

SITI Networks Limited

UG Floor, FC-19 & 20, Sector-16 A, Film City,

Noida, Uttar Pradesh-201301, India

Tel: +91-120-4526700

Website : www.sitinetworks.com



February 13, 2019

To,

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

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

Kind Attn. : Corporate Relationship Department

Subject: Proceedings of the Board Meeting held on February 13, 2019

Dear Sir,

Pursuant to Regulation 30 and other applicable Regulations of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company at their meeting held today i.e. on February 13, 2019, has *inter-alia* considered and approved the un-audited Financial Results of the Company, both on a Standalone and Consolidated basis, for the third quarter of financial year 2018-19 and nine months ended on December 31, 2018.

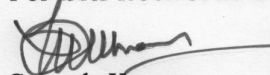
We are enclosing herewith a copy of un-audited Financial Results along with Earning Release and Limited Review Certificate(s) on both standalone and consolidated Financial Statements issued by the Statutory Auditor of the Company.

Please note that a conference call to discuss performance of the Company has been scheduled on February 15, 2019 at 12:00 noon. Details of such call have been uploaded on the website of the Company.

You are requested to kindly take the above on record.

Thanking you,

Yours truly,
For **Siti Networks Limited**


Suresh Kumar
Company Secretary



UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)

UNAUDITED FINANCIAL RESULTS (STANDALONE)

Part - I
Statement of consolidated unaudited results for the quarter and nine months ended December 31, 2018

Particulars	Quarter ended December 31, 2018	Quarter ended September 30, 2018	Quarter ended December 31, 2017	Nine months ended December 31, 2018	Nine months ended December 31, 2017	Year ended March 31, 2018
I Revenue from operations	38,592.1	38,674.1	35,745.6	112,271.4	107,472.2	141,040.1
II Other income	418.5	681.1	739.0	1,399.2	1,750.1	1,597.3
III Total income (I+II)	39,010.6	39,355.2	36,484.6	113,670.6	109,222.3	142,637.4
IV Expenses	19.8	41.8	39.1	100.8	115.3	176.5
Cost of materials consumed	76.1	(0.0)	98.9	173.6	99.5	156.2
Purchases of stock-in-trade	16,698.2	17,876.1	17,961.6	51,200.2	49,427.2	63,790.2
Carriage sharing, pay channel and related costs	2,071.3	2,148.3	2,250.4	6,260.9	6,869.7	9,049.4
Employee benefits expense	4,113.2	4,038.5	3,126.2	12,605.4	10,151.5	13,954.9
Finance costs	9,457.9	9,243.8	8,566.0	27,585.9	23,557.3	32,477.0
Depreciation and amortisation expense	9,733.3	10,591.1	9,278.9	29,034.6	27,125.4	37,013.1
Other expenses (V)	42,169.8	43,939.6	40,211.1	126,381.4	117,325.9	156,157.3
Total expenses (IV)	(3,159.2)	(4,584.4)	(3,726.5)	(13,170.8)	(8,103.6)	(14,119.9)
V Loss before exceptional items and tax (III-IV)	34.5	29.6	(16.4)	26.5	(97.0)	(58.0)
VI Exceptional items	(3,124.7)	(4,554.8)	(3,742.9)	(13,144.3)	(8,200.6)	(14,177.9)
VII Loss before tax (V+VI)	(3,124.7)	(4,554.8)	(3,742.9)	(13,144.3)	(8,200.6)	(14,177.9)
VIII Current tax	(3,124.7)	(4,554.8)	(3,742.9)	(13,144.3)	(8,200.6)	(14,177.9)
IX Loss for the period (VII-VIII)	827.9	408.2	400.7	1,485.7	3,128.8	727.8
Tax expense	(409.5)	(172.8)	(934.0)	(1,831.8)	(1,831.8)	(449.9)
X Total tax expense	418.4	235.4	(533.3)	644.3	1,177.7	1,177.7
XI Loss for the period (IX-X)	(3,543.1)	(4,790.2)	(3,209.6)	(14,036.4)	(9,965.6)	(16,989.7)
XII Other comprehensive income:						
Items that will not be reclassified to profit or loss	7.3	7.4	(5.7)	22.0	(17.0)	39.1
Total comprehensive income for the period (including non-controlling interest) (XI+XII)	(3,535.8)	(4,782.8)	(3,215.3)	(14,014.4)	(9,982.6)	(16,950.6)
Net (loss)/income attributable to:						
A Owners of the parent	(3,343.6)	(4,584.4)	(3,701.9)	(14,316.4)	(13,166.7)	(19,385.7)
B Non-controlling interest	(192.2)	194.2	492.3	280.0	3,201.1	2,396.0
Other comprehensive (loss)/income attributable to:						
A Owners of the parent	6.1	6.2	(5.7)	18.4	(17.0)	36.2
B Non-controlling interest	1.2	1.2	-	3.6	-	2.9
Total comprehensive income attributable to:						
A Owners of the parent	(3,337.5)	(4,578.2)	(3,707.6)	(14,298.0)	(13,183.7)	(19,349.5)
B Non-controlling interest	(198.3)	195.4	492.3	283.6	3,201.1	2,398.9
XIII Paid-up equity share capital (Face value ₹ 1/- per share)	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5
XIV Earnings per share (of ₹ 1/- each) (not annualised)						
a) Basic	(0.4)	(0.6)	(0.4)	(1.6)	(1.5)	(2.2)
b) Diluted	(0.4)	(0.6)	(0.4)	(1.6)	(1.5)	(2.2)

