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

May 28, 2022

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

Dear Sir,

Subject : Proceedings of the Board Meeting held on May 28, 2022

Pursuant to applicable Regulations of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") including Regulation 30, this is to inform you that the Board of Directors of the Company at their meeting held today i.e. on May 28, 2022, (which commenced at 01:00 p.m. and concluded at 07:15 p.m.) has, *inter-alia,-*

(A) Approved the Audited Financial Statements of the Company, on standalone and consolidated basis, for:

(i) the fourth quarter and financial year ended on March 31, 2022, in the format prescribed under Regulation 33 of the SEBI Listing Regulations.

(ii) the financial year ended March 31, 2022, including Balance Sheet as at March 31, 2022, and the Profit & Loss Account for the financial year ended on that date.

We would like to state that M/s DNS & Associates, Statutory Auditors, have issued Audit Report with modified opinion on the Standalone and Consolidated Audited Financial Statements for the quarter and financial year ended March 31, 2022.

(B) Approved convening of the 16th Annual General Meeting ('AGM') of the Equity Shareholders of the Company on Monday, September 12, 2022, and approved Notice thereof.

SITI NETWORKS LIMITED

(C) Subject to approval of Shareholders in General Meeting, approved the re-appointment of Mr. Suresh Arora as Whole Time Director of the Company w.e.f. June 14, 2022. Earlier, the Shareholders of the Company at the 13th Annual General Meeting of the Company held on September 28, 2019 had approved the appointment of Mr. Suresh Arora, as Whole Time Director for a period of 3 (three) years till June 13, 2022.

In respect of the above, we hereby enclose the following:

1. Audited Financial Results for the 4th quarter and financial year ended March 31, 2022, as per Regulation 33 of the SEBI Listing Regulations along with the reports thereon issued by the Statutory Auditor on the Standalone and Consolidated Results;

2. A statement pursuant to the Regulation 33(3)(d) of the SEBI Listing Regulations, on impact of Audit Qualifications (in respect of modified opinion on Standalone and Consolidated Audited Financial Results) is enclosed herewith as per prescribed Annexure-I.

3. Relevant details in connection with re-appointment of Mr. Suresh Kumar Arora as Whole Time Director of the Company w.e.f. June 14, 2022 as mentioned in Sl. No.(C) above, as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are enclosed herewith as Annexure-II.

You are requested to kindly take the above on record.

Thanking you

Yours truly
For **Siti Networks Limited**



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

ANNEXURE - I

Details as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015, in connection with re-appointment Mr. Suresh Arora as Whole Time Director of the Company.

Reason and Date of Change:

Name	Reason for change	Date of appointment /cessation & term of appointment
Mr. Suresh Kumar Arora, Whole Time Director	The Shareholders of the Company at the 13th Annual General Meeting of the Company held on September 28, 2019 had approved the appointment of Mr. Suresh Arora, as Whole Time Director for a period of 3 (three) years till June 13, 2022. Therefore, subject to approval of Shareholders in General Meeting, the Board of Directors of the Company in its meeting held on May 28, 2022 has approved the re-appointment of Mr. Suresh Arora as Whole Time Director of the Company w.e.f. June 14, 2022	w.e.f. June 14, 2022

Brief Profile:

Mr. Suresh Arora, aged about 58 years, is a commerce graduate from Delhi University and also holds Post Graduate Diploma in Marketing from Symbiosis, Pune.

Mr. Arora has rich experience of about 37 years in various fields and in particular Finance & Accounts, Export/Import procedures & documentation and sales & operation. He has been serving the Company as Whole Time Director since June 14, 2019. Prior to joining the Company, his was associated with Pan India Network Limited ("PINL") at a senior position in Sales and Marketing Department. PINL is an Essel Group Company and was engaged in the business operations of Online/Paper Lottery in the state of Punjab. PINL was one of the Marketing Agent/Distributor of the Government of Punjab for its paper lottery. PINL was also marketing online lottery of other lottery organizing States in Punjab. Mr. Arora had successfully created a strong network of channel partners - about 50 Plus Distributors and 3000 plus Retail Outlets. PINL was present in almost each and every city of State of Punjab. During his tenure with PINL, he got the opportunity to interact and coordinate with the senior officials of Punjab Government.

SITI NETWORKS LIMITED

Relationship with other Directors: Mr. Suresh Arora is not related with any Director of the Company.

For **Siti Networks Limited**



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

Consolidated Statement of Assets and Liabilities (₹ in million)

