

**UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)**

**UNAUDITED FINANCIAL RESULTS (STANDALONE)**

Particulars	Statement of consolidated unaudited financial results for the quarter and six months ended September 30, 2015				Statement of standalone unaudited financial results for the quarter and six months ended September 30, 2015			
	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Half Year ended September 30, 2015	Year ended March 31, 2015	Quarter ended September 30, 2015	Quarter ended September 30, 2014	Half Year ended September 30, 2015	Year ended March 31, 2015
1. Income from operations	23,154.0	22,603.2	45,757.2	89,015.4	14,594.7	13,712.5	29,032.2	58,144.9
a. Net sales/income from operations	267.3	267.3	254.4	1,675.5	66.1	26.7	99.1	1,270.6
b. Other operating income	23,421.3	22,809.4	46,230.2	90,529.9	15,200.8	13,759.2	30,023.5	59,915.5
2. Expenses	10.5	1.7	6.2	9.7	10.5	1.7	12.1	21.8
a. Cost of materials consumed	12,400.9	13,569.9	25,970.8	51,082.2	8,051.5	9,139.3	17,190.8	33,270.3
b. Purchases of stock-in-trade	3,671.5	3,584.6	3,087.7	5,178.0	2,013.3	1,896.1	2,242.1	3,650.6
c. Changes in inventories of stock-in-trade	2,809.5	4,332.4	4,777.4	13,276.1	2,911.1	3,357.0	4,158.2	7,438.8
d. Carriage charges, van charges and related costs	3,862.2	3,842.2	3,842.2	13,276.1	3,862.2	3,842.2	3,862.2	13,276.1
e. Employee benefits expense	2,809.5	4,332.4	4,777.4	13,276.1	2,911.1	3,357.0	4,158.2	7,438.8
f. Depreciation and amortisation expense	2,809.5	4,332.4	4,777.4	13,276.1	2,911.1	3,357.0	4,158.2	7,438.8
g. Total expenses	22,882.1	20,888.7	45,038.4	90,135.2	15,068.6	13,407.9	28,579.6	61,128.6
3. Profit/(loss) from operations before other income, finance costs and tax	611.9	(117.7)	1,036.0	457.7	(56.6)	(833.8)	(1,247.4)	(2,004.6)
4. Other income	869.3	237.5	454.9	3,106.9	896.2	709.5	1,567.7	631.0
5. Profit/(loss) before finance costs and tax (3+4)	1,481.2	225.8	1,490.9	3,564.6	256.6	(133.3)	679.7	1,373.6
6. Finance cost	3,426.9	3,390.0	6,816.9	12,088.3	3,373.1	(3,456.0)	(6,583.1)	(11,725.7)
7. Loss after finance cost but before exceptional items (5-6)	(1,945.7)	(3,164.2)	(5,326.0)	(8,523.7)	(3,117.5)	(3,586.3)	(5,903.4)	(10,352.1)
8. Loss/(profit) before tax (7-8)	(1,945.7)	(3,164.2)	(5,326.0)	(8,523.7)	(3,117.5)	(3,586.3)	(5,903.4)	(10,352.1)
9. Loss/(profit) before tax (7-8)	362.2	(5,164.2)	(1,467.2)	(8,161.0)	(3,117.5)	(3,586.3)	(5,903.4)	(10,352.1)
10. Tax expense	(2,291.9)	(3,216.9)	(4,438.6)	(10,188.8)	(2,291.9)	(3,216.9)	(4,438.6)	(10,188.8)
11. Loss after tax and before prior period item (9-10)	(2,291.9)	(3,216.9)	(4,438.6)	(10,188.8)	(2,291.9)	(3,216.9)	(4,438.6)	(10,188.8)
12. Prior period item			217.6	(10,188.8)			217.6	(10,188.8)
13. Loss after tax and prior period item but before minority interest (11-12)			217.6	(10,188.8)			217.6	(10,188.8)
14. Minority interest	479.3	276.1	848.0	721.4	6,776.3	6,776.3	6,142.1	6,776.3
15. Loss after tax and prior period item and after minority interest (13-14)	(2,771.2)	(3,718.6)	(6,481.7)	(10,909.9)	6,776.3	6,142.1	6,142.1	6,776.3
16. Reserve excluding revaluation reserves as per balance sheet of previous accounting year								
17. Reserve excluding revaluation reserves as per balance sheet of previous accounting year								
18. Earnings per share of ₹ 1/- (not annualized)	(0.4)	(0.5)	(0.4)	(1.8)	(0.5)	(0.5)	(0.5)	(1.9)
a) Basic	(0.4)	(0.5)	(0.4)	(1.8)	(0.5)	(0.5)	(0.5)	(1.9)
b) Diluted	(0.4)	(0.5)	(0.4)	(1.8)	(0.5)	(0.5)	(0.5)	(1.9)