Part - I
Statement of standalone unaudited results for the quarter and nine months ended December 31, 2018

Particulars	Quarter ended December 31, 2018	Quarter ended September 30, 2018	Quarter ended December 31, 2017	Nine months ended December 31, 2018	Nine months ended December 31, 2017	Year ended March 31, 2018
I Revenue from operations	21,685.2	21,933.5	22,200.8	62,953.4	63,085.2	83,780.8
II Other income	601.4	608.2	384.2	1,073.1	1,230.7	1,078.0
III Total income (I+II)	22,286.6	22,541.7	22,585.0	64,026.5	64,315.9	84,858.8
IV Expenses	1.7	10.0	2.2	16.2	10.1	10.5
Cost of materials consumed	450.0	658.7	534.4	1,759.4	3,370.3	3,904.9
Purchases of stock-in-trade	7,969.8	10,830.2	11,129.5	28,584.4	31,551.3	39,908.1
Carriage sharing, pay channel and related costs	1,409.3	1,377.5	1,601.8	4,221.2	5,007.8	6,446.2
Employee benefits expense	3,807.3	3,640.0	3,036.6	11,147.7	9,217.3	12,734.6
Finance costs	5,004.5	5,231.4	4,654.9	15,641.6	13,132.3	18,301.5
Depreciation and amortisation expenses	6,170.6	5,756.9	5,571.1	16,543.3	16,505.1	23,642.7
Other expenses (V)	25,213.2	27,513.7	26,530.5	77,913.8	78,789.2	104,948.5
Total expenses (IV)	(2,226.6)	(4,972.0)	(3,845.5)	(13,887.3)	(14,473.3)	(20,089.7)
V Loss before exceptional items and tax (III-IV)	(2,226.6)	(4,972.0)	(3,845.5)	(13,887.3)	(14,473.3)	(20,089.7)
VI Exceptional items	-	-	-	(630.9)	(468.0)	(468.0)
VII Loss before tax (V+VI)	(2,226.6)	(4,972.0)	(3,845.5)	(14,518.2)	(14,941.3)	(20,557.7)
VIII Current tax	-	-	(0.1)	-	(0.1)	-
IX Loss for the period (VII-VIII)	(2,226.6)	(4,972.0)	(3,845.4)	(14,518.2)	(14,941.3)	(20,557.7)
X Other comprehensive income:						
Items that will not be reclassified to profit or loss	4.3	4.3	(3.4)	12.9	(10.0)	17.3
XI Total comprehensive income (IX+X)	(2,222.3)	(4,967.7)	(3,848.8)	(14,505.3)	(14,951.3)	(20,540.4)
XII Paid-up equity share capital (Face value ₹ 1/- per share)	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5	8,720.5
XIII Earnings per share (of ₹ 1/- each) (not annualised)						
a) Basic	(0.3)	(0.6)	(0.4)	(1.7)	(1.7)	(2.4)
b) Diluted	(0.3)	(0.6)	(0.4)	(1.7)	(1.7)	(2.4)



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

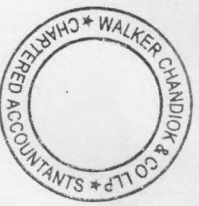
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GROUP

