SITI NETWORKS LIMITED (Formerly SITI Cable Network Limited)

Regd. Office: Madhu Industrial Estate, 4th Floor, P. B Marg, Worli, Mumbai 400013

AUDITED FINANCIAL RESULTS (CONSOLIDATED)

Part - I

Statement of Consolidated Audited Results for the quarter and year ended March 31, 2017

	Particulars	Quarter ended March 31, 2017 Refer note 4 (Unaudited)	Quarter ended December 31, 2016 (Unaudited)	Quarter ended March 31, 2016 Refer note 4 (Unaudited)	Year ended March 31, 2017 (Audited)	Year ended March 31, 2016 (Audited)
I	Revenue from operation	32,551.8	29,846.3	33,891.5	1,19,491.6	1,14,604.0
II	Other income	1,152.8	707.2	701.9	2,588.5	2,311.6
III	**Total income (I+II)**	**33,704.6**	**30,553.5**	**34,593.4**	**1,22,080.1**	**1,16,915.6**
IV	**Expenses**					
	Cost of materials consumed	165.6	1.2	-	171.7	-
	Purchase of stock-in-trade	490.2	-	2,303.2	1,450.0	3,817.0
	Carriage sharing, pay channel and related costs	16,089.1	14,439.9	16,027.3	59,713.3	56,863.6
	Employee benefits expense	2,439.7	1,907.3	1,801.3	8,329.0	6,309.0
	Finance costs	3,380.2	3,597.2	3,571.0	12,744.7	13,992.9
	Depreciation and amortisation expense	6,672.7	6,254.6	5,377.4	24,118.2	16,545.4
	Other expenses	7,571.2	7,996.3	5,583.4	29,546.7	23,020.3
	Total expenses (IV)	**36,808.7**	**34,196.5**	**34,663.6**	**1,36,073.6**	**1,20,548.2**
V	**Loss for the period before tax and share of (loss)/profit in associates and joint ventures (III-IV)**	**(3,104.1)**	**(3,643.0)**	**(70.2)**	**(13,993.5)**	**(3,632.6)**
VI	Share of (loss)/profit of associates and joint ventures	(12.1)	32.5	(21.5)	20.4	(20.6)
VII	**Loss before exceptional items and tax (V-VI)**	**(3,116.2)**	**(3,610.5)**	**(91.7)**	**(13,973.1)**	**(3,653.2)**
VIII	Exceptional items	2,023.6	-	(15.8)	2,023.6	(15.8)
IX	**Loss before tax expenses (VII-VIII)**	**(5,139.8)**	**(3,610.5)**	**(75.9)**	**(15,996.7)**	**(3,637.4)**
X	Tax expense	1,351.9	(295.0)	71.1	1,926.4	491.7
XI	**Loss for the period (IX-X)**	**(6,491.7)**	**(3,315.5)**	**(147.0)**	**(17,923.1)**	**(4,129.1)**
XII	**Other comprehensive income:**					
	Items that will not be reclassified to profit or loss	20.1	0.8	1.6	22.5	0.7
	Total comprehensive (loss)/income for the period (including non-controlling interest)	**(6,471.6)**	**(3,314.7)**	**(145.4)**	**(17,900.6)**	**(4,128.4)**
	Net (loss)/income attributable to:					
	A Owners	(6,167.8)	(2,633.8)	781.3	(18,852.9)	(4,739.0)
	B Non-controlling interest	(323.9)	(681.7)	(928.3)	929.8	609.8
	Other comprehensive (loss)/income attributable to:					
	A Owners	12.1	0.5	1.0	13.5	0.4
	B Non-controlling interest	8.0	0.3	0.6	9.0	0.3
	Total comprehensive income attributable to:					
	A Owners	(6,155.7)	(2,633.3)	782.3	(18,839.4)	(4,738.6)
	B Non-controlling interest	(315.9)	(681.4)	(927.7)	938.8	610.2
XIII	Paid-up equity share capital (Face value ₹1/- per share)	8,720.5	7,941.5	7,941.5	8,720.5	7,941.5
XIV	Earnings per share (of ₹ 1/-) (not annualized)					
	a) Basic	(0.7)	(0.4)	0.1	(2.2)	(0.7)
	b) Diluted	(0.7)	(0.4)	0.1	(2.2)	(0.7)

