



# CHAUDHARY NAVAL & ASSOCIATES

CHARTERED ACCOUNTANTS

## Independent Auditor's Report

To the Members of Siti Faction Digital Private Limited

Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of **Siti Faction Digital Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2022, and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matter(s)

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



we have determined that there are no key audit matters to communicate in our report.



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## Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

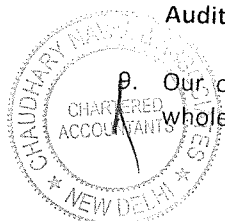
## Responsibilities of Management for the Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

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report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

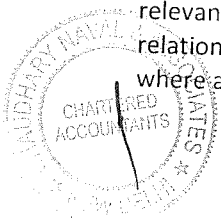
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

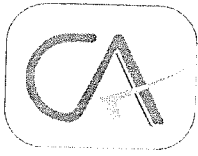
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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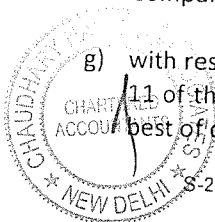
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13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

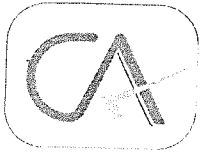
14. As required by section 197(16) of the Act, we report that the Company has not paid any remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
15. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I A statement on the matters specified in paragraphs 3 and 4 of the Order.
16. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:
- a) we have sought obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - c) the financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
  - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:



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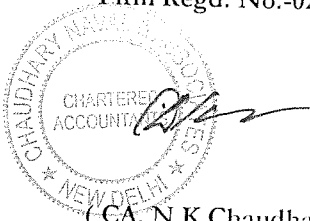


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- i. the Company has disclosed the impact of pending litigation(s) on its financial position as at 31 March 2022;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For Chaudhary Naval & Associates  
Chartered Accountants  
Firm Regd. No.-020258N



(CA. N.K.Chaudhary)

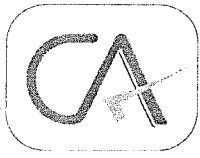
Proprietor

M.No.-504035

Place : Noida

Dated: 25-05-2022

UDIN: 22504035ALNWDL3409



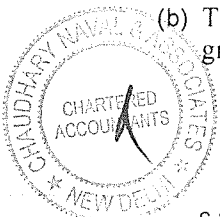
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## Annexure to the Independent Auditor's Report of even date to the members of Siti Faction Digital Private Limited on the financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant, and equipment, right of use assets and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property including investment properties
- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has not been sanctioned working capital limits/ working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (a) The Company has not granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (b) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.



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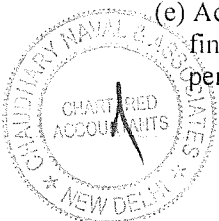
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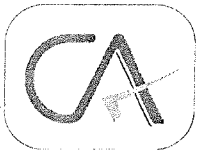
- (c) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (d) The Company has not granted any loan(s) or advance(s) in the nature of loan(s), which is/are repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us including confirmations received from banks/ financial institution and/or other lenders and} representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, No money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, no funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its {subsidiaries, associates, or joint ventures}.



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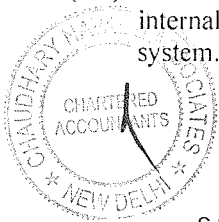
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- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its {subsidiaries, joint ventures, or associate companies}.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially, or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered transactions with the related parties covered under Section 177 or Section 188 of the Act. Accordingly,

	Year Ended	Amount received	Amount Paid	Amount owed by related Parties	Amount owed to related parties
Holding Company					
SITI Networks Limited	March31, 2022	51,99,124.67	16,65,347.00	-	13,21,66,353

Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act]. Section 133 of the Act / Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act]. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

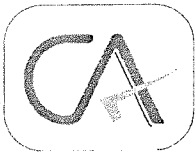


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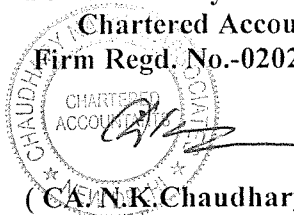
CHARTERED ACCOUNTANTS

- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses in the current and immediately preceding financial years amounting to Rs. NIL and Rs. 10,000 respectively.
- (Xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the {financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management}2, we are of the opinion that no material uncertainty exists as on the date of the audit report. The Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, The Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

**For Chaudhary Naval & Associates**

**Chartered Accountants**

**Firm Regd. No.-020258N**



**(CA/N.K.Chaudhary)**

**Proprietor**

**M.No.-504035**

**Place :Noida**

**Dated:25-05-2022**

**UDIN: 22504035ALNGJOL3409**



# CHAUDHARY NAVAL & ASSOCIATES

CHARTERED ACCOUNTANTS

**Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of Siti Faction Digital Private Limited**

1. We have audited the accompanying annual financial results ('the Statement') of **Siti Faction Digital Private Limited** ('the Company') for the year ended 31 March 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, read with SEBI Circular(s) CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular(s)') and
  - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the net loss after tax and other comprehensive income and other financial information of the Company for the year ended **31 March 2022**.