Notes:-

- 1 SITI Networks Limited ('the Company' or 'the Holding Company'), its subsidiaries, its associates and its joint ventures (collectively referred to as 'the Group') predominantly operate in a single business segment of cable and broadband distribution in India only. Hence there are no separately reportable business or geographical segments as per Indian Accounting Standard ('Ind AS') 108 on Operating Segments. The aforesaid is in line with the way operating results are reviewed and viewed by the chief operating decision maker(s).
- 2 These standalone and consolidated financial results including comparative figures have been reviewed by the Audit Committee and approved by the Company's Board of Directors in their meeting held on February 13, 2019.
- 3 This statement of standalone and consolidated financial results for the quarter and nine months ended December 31, 2018 has been prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated November 30, 2015 and CIR/CFD/FAC/62/2016 dated July 05, 2016 and other recognised accounting practices and policies.
- 4 The statutory auditors have carried out limited review of the standalone and consolidated financial results for the quarter and nine months ended December 31, 2018, as prepared by the management of the Company.
- 5 The digitisation of cable networks has been implemented in Phase 1 and 2 cities starting from November 1, 2012 onwards and Phase 3 and 4 cities were to be digitised by January 31, 2017 and March 31, 2017 respectively, as per the extended timelines. Owing to the initial delays in implementation of DAS, all the Multi-System Operators (MSOs) are in transition from analogue regime to DAS and are in the process of implementation of revenue sharing contracts with the local cable operators (LCOs). Accordingly, the Company and the Group has invoiced certain LCOs and recognised subscription revenue in the quarter and nine months ended December 31, 2018 and the comparative periods presented based on certain estimates (net basis) derived from market trends and ongoing discussion with the LCOs. Management is of the view that the execution/implementation of such contracts will not have a significant impact on these financial results.
- 6 The Company continued to incur losses during the quarter and nine months ended December 31, 2018, but in view of the present positive net worth, expected substantial subscription revenue growth by the management and continued financial support from a stakeholder of the Company, the financial results for the quarter and nine months ended December 31, 2018 continue to be prepared on a going concern basis.
- 7 During the nine months period ended December 31, 2018, Variety Entertainment Private Limited (wholly owned subsidiary of the Company) had acquired 49% shareholding (4900 shares of face value ₹ 10 each) in another subsidiary of the Company namely, SITI Goddard Digital Service Private Limited, thereby making it a wholly owned subsidiary of the Group.
- 8 During the nine months period ended December 31, 2018, the Company had divested its 51% shareholding (10,409 shares of face value ₹ 10 each) in a subsidiary company namely, Siti Bhatia Networks Entertainment Private Limited ('Siti Bhatia') for a consideration of ₹ 11 lacs pursuant to which, the Group has realised profit on disposal of the investment amounting to ₹ 380.2 lacs which has been disclosed as exceptional item in consolidated financial results. Thereby, from the date of closure of this divestment and settlement arrangement, Siti Bhatia and Siti Chhatrisgarh Multimedia Private Limited (associate of Siti Bhatia) cease to part of the Group.
The exceptional item in the standalone and consolidated financial results for the nine months period ended December 31, 2018 also consists of write off of the amount recoverable from Siti Bhatia amounting to ₹ 630.9 lacs, pursuant to aforementioned divestment and settlement arrangement.
- 9 Exceptional item in the standalone and consolidated financial results for the nine months period ended December 31, 2017 and year ended March 31, 2018 represents amount incurred towards settlement as a one time cost towards restructuring of the operations to improve efficiencies.
- 10 The subsidiary companies had recognised certain receivables in the prior years pertaining to billings done on estimation (net) basis. During the financial year ended March 31, 2018, the subsidiary companies had reached further negotiations with the customers and had accordingly written off such old receivables based on management estimates, which have also been disclosed as exceptional item in the consolidated financial results for the year ended March 31, 2018.
- 11 During the nine months period ended December 31, 2018, the Company had formed a subsidiary namely, SITI Networks India LLP.
- 12 Effective February 1, 2019, the revised regulatory framework released in March 2017 by the Telecom Regulatory Authority of India (TRAI) for digital television services is applicable to the Group.

