



SITI CABLE NETWORK LIMITED

Regd. Office: 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai 400 018.

(INR)

UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)					UNAUDITED FINANCIAL RESULTS (STANDALONE)				
Statement of consolidated unaudited results for the quarter ended June 30, 2015					Statement of standalone unaudited results for the quarter ended June 30, 2015				
Particulars	Quarter ended June 30, 2015	Quarter ended March 31, 2015	Quarter ended June 30, 2014	Year ended March 31, 2015	Particulars	Quarter ended June 30, 2015	Quarter ended March 31, 2015	Quarter ended June 30, 2014	Year ended March 31, 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations	22,603.2	25,048.7	20,439.0	88,915.4	1 Income from operations	14,437.6	19,015.3	12,587.0	58,144.9
a. Net sales/income from operations	22,603.2	25,048.7	20,439.0	88,915.4	a. Net sales/income from operations	14,437.6	19,015.3	12,587.0	58,144.9
b. Other operating income	206.2	551.8	463.2	1,677.3	b. Other operating income	385.2	1,432.8	229.8	1,770.6
Total income from operations	22,809.4	25,600.5	20,902.2	90,592.9	Total income from operations	14,822.8	20,448.1	12,816.8	59,915.5
2 Expenses	1.7	0.7	2.5	9.7	2 Expenses	1.7	2.0	19.8	25.9
a. Cost of materials consumed	-	-	-	-	a. Cost of materials consumed	168.7	2,022.7	58.2	2,948.2
b. Purchases of stock-in-trade	-	141.8	5.5	161.0	b. Purchases of stock-in-trade	-	-	-	-
c. Changes in inventories of stock-in-trade	13,569.9	15,698.1	12,554.5	51,082.2	c. Changes in inventories of stock-in-trade	9,139.3	10,017.5	8,010.0	33,270.3
d. Pay channel and related costs	1,332.5	1,567.0	1,109.9	5,179.0	d. Pay channel and related costs	997.9	1,010.6	814.2	3,650.6
e. Employee benefits expense	3,584.6	3,389.0	2,898.1	13,278.6	e. Employee benefits expense	2,013.3	1,794.4	1,908.8	7,433.8
f. Depreciation and amortisation expense	4,332.4	7,252.7	3,805.2	20,424.7	f. Depreciation and amortisation expense	3,335.7	3,847.9	2,662.0	13,799.8
g. Other expenses	22,821.1	28,049.3	29,375.7	90,135.2	g. Other expenses	15,656.6	18,695.1	13,473.0	61,128.6
Total expenses	22,821.1	28,049.3	29,375.7	90,135.2	Total expenses	(833.8)	1,753.0	(656.2)	(12,131.1)
3. (Loss)/profit from operations before other income, finance costs, prior period items and exceptional items (1-2)	(11.7)	(2,448.8)	526.4	457.7	3. (Loss)/profit from operations before other income, finance costs, prior period items (1-2)	(833.8)	1,753.0	(656.2)	(12,131.1)
4. Other Income	237.5	2,271.0	201.8	3,106.9	4. Other income	700.5	671.7	197.9	1,416.1
5. (Loss)/profit before finance costs and prior period item (3+4)	225.8	(177.8)	728.2	3,564.6	5. (Loss)/profit before finance costs and prior period item (3+4)	(133.3)	2,424.7	(458.3)	203.0
6. Finance cost	3,300.0	3,105.3	3,037.3	12,088.3	6. Finance cost	3,332.3	3,080.0	3,016.3	11,978.7
7. Loss after finance cost but before exceptional items (5-6)	(3,164.2)	(3,283.1)	(2,309.1)	(8,523.7)	7. Loss after finance cost but before prior period item and tax (5-6)	(3,465.6)	(655.3)	(3,474.6)	(11,775.7)
8. Exceptional items	-	(2.1)	-	(1.9)	8. Prior period items	217.6	305.9	(3,474.6)	(11,775.7)
9. Loss before tax (7-8)	(3,164.2)	(3,281.0)	(2,309.1)	(8,521.9)	9. Loss before tax (7-8)	(3,683.2)	(961.2)	(3,474.6)	(11,775.7)
10. Tax expense	52.7	1,250.0	702.5	1,665.6	10. Tax expense	(3,683.2)	(961.2)	(3,474.6)	(11,775.7)
11. Loss after tax (9-10)	(3,216.9)	(4,531.0)	(3,011.6)	(10,188.5)	11. Loss after tax (9-10)	(3,683.2)	(961.2)	(3,474.6)	(11,775.7)
12. Prior period item (net)	217.6	-	-	-	12. Paid-up equity share capital (Face value: 1/- per share)	6,776.3	6,776.3	6,142.1	6,776.3
13. Loss after tax and prior period item (11-12)	(3,434.5)	(4,531.0)	(3,011.6)	(10,188.5)	13. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	(0.5)	(0.2)	(0.6)	(1.9)
14. Minority Interest	276.1	(1,118.4)	155.8	721.4	a) Basic	(0.5)	(0.2)	(0.6)	(1.9)
15. Loss after tax and minority interest (13-14)	(3,158.4)	(3,412.6)	(3,167.4)	(10,909.9)	b) Diluted	(0.5)	(0.2)	(0.6)	(1.9)
16. Paid-up equity share capital (Face value: 1/- per share)	6,776.3	6,776.3	6,142.1	11,511.6					
17. Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-					
18. Earnings per share (of: 1/-) (not annualized)	(0.5)	(0.5)	(0.5)	(1.8)					
a) Basic	(0.5)	(0.5)	(0.5)	(1.8)					
b) Diluted	(0.5)	(0.5)	(0.5)	(1.8)					