## **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

## **Board of Directors Responsibilities for the Statement**

1. This Statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations including SEBI Circular(s). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are



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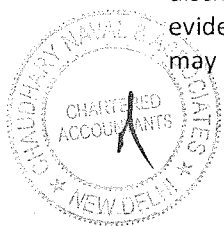
CHARTERED ACCOUNTANTS

reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

2. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
3. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Statement

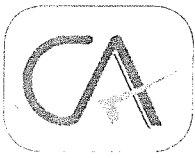
4. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
5. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



S-2, Second Floor, Pankaj Plaza, Plot No. 7, Pocket-7, Sector-12, Dwarka, New Delhi-110075 (INDIA)

Tel. : +91 11 45135808, (M) +91 9811179223 e-mail : [president@cacna.in](mailto:president@cacna.in)

[www.cacna.in](http://www.cacna.in)



# CHAUDHARY NAVAL & ASSOCIATES

CHARTERED ACCOUNTANTS

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
6. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  7. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

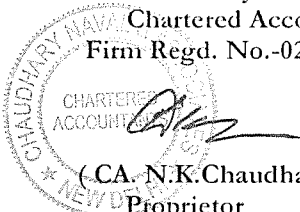
## Other Matter(s)

8. The Statement includes the financial results for the quarter ended 31 March 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, out of which only third quarter figures were subject to limited review by us and remaining first & second quarter figures were subject to limited review by previous Auditor.

For Chaudhary Naval & Associates

Chartered Accountants

Firm Regd. No.-020258N



(CA. N.K. Chaudhary)

Proprietor

M.No.-504035

Place: New Delhi

Dated: 25-05-2022

UDIN: 22504035ANWDL3409


**SITI FACTION DIGITAL PVT. LTD.**  
**Balance sheet as at March 31, 2022**  
CIN - U64200DL2012PTC244184

in million

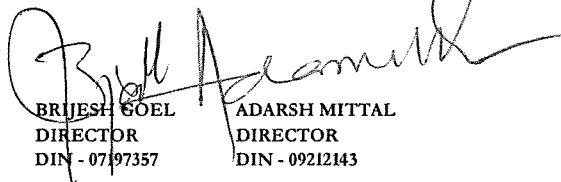
Notes	As at	
	March 31, 2022	March 31, 2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
a) Property, plant and equipment	6.31	14.31
b) Capital work-in-progress	19.07	19.07
	<b>25.38</b>	<b>33.39</b>
<b>Current assets</b>		
a) Financial assets		
i) Trade receivables	103.55	105.16
ii) Cash and cash equivalents	1.54	1.54
b) Other current assets	9.96	10.09
	<b>115.05</b>	<b>116.80</b>
<b>Total assets</b>	<b>140.44</b>	<b>150.18</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a) Equity share capital	0.10	0.10
b) Other equity	(50.56)	(41.96)
	<b>(50.46)</b>	<b>(41.86)</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
a) Financial liabilities		
i) Trade payables		
Total Outstanding dues of micro enterprises and small enterprises	190.76	191.87
Total Outstanding dues of creditors other than micro enterprises and small enterprises	0.13	0.17
b) Provisions	<b>190.90</b>	<b>192.04</b>
<b>Total equity and liabilities</b>	<b>140.44</b>	<b>150.18</b>
Summary of significant accounting policies		
1-2.		
The accompanying notes are an integral part of these financial statements.		

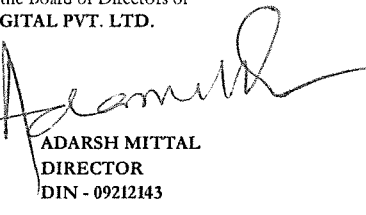
For CHAUDHARY NAVAL AND ASSOCIATES  
FIRM REGISTRATION NUMBER - 020258N

For and on behalf of the Board of Directors of  
SITI FACTION DIGITAL PVT. LTD.