Place : Gurugram

Date : February 13, 2019



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

Executive Director

Walker Chandiook & Co LLP

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(Formerly Walker, Chandiook & Co)
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Independent Auditor's Review Report on Standalone Quarterly Financial Results and Year to Date 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 Networks Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ('Statement') of SITI Networks Limited ('the Company') for the quarter ended 31 December 2018 and the year to date results for the period 01 April 2018 to 31 December 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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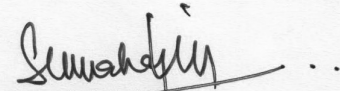
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requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Walker Chandiook & Co LLP**

Chartered Accountants

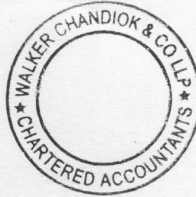
Firm Registration No: 001076N/N500013



Sumit Mahajan

Partner

Membership No.: 504822



Place: Gurugram

Date: 13 February 2019

Walker Chandiook & Co LLP

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Sector 16A, Noida 201301
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Independent Auditor's Review Report on Consolidated Quarterly Financial Results and Year to Date 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 Networks Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('Statement') of SITI Networks Limited ('the Company'), its subsidiaries (the Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures (Refer Annexure 1 for the list of subsidiaries, associates and joint ventures included in the Statement) for the quarter ended 31 December 2018 and the consolidated year to date results for the period 01 April 2018 to 31 December 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above and upon consideration of the review reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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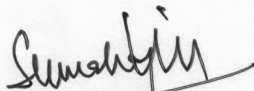
Independent Auditor's Review Report on Consolidated Quarterly Financial Results of SITI Networks Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Cont'd)

4. We did not review the financial results of twenty subsidiaries included in the Statement whose financial results reflect total revenues of ₹ 18,544.81 lacs and ₹ 53,744.65 lacs for the quarter and nine months ended 31 December 2018 respectively, net profit (including other comprehensive income) of ₹ 327.31 lacs and ₹ 455.12 lacs for the quarter and nine months ended 31 December 2018 respectively. The Statement also includes the Group's share of net profit (including other comprehensive income) of ₹ 34.50 lacs and ₹ 28.67 lacs for the quarter and nine months ended 31 December 2018, as considered in the Statement, in respect of two associates and a joint venture, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose review reports have been furnished to us by the management and our report in respect thereof is based solely on the review reports of such other auditors. Our review report is not modified in respect of this matter.
5. We did not review the financial results of five subsidiaries included in the Statement whose financial results reflect total revenues of ₹ 1,640.06 lacs and ₹ 5,146.60 lacs for the quarter and nine months ended 31 December 2018 respectively and net loss (including other comprehensive income) of ₹ 1002.29 lacs and ₹ 883.80 lacs for the quarter and nine months ended 31 December 2018 respectively. The Statement also includes the Group's share of net loss (including other comprehensive income) of ₹ Nil and ₹ 2.17 lacs for the quarter and nine months ended 31 December 2018 respectively, as considered in the Statement, in respect of an associate, whose financial results have not been reviewed by us. These financial results have not been reviewed and have been furnished to us by the management and our report in respect thereof is based solely on such management prepared unreviewed financial results. Our review report is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Sumit Mahajan

Partner

Membership No.: 504822



Place: Gurugram

Date: 13 February 2019

Walker Chandiook & Co LLP

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

Annexure 1

List of entities included in the Statement

Subsidiaries

1. Central Bombay Cable Network Limited
2. Indian Cable Net Company Limited
3. Master Channel Community Network Private Limited
4. Siti Networks India LLP (w.e.f. 07 May 2018)
5. Siti Broadband Services Private Limited
6. Siti Faction Digital Private Limited
7. Siti Global Private Limited
8. Siti Guntur Digital Network Private Limited
9. Siti Jai Maa Durgee Communications Private Limited
10. Siti Jind Digital Media Communications Private Limited
11. Siti Jony Digital Cable Network Private Limited
12. Siti Krishna Digital Media Private Limited
13. Siti Maurya Cable Net Private Limited
14. Siti Prime Uttaranchal Communication Private Limited
15. Siti Sagar Digital Cable Network Private Limited
16. Siti Saistar Digital Media Private Limited
17. Siti Siri Digital Network Private Limited
18. Siti Vision Digital Media Private Limited
19. Siticable Broadband South Limited
20. Variety Entertainment Private Limited
21. Axom Communications & Cable Private Limited
22. SITI Godaari Digital Services Private Limited
23. Indinet Service Private Limited
24. Siti Karnal Digital Media Network Private Limited
25. Siti Bhatia Network Entertainment Private Limited (till 14 June 2018)

Joint Ventures

1. Wire And Wireless Tisai Satellite Limited
2. C&S Medianet Private Limited (till 31 October 2018)

Associates

1. Voice Snap Services Private Limited
2. C&S Medianet Private Limited (w.e.f. 01 November 2018)
3. Siti Chattisgarh Multimedia Private Limited (till 14 June 2018)