Particulars	Consolidated	
	31 March 2022 Audited	31 March 2021 Audited
A. Assets		
1. Non-current assets		
(a) Property, plant and equipment	7,777.2	9,707.8
(b) Capital work-in-progress	860.7	547.8
(c) Investment property	700.9	649.8
(d) Goodwill	491.7	486.4
(e) Other intangible assets	1,099.2	1,518.6
(f) Intangible assets under development	4.3	4.2
(g) Investments in joint ventures and associates	26.3	30.2
(h) Financial assets		
(i) Investments	-	84.4
(ii) Other financial assets	238.3	238.1
(i) Deferred tax assets (net)	199.0	119.0
(j) Other non-current assets	178.9	191.1
Total non-current assets	**11,576.5**	**13,577.4**
2. Current assets		
(a) Inventories	22.0	20.8
(b) Financial assets		
(i) Trade receivables	2,553.6	2,328.8
(ii) Investments	114.9	-
(iii) Cash and cash equivalents	563.2	1,114.0
(iv) Bank balances other than (iii) above	308.6	36.6
(v) Other financial assets	384.9	345.5
(c) Current tax assets (net)	140.1	128.6
(d) Other current assets	852.6	1,062.1
Total current assets	**4,939.9**	**5,036.4**
Total assets	**16,516.4**	**18,613.8**
B. Equity and liabilities		
Equity		
(a) Equity share capital	872.7	872.7
(b) Other equity	(5,837.9)	(3,318.3)
(c) Non-controlling interests	824.5	911.2
Sub-total of equity	**(4,140.7)**	**(1,534.4)**
Liabilities		
1. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,053.9	2,144.3
(ii) Lease Liabilities	9.9	7.0
(iii) Other financial liabilities	499.4	523.1
(b) Provisions	167.0	118.7
(c) Deferred tax liabilities (net)	9.6	9.0
(d) Other non-current liabilities	71.6	35.0
Total non-current liabilities	**1,811.4**	**2,837.1**
2. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	8,760.6	8,008.8
(ii) Lease Liabilities	5.0	7.6
(iii) Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	334.8	314.7
-Total oustanding dues of creditors other than micro enterprises and small enterprises	6,501.7	6,119.3
(iv) Other financial liabilities	2,246.5	1,858.5
(b) Other current liabilities	956.3	955.3
(c) Provisions	40.8	46.9
Total current liabilities	**18,845.7**	**17,311.1**
Total equity and liabilities	16,516.4	18,613.8

DNS & ASSOCIATES Chartered Accountants

SITI NETWORKS LIMITED

SITI NETWORKS LIMITED
Regd. Office: Unit No. 38, 1st Floor, A Wing, Madhu Industrial Estate, P. B. Marg, Worli, Mumbai-400013
Website: www.sitinetworks.com CIN L64200MH2006PLC160733

Statement of consolidated audited financial results for the quarter and year ended 31 March 2022 (₹ in million except per share data)

	Particulars	Quarter ended 31 March 2022 (Refer note 4) (Audited)	Quarter ended 31 December 2021 (Unaudited)	Quarter ended 31 March 2021 (Refer note 4) (Audited)	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Andited)
I	Revenue from operations	3,595.9	3,652.2	3,805.7	14,458.5	15,369.2
II	Other income	43.3	11.7	77.7	150.2	173.1
III	**Total revenue (I+II)**	**3,639.2**	**3,663.9**	**3,883.4**	**14,608.7**	**15,542.3**
IV	**Expenses**					
	Cost of materials consumed	10.2	5.3	14.8	26.3	19.0
	Purchases of stock-in-trade	1.8	-	8.4	5.0	8.4
	Pay channel costs	1,805.9	1,894.8	1,966.2	7,529.3	7,859.0
	Employee benefits expense	172.5	171.1	171.8	696.9	696.4
	Finance costs	290.2	296.8	306.1	1,204.0	1,263.0
	Depreciation and amortisation expenses	925.7	786.0	934.8	3,307.1	3,490.4
	Other expenses	1,183.3	1,111.6	1,310.7	4,340.3	4,363.8
	Total expenses (IV)	**4,389.6**	**4,265.6**	**4,712.8**	**17,108.9**	**17,700.0**
V	**Loss for the period before tax and share of (loss)/profit in associates and joint ventures and exceptional items (III-IV)**	**(750.4)**	**(601.7)**	**(829.4)**	**(2,500.2)**	**(2,157.7)**
VI	Share of (loss)/profit of associates and joint ventures	(0.7)	(0.6)	0.2	(3.8)	21.4
VII	**Loss before exceptional items and tax (V+VI)**	**(751.1)**	**(602.3)**	**(829.2)**	**(2,504.0)**	**(2,136.3)**
VIII	Exceptional items	68.7	-	217.5	85.9	296.9
IX	**Loss before tax (VII-VIII)**	**(819.8)**	**(602.3)**	**(1,046.7)**	**(2,589.9)**	**(2,433.2)**
	(1) Current tax	2.0	35.0	45.4	100.5	84.6
	(2) Deferred tax	(30.1)	(21.6)	(52.6)	(80.7)	(103.4)
X	**Total tax expense (1+2)**	**(28.1)**	**13.4**	**(7.2)**	**19.8**	**(18.8)**
XI	**Loss for the period (IX-X)**	**(791.7)**	**(615.7)**	**(1,039.5)**	**(2,609.7)**	**(2,414.4)**
XII	**Other comprehensive income:**					
	Items that will not be reclassified to profit or loss	7.9	(0.8)	4.6	5.5	(1.0)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Total comprehensive income for the period	**(783.8)**	**(616.5)**	**(1,034.9)**	**(2,604.2)**	**(2,415.4)**
	Net loss attributable to:					
	A Owners of the parent	(749.4)	(599.5)	(957.8)	(2,523.4)	(2,396.2)
	B Non-controlling interest	(42.3)	(16.2)	(81.7)	(86.3)	(18.2)
	Other comprehensive income attributable to:					
	A Owners of the parent	6.7	(1.0)	1.5	3.7	(2.7)
	B Non-controlling interest	1.2	0.2	3.1	1.8	1.7
	Total comprehensive income attributable to:					
	A Owners of the parent	(742.7)	(600.5)	(956.3)	(2,519.7)	(2,398.9)
	B Non-controlling interest	(41.1)	(16.0)	(78.6)	(84.5)	(16.5)
XIII	**Paid-up equity share capital (Face value ₹ 1/- per share)**	872.1	872.1	872.1	872.1	872.1
XIV	**Other equity**				(5,837.9)	(3,318.3)
XV	**Earnings per equity share (of ₹ 1/- each)**					
	a) Basic	(0.9)	(0.7)	(1.2)	(3.0)	(2.8)
	b) Diluted	(0.9)	(0.7)	(1.2)	(3.0)	(2.8)