AUDITED FINANCIAL RESULTS (STANDALONE)

Part - I

Statement of Standalone Audited Results for the quarter and year ended March 31, 2017 (₹ in lacs)

	Particulars	Quarter ended March 31, 2017 Refer note 4 (Unaudited)	Quarter ended December 31, 2016 (Unaudited)	Quarter ended March 31, 2016 Refer note 4 (Unaudited)	Year ended March 31, 2017 (Audited)	Year ended March 31, 2016 (Audited)
I	Revenue from operations	22,031.6	18,936.4	26,207.2	77,367.9	85,580.6
II	Other income	600.1	482.5	418.4	1,627.9	2,078.1
III	**Total income (I+II)**	**22,631.7**	**19,418.9**	**26,625.6**	**78,995.8**	**87,658.7**
IV	**Expenses**					
	Cost of materials consumed	0.4	1.2	-	6.4	-
	Purchase of stock-in-trade	3,643.1	1,400.5	3,637.4	8,094.4	13,793.8
	Carriage sharing, pay channel and related costs	9,286.1	8,932.1	9,841.0	38,086.2	36,639.6
	Employee benefits expense	1,791.0	1,360.3	1,313.4	6,180.3	4,686.5
	Finance costs	3,350.3	3,152.2	3,503.3	12,101.2	13,757.9
	Depreciation and amortisation expense	3,799.6	2,994.0	3,013.7	13,452.4	9,435.3
	Other expenses	4,793.6	4,587.5	3,766.2	17,525.0	14,541.2
	Total expenses (IV)	**26,664.1**	**22,427.8**	**25,075.0**	**95,445.9**	**92,854.3**
V	**(Loss)/profit before exceptional items and tax (III-IV)**	**(4,032.4)**	**(3,008.9)**	**1,550.6**	**(16,450.1)**	**(5,195.6)**
VI	Exceptional items	2,023.6	-	-	2,023.6	-
VII	**(Loss)/profit before tax (V-VI)**	**(6,056.0)**	**(3,008.9)**	**1,550.6**	**(18,473.7)**	**(5,195.6)**
VIII	Tax expense	25.8	-	-	25.8	
IX	**(Loss)/profit for the period from continuing operations (VII-VIII)**	**(6,081.8)**	**(3,008.9)**	**1,550.6**	**(18,499.5)**	**(5,195.6)**
X	**Other comprehensive income:**					
	Items that will not be reclassified to profit or loss	(15.5)	0.8	0.7	(13.1)	3.0
XI	**Total comprehensive income**	**(6,097.3)**	**(3,008.1)**	**1,551.3**	**(18,512.6)**	**(5,192.6)**
XII	Paid-up equity share capital (Face value ₹ 1/- per share)	8,720.5	7,941.5	7,941.5	8,720.5	7,941.5
XIII	Earnings per share (of ₹ 1/-each) (not annualised)					
	a) Basic	(0.7)	(0.4)	0.2	(2.1)	(0.7)
	b) Diluted	(0.7)	(0.4)	0.2	(2.1)	(0.7)

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Notes:-

1 SITI Networks Limited (formerly SITI Cable Network Limited) ('the Company' or 'the Holding Company') predominantly operates in a single business segment of cable 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. Further the Holding Company, its subsidiaries, its associates and its joint venture (collectively referred to as 'the Group') also predominantly operate in a single business segment of cable and broadband distribution in India only. Hence the Group has no separately reportable business or geographical segments as per Ind AS 108. The aforesaid is in line with the way operating results are reviewed and viewed by the chief operating decision maker(s)

2 The above standalone and consolidated financial results along with comparative figure have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 26, 2017.

3 This statement of standalone and consolidated financial results for quarter and year ended March 31, 2017 is prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') read with 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 policies and practices. Consequently, results for all the preceding/ corresponding periods presented have been restated to comply with Ind AS to make them comparable.

