 50.6 million. The petition is pending for order with the principal bench of NCLT, Delhi on the next date of hearing.

For DNS & Associates

Chartered Accountants

Firm Registration No: 006956C



Ankit Marwaha

Partner

Membership No. 518749

UDIN: 23518749BGYYMJ8937

Place: Noida

Date: 10 November 2023

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Annexure 1

List of entities included in the Statement

Name of Related Party	Relation
Central Bombay Cable Network Limited	Subsidiary Company
Indian Cable Net Company Limited	Subsidiary Company
Siti Broadband Services Private Limited	Subsidiary Company
Siti Cable Broadband South Limited	Subsidiary Company
Siti Faction Digital Private Limited	Subsidiary Company
Siti Global Private Limited	Subsidiary Company
Siti Guntur Digital Network Private Limited	Subsidiary Company
Siti Jai Maa Durgee Communications Private Limited	Subsidiary Company
Siti Jind Digital Media Communications Private Limited	Subsidiary Company
Siti Jony Digital Cable Network Private Limited	Subsidiary Company
Siti Karnal Digital Media Network Private Limited	Subsidiary Company
Siti Krishna Digital Media Private Limited	Subsidiary Company
Siti Networks India LLP	Subsidiary Company
Siti Prime Uttaranchal Communication Private Limited	Subsidiary Company
Siti Sagar Digital Cable Network Private Limited	Subsidiary Company
Siti Saistar Digital Media Private Limited	Subsidiary Company
Siti Siri Digital Network Private Limited	Subsidiary Company
Siti Vision Digital Media Private Limited	Subsidiary Company
Variety Entertainment Private Limited	Subsidiary Company
E-Net Entertainment Private Limited	Step Subsidiary Company
Indinet Service Private Limited	Step Subsidiary Company
Master Channel Community Network Private Limited	Subsidiary Company
Meghbela Infitel Cable & Broadband Private Limited	Step Subsidiary Company
Siti Maurya Cable Net Private Limited	Step Subsidiary Company
Paramount Digital Media Services Private Limited	Joint Venture
Wire And Wireless Tisai Satellite Limited	Joint Venture
C&S Medianet Private Limited	Associate Company