  
(CA N.K. CHAUDHARY)  
PROPRIETOR  
MEMBERSHIP NUMBER - 504035  
UDIN - 22504035ALNWDL3409  
DATE - 25/05/22  
PLACE - NOIDA



  
BRIJESH GOEL  
DIRECTOR  
DIN - 07197357

  
ADARSH MITTAL  
DIRECTOR  
DIN - 09212143

**SITI FACTION DIGITAL PVT. LTD.**

**Statement of profit and loss for the year ended March 31, 2022**

CIN - U64200DL2012PTC244184

in million

	Notes	March 31, 2022	March 31, 2021
<b>Income</b>			
Revenue from operations	10	-	0.44
Other income	11	0.67	2.42
<b>Total income</b>		<b>0.67</b>	<b>2.86</b>
<b>Expenses</b>			
Finance costs		-	-
Depreciation and amortisation of non-financial assets	12	9.10	8.91
Other expenses	13	0.17	2.24
<b>Total expenses</b>		<b>9.27</b>	<b>11.15</b>
<b>Loss before exceptional item and tax</b>		<b>(8.60)</b>	<b>(8.29)</b>
Exceptional item		-	-
<b>Loss before tax</b>		<b>(8.60)</b>	<b>(8.29)</b>
<b>Tax expense</b>			
Deferred tax			
Current tax			
<b>Loss for the year</b>		<b>(8.60)</b>	<b>(8.29)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
Remeasurement of defined benefit liability			
<b>Total comprehensive income</b>		<b>(8.60)</b>	<b>(8.29)</b>
<b>Earnings (loss) per share</b>			
Basic (loss) per share	14	(860.05)	(829.03)
Diluted (loss) per share	14	(860.05)	(829.03)

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

For **CHAUDHARY NAVAL AND ASSOCIATES**  
FIRM REGISTRATION NUMBER - 020258N

For and on behalf of the Board of Directors of  
**SITI FACTION DIGITAL PVT. LTD.**

(CA N.K.CHAUDHARY)  
PROPRIETOR

MEMBERSHIP NUMBER -504035

UDIN - 22504035ALNWDL3409

DATE - 25/05/22

PLACE - NOIDA



**BRIJESH GOEL**  
DIRECTOR  
DIN - 07197357

**ADARSH MITTAL**  
DIRECTOR  
DIN - 09212143

**SITI FACTION DIGITAL PVT. LTD.**

Cash flow statement for the year ended March 31, 2022

CIN - U64200DL2012PTC244184

in million

**A. CASH FLOW FROM OPERATING ACTIVITIES**

	March 31, 2022	March 31, 2021
Loss before tax	(8.60)	(8.29)
Adjustment for:		
Depreciation and amortisation of non-financial assets	9.10	8.91
<b>Operating profit before working capital changes</b>	<b>0.50</b>	<b>0.62</b>
Adjustments for changes in:		
Increase in trade receivables	1.61	(0.66)
(Increase)/decrease in other current and non-current assets	0.13	(0.45)
Increase in other current and non-current liabilities	(0.04)	(0.06)
Increase/(decrease) in trade payables	(1.11)	3.03
<b>Cash (used in)/generated from operations</b>	<b>1.10</b>	<b>2.48</b>
Income taxes paid		
<b>Net cash flow (used in)/generated from operating activities</b>	<b>1.10</b>	<b>2.48</b>

**B. CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of property, plant and equipment and intangibles assets	(1.10)	(2.42)
<b>Net cash used in investing activities</b>	<b>(1.10)</b>	<b>(2.42)</b>

**C. CASH FLOW FROM FINANCING ACTIVITIES**

Net cash flow generated from financing activities	-	-
Net decrease in cash and cash equivalents	(0.00)	(0.01)
Cash and cash equivalents at beginning of the period	1.54	1.55
Cash and cash equivalents at close of the year	<b>1.54</b>	<b>1.54</b>
a. Cash and cash equivalents include :		
Cash on hand	-	0.00
Balances with banks - current accounts	-	-
Deposits with maturity of upto three months	1.54	1.54
	<b>1.54</b>	<b>1.54</b>

This is the cash flow statement referred to in our report of even date

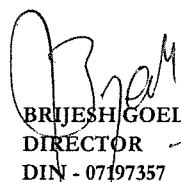
For CHAUDHARY NAVAL AND ASSOCIATES  
FIRM REGISTRATION NUMBER - 020258N



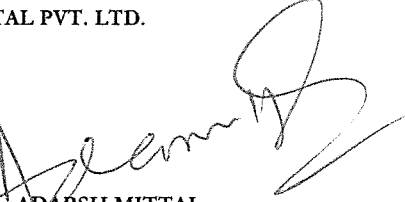
(CA N.K. CHAUDHARY)  
PROPRIETOR  
MEMBERSHIP NUMBER -504035  
UDIN - 22504035ALNWDL3409  
DATE - 25/05/22  
PLACE - NOIDA



For and on behalf of the Board of Directors of  
SITI FACTION DIGITAL PVT. LTD.



