

SITI Cable Network Limited
GYS Global, Tower A, 4th Floor, Sector - 125
Noida, Uttar Pradesh - 201301, India
Tel. : +91-0120-4526700
Website : www.siticable.com



January 21, 2016

To,

BSE Limited
P.J. Tower, Dalal Street,
Mumbai - 400001.

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400051.

Kind Attn: Manager – Corporate Relationship

Subject : Outcome of the Board Meeting

Dear Sir,


This is to inform you that the Board of Directors of the Company at its meeting held today i.e. January 21, 2016 has *inter alia*, -

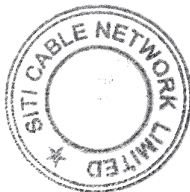
- (i) approved the Unaudited Financial Results of the Company both on Standalone and Consolidated basis, for the third quarter of the financial year 2015-16 and nine months period ended on December 31, 2015, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Regulations”).
- (ii) approved the formation of a new company in joint venture with Dish TV India Limited, wherein the Company will subscribe memorandum of such new company for 4800 equity shares of Rs.10/- each aggregating to Rs.48,000/-. This information shall be deemed as disclosure pursuant to Regulation 30 of SEBI Regulations.

We are enclosing herewith a copy of Unaudited Financial Results of the Company for the third quarter of the financial year 2015-16 and nine months period ended on December 31, 2015, in the format specified under Regulation 33 of SEBI Regulations, together with the Earning release and Limited Review Report of the Statutory Auditors of the Company on Standalone financial results, for your information and record please.

Thanking you,
Yours sincerely,

For, SITI Cable Network Limited


Suresh Kumar
Company Secretary
M.No. ACS 14390



Encl : As stated
 

Regd. Off. : 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018, India.
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SITI CABLE NETWORK LIMITED

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

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UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)

UNAUDITED FINANCIAL RESULTS (STANDALONE)

Table with 12 columns: Particulars, Quarter ended December 31, 2015, Quarter ended September 30, 2015, Quarter ended December 31, 2014, Nine months ended December 31, 2015, Nine months ended December 31, 2014, Year ended March 31, 2015. Rows include Income from operations, Net sales, Other operating income, Expenses (materials, carriage, employee benefits, depreciation), Profit before tax, Profit after tax, and Minority interest.