See accompanying notes to the financial results

DNS & ASSOCIATES * Chartered Accountants *

SITI NETWORKS LIMITED

Consolidated Cash Flow Statement

(₹ in million)

	Year ended 31 March 2022	Year ended 31 March 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	**(2,589.9)**	**(2,433.0)**
Adjustment for:		
Depreciation and amortisation expenses	3,307.1	3,490.4
Interest income on bank deposits	(32.1)	(38.4)
Excess provisions written back	(44.3)	(87.5)
Share of loss/(profit) of associates and joint ventures	3.8	(21.4)
Loss on sale of property, plant and equipment, and other intangible assets (net)	63.3	8.5
Profit on sale of Investments	(15.6)	-
Interest expense for borrowings at amortised cost	1,104.9	1,225.2
Interest expense on lease liabilities	2.9	2.7
Bad debts written off	53.4	48.7
Unrealised foreign exchange loss	(0.8)	24.2
Provision for doubtful debts	67.8	83.9
Provision for doubtful advances	-	1.8
Effect of recognising other expense on security deposit as per effective interest method	-	(0.8)
Exceptional items	85.9	296.9
Operating profit before working capital changes	**2,006.5**	**2,601.2**
Adjustments for changes in:		
(Increase)/decrease in trade receivables	(512.9)	551.0
(Increase)/decrease in other financial assets	(32.0)	568.6
Decrease in other current and non-current assets	82.6	66.5
Increase in inventories	(1.2)	(7.3)
Increase in other financial liabilities	(312.3)	121.9
Increase in employee benefit obligations	47.7	31.0
Increase/decrease in other current and non-current liabilities	37.6	(194.2)
(Decrease)/increase in trade payables	446.9	(932.1)
Cash generated from operations	**1,762.9**	**2,806.7**
Income taxes received /(paid)	14.2	186.7
Net cash flows from operating activities	**1,777.1**	**2,993.4**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, and intangibles assets	(1,559.0)	(1,493.1)
Proceeds from sale of property, plant and equipment, and intangible assets	5.5	3.4
Purchase of investments (non-current, financial assets)	(114.9)	-
Sale of investment (current and non-current, financial assets)	100.0	97.6
Interest received	24.4	38.0
Margin money deposits and bank deposits made and matured (net)	(274.1)	(37.3)
Net cash flow used in investing activities	**(1,818.1)**	**(1,391.4)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Movement in borrowings	(338.4)	(1,633.0)
Payment of lease liabilities	(2.6)	(9.5)
Interest paid	(168.7)	(603.1)
Net cash flow used in financing activities	**(509.8)**	**(2,245.6)**
Net increase in cash and cash equivalents	(550.8)	(643.6)
Cash and cash equivalents at the beginning of the period	1,114.0	1,757.6
Cash and cash equivalents at the end of the period	**563.2**	**1,114.0**
Notes :		
a. Cash and cash equivalents include:		
Cash on hand	23.0	26.0
Balances with banks on current accounts	371.3	555.8
Cheques and drafts on hand	70.3	138.3
Deposits with maturity of upto three months	98.6	393.9
	563.2	**1,114.0**

b. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statement of Cash Flows".

DNS & ASSOCIATES Chartered Accountants

SITI NETWORKS LIMITED

SITI NETWORKS LIMITED

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

Website: www.sitinetworks.com CIN L64200MH2006PLC160733

Essel GROUP

Standalone Statement of Assets and Liabilities (₹ in million)

Particulars	Standalone	
	As at 31 March 2022 Audited	As at 31 March 2021 Audited
A. Assets		
1. Non-current assets		
(a) Property, plant and equipment	3,358.2	4,593.2
(b) Capital work-in-progress	265.2	152.7
(c) Other intangible assets	626.3	944.1
(d) Intangible assets under development	4.3	4.2
(e) Financial assets		
(i) Investments	3,502.8	3,519.6
(ii) Other financial assets	150.8	154.0
(f) Other non-current assets	98.9	93.3
Total non-current assets	**8,006.5**	**9,461.1**
2. Current assets		
(a) Inventories	6.4	5.8
(b) Financial assets		
(i) Trade receivables	2,022.1	1,953.4
(ii) Cash and cash equivalents	97.3	37.5
(ii) Other financial assets	211.2	252.9
(c) Other current assets	388.8	495.5
Total current assets	**2,725.8**	**2,745.1**
Total assets	**10,732.3**	**12,206.2**
B. Equity and liabilities		
Equity		
(a) Equity share capital	872.7	872.7
(b) Other equity	(7,373.5)	(4,821.3)
Total equity	**(6,500.8)**	**(3,948.6)**
Liabilities		
1. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	855.2	1,489.1
(ii) Lease Liabilities	8.0	7.0
(iii) Other financial liabilities	14.5	15.5
(b) Provisions	43.3	55.5
Total non-current liabilities	**921.0**	**1,567.1**
2. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	8,251.5	7,531.6
(ii) Lease Liabilities	5.2	3.0
(iii) Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	332.4	313.6
-Total outstanding dues of creditors other than micro enterprises and small enterprises	4,660.1	4,194.6
(iv) Other financial liabilities	2,632.2	2,115.3
(b) Other current liabilities	427.5	422.3
(c) Provisions	3.2	7.3
Total current liabilities	**16,312.1**	**14,587.7**
Total equity and liabilities	**10,732.3**	**12,206.2**