BRIJESH GOEL  
DIRECTOR  
DIN - 07197357



ADARSH MITTAL  
DIRECTOR  
DIN - 09212143

**NOTE –1: SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31<sup>st</sup> MARCH, 2022**

**1.1 CORPORATE INFORMATION:**

SITI Faction Digital Private Limited (hereinafter referred to as the ‘Company’) is registered in New Delhi, India. The Company is a Multiple Service Operator (MSO) engaged in distribution of television channels through analogue and digital cable distribution network, primary internet and allied services.

**1.2 BASIS OF PREPARATION:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The accounting policies have been consistently applied by the Company. All assets and liabilities have been classified as current and non- current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of business and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**1.3 USE OF ESTIMATES:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

**1.4 RECOGNITION OF REVENUE:**

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction. Subscription income is recognized on completion of services and when no significant uncertainty exists regarding the amount of consideration that will be derived. Carriage Income receivable from SCNL is not recognized as revenue and no effect of Carriage sharing, pay channel and related costs payable to SCNL is given in the books of accounts.

**1.5 RECOGNITION OF INCOME AND EXPENSE:**

Items of income and expenditure are recognized on accrual basis.





## **1.6 PLANT, PROPERTY AND EQUIPMENT**

Plant, properties and equipments are carried at the cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation / amortization on plant, properties and equipments is provided at rates computed on the basis of useful life of assets as specified in Schedule II of the Companies Act, 2013 except in case of intangible assets and leasehold improvements on which depreciation is provided at rate as mentioned below which in view of the management represents the useful life of assets. Assets costing less than Rs 5,000 each are depreciated in full excluding residual value as per Schedule II, in year of purchase.

### **Asset category Rate of depreciation/ amortization**

Intangible assets	Straight Line Method
Leasehold improvements	Over the lease term or useful life whichever is lower

## **1.7 INVESTMENTS:**

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

## **1.8 INVENTORIES:**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

However, the company does not have any inventory during the current year.

## **1.9 INCOME TAXES:**

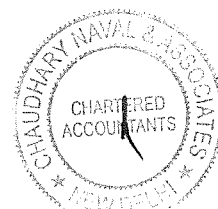
Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

## **1.10 EVENTS OCCURRING AFTER BALANCE SHEET DATE:**

Events occurring after balance sheet date which affect the financial position to a material extent are taken into cognizance, if any.



### **1.11 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Liabilities are generally not provided for in the accounts are shown separately under notes to the accounts if any.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

#### **Recent accounting pronouncements (standards issued but not yet effective)**

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain issued standards. These amendments are applicable to the Company from April 01, 2019. The Company will be adopting the below stated new standards and applicable amendments from their respective effective date.

##### **a) Ind AS 116, Leases:**

Ind AS 116 supersedes Ind AS 17, Leases. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., in the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially unchanged from accounting under Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. The Company is evaluating the requirements of the standard and the effect on the financial statements.

##### **b) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes:**

The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings.

The impact of the Appendix on the Financial Statements, as assessed by the Company, is expected to be not material.



**c) Amendment to Ind AS 12, Income Taxes:**

The Amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. The Company will apply these amendments for annual reporting periods beginning on or after April 01, 2019. The impact on the Financial Statements, as assessed by the Company, is expected to be not material.

**NOTE – 2: EXPLANATORY/ CLARIFICATORY NOTES:**

- 2.1 No dividend has been proposed by the Directors of the Company due to nominal profits of the company.
- 2.2 Balances of sundry creditors and debtors are subject to confirmation from the respective parties.
- 2.3 In the opinion of the Board, current assets, loans & advances have a value in the ordinary course of business at least equal to that stated in Balance Sheet.
- 2.4 **Auditors Remuneration: 2021-22**

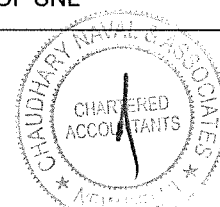
<u>SL. NO.</u>	<u>PARTICULARS</u>	<u>F/Y 2021-22</u>	<u>F/Y 2020-21</u>
1.	AUDIT FEES	Rs. 30,000/-	Rs. 60,000/-

**2.5 RELATED PARTY DISCLOSURES:-**

**Names of related parties:**

SUBSIDIARY OF SNL:

<u>SL. NO.</u>	<u>COMPANY</u>	<u>REMARKS</u>
1	INDIAN CABLE NET COMPANY LIMITED (ICNCL)	SUBSIDIARY OF SNL
2	SITI MAURYA CABLE NET PRIVATE LIMITED	SUBSIDIARY OF SNL - ICNCL HOLDS SHARES OF SITI MAURYA
3	INDINET SERVICE PRIVATE LIMITED	SUBSIDIARY OF SNL - ICNCL HOLDS SHARES OF INDINET
4	MASTER CHANNEL COMMUNITY NETWORK PVT LTD	SUBSIDIARY OF SNL - CBCNL HOLDS SHARES OF MASTER CHANNEL
5	SITI VISION DIGITAL MEDIA PRIVATE LIMITED	SUBSIDIARY OF SNL
6	SITI SIRI DIGITAL NETWORK PRIVATE LIMITED	SUBSIDIARY OF SNL
7	SITI GUNTUR DIGITAL NETWORK PRIVATE LIMITED	SUBSIDIARY OF SNL
8	SITI GLOBAL PRIVATE LIMITED	SUBSIDIARY OF SNL
9	SITI SAGAR DIGITAL CABLE NETWORK PRIVATE LIMITED	SUBSIDIARY OF SNL
10	SITI SAISTAR DIGITAL MEDIA PRIVATE LIMITED	SUBSIDIARY OF SNL
11	SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED	SUBSIDIARY OF SNL



SITI FACTION DIGITAL PRIVATE LIMITED  
CIN – U64200DL2012PTC244184

12	VARIETY ENTERTAINMENT PRIVATE LIMITED (VEPL)	SUBSIDIARY OF SNL
13	CENTRAL BOMBAY CABLE NETWORK LIMITED (CBCNL)	SUBSIDIARY OF SNL
14	SITICABLE BROADBAND SOUTH LIMITED	SUBSIDIARY OF SNL
15	WIRE AND WIRELESS TISAI SATELLITE LIMITED	SUBSIDIARY OF SNL
16	SITI BROADBAND SERVICES PRIVATE LIMITED (SBSPL)	SUBSIDIARY OF SNL
17	SITI JIND DIGITAL MEDIA COMMUNICATIONS PRIVATE LIMITED	SUBSIDIARY OF SNL
18	SITI JAI MAA DURGEE COMMUNICATIONS PRIVATE LIMITED	SUBSIDIARY OF SNL
19	SITI KARNAL DIGITAL MEDIA NETWORK PRIVATE LIMITED	SUBSIDIARY OF SNL
20	FACTION DIGITAL PRIVATE LIMITED	SUBSIDIARY OF SNL
21	SITI JONY DIGITAL CABLE NETWORK PRIVATE LIMITED	SUBSIDIARY OF SNL
22	SITI KRISHNA DIGITAL MEDIA PRIVATE LIMITED	SUBSIDIARY OF SNL
23	E-NET ENTERTAINMENT PRIVATE LIMITED	SUBSIDIARY OF SNL - SBSPL HOLDS SHARES OF E-NET ENTERTAINMENT

ASSOCIATE OF SNL

SL. NO.	COMPANY	REMARKS
1	C&S MEDIANET PRIVATE LIMITED	ASSOCIATES OF SNL
2	PARAMOUNT DIGITAL MEDIA SERVICES PRIVATE LIMITED	ASSOCIATES OF SNL - VEPL HOLDS SHARES OF PARAMOUNT DIGITAL

LLP OF SNL

SL. NO.	COMPANY	REMARKS
1	SITI NETWORKS INDIA LLP	WHOLLY OWNED LLP OF SNL

**Other Related Parties:**

Mr. Yogesh Sharma	-	Director
Mr. Rahul Dabas	-	Director
Ms. Amarjeet Dabas	-	Director
Mr Brijesh Goel	-	Director
Mr. Adarsh Mittal	-	Director



2.6 Transactions entered into by the Company with its holding company during the relevant Financial Year are as under:

- Sale/ purchase of goods and services

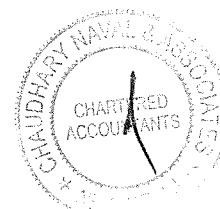
	Year ended	Amount Received	Amount Paid	Amount owed by related parties	Amount owed to related parties
<b>Holding Company</b>					
Siti Networks Limited	March 31, 2022	51,99,124.67	16,65,347.00	-	13,21,66,353
	March 31, 2021	31,98,975	23,73,526	-	12,86,32,575

2.7 The basic earnings per share (“EPS”) is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

Particulars	31-March-2022	31-March-2021
Profit/(Loss) after Tax	(86,00,470)	(82,90,272)
Number of Equity Shares	10,000	10,000
Nominal Value of Equity Shares	10	10
<b>Basic Earnings per Share</b>	<b>(860.05)</b>	<b>(829.03)</b>

2.8 Other disclosures are made as under :

i. Value of Import on CIF Basis	-	NIL
ii. Expenses in Foreign Currency	-	NIL
iii. Amount remitted in Foreign Currency	-	NIL
iv. Earnings in Foreign Currency	-	NIL