Notes: 1. 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). 2. The above unaudited financial results for the quarter and nine months ended December 31, 2015 have been reviewed by the Audit Committee and were approved by the Board of Directors in their meetings held on January 21, 2016. 3. The Statutory Auditors have carried out a limited review of the Standalone financial results for the quarter and nine months ended December 31, 2015 and have issued a qualified opinion on the same. 4. The Standalone financial results for the quarter and nine months ended December 31, 2015 are based on the consolidated financial statements of the Company and its wholly owned subsidiaries. 5. The outstanding business advances amounting to ₹ 7,332 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. 6. In view of the mandatory digital addressable system (DAS) regulation announced by the Government of India, digitalisation of cable networks has been implemented in Phase 1 and Phase 2 cities effective November 1, 2012 and April 1, 2013 respectively. Owing to the initial delays in implementation of DAS in Phase 1 and Phase 2 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 reviewed and reorganised subscription revenue on the basis of certain estimates under the new DAS regime amounting to ₹ 2,494 lacs (standalone ₹ 1,149 lacs) and ₹ 7,117 lacs (standalone ₹ 6,558 lacs) for the quarter and nine months ended December 31, 2015 respectively. ₹ 1,929 lacs (standalone ₹ 1,688 lacs) and ₹ 4,514 lacs (standalone ₹ 3,374 lacs) for the quarter and nine months ended December 31, 2015 respectively are shown as 'Other income' and 'Other operating income' respectively and ₹ 2,494 lacs amounting to ₹ 2,494 lacs (standalone ₹ 1,149 lacs) and ₹ 7,117 lacs (standalone ₹ 6,558 lacs) for the quarter and nine months ended December 31, 2015 is in line with utilisation schedule approved by the Board of Directors. Out of the total proceeds of ₹ 44,883 lacs, the unutilised amount from the proceeds of Rights Issue as on December 31, 2015 is ₹ 759 lacs. The Audit Committee has approved the utilisation of the proceeds of Rights Issue for the quarter and nine months ended December 31, 2015 in view of the present positive net worth, expected substantial subscription revenue growth and continued financial support from certain stake holders of the Company, the financial results continue to be prepared on a going concern basis. 7. The Company continued to incur losses on stand-alone basis, during nine months ended December 31, 2015 but in view of the present positive net worth, expected substantial subscription revenue growth and continued financial support from certain stake holders of the Company, the financial results continue to be prepared on a going concern basis. 8. The Audit Committee and the Board of Directors noted the utilisation of the proceeds of qualified institutional placement (QIP) for the nine months ended December 31, 2015 which is in line with utilisation schedule as approved by the Board of Directors. Out of the total proceeds of ₹ 22,111 lacs, the unutilised amount from the proceeds of QIP as on December 31, 2015 is ₹ Nil. 9. Prior period item relate to license fee of ₹ 217.6 lacs pertaining to financial year 2014-2015 and recorded in the nine months ended December 31, 2014. Prior period item relates to certain intangible assets earlier expensed off amounting to ₹ 421 lacs and related depreciation amounting to ₹ 177.7 lacs. 10. As approved by the Shareholders, on the basis of recommendation of Nomination and Remuneration Committee, the remuneration paid to CEO and Executive Director exceeds the prescribed limits under the Companies Act, 2013, for which necessary representation for reconsidering the application has been submitted before Central Government. 11. As per period item relate to license fee of ₹ 217.6 lacs pertaining to financial year 2014-2015 and recorded in the nine months ended December 31, 2014. Prior period item relates to certain intangible assets earlier expensed off amounting to ₹ 421 lacs and related depreciation amounting to ₹ 177.7 lacs. 12. Previous periods year's amounts have been regrouped and rearranged, wherever necessary.

Date: January 21, 2016

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

Abhil Jain

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
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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 31 December 2015 and the year to date results for the period 1 April 2015 to 31 December 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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: 21 January 2016

SITI Cable Network Limited

Consolidated Financial Results Q3 FY16

Investor Release

January 21, 2016

New Delhi, India; 21st January, 2016: 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 Third Quarter ended December 31, 2015.

Performance Highlights

Q3 FY16

- PBT at INR56 Crores (PAT at INR560 Mn)
- EBITDA at INR130 Crores; up 152% QoQ & 159% YoY
- Revenue at INR375 Crores; up 54% QoQ & 68% YoY
- Subscription Income at INR 146 Crores ; up 5% QoQ & 7% YoY
- Broadband Income at INR14 Crores ; up 50% QoQ & 99% YoY
- Added 1.1 mn Video subscribers
- Added 15,550 Broadband subscribers

9MFY16

- PBT at INR5 Crores (PAT at INR9 Mn)
- EBITDA at INR220 Crores; up 61% YoY
- Revenue at INR848 Crores; up 29% YoY
- Subscription Income at INR413 Crores ; up 6% YoY
- Broadband Income at INR32 Crores ; up 72% YoY

Income Statement	(INR Million)		
	Quarter Ended		
	Q3 FY 2016	Q2 FY 2016	Q3 FY 2015
Net Operating Revenues	3,699	2,342	2,216
Other Income	48	87	18
Total Revenue	3,748	2,429	2,234
Total Expenditure	2,449	1,914	1,734
EBITDA	1,299	515	501
Finance cost	346	343	299
Depreciation	391	367	387
Exceptional Items	-	-	-
PBT	562	(194)	(185)
Tax	2	35	(26)
PAT	560	(229)	(160)