DNS & ASSOCIATES Chartered Accountants

SITI NETWORKS LIMITED

SITI NETWORKS LIMITED

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

Website: www.sitinetworks.com CIN L64200MH2006PLC160733

Statement of standalone audited financial results for the quarter and year ended 31 March 2022 (₹ in million except per share data)

	Particulars	Quarter ended 31 March 2022 (Refer note 4) (Audited)	Quarter ended 31 December 2021 (Unaudited)	Quarter ended 31 March 2021 (Refer note 4) (Audited)	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
I	Revenue from operations	1,554.7	1,530.0	1,887.8	6,144.3	7,304.8
II	Other income	(0.00)	0.3	8.0	34.2	28.8
III	**Total revenue (I+II)**	**1,554.7**	**1,530.3**	**1,895.8**	**6,178.5**	**7,333.6**
IV	**Expenses**					
	Cost of materials consumed	4.2	3.3	13.3	12.1	13.7
	Purchases of stock-in-trade	8.1	3.6	3.6	15.7	6.5
	Pay channel costs	844.1	831.0	947.4	3,369.7	3,752.5
	Employee benefits expense	78.6	83.6	88.3	342.1	385.3
	Finance costs	260.5	269.2	271.3	1,085.7	1,103.1
	Depreciation and amortisation expenses	563.0	417.3	597.3	1,849.9	2,054.0
	Other expenses	434.5	498.9	569.3	1,818.5	1,986.5
	Total expenses (IV)	**2,193.0**	**2,106.9**	**2,490.5**	**8,493.7**	**9,301.6**
V	**Loss before exceptional items and tax (III-IV)**	**(638.3)**	**(576.6)**	**(594.7)**	**(2,315.2)**	**(1,968.0)**
VI	Exceptional items	145.7	35.0	217.5	238.0	296.9
VII	**Loss before tax (V-VI)**	**(784.0)**	**(611.6)**	**(812.2)**	**(2,553.2)**	**(2,264.9)**
	Tax expense					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
VIII	**Total tax expense (1+2)**	-	-	-	-	-
IX	**Loss for the period (VII-VIII)**	**(784.0)**	**(611.6)**	**(812.2)**	**(2,553.2)**	**(2,264.9)**
X	**Other comprehensive income:**					
	Items that will not be reclassified to profit or loss	4.6	(1.2)	(2.8)	0.9	(5.0)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
XI	**Total comprehensive income (IX+X)**	**(779.4)**	**(612.8)**	**(815.0)**	**(2,552.3)**	**(2,269.9)**
XII	**Paid-up equity share capital (Face value ₹ 1/- per share)**	872.1	872.1	872.1	872.1	872.1
XIII	**Other equity**				**(7,373.5)**	**(4,821.3)**
XIV	**Earnings per equity share (of ₹ 1/- each)**					
	a) Basic	(0.9)	(0.7)	(0.9)	(2.9)	(2.6)
	b) Diluted	(0.9)	(0.7)	(0.9)	(2.9)	(2.6)

See accompanying notes to the financial results.

SITI NETWORKS LIMITED

DNS & ASSOCIATES Chartered Accountants

Standalone Cash Flow Statement

(₹ in million)