**3 Promoters Shareholding in Share Capital Note**

Sno.	Promoter's Name	No. of Shares	% of Total Shares	% Change during the year
1	Siti Networks Limited	5100	51	-
2	Mrs. Jyoti Dabas	4900	49	-

**4 CWIP Aging as per below format below PPE Notes**

Amount in CWIP (Amount in Rupees ) for a period of

CWIP	Amount in Rupees			Total (Amount in Rs.)
	Less than 1 Year	1-2 Years	2-3 Years	
Project in Progress	-	-	-	-
Projects temporarily suspended	-	-	19.07	19.07
Total shall tally with CWIP amount in the balance sheet	-	-	19.07	19.07



**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**  
(All amounts in ₹ million, unless stated otherwise)

**5 Financials Ratios**

Sr. No.	Particulars	31 March 2022	31 March 2021	Change
i)	<b>Current Ratio (A/B)</b>	<b>0.60</b>	<b>0.61</b>	<b>-1%</b>
	Current assets (A)	115.05	116.80	
	Current liabilities (B)	190.90	192.04	
ii)	<b>Return on equity ratio (A/B)</b>	<b>0.17</b>	<b>0.20</b>	<b>-14%</b>
	Net profit for the year (A)	-8.60	-8.29	
	Total equity (B)	-50.46	-41.86	
iii)	<b>Net capital turnover ratio (A/B)</b>	<b>-</b>	<b>(0.01)</b>	<b>-100%</b>
	Revenue from operations (A)	-	0.44	
	Capital employed or net assets (B)	-50.56	-41.96	
iv)	<b>Return on capital employed (A/B)</b>	<b>0.17</b>	<b>0.20</b>	<b>-14%</b>
	Earning before interest but after taxes (A)	-8.60	-8.29	
	Capital employed or net assets (B)	-50.56	-41.96	
v)	<b>Return on investment</b>	<b>0.17</b>	<b>0.20</b>	<b>-14%</b>
	Net profit after tax (A)	-8.60	-8.29	
	Capital employed or net assets (B)	-50.56	-41.96	

**Notes:**

- 1 Ratios relating to balance sheet items have been presented as at 31 March 2022 and 31 March 2021. Whereas, ratios relating to items of statement of profit and loss account has been presented for financial year ended 31 March 2022 and 31 March 2021.
- 2 Net profit after tax excludes other comprehensive income
- 3 Net assets is the total of equity share capital and other equity.
- 4 Total debt comprise of borrowings from external lenders.
- 5 Credit purchases comprise of purchases during the year and other expenses
- 6 Reason for change by more than 25%  
Higher total equity as a result of profit after tax during the current year and lower debt movement as compared to previous year  
Due to higher earning before interest and depreciation and lower debt movement as compared to previous year  
Increase due to current year profit after tax  
Due to higher cost of goods sold due to increase revenue in current year  
Due to increase revenue from operations  
Due to increase in purchases and other expenses  
Due to increase revenue from operations.  
Due to increased net profit after tax as a result of increased revenue from operations.  
Due to higher earning before interest but before taxes.  
Due to increased net profit after tax as a result of increased revenue from operations.



Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022  
(All amounts in ₹ million, unless stated otherwise)

6 Trade payable ageing schedule

As at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-	-	-
ii) Others	17.97	-	-	-	-	172.79	190.76
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>17.97</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>172.79</b>	<b>190.76</b>

As at 31 March 2021

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-	-	-
ii) Others	18.00	-	-	-	-	173.86	191.86
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>18.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>173.86</b>	<b>191.86</b>

7 Trade receivable ageing schedule

As at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>								
(i) Considered good	-	-	-	-	-	-	103.55	103.55
(ii) Significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-
<b>Disputed</b>								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
<b>Unbilled</b>	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	<b>103.55</b>	<b>103.55</b>

As at 31 March 2021

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>								
(i) Considered good	-	-	-	-	-	-	104.50	104.50
(ii) Significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-
<b>Disputed</b>								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
<b>Unbilled</b>	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	<b>104.50</b>	<b>104.50</b>

8 Dividend paid

No dividend was paid during the current year as well as in preceding financial year. Further no dividend is proposed for the current financial year.

9

The Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity has received presidential assent on 28 September 2020. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.






**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**

*(All amounts in ₹ million, unless stated otherwise)*

- 10 (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 11 There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- 12 Note on assets pledged in accordance with changes as per Schedule-III. - *NA*
- 13 The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956
- 14 Previous period figures have been re-grouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III of the Companies Act, 2013 effective from 01 April 2021.
- 15 The financial statements were approved for issue by the board of directors on *25* May 2022.