4 Figures for the standalone and consolidated financial results for the quarter ended March 31, 2017 and quarter ended March 31, 2016 are the balancing figures between audited figures in respect of financial year and the published year to date figures upto the third quarter of the financial year. Also, the figures of financial results upto the end of the third quarter were only reviewed and not subject to audit.

5 The Statutory Auditors have carried out audit of the standalone and consolidated financial results as at and for the year ended March 31, 2017 as prepared by the management of the Company

6 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 LCO's and recognised subscription revenue in the quarter and year ended March 31, 2017 and the corresponding 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 the subscription revenue recognised

7 The Company continued to incur losses during the quarter and year ended March 31, 2017, but in view of the present positive net worth, expected substantial subscription revenue growth and continued financial support from certain stakeholders of the Company, the financial results for the quarter and year ended March 31, 2017 continue to be prepared on a going concern basis.

8 During the year ended March 31, 2017, the Company acquired 48% equity share capital in C&S Medianet Private Limited, 6.5% equity shares in SITI Jind Digital Media Private Limited and effective 21.8% equity share capital in Voice Snap Services Private Limited.

9 The Audit Committee and Board of Directors noted the utilisation of the proceeds of preferential allotment of Warrants for the year ended March 31, 2017, which is in line with utilisation schedule approved by the Board of Directors. Out of the total proceeds of ₹ 15,000 lacs, the unutilised amount from the proceeds of preferential allotment as on March 31, 2017 is ₹ 4,771 lacs.

10 As referred in note 6 above, the Company had recognised certain receivables in prior years pertaining to billings done on estimation (net) basis. During the year, the Company has reached further negotiations with the customers and has accordingly written off such old receivables based on management's best estimates, which have been disclosed as exceptional items during the year ended March 31, 2017.Exceptional item in consolidated financial results, for the year and quarter ended March 31, 2016, relates to carriage income and pay channel expenses on net basis for the year ended March 31, 2016.

11 The paid up capital of the Company has been increased by ₹ 779.06 lacs on account of conversion of 571.43 lacs warrants, 206.29 lacs optionally fully convertible debenture and allotment of 1.35 lacs equity shares, pursuant to exercise of stock options by employees.

12 Reconciliation of equity as reported under previous Indian GAAP vis-a-vis Ind AS as at 31 March 2016:

	Particular	As at March 31, 2016	
		Consolidated	Standalone
	Equity as per Indian GAAP (including warrants)	64,143.1	61,351.9
	Optionally fully convertible debentures classified to equity	7,220.0	7,220.0
	Effect of provision for expected credit loss	(10,646.8)	(8,072.5)
	Effect of recognition of activation and set top boxes pairing charges	(9,332.7)	(4,955.7)
	Effect of recognising interest expense on long term borrowings and advances as per effective interest method	(463.9)	(461.1)
	Measurement of financial assets at fair value through profit and loss	62.4	248.9
	Effect of fair valuation of property, plant and equipment on transition date	4,601.0	-
	Deferred tax impact	817.6	-
	Others	(291.5)	(263.4)
	Loss attributable to non-controlling interest	1,015.4	-
	Total Ind AS adjustments	(7,018.5)	(6,283.8)
	Equity as per Ind AS	57,124.6	55,068.1