	Year ended 31 March 2022	Year ended 31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	**(2,553.2)**	**(2,264.8)**
Adjustment for:		
Depreciation and amortisation expense	1,849.9	2,054.0
Interest income on bank deposits	(3.3)	(5.4)
Excess provisions written back	(0.6)	(1.2)
Loss on sale of property, plant and equipment, and other intangible assets (net)	2.7	7.2
Interest expense for borrowings at amortised cost	1,076.1	1,077.1
Interest expense on lease liabilities	1.8	1.6
Bad debts written off	48.3	29.8
Unrealised foreign exchange loss (net)	(0.8)	23.6
Expected credit losses on trade receivables	45.0	-
Provision for doubtful advances	-	1.8
Effect of recognising other expense on security deposits as per effective interest method	-	(0.8)
Exceptional items	238.0	296.9
Operating profit before working capital changes	**703.9**	**1,219.8**
Adjustments for changes in:		
(Increase)/Decrease in trade receivables	(464.2)	90.1
Decrease in other financial assets	48.1	539.8
(Increase)/Decrease in other current and non-current assets	(19.1)	24.0
Increase in inventories	(0.6)	(1.2)
(Decrease)/Increase in other financial liabilities	(290.2)	77.9
(Decrease)/Increase in employee benefit obligations	(15.4)	6.5
Increase/(Decrease) in other current and non-current liabilities	5.2	(129.3)
Increase/(Decrease) in trade payables	484.8	(412.7)
Cash generated from operations	**452.5**	**1,414.9**
Income taxes refund	124.9	356.0
Net cash flow generated from operating activities	**577.4**	**1,770.9**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, and intangible assets	(473.6)	(682.3)
Proceeds from sale of property, plant and equipment	3.9	2.5
Interest received on bank deposits	0.0	7.5
Margin money deposits and bank deposits matured (net)	-	0.1
Net cash flow used in investing activities	**(469.8)**	**(672.2)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (current, financial liabilities) (net)	719.9	(35.4)
Repayment of borrowings (non-current, financial liabilities)	(659.0)	(556.4)
Payment of lease liabilities	1.4	(4.3)
Interest and ancillary borrowing costs paid	(110.1)	(490.4)
Net cash flow used in financing activities	**(47.9)**	**(1,086.5)**
Net increase in cash and cash equivalents	59.8	12.2
Cash and cash equivalents at the beginning of the period	37.5	25.3
Cash and cash equivalents at the end of the period	**97.3**	**37.5**
Notes:		
a. Cash and cash equivalents include:		
Cash on hand	1.1	1.4
Balances with banks on current accounts	87.0	33.4
Cheques on hand	9.2	2.7
	97.3	**37.5**

b. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS 7) on "Statement of Cash Flows".

DNS & ASSOCIATES Chartered Accountants

SITI NETWORKS LIMITED

Notes:-

1 SITI Networks Limited ('the Company' or 'the Holding Company'), its subsidiaries, associates and joint ventures (collectively referred to as 'the Group') predominantly operate in a single business segment of cable and broadband distribution only in India. The aforesaid is in line with the way operating results are reviewed and viewed by the chief operating decision maker(s) and hence, there are no additional disclosures required to be furnished in terms of Indian Accounting Standard 108 - Operating Segments.

2 The standalone and consolidated financial results for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Company's Board of Directors in their respective meetings held on 28 May 2022. The statutory auditors of the Company have expressed a modified audit opinion on these results.

3 The above results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 05 July, 2016 and other accounting principles generally accepted in India.

4 Figures for the standalone and consolidated financial results for the quarter ended 31 March 2022 and 31 March 2021 are the balancing audited figures of the full financial year and the published year to date figures upto the third quarter of the year ended 31 March 2022 and 31 March 2021 respectively which were subjected to limited review by the statutory auditors of the Company.

5 The Company/the Group continued to incur losses during the quarter and year ended 31 March 2022 and had negative working capital as at 31 March 2022. The Company/the Group also has negative net worth as at 31 March 2022. As at 31 March 2022, there are instances of delays in payments of obligations and borrowings, but in view of the management, the expected revenue growth and expected improvement in operating margins under the Tariff Order 2017, and other likely mitigating factors such as, continued endeavor to secure additional funds by the Company/its subsidiaries besides on-going discussions with the lenders for debt restructuring, for which revised debt repayment plans are being submitted to the lenders, and continuous dialogue with its vendors. Further, the Company is under discussion with its partners for consolidation of operations in East India to attain the benefits of economies of scale and operational efficiencies, accordingly, these standalone/ consolidated financial results for the year ended 31 March 2022 continue to be prepared on a going concern basis in view of the above.

6 In view of aforementioned ongoing discussions with the lenders, inter alia, for reducing existing interest rates, additional interest levied, if any, has not been provided for.

7 Exceptional items in the standalone financial results include the following:

a) Exceptional items for the year ended 31 March 2022 for ₹ 12.8 million (net of reversal of ₹ 4.4 million in quarter ended 31 March 2022) pertains to the write off of old indirect tax balances.

b) During the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022, in view of prevailing COVID-19 situation and considering other factors, management assessed the likelihood of recovery of certain balances from a customer and has provided for an amount of ₹ 35.0 million, ₹ 133.3 million and ₹ 208.3 million respectively which is doubtful for recovery.

c) During the quarter and year ended 31 March 2022, diminution in value of investment in Siti Jai Maa Durgee Communications Private Limited amounting to ₹ 16.8 million was booked.

The total impact of 7 (a), (b) and (c) above on the standalone financial results for the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022 amounts to ₹ 35.0 million, ₹ 145.7 million and ₹ 238.0 million respectively.

8 Exceptional items in the consolidated financial results include the following:

a) Exceptional items for the year ended 31 March 2022 for ₹ 12.8 million (net of reversal of ₹ 4.4 million in quarter ended 31 March 2022) pertains to the write off of old indirect tax balances not utilised by the company. There was no such amount in quarter ended 31 December 2021.

b) During the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022, in view of prevailing COVID-19 situation and considering other factors, management assessed the likelihood of recovery of certain balances from a party and has provided for an amount of ₹ nil, ₹ 73.1 million and ₹ 73.1 million respectively which is doubtful for recovery.

The total impact of 8 (a), and (b) above on the consolidated financial results for the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022 amounts to ₹ nil, ₹ 68.7 million and ₹ 85.9 million respectively.