For CHAUDHARY NAVAL AND ASSOCIATES  
CHARTERED ACCOUNTANT  
FRN: 020258N



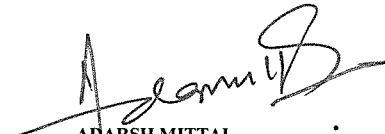
CA N.K. Chaudhary  
Proprietor  
MNo. - 504035  
Date: *25/05/22*  
Place: *NOIDA*



For & on Behalf of the Board of Directors  
SITI FACTION DIGITAL PRIVATE LIMITED



BRIJESH GOEL  
DIRECTOR  
DIN - 07197357



ADARSH MITTAL  
DIRECTOR  
DIN - 09212143

SITI FACTION DIGITAL PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

3 Property, plant and equipment

in million

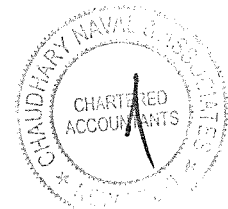
	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Set top boxes	Total
<b>Gross carrying amount</b>						
Balance as at March 31, 2021	15.10			0.45	72.82	88.37
Additions	0.39				0.71	1.10
<b>Balance as at March 31, 2022</b>	<b>15.49</b>	<b>-</b>	<b>-</b>	<b>0.45</b>	<b>73.52</b>	<b>89.47</b>
<b>Accumulated depreciation</b>						
Balance as at March 31, 2021	11.54			0.26	62.26	74.06
Charge for the year	1.59			0.02	7.49	9.10
<b>Balance as at March 31, 2022</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>0.29</b>	<b>69.75</b>	<b>83.16</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>3.56</b>	<b>-</b>	<b>-</b>	<b>0.19</b>	<b>10.56</b>	<b>14.31</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>2.37</b>	<b>-</b>	<b>-</b>	<b>0.16</b>	<b>3.78</b>	<b>6.31</b>



**SITI FACTION DIGITAL PVT. LTD.**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022**

		in million	
		As at 31-Mar-22	As at 31-Mar-21
<b>4</b>	<b>Trade receivables</b>		
	Unsecured, considered good	103.55	105.16
		<b>103.55</b>	<b>105.16</b>
		in million	
		As at 31-Mar-22	As at 31-Mar-21
<b>5</b>	<b>Cash and cash equivalents</b>		
	Cash on hand	-	0.00
	Balances with banks on current accounts	-	-
	Cheques and drafts on hand	-	0.00
	<b>Other balances with banks</b>		
	Deposits with maturity of upto three months	1.54	1.54
		<b>1.54</b>	<b>1.54</b>
		in million	
		As at 31-Mar-22	As at 31-Mar-21
<b>6</b>	<b>Other current assets</b>		
	<b>Unsecured, considered good unless otherwise stated</b>		
	Balances with Government authorities	5.83	5.82
	Amounts recoverable (considered good)	4.13	4.28
		<b>9.96</b>	<b>10.09</b>



**SITI FACTION DIGITAL PVT. LTD.**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

7 (a) Equity share capital	in million	
	As at 31-Mar-22	As at 31-Mar-21
<b>Authorised share capital</b> 10,000 (Previous year: 10,000) equity shares of Rs. 10/- each	0.10	0.10
<b>Total authorised capital</b>	<b>0.10</b>	<b>0.10</b>
<b>Issued share capital</b> 10,000 (Previous year: 10,000) equity shares of Rs. 10/- each	0.10	0.10
<b>Total issued capital</b>	<b>0.10</b>	<b>0.10</b>
<b>Subscribed and fully paid up capital</b> 10,000 (Previous year: 10,000) equity shares of Rs. 10/- each	0.10	0.10
<b>Total paid up capital</b>	<b>0.10</b>	<b>0.10</b>

7(b) Other reserve	in million	
	As at 31-Mar-22	As at 31-Mar-21
Securities premium reserve	-	-
Retained earnings	(50.56)	(41.96)

Particulars	in million	
	As at 31-Mar-22	As at 31-Mar-21
<b>1 Securities premium reserve</b>		
Opening balance		
<b>Closing balance</b>	-	-
<b>2 Retained earnings</b>		
Opening balance	(41.96)	(33.67)
Addition during the year	(8.60)	(8.29)
<b>Closing balance</b>	<b>(50.56)</b>	<b>(41.96)</b>



SITI FACTION DIGITAL PVT. LTD.