Consolidated and standalone statement of assets and liabilities	Consolidated		Standalone	
Particulars	As at March 31,			
	2017 Audited	**2016 Audited**	**2017 Audited**	**2016 Audited**
A. Assets				
1. Non-current assets				
(a) Property, plant and equipment	1,40,433.0	1,10,128.9	77,092.3	60,972.7
(b) Capital work-in-progress	41,109.4	51,131.3	20,339.1	34,175.5
(c) Goodwill	5,825.8	6,246.8	-	-
(d) Other intangible assets	24,880.1	22,488.0	10,871.0	8,116.4
(e) Intangible assets under development	1,809.1	2,718.7	1,809.1	2,718.7
(f) Financial assets				
(i) Trade receivable	-	-	-	1,181.9
(ii) Investments	469.7	84.2	38,934.2	38,999.2
(iii) Loans	965.1	7,832.5	711.0	711.4
(iv) Others- Fixed deposits	8,488.6	245.8	8,433.5	7,084.0
(g) Deferred tax assets (net)	58.8	211.3	-	-
(h) Other non-current assets	4,474.8	429.2	648.0	426.5
Sub-total of Non-current assets	**2,28,514.4**	**2,01,516.7**	**1,58,838.2**	**1,54,386.3**
2. Current assets				
(a) Inventories	929.3	1,178.9	793.9	695.3
(b) Financial assets				
(i) Investments	44.0	125.6	44.0	125.6
(ii) Trade receivables	36,314.0	25,935.8	52,003.4	31,390.9
(iii) Cash and cash equivalents	17,065.6	21,629.0	10,024.7	13,140.0
(iv) Other bank balances	-	15,863.9	-	15,090.0
(v) Loans	9,518.8	2,336.5	3,856.9	-
(vi) Other receivables	5,145.4	236.5	8,068.1	9,151.8
(c) Current tax assets	460.0	797.2		
(d) Other current assets	15,982.0	23,653.6	16,768.7	15,502.8
Sub-total of Current assets	**85,459.1**	**91,757.0**	**91,559.7**	**85,096.4**
Total assets	**3,13,973.5**	**2,93,273.7**	**2,50,397.9**	**2,39,482.7**
B. Equity and liabilities				
Equity				
(a) Equity share capital	8,726.7	7,947.7	8,726.7	7,947.7
(b) Other equity	45,006.1	49,176.9	43,848.0	47,120.4
(c) Non-controlling interests	9,204.4	7,834.0	-	-
Sub-total - Equity	**62,937.2**	**64,958.6**	**52,574.7**	**55,068.1**
Liabilities				
1. Non-current liabilities				
(a) Financial liabilities				
(i) Long-term borrowings	1,03,816.1	79,768.5	92,019.4	71,418.9
(ii) Other financial liabilities-payable for fixed assets	19,785.7	23,155.2	19,827.3	20,277.1
(b) Provisions	784.5	607.9	507.0	388.9
(c) Deferred tax liability (net)	1,196.1	343.4	-	-
(d) Other non-current liabilities	12,188.6	5,642.3	4,269.0	2,958.3
Sub-total - Non-current liabilities	**1,37,771.0**	**1,09,517.3**	**1,16,622.7**	**95,043.2**
2. Current liabilities				
(a) Financial liabilities				
(i) Borrowings	1,960.6	329.7	438.6	-
(ii) Trade payables	40,872.6	32,939.2	26,985.9	21,646.0
(iii) Other financial liabilities-payable for fixed assets, interest accrued, book overdraft etc	51,185.0	75,552.7	44,769.5	60,514.2
(b) Other current liabilities	17,629.2	9,301.0	8,993.1	7,196.6
(c) Provisions	1,617.9	675.2	13.4	14.6
Sub-total of current liabilities	**1,13,265.3**	**1,18,797.8**	**81,200.5**	**89,371.4**
Total equity and liabilities	**3,13,973.5**	**2,93,273.7**	**2,50,397.9**	**2,39,482.7**

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13 Reconciliation of net profit/(loss) after tax as reported under previous Indian GAAP vis-a-vis Ind AS is as below:

(₹ in lacs)