- 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 ended June 30, 2015 have been reviewed by the Audit Committee and were approved by the Board of Directors in their meeting held on August 13, 2015.
- The Statutory Auditors have carried out a "limited review" of the Standalone financial results for the quarter ended June 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 ₹ 19,639.0 lacs given to two subsidiaries (including a wholly owned subsidiary) for acquisition of Multi-System Operators (MSOs) direct points, technological up gradation etc. in near future, are considered good and recoverable, as Company has received indemnity against the aforementioned balances from majority stake holders of the Company.
- The Audit Committee and the Board of Directors noted the utilisation of the proceeds of qualified institutional placement (QIP) for the quarter ended June 30, 2015 which is in line with utilisation schedule as approved by the Board of Directors. The unutilised amount as on June 30, 2015 is ₹ 12,500 lacs.
- In view of the mandatory digital addressable system (DAS) regulation announced by the Government of India, digitisation of cable networks has been implemented in Phase 1 and Phase 2 cities effective November 1, 2012 and April 1, 2013 respectively. Owing to 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 sharing contracts entered into with the local cable operators (LCOs). Accordingly, the Company has invoiced and recognised subscription revenue on the basis of certain estimates under the new DAS regime amounting to ₹ 2,290.5 lacs (standalone ₹ 1,926.0 lacs) and ₹ 1,054.5 lacs (standalone ₹ 850.2 lacs) for the quarter ended June 30, 2015 and June 30, 2014 respectively and ₹ 2,240.0 lacs (standalone ₹ 1,834.0 lacs) and ₹ 6,662.0 lacs (standalone ₹ 5,290.0 lacs) quarter and year ended March 31, 2015, based on certain estimates 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.
- The Audit Committee and Board of Directors noted the utilisation of the proceeds of Rights Issue for quarter ended June 30, 2015 as on in line with utilisation schedule approved by the Board of Directors. The unutilised amount from the proceeds of Rights Issue as on June 30, 2015 is ₹ 759.0 lacs.
- The Company continued to incur cash losses on standalone basis, during the quarter ended June 30, 2015 but in view of the present positive net worth, expected 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.
- Prior period item relate to license fee of ₹ 217.6 lacs pertaining to financial year 2014-2015 and recorded in the quarter ended June 30, 2015. Further, in the quarter ended March 31, 2015, activation income had been reversed amounting to ₹ 305.9 lacs which was booked in earlier period.
- As approved by the Shareholders, on the basis of recommendation of Nomination and Remuneration Committee, the remuneration paid to CEO of the Company is the same, after his appointment as Executive Director, for which necessary application for approval has been submitted to Central Government. The approval of the same is awaited.
- Figures for the quarter ended March 31, 2015 are the balancing figures between audited figures in respect of financial year 2014-2015 and the published year to date figures upto the third quarter of the financial year 2014-2015. Also, the figures of standalone financial results upto the end of the third quarter were only reviewed and not subject to audit.
- Previous period year's amounts have been regrouped and rearranged, wherever necessary.