9 For the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022, the 'Subscription income' included in the 'Revenue from operations' in these financial results, inter alia, includes the amounts payable to the broadcasters towards their share in relation to the pay channels subscribed by the customers. The aforementioned corresponding amounts (i.e. Broadcaster's share) has also been presented as an expense in these standalone financial results. The said amounts are ₹ 831.0 million, ₹ 844.1 million and ₹ 3,369.7 million respectively in the standalone financial results for the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022 and ₹ 1,894.8 million, ₹ 1,805.9 million and ₹ 7,529.3 million respectively for the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022 in the consolidated financial results.

Had these expenses been disclosed on net basis, the 'Revenue from operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 831.0 million, ₹ 844.1 million and ₹ 3,369.7 million respectively in the standalone financial results for the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022 and ₹ 1,894.8 million, ₹ 1,805.9 million and ₹ 7,529.3 million respectively for the quarter ended 31 December 2021, quarter ended 31 March 2022 and year ended 31 March 2022 in the consolidated financial results. However, there would not have been any impact on the net loss for the periods so mentioned.

10 HDFC Limited has filed application against the Company under section 7 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal ('NCLT), Mumbai for initiation of Corporate insolvency resolution process on the ground that the Company has defaulted in making repayment of ₹ 2,960.6 million as on 31 January 2022. NCLT in its hearing dated 30 March 2022, has fixed next hearing on 22 July 2022.

11 Star India Private Limited has disputed the incentive invoices of the subsidiary company w.e.f. February 2021 aggregating to ₹ 106.3 million against bills raised on the alleged ground of violation of the incentive Agreement and has withheld the payment of incentive payments to the subsidiary company. Being aggrieved, the subsidiary company has filed a petition before the TDSAT against Star India Private Limited. In an interim relief, TDSAT has ordered withholding part-payment to Star India Private Limited against their dues on account of "Pay Channel cost" towards incentive payments to the subsidiary company. TDSAT has also prima facie upheld the contention of the subsidiary company. However, the outcome of the dispute is dependent on the final Order of TDSAT. The subsidiary company is of the view that no provision is required in the books in respect of the Incentive receivable by the subsidiary company and accordingly has not made any provision in it's accounts.

12 The Group has acquired 7,600 Equity Shares (representing 76.00% of paid up capital) of Meghbela Infitel Cable & Broadband Private Limited on 08 June 2021. Accordingly, w.e.f. 08 June 2021, Meghbela Infitel Cable & Broadband Private Limited has become subsidiary company of the Group.

13 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.

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

Place : Noida
Date : 28 May 2022

DNS & ASSOCIATES ★ Chartered Accountants ★

SITI NETWORKS LIMITED

Suresh Arora
Whole Time Director

DNS & Associates

Chartered Accountants

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

To the Board of Directors of SITI Networks Limited

Qualified Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of SITI Networks 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) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, 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 standalone net loss after tax and other comprehensive income and other financial information of the Company for the quarter and year ended 31 March 2022 except for the effects of the matter described in paragraph 3 below.

Basis for Qualified Opinion

3. As described in note 9 to the accompanying Statement, the Company's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 844.1 million and ₹ 3,369.7 million for the quarter and year ended 31 March 2022 respectively, while there would have been no impact on the net loss for the quarter and year ended 31 March 2022.

   Our conclusion on the standalone financial result for the quarter and nine-month ended 31 December 2021 was also qualified with respect to this matter.

4. 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 qualified opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to note 5 to the accompanying Statement, which indicates that the Company has incurred a net loss (including other comprehensive loss) of ₹ 779.4 million and ₹ 2,552.3 million during the quarter and year ended 31 March 2022 respectively, and as of that date, the Company's accumulated losses amount to ₹ 23,436.2 million resulting in a negative net worth of ₹ 6,500.8 million and its current liabilities exceeded its current assets by ₹ 13,586.2 million resulting in negative working capital. As at 31 March 2022, there are delays/ defaults in repayment of obligations and borrowings. The above factors along with other matters as set forth in note 5, indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. However, basis the impact of Tariff Order 2017, ongoing discussion with the lenders of the Company, and other factors mentioned in aforesaid note to the Statement, the management is of the view that going concern basis of accounting is appropriate for preparation of these results. Our opinion is not modified in respect of this matter.

Emphasis of Matter

6. We draw attention to note 10 which indicates HDFC Limited ('Bank') has filed an application against the Company under section 7 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal ('NCLT), Mumbai for initiation of Corporate Insolvency Resolution Process on the ground that the Company has defaulted in making repayment of borrowings taken from bank amounting to ₹ 2,960.6 million (including principal, interest and additional interest) as on 31 January 2022. NCLT in its hearing on 30 March 2022, has fixed next hearing on 22 July 2022. The Company is in discussion with the lenders for re-structuring of its debt and has no negative assessment of Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

7. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors. 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. 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

8. 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.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

10. 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.

11. As part of an audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act, we exercise professional judgment and maintain professional skepticism 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 adequate internal financial controls with reference to financial statements 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.

- 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.

12. 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.

13. 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

14. 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, which were subject to limited review by us.