	Consolidated		Standalone	
	Quarter ended March 31, 2016	Year ended March 31, 2016	Quarter ended March 31, 2016	Year ended March 31, 2016
Net profit / (loss) after tax as reported under previous Indian GAAP	**2,406.1**	**(171.0)**	**2,636.0**	**(2,320.7)**
Adjustments:				
Effect of recognising interest expense on long term borrowings and advances as per effective interest method	(42.9)	(211.0)	(68.0)	(234.2)
Effect of actuarial gain on defined benefit plan taken to other comprehensive income	1.6	-0.7	(0.8)	(3.0)
Measurement of financial asset at fair value through profit and loss	(19.7)	9.6	(19.7)	9.6
Effect of provision for expected credit loss	138.1	(1,101.8)	(223.7)	(894.8)
Effect of recognition of activation and set top boxes pairing charges	(1,772.3)	(4,287.4)	(992.8)	(2,137.2)
Effects of prior period items	(6.5)	211.1	-	217.6
Other	(220.2)	(230.2)	(36.4)	(36.4)
Measurement of financial assets and financial liabilities at amortise cost	-	-	82.6	203.6
Effect of ESOP (Employee Stock Option Plan)- Prior period	173.4		173.4	-
Tax impact of the above	817.6	817.6	-	-
Loss attributable to non-controlling interest	(691.2)	224.4	-	-
Net profit/(loss) after tax as reported under Ind AS	**783.9**	**(4,739.3)**	**1,550.5**	**(5,195.6)**
Other comprehensive income after tax	(1.6)	0.7	0.8	3.0
Total comprehensive income	**782.3**	**(4,738.6)**	**1,551.3**	**(5,192.6)**

14 Previous period's/year's amounts have been regrouped and rearranged, wherever necessary and in compliance with Ind AS.

For and on behalf of the Board of Directors of
SITI Networks Limited (Formerly SITI Cable Network Limited)

S.D.Wadhwa
Executive Director and CEO

Place : New Delhi
Date : May 26, 2017

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Anil Jain

SITI Networks Limited
(Formerly known as SITI Cable Network Limited)
4th Floor, FC-19 & 20, Sector 16 A, Film City
Noida, Uttar Pradesh - 201301, India
Tel. : +91-120-4526700
Website : www.sitinetworks.com

May 26, 2017

National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra – Kurla Complex Bandra (E), Mumbai - 400 001	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

Kind Attention: Corporate Relationship Department

Subject : Declaration containing issuance of Audit Reports with 'Unmodified Opinion' on the standalone and Consolidated Financial Statements of Siti Networks Limited for the financial year ended March 31, 2017

Dear Sir,

Pursuant to Regulation 33(3)(d) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we hereby declare and confirm that the Statutory Auditor of the Company i.e. Walker Chandiok & Co LLP, Chartered Accountants have issued their Audit Reports with Unmodified opinion on the Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2017.

You are requested to kindly take the above on record.

Thanking you
Yours truly,

For Siti Networks Limited
(Formerly known as Siti Cable Network Limited)

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

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
7th Floor, Plot No. 19A,
Sector 16A, Noida 201301
India

T +91 120 710 9001
F +91 120 710 9002

Independent Auditor's Report on Standalone 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 Networks Limited (formerly SITI Cable Network Limited)

1. We have audited the standalone financial results of SITI Networks Limited (formerly SITI Cable Network Limited)('the Company') for the year ended 31 March 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 4 to the standalone financial results regarding the figures for the quarter ended 31 March 2017 as reported in these standalone financial results, which are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures upto the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published standalone year to date figures upto the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2017 and our review of standalone financial results for the nine months period ended 31 December 2016.

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Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:

   (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and

   (ii) give a true and fair view of the standalone net loss (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2017.

4. The Company had prepared separate standalone financial results for the year ended 31 March 2016, based on the standalone financial statements for the year ended 31 March 2016 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and standalone financial results for the nine months period ended 31 December 2015 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, on which we issued auditor's report dated 25 May 2016. These standalone financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sumit Mahajan

per **Sumit Mahajan**
Partner
Membership No. 504822
Place: Noida
Date: 26 May 2017

WALKER CHANDIOK & CO LLP

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
L-41 Connaught Circus
New Delhi 110001
India

T +91 11 4278 7070
F +91 11 4278 7071

Independent Auditor's Report on Consolidated 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 Networks Limited (formerly SITI Cable Network Limited)

1. We have audited the consolidated financial results of SITI Networks Limited (formerly SITI Cable Network Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures for the year ended 31 March 2017, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 4 to the consolidated financial results regarding the figures for the quarter ended 31 March 2017 as reported in these consolidated financial results, which are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published consolidated year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2017 and our review of consolidated financial results for the nine months period ended 31 December 2016.

Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial results and on other financial information of the subsidiaries, associates and joint venture, the consolidated financial results:

(i) include the financial results for the year ended 31 March 2017, of the following entities:

Subsidiaries:

a. Central Bombay Cable Network Limited
b. Indian Cable Net Company Limited
c. Master Channel Community Network Private Limited
d. Siti Bhatia Network Entertainment Private Limited
e. Siti Broadband Services Private Limited
f. Siti Faction Digital Private Limited
g. Siti Global Private Limited
h. Siti Guntur Digital Network Private Limited
i. Siti Jai Maa Durgee Communications Private Limited
j. Siti Jind Digital Media Communications Private Limited
k. Siti Jony Digital Cable Network Private Limited
l. Siti Krishna Digital Media Private Limited
m. Siti Maurya Cable Net Private Limited
n. Siti Prime Uttaranchal Communication Private Limited
o. Siti Sagar Digital Cable Network Private Limited (formerly Panchsheel Digital Communication Network Private Limited)
p. Siti Sai Star Digital Media Private Limited (formerly SaiStar Digital Media Private Limited)
q. Siti Siri Digital Network Private Limited
r. Siti Vision Digital Media Private Limited
s. Siti Cable Broadband South Limited
t. Variety Entertainment Private Limited
u. Axom Communications & Cable Private Limited
v. SITI Godaari Digital Services Private Limited (formerly Bargachh Digital Communication Network Private Limited)
w. Indinet Service Private Limited
x. Siti Karnal Digital Media Network Private Limited

Associates:

a. Siti Chhattisgarh Multimedia Private Limited (associate of a subsidiary)
b. Voice Snap Services Private Limited (associate of a subsidiary)

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Joint ventures:

a. C&S Medianet Private Limited
b. Wire and Wireless Tisai Satellite Limited

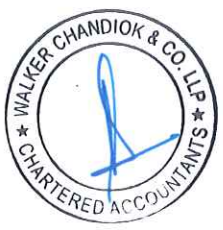
(ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and

(iii) give a true and fair view of the consolidated net loss (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2017.

4. We did not audit the financial statements of 19 subsidiaries, whose financial statements reflect total assets of ₹ 125,917.52 lacs and net assets of ₹ 36,152.06 lacs as at 31 March 2017, and total revenues of ₹ 52,805.44 lacs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit (including other comprehensive income) of ₹ 20.40 lacs for the year ended 31 March 2017, as considered in the consolidated financial results, in respect of an associate and 2 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries, associates and joint venture, are based solely on the reports of such other auditors.

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

5. We did not audit the financial statements of 5 subsidiaries whose financial statements reflect total assets of ₹ 10,936.96 lacs and net assets of ₹ (2,061.85) lacs as at 31 March 2017, and total revenues of ₹ 6,110.26 lacs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net profit (including other comprehensive income) of ₹ Nil for the year ended 31 March 2017, as considered in the consolidated financial results, in respect of an associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries and associate, are based solely on such management prepared unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.



Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the financial statements certified by the management.

6. The Holding Company had prepared separate consolidated financial results for the year ended 31 March 2016, based on the consolidated financial statements for the year ended 31 March 2016 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and consolidated financial results for the nine months period ended 31 December 2015 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, on which we issued auditor's report dated 25 May 2016. These consolidated financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have been audited by us in case of the standalone financial results of the Holding Company, and by other auditors in case of 21 subsidiaries and a joint venture. Further, in case of 3 subsidiaries and an associate, the financial results for the year ended 31 March 2016 have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS by the management of the respective entity and have not been audited, which, as per the information and explanations given to us by the management, are not material to the Group and our opinion on the consolidated financial results, and our opinion in so far as it relates to the amounts and disclosures included in respect of these consolidated financial results is based on such management prepared results. Our opinion is not modified in respect of this matter.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

per **Sumit Mahajan**
Partner
Membership No. 504822

Place: Noida
Date: 26 May 2017

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