Particulars	Consolidated as at September 30, 2015				Consolidated as at March 31, 2015			
	As at September 30, 2015	As at September 30, 2014	As at September 30, 2015	As at March 31, 2015	As at September 30, 2015	As at September 30, 2014	As at September 30, 2015	As at March 31, 2015
1. Equity and liabilities	6,782.7	6,782.7	6,782.7	6,782.7	6,782.7	6,782.7	6,782.7	6,782.7
a) Shareholders' funds	4,789.6	4,789.6	4,789.6	4,789.6	4,789.6	4,789.6	4,789.6	4,789.6
(i) Reserves and surplus	11,475.2	18,294.3	10,612.3	17,653.2	11,511.6	3,829.6	10,870.5	6,782.7
(ii) Money received against share warrants	7,525.3	6,776.0	-	-	-	-	-	-
Sub-total of Shareholders' funds	23,785.8	32,369.9	21,491.9	22,332.8	21,491.9	3,829.6	21,491.9	6,782.7
2. Non-current liabilities	76,662.9	1,006.0	76,662.9	76,662.9	76,662.9	76,662.9	76,662.9	76,662.9
(a) Long-term liability (net)	9,688.0	7,916.5	7,662.9	7,613.0	7,613.0	7,613.0	7,613.0	7,613.0
(b) Other long-term liabilities	385.8	459.3	459.3	324.7	459.3	459.3	459.3	459.3
(c) Long-term provisions	87,779.9	1,006.0	81,723.3	81,625.3	81,723.3	81,625.3	81,625.3	81,625.3
Sub-total of Non-current liabilities	88,856.7	1,461.5	88,856.7	88,856.7	88,856.7	88,856.7	88,856.7	88,856.7
3. Current liabilities	3,786.0	4,652.5	3,441.0	3,441.0	3,441.0	3,441.0	3,441.0	3,441.0
(a) Short-term borrowings	28,816.4	26,141.7	23,128.3	21,979.8	23,128.3	21,979.8	21,979.8	21,979.8
(b) Trade payables	69,158.4	64,306.3	58,939.4	54,726.4	58,939.4	54,726.4	54,726.4	54,726.4
(c) Other current liabilities	344.7	336.3	12.8	12.8	12.8	12.8	12.8	12.8
(d) Short-term provisions	1,02,195.5	95,436.8	86,296.5	80,158.9	86,296.5	80,158.9	80,158.9	80,158.9
Sub-total of current liabilities	2,08,990.2	2,23,636.4	1,78,172.1	1,95,974.4	1,78,172.1	1,95,974.4	1,95,974.4	1,95,974.4
4. Assets	1,09,077.7	1,08,501.9	58,075.4	59,281.5	1,09,077.7	1,08,501.9	58,075.4	59,281.5
(a) Fixed assets	918.0	918.0	40,304.4	35,118.5	918.0	918.0	40,304.4	35,118.5
(b) Goodwill or consolidation	84.2	84.2	25,108.7	28,897.7	84.2	84.2	25,108.7	28,897.7
(c) Non-current investments	3,763.3	4,048.8	10,188.0	10,771.1	3,763.3	4,048.8	10,188.0	10,771.1
(d) Long-term loans and advances	6,887.1	6,801.0	1,00,277.3	6,224.9	6,887.1	6,801.0	1,00,277.3	6,224.9
(e) Other non-current assets	1,20,738.3	1,19,853.9	1,00,277.3	1,01,135.2	1,20,738.3	1,19,853.9	1,00,277.3	1,01,135.2
Sub-total of Non-current assets	1,28,371.7	1,28,371.7	1,00,277.3	1,01,135.2	1,28,371.7	1,28,371.7	1,00,277.3	1,01,135.2
5. Current assets	80.4	80.4	80.4	80.4	80.4	80.4	80.4	80.4
(a) Current investments	17,410.0	32,834.9	40,304.4	35,118.5	17,410.0	32,834.9	40,304.4	35,118.5
(b) Trade receivables	19,546.7	15,664.7	15,664.7	39,400.1	19,546.7	15,664.7	15,664.7	39,400.1
(c) Cash and bank balances	22,983.3	24,901.2	15,870.3	18,964.0	22,983.3	24,901.2	15,870.3	18,964.0
(d) Short-term loans and advances	6,133.9	1,195.1	4,677.7	7,924.4	6,133.9	1,195.1	4,677.7	7,924.4
(e) Other current assets	88,259.9	1,03,782.5	77,924.4	77,924.4	88,259.9	1,03,782.5	77,924.4	77,924.4
Sub-total of Current assets	2,08,990.2	2,23,636.4	1,78,172.1	1,95,974.4	2,08,990.2	2,23,636.4	1,78,172.1	1,95,974.4
Total assets	1,09,077.7	1,08,501.9	58,075.4	59,281.5	1,09,077.7	1,08,501.9	58,075.4	59,281.5