Part - II				
Select information for the quarter ended June 30, 2015				
A. Particulars of shareholding				
1 Public shareholding				
- Number of shares (in lacs)	2,303.9	2,303.9	1,669.7	2,303.9
- Percentage of shareholding	34.0	34.0	27.2	34.0
2 Promoters and Promoter group shareholding				
a) Pledged/Encumbered	1,659.7	1,676.9	1,971.8	1,676.9
-Number of shares (in lacs)	37.1	37.5	44.1	37.5
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	24.5	24.7	32.1	24.7
-Percentage of shares (as a % of the total share capital of the Company)	28.12	27.95	2,500.7	2,795.5
(b) Non - encumbered	62.9	62.5	55.9	62.5
- Number of shares (in lacs)	62.9	62.5	55.9	62.5
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	41.5	41.3	40.7	41.3
- Percentage of Shares (as a % of the total share capital of the Company)				

Particulars		3 months ended June 30, 2015	
B Investor Complaints			
Pending at the beginning of the quarter	-	-	-
Received during the quarter	-	-	-
Disposed off during the quarter	-	-	-
Remaining unresolved at the end of the quarter	-	-	-

For SITI Cable Network Limited
V D Wadwa
Executive Director and CEO

Anil Jain

Place : New Delhi
Date : August 13, 2015

Walker Chandiook & Co LLP

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Review Report

To the Board of Directors of SITI Cable Network Limited

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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 June 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: 13 August 2015

SITI Cable Network Limited

Consolidated Financial Results Q1 FY16

Investor Release

August 13, 2015

New Delhi, India; 13th August 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 first quarter ended June 30, 2015.

Performance Highlights

- EBITDA at INR 38 Crores; up 19% QoQ & 5% YoY
- Revenue at INR 230 Crores; up 9% YoY
- Broadband Income at INR 9 Crores ; up 63% YoY
- Added 0.2 mn Video subscribers
- Added 4,400 Broadband subscribers

Income Statement

(INR Million)

	Quarter Ended		
	Q1 FY 2016	Q4 FY 2015	Q1 FY 2015
Net Operating Revenues	2281	2,560	2,090
Other Income	24	227	20
Total Revenue	2,305	2,787	2,110
Total Expenditure	1,924	2,466	1,748
EBITDA	381	321	363
Finance cost	339	311	304
Depreciation	358	339	290
Exceptional Items	-	-	-
PBT	(316)	(328)	(231)
Tax	5	125	70
PAT	(322)	(453)	(301)

Revenue Streams (INR Million)	Quarter Ended		
	Q1 FY 2016	Q4 FY 2015	Q1 FY 2015
Subscription	1290	1,424	1,182
Carriage	729	735	617
Activation	109	211	146
Broadband	90	79	55

Operational Metrics	Quarter Ended	
	Q1 FY 2016	Q4 FY 2015
Cable Universe (Mn)	10.7	10.5
Digital Subscribers (Mn)	5.58	5.38
Digital Subscribers added (Mn)	0.2	0.53
Broadband Subscribers	74,500	70,100

Operational Highlights

- **Subscription Revenue** – effective realisation per subscriber remained flat during the period.
- **New Geography Expansion** – Expanded its footprint by entering into 12 new towns across India as a part of the ongoing voluntary digitization process in order to be compliant with DAS Phase 3 Digitization deadline.
- **Building Synergies to provide quality content at affordable prices** - SITI Cable and Dish TV formed a common entity named “COMNET” to help synergize strengths of both entities in dealing with broadcasters. The primary reason for forming this venture is to ensure that consumers have access to quality content at affordable prices. This move would assist in keeping content cost in consonance with consumer ARPUs and market realities

While commenting on the results Mr. V D Wadhwa, Executive Director & CEO, SITI Cable mentioned that “Our commitment to improving operational efficiency and streamlining operations continues, leading to EBITDA growth of 18.7% and Margin expansion by 501 bps QoQ.

We managed to grow our Broadband revenues by 13.4% QoQ and are on track to expand our Broadband operations in new cities. Delays in content availability held back STB Seeding, however we are well poised to expand aggressively this quarter.

During the quarter we have further tightened our credit control measures and started taking strict actions against defaulting operators which shall result into improved credit discipline and saving in operating cost.”

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 15 digital head ends and a network of more than 14,600 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 10.5 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.

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