For DNS & Associates
Chartered Accountants
Firm Registration No.: 006956C

Ankit Marwaha
Partner
Membership No. 518749
UDIN: 22518749AJUURH6974

Place: Noida
Date: 28 May 2022

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

To the Board of Directors of SITI Networks Limited

Qualified Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of SITI Networks Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures for the year ended 31 March 2022, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('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 and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, associates, and joint ventures, as referred to in paragraph 15 below, the Statement:

   (i) includes the annual financial results of the entities listed in Annexure 1;

   (ii) presents financial results in accordance with the requirements of Regulation 33 and Regulation 52(4) of the Listing Regulations, except for the effects and possible effects of the matter(s) described in paragraph 3 and 4 below; and

   (iii) 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 consolidated net loss after tax and other comprehensive income and other financial information of the Group, its associates and joint ventures, for the year ended 31 March 2022 except for the effects and possible effects of the matter described in paragraph 3 below.

Basis for Qualified Opinion

3. As described in note 9 to the accompanying Statement, the Group's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 1,805.9 million and ₹ 7,529.3 million for the quarter and year ended 31 March 2022 respectively, while there would have been no impact on the net loss for the quarter and year ended 31 March 2022.

   Our conclusion on the consolidated financial results for the quarter and nine months ended 31 December 2021 was also qualified with respect to this matter.

Further, with respect to the above matter, qualification have been given by other firms of Chartered Accountants vide their review reports dated 20 May 2022, 24 May 2022, 27 May 2022, 19 May 2022, 13 May 2022, 23 May 2022 and 20 May 2022 on the annual financial results of the subsidiaries of the Holding Company, namely, Siti Prime Uttranchal Communication Private Limited, Central Bombay Cable Network Limited, Indian Cable Net company Limited, Siti Jind Digital Media Communications Private Limited, Siti Saistar Digital Media Private Limited, Siti Vision Digital Media Private Limited and Siti Siri Digital Network Private Limited respectively, and is reproduced by us as under, with the aggregate amount pertaining to such subsidiaries, as also included in the above paragraph:

The company's/group's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense for the above mentioned subsidiaries which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 978.9 million and ₹ 4,183.8 million for the quarter and year ended 31 March 2022 respectively, while there would have been no impact on the net loss for the quarter and year ended 31 March 2022.

4. 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 Group, its associates and joint ventures, 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 and that obtained by the other auditors in terms of their reports referred to in paragraph 14 of the Other Matter section below is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to note 6 to the accompanying Statement, which indicates that the Group has incurred a net loss of (including other comprehensive income/loss) ₹ 783.8 million and ₹ 2,604.2 million during the quarter and year ended 31 March 2022, and as of that date, the Group's accumulated losses amount to ₹ 21,900.7 million and its current liabilities exceeded its current assets by ₹ 13,905.7 million resulting in negative working capital. As at 31 March 2022, there are delays/defaults in repayment of obligations and borrowings. The above factors along with other matters as set forth in note 6, indicate a material uncertainty, which may cast significant doubt about the Group's ability to continue as a going concern. However, basis the impact of Tariff Order 2017, ongoing discussion with the lenders of the Holding Company, and discussion for consolidation of operations in East India to attain the benefits of economies of scale and operational efficiencies, accordingly, these consolidated financial results for the year ended 31 March 2022 continue to be prepared on a going concern basis in view of the above, thereby the management is of the view that going concern basis of accounting is appropriate for preparation of these results. Our opinion is not modified in respect of this matter.



Emphasis of Matter

6. We draw attention to note 10 which indicates HDFC Limited ('Bank') has filed an application against the Holding Company under section 7 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal ('NCLT), Mumbai for initiation of Corporate insolvency resolution process on the ground that the Company has defaulted in making repayment of borrowings taken from bank amounting to ₹ 2,960.6 million (including principal, interest and additional interest) as on 31 January 2022. NCLT in its hearing on 30 March 2022, has fixed next hearing on 22 July 2022. The Company is in discussion with the lenders for re-structuring of its debt and has no negative assessment of Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

7. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss after tax and other comprehensive income, and other financial information of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the 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. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act,} the respective Board of Directors/ management of the companies included in the Group and its associates and joint ventures, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and its associates and joint ventures, 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 results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

8. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures, are responsible for assessing the ability of the Group and of its associates and joint ventures, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.



Auditor's Responsibilities for the Audit of the Statement

10. 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.

11. As part of an audit in accordance with the 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 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 Holding Company has adequate internal financial controls with reference to financial statements 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 the 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 ability of the Group and its associates and joint ventures, 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 Group and its associates and joint ventures to cease to continue as a going concern.

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, and its associates and joint ventures, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company 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.

13. 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.

14. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

15. We did not audit the annual financial statements of 20 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ ₹ 11,678.9 million as at 31 March 2022, total revenues of ₹ 2,336.0 million and ₹ 9,035.6 million, total net loss after tax of ₹ 155.6 million and ₹ 290.8 million, total comprehensive (loss) of ₹ 132.8 million and ₹ 248.3 million for the quarter and year ended on 31 March 2022, and cash flows (net) of ₹ 1,452.4 million for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹ 0.7 million and ₹ 3.8 million and total comprehensive loss of ₹ 0.7 million and ₹ 3.8 million for the quarter and year ended 31 March 2022, in respect of one associate and two joint ventures, whose annual financial statements/ financial information/ financial results have not been audited by us. These annual financial statements have been audited by other auditors whose audit report(s) have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 13 above.