Income Statement	(INR Million)	
	9MFY16	9MFY15
Net Operating Revenues	8,323	6,499
Other Income	159	84
Total Revenue	8,482	6,583
Total Expenditure	6,286	5,220
EBITDA	2,196	1,363
Finance cost	1,027	898
Depreciation	1,117	989
Exceptional Items	-	-
PBT	51	(524)
Tax	42	42
PAT	9	(566)

Revenue Streams (INR Million)	Quarter Ended		
	Q3 FY 2016	Q2 FY 2016	Q3 FY 2015
Subscription	1458	1,385	1,357
Carriage	605	603	551
Activation	1050	194	136
Broadband	139	93	70

Operational Metrics	Quarter Ended	
	Q3 FY 2016	Q2 FY 2016
Cable Universe (Mn)	12.2	10.7
Digital Subscribers (Mn)	6.8	5.8
Digital Subscribers added (Mn)	1.1	0.33
HD Subscribers	35,372	25,000
Broadband Home Passess (Lakhs)	6.7	5.9
Broadband Subscribers	1,07,000	91,450

Operational Highlights

• Financial

- SITI Cable reports Profit before tax of INR56 Crores (PAT at INR560 Mn) & INR5 Crores (PAT at INR9 Mn) in the period of Q3FY16 & 9MFY16 respectively
- Further Fund infusion by Promoter Group Entities
 - Convertible Warrants of value not more than INR500 Crores
 - Optionally Fully Convertible Debentures (OFCDs) of value not more than INR180 Crores
- Consolidated Gross Debt at INR1,208 Crores & Net Debt at INR1,093 Crores

- **Cable**

- **Market Expansion:** Siti Cable further expanded its footprint by entering into 100+ new markets in Andhra Pradesh, Telangana, West Bengal, Maharashtra, Karnataka, Madhya Pradesh, Bihar, Jharkhand, Chhattisgarh, Rajasthan, Uttrakhand, Uttar Pradesh & Haryana.
- With this expansion, the presence of SITI Cable has reached more than 250 cities across the country
- Siti Cable adopted the inorganic growth route and acquired majority stakes/ entered into strategic partnerships with regional MSO's in Maharashtra, Gujarat and Odisha for Ph 3/4 expansion
- Organized extensive on ground education program for operators in DAS Phase 3 cities. Objective of this program was to inform and educate LCO's about the benefits of Digitization and give the much required push to STB seeding
- In cognizance of the growing customer demand for HD channels, Siti Cable has further strengthened its HD bouquet by adding 15 more HD channels and now offers *over 45 HD channels*
- **Digital outreach for consumers:** Siti Cable customers can now connect with the Company on various social media platforms like Facebook, Twitter and Instagram

- **Broadband**

- Launched the Fast Forward campaign for broadband services in Delhi, offering higher speeds and data limits. New experience tariffs were rolled out to offer great value to our customers

While commenting on the results Mr. V D Wadhwa, Executive Director & CEO, SITI Cable mentioned that

“Focussing on our guiding principle of creating value for all stakeholders, the Company has achieved the financial turnaround for the first time in the history of the Company and reported PBT of INR 56 Crores in Q3FY16 and INR 5.1 Crores for the 9 Months of FY16.

At SITI Cable, our efforts to strive for operational excellence continue and during the quarter the company has added 1.1 million digital subscribers, over 10,000 broadband customers and achieved all-time high EBITDA growth of 159% YoY. We expect this momentum to sustain in the coming quarters.

We are also aggressively looking for inorganic growth opportunities in the geographies, which make strategic sense for us to expand and have acquired some networks in the western part of the country which shall add additional 1.5 million subscribers to our existing subscriber base of 10.7 million. We strongly believe in cohesiveness among like-minded players and are actively engaged in our efforts as a consolidator in the industry”.

About SITI Cable Network Limited

SITI Cable Network Limited 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 40 analogue and 18 digital head ends and a network of more than 16,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~250 cities and the adjoining areas, reaching out to over 12.2 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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