**Notes:**

- SITI Cable Network Limited (the "Company") operates in single business segment of cable distribution in India. Hence there are no separate reportable business or geographical segments as per Accounting Standard on Segment Reporting (AS-17).
- The above unaudited financial results for the quarter and six months ended September 30, 2015 have been reviewed by the Audit Committee and were approved by the Board of Directors on 19-09-2015.
- The Statutory Auditors have carried out a "Limited review" of the Standalone financial results for the quarter and six months ended September 30, 2015.
- This statement of unaudited financial results has been prepared by applying accounting policies as adopted in the last audited annual financial statements for the year ended March 31, 2015.
- The outstanding business advances amounting to ₹ 7,351 lacs given to two subsidiaries (including a wholly owned subsidiary for acquisition of Multi-System Operators (MSOs)) direct points, technological upgradation etc., in near future, are considered good and recoverable. Company has received indemnity against the aforementioned business from majority stake holders of the Company.
- The Audit Committee and the Board of Directors noted the application of the proceeds of qualified institutional placement (QIP) for the half year ended September 30, 2015 which is in line with the updated financial results for the half year ended September 30, 2015 as approved by the Board of Directors. The unutilized amount as on September 30, 2015 is ₹ 1,959 lacs.
- The Company is in the process of implementing the DAS system (Digital Addressable System) DAS regulation approved by the Government of India, digitization of cable networks has been implemented in Phase 1 and Phase 2 since effective November 1, 2012 and April 1, 2013 respectively. Owing to the initial delays in implementation of DAS in phase 1 cities and challenges faced by all the Multi-System Operators (MSOs) during transition from analogue business to DAS, the Company is in the process of implementation of revenue during contract entered into with the local cable operators (LCOs). Accordingly, the Company has invoked and recognized subscription revenue on the basis of certain estimates. 2015 revenue is ₹ 1,972 lacs amounting to ₹ 2,476 lacs (standalone ₹ 2,282 lacs and ₹ 4,293 lacs (standalone ₹ 2,282 lacs) for the quarter and six months ended September 30, 2015 respectively. Revenue (standalone ₹ 839 lacs) and ₹ 2,085 lacs (standalone ₹ 1,889 lacs) for the quarter and six months ended September 30, 2015 respectively, based on certain estimates derived from market trends and ongoing discussions with the LCOs. The Company has also received a letter from the MSOs stating that the subscription revenue of such contracts will not have a significant impact on the subscription revenue and the Company will continue to utilize the proceeds of Rights Issue for half year ended September 30, 2015 in line with utilisation schedule.
- The Board of Directors noted the utilisation of the proceeds of Rights Issue for half year ended September 30, 2015 is ₹ 759 lacs.
- The Company continued to incur cash losses on standalone basis, during six months ended September 30, 2015 but in view of the present positive net worth, exposed substantial subscription revenue growth and continued financial support from majority stake holders of the Company, the financial results continue to be prepared on a going concern basis.
- Three period net income for ₹ 2,176 lacs pertaining to financial year 2014-2015 and recorded in the quarter ended June 30, 2015. The CEO and CFO of the Company exceeds the received limits under the Companies Act, 2013, for the recommendation of Nomination and Remuneration Committee. The remuneration of the CEO and CFO of the Company exceeds the awarded for the same.
- During the quarter, the Company has acquired 51% equity share capital in Panchajanya Digital Communication Network Private Limited (51% Prime, Ultraconnect Communication Private Limited).
- Previous period year's amounts have been repositioned and re-audited, wherever necessary.

Date: November 09, 2015  
Place: Delhi

For SITI Cable Network Limited  
V.D. Wadhwa  
Executive Director and CEO

Particulars  
Investor Complaints  
President of the Vigilance of the company  
Received during the quarter  
Disposed off during the quarter  
Remaining unprocessed at the end of the quarter

# Walker Chandiook & Co LLP

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## Review Report

### To the Board of Directors of SITI Cable Network Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of SITI Cable Network Limited ("the Company") for the quarter ended 30 September 2015 and the year to date results for the period 1 April 2015 to 30 September 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

*Walker Chandiook & Co LLP*  
For Walker Chandiook & Co LLP  
(formerly Walker, Chandiook & Co)  
Chartered Accountants  
Firm Registration No: 001076N/N500013

*Rajni Mundra*  
per **Rajni Mundra**  
Partner  
Membership No. 58644

Place: New Delhi  
Date: 09 November 2015



# SITI Cable Network Limited

## Consolidated Financial Results Q2 FY16

Investor Release

November 09, 2015

**New Delhi, India; 9<sup>th</sup> November 2015:** The Board of Directors of SITI Cable Network Limited (SITI CABLE) (BSE: 532795, NSE: SITI CABLE EQ) in its meeting held today, has taken on record the Unaudited Consolidated Financial Results of the company for the Second Quarter ended September 30, 2015.