A Equity share capital		in million	
	Notes	Amount	
Balance as at April 01, 2021		0.10	
Issued on conversion of warrants	7 (a)	-	
Issued on conversion of Optionally Fully Convertible Debentures (OFCD)	7 (a)	-	
Balance as at March 31, 2022		<u>0.10</u>	


B Other equity		in million						
	Reserves and surplus			Other Components of Equity			Total other equity	
	Retained earnings (refer note 7b)	General reserve	Money received against warrants	Other comprehensive Income	Foreign currency monetary item translation difference account (FCMITDA)	Employee shares based reserve		
Balance as at April 01, 2021	(41.96)	-	-	-	-	-	(41.96)	
Loss for the year	(8.60)	-	-	-	-	-	(8.60)	
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	
<b>Total comprehensive income for the year</b>	<b>(8.60)</b>	-	-	-	-	-	<b>(8.60)</b>	
Security premium on conversion of warrants and OFCDs into equity shares	-	-	-	-	-	-	-	
Security premium on issue of shares against employee stock options	-	-	-	-	-	-	-	
Conversion of OFCDs into equity shares	-	-	-	-	-	-	-	
Money received against warrants issued	-	-	-	-	-	-	-	
Conversion of warrants into equity shares	-	-	-	-	-	-	-	
FCMITDA created during the year	-	-	-	-	-	-	-	
FCMITDA amortised during the year	-	-	-	-	-	-	-	
Employee shares based reserve created	-	-	-	-	-	-	-	
Reversed on share options exercised during the year	-	-	-	-	-	-	-	
Balance as at March 31, 2022	<b>(50.56)</b>	-	-	-	-	-	<b>(50.56)</b>	

\*\* Transaction with owner in capacity as owners

The accompanying notes are an integral part of these standalone financial statements.


This is the statement of changes in equity referred to in our report of even date

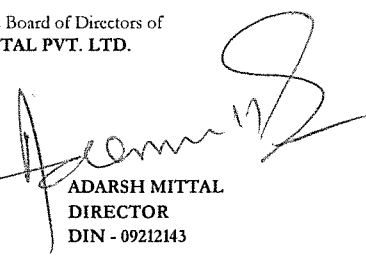
For CHAUDHARY NAVAL AND ASSOCIATES  
FIRM REGISTRATION NUMBER - 020258N

  
(CA N.K. CHAUDHARY)  
PROPRIETOR  
MEMBERSHIP NUMBER - 504035  
UDIN - 22504035ALNWDL3409  
DATE - 25/05/22  
PLACE - NOIDA



For and on behalf of the Board of Directors of  
SITI FACTION DIGITAL PVT. LTD.

  
BRIJESH GOEL  
DIRECTOR  
DIN - 07197357

  
ADARSH MITTAL  
DIRECTOR  
DIN - 09212143

**SITI FACTION DIGITAL PVT. LTD.**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022**

	in million	
	As at 31-Mar-22	As at 31-Mar-21
<b>8 Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises; and		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	190.76	191.87
	<b>190.76</b>	<b>191.87</b>

	in million	
	As at 31-Mar-22	As at 31-Mar-21
<b>9 Provisions (current)</b>		
Provision for compensated absences	0.13	0.17
	<b>0.13</b>	<b>0.17</b>



**SITI FACTION DIGITAL PVT. LTD.**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022**

		in million	
		31-Mar-22	31-Mar-21
<b>10</b>	<b>Revenue from operations</b>		
	Sale of services		
	Others	-	0.44
		-	<b>0.44</b>
<b>11</b>	<b>Other Income</b>		
	Other non-operating income	0.67	2.42
		<b>0.67</b>	<b>2.42</b>
<b>12</b>	<b>Depreciation and amortisation of non-financial assets</b>		
	Depreciation of property, plant and equipment	9.10	8.91
		<b>9.10</b>	<b>8.91</b>
<b>13</b>	<b>Other expenses</b>		
	Rates and taxes	0.01	0.02
	Legal, professional and consultancy charges	0.05	0.02
	Auditors' remuneration*	0.03	0.06
	Other operational cost	-	2.00
	Miscellaneous expenses	0.09	0.14
		<b>0.17</b>	<b>2.24</b>
		<b>0.03</b>	<b>0.06</b>
		<b>0.03</b>	<b>0.06</b>
<b>14</b>	<b>Earnings (loss) per share</b>		
	Loss attributable to equity shareholders	(8.60)	(8.29)
	Weighted average number of equity shares outstanding during the year (nos.)	10,000	10,000
	Weighted average number of equity shares to be issued on conversion of mandatorily convertible instruments (i.e. share and OFCD) (nos.)		
	<b>Weighted average number of equity shares outstanding during the year for calculating basic and diluted earnings per share (nos.)</b>	<b>10,000</b>	<b>10,000</b>
	Effect of dilutive potential equity shares ~		
	Employee stock options (nos.)		
	Nominal value of per equity share (₹)	10	10
	<b>Loss per share (₹)</b>		
	Basic	(860.05)	(829.03)
	Diluted	(860.05)	(829.03)

~Effect of potential equity shares being anti-dilutive has not been considered while calculating diluted weighted average equity shares and diluted earnings per share.