Our opinion 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.

16. The Statement includes the consolidated financial results for the quarter ended 31 March 2022, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For DNS & Associates
Chartered Accountants
Firm Registration No.: 006956C

Ankit Marwaha
Partner
Membership No.
UDIN: 22518749AJUVCY6016

Place - Noida
Date - 28 May 2022

DNS & ASSOCIATES ★ Chartered Accountants ★

Annexure 1

List of entities included in the Statement

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

ANNEXURE – I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[See Regulation 33/52 of the SEBI (LODR) Regulations, 2015] Standalone

I.	Sl. No.	Particulars	Audited Figures (Rs. in million) (as reported before adjusting for qualifications)	Audited Figures (Rs. in million) (as reported after adjusting for qualifications)
	1	Turnover / Total income	6,178.5	2,808.8
	2	Total Expenditure including exceptional items	8,731.7	5,362.0
	3	Net Profit / (Loss) after tax	(2,552.3)	(2,552.3)
	4	Earnings Per Share (Rs.)	(2.9)	(2.9)
	5	Total Assets	10,732.3	10,732.3
	6	Total Liabilities	17,233.1	17,233.1
	7	Net Worth	(6,500.8)	(6,500.8)
	8	Pay channel, carriage sharing and related costs	3,369.7	-

II. **Audit Qualification (each audit qualification separately):**

(a) Details of Audit Qualification:
The Company's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by Rs. 844.1 million and Rs. 3,369.7 million for the quarter and year ended 31 March 2022 respectively, while there would have been no impact on the net loss for the quarter and year ended 31 March 2022.
Our conclusion on the standalone financial result for the quarter and nine-month ended period ended 31 December 2021 was also qualified with respect to this matter.

(b) Type of Audit Qualification:	Qualified Opinion
(c) Frequency of qualification:	Qualification was also present in previous year

(d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
As per our interpretation and cable Industry practices of recognising revenue under Ind AS 115, we have appropriately shown gross revenue and content cost separately. Further, there is no impact on the net loss for the quarter and year ended March 31, 2022.

(e) For Audit Qualification(s) where the impact is not quantified by the auditor:

	(i) Management's estimation on the impact of audit qualification: Not applicable
	(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
	(iii) Auditors' Comment on (i) or (ii) above: Not applicable

III. **Signatories:**

	Yogesh Sharma Chief Executive Officer Noida, May 28, 2022	
	Vikash Khanna Chief Financial Officer Noida, May 28, 2022	28/05/2022.
	Bhanu Pratap Singh Chairman of Audit Committee Noida, May 28, 2022	28/05/22
	Statutory Auditors For DNS & Associates Chartered Accountants Firm Registration No.: 006956C Ankit Marwaha Partner Membership No. 518749 Noida, May 28, 2022	28/5/22. DNS & ASSOCIATES Chartered Accountants

ANNEXURE – I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[See Regulation 33 of the SEBI (LODR) Regulations, 2015]

I.	Sl. No.	Particulars	Audited Figures (Rs. in million) (as reported before adjusting for qualifications)	Audited Figures (Rs. in million) (as reported after adjusting for qualifications)
	1	Turnover / Total income	14,608.7	7,079.4
	2	Total Expenditure	17,108.9	9,579.6
	3	Net Profit / (Loss) after tax	(2,609.7)	(2,609.7)
	4	Earnings Per Share (Rs.)	(3.0)	(3.0)
	5	Total Assets	16,516.4	16,516.4
	6	Total Liabilities	20,657.1	20,657.1
	7	Net Worth	(4,965.2)	(4,965.2)
	8	Pay channel, carriage sharing and related costs	7,529.3	

II. **(a) Audit Qualification:**

(b) Details of Audit Qualification:
The Group's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by Rs. 1,805.9 million and Rs. 7,529.3 million for the quarter and year ended 31 March 2022 respectively, while there would have been no impact on the net loss for the quarter and year ended 31 March 2022.
Our conclusion on the consolidated financial results for the quarter and nine-month ended period ended 31 December 2021 was also qualified with respect to this matter.

(c)	**Type of Audit Qualification**:	Qualified Opinion
(d)	**Frequency of qualification:**	Qualification was also present in previous year

(e) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
As per our interpretation and cable Industry practices of recognising revenue under Ind AS 115, we have appropriately shown gross revenue and content cost separately. Further, there is no impact on the net loss for the quarter and year ended March 31, 2022.

(f) For Audit Qualification(s) where the impact is not quantified by the auditor: Not applicable

	(i) Management's estimation on the impact of audit qualification: Not applicable
	(ii) If management is unable to estimate the impact, reasons for the same: Not applicable
	(iii) Auditors' Comment on (i) or (ii) above: Not applicable

III. **Signatories:**

	Yogesh Sharma Chief Executive Office Noida, May 28, 2022	
	Vikash Khanna Chief Financial Officer Noida, May 28, 2022	28/5/22
	Bhanu Pratap Singh Chairman of Audit Committee Noida, May 28, 2022	28/5/22
	Statutory Auditors For DNS & Associates Firm Registration No. 006956C Ankit Marwaha Partner Membership No. 518749 Noida, May 28, 2022.	28/5/22. DNS & ASSOCIATES Chartered Accountants