### Performance Highlights

#### Q2 FY16

- EBITDA at INR 52 Crores; up 35% QoQ & 13% YoY
- Revenue at INR 243 Crores; up 5% QoQ & 9% YoY
- Subscription Income at INR 139 Crores ; up 7% QoQ & 3% YoY
- Broadband Income at INR 9 Crores ; up 4% QoQ & 50% YoY
- Added 0.33 mn Video subscribers
- Added 16,950 Broadband subscribers

#### H1FY16

- EBITDA at INR 90 Crores; up 9% YoY
- Revenue at INR 473 Crores; up 9% YoY
- Subscription Income at INR 268 Crores ; up 6% YoY
- Broadband Income at INR 18 Crores ; up 57% YoY

### Income Statement

(INR Million)

	Quarter Ended		
	Q2 FY 2016	Q1 FY 2016	Q2 FY 2015
Net Operating Revenues	2,342	2,281	2,192
Other Income	87	24	46
<b>Total Revenue</b>	<b>2,429</b>	<b>2,305</b>	<b>2,238</b>
Total Expenditure	1,914	1,924	1,780
<b>EBITDA</b>	<b>515</b>	<b>381</b>	<b>458</b>
Finance cost	343	339	296
Depreciation	367	358	309
Exceptional Items	-	-	-
<b>PBT</b>	<b>(194)</b>	<b>(316)</b>	<b>(147)</b>
Tax	35	5	(3)
<b>PAT</b>	<b>(229)</b>	<b>(322)</b>	<b>(144)</b>

Revenue Streams (INR Million)	Quarter Ended		
	Q2 FY 2016	Q1 FY 2016	Q2 FY 2015
Subscription	1,385	1,290	1,350
Carriage	603	729	587
Activation	194	109	131
Broadband	93	90	62

Operational Metrics	Quarter Ended	
	Q2 FY 2016	Q1 FY 2016
Cable Universe (Mn)	10.7	10.7
Digital Subscribers (Mn)	5.9	5.6
Digital Subscribers added (Mn)	0.33	0.20
Broadband Subscribers	91,450	74,500

## Operational Highlights

- **Cable**

- **Market Expansion:** SITI further expanded into 21 markets in the states of Harayana, MP, Karnataka, Rajasthan, Telangana & Uttrakhand as a part of the ongoing voluntary digitization process in order to be compliant with DAS Phase 3 Digitization deadline
- **HD subscribers** currently at 25,000
- **Step ahead in Technology:** SITI has adopted MPEG 4 technology and will provide MPEG 4 STBs equipped with Personal Video Recorder (PVR) facility to subscribers

- **Broadband**

- Broadband Home passes at 5.86 Lakhs, SITI will be looking towards deeper extraction of home passes to improve operating leverage

- **Others**

- **Q2 EBITDA, excluding activation** was up 18% QoQ, at INR32 Crores vs INR27 Crores
- Consolidated Gross Debt at INR1,236 Crores & Net Debt at INR1,041 Crores

While commenting on the results Mr. V D Wadhwa, Executive Director & CEO, SITI Cable mentioned that “A focus on improved operational performance resulted in EBITDA growth of 35.2% and EBITDA Margin at 21.2%, an expansion by 467 bps sequentially.

We are looking to further streamline our Broadband operations to provide stellar customer experience. Our commitment to digitization of Phase 3 areas remains and we expect this to gain further momentum in the coming quarter”

## About SITI Cable Network Limited

SITI Cable Network Limited (erstwhile known as Wire and Wireless (India) Ltd) is a part of the Essel Group, which is one of India's leading business houses with a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education.

SITI Cable Network Limited is one of India's largest Multi System Operator (MSO). With 61 analogue and 16 digital head ends and a network of more than 15,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~130+ cities and the adjoining areas, reaching out to over 10.7 million viewers.

SITI Cable deploys State-of-the-art technology for delivering multiple TV signals to enhance consumer viewing experience. Its product range includes Digital & Analogue Cable Television, Broadband and Local Television Channels. SITI Cable has been providing services in analogue and digital mode, armed with technical capability to provide features like Video on Demand, Pay per View, Electronic Programming Guide (EPG) and Gaming through a Set Top Box (STB). All products are marketed under SITI brand name.

**Note: This earnings release contains consolidated results that are unaudited and prepared as per Indian Generally Accepted Accounting Principles (GAAP).**

## Caution Concerning Forward-Looking Statements

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. SITI Cable Network Limited is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

## Key Contact - Investor Relations

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