

SITI Cable Network Limited

GYS Global, Tower A, 4th Floor, Sector - 125
Noida, Uttar Pradesh - 201 301, India
Tel. : +91 0120-4526700
Website : www.siticable.com

Name Changed to
"Siti Networks Limited"
w.e.f. August 5, 2016



September 6, 2016

National Stock Exchanges of India Limited
BSE Limited

Subject : Outcome of the Board Meeting – September 6, 2016

Dear Sir,

Pursuant to applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulation, 2015], including Regulation 30, this is to inform you that the Board of Directors of the Company at their meeting held today, i.e. September 6, 2016 (which commenced at 4:00 p.m. and concluded at 6:15 p.m.) has *inter alia* approved the Un-Audited Financial Results of the Company, both on standalone and consolidated operations, for the 1st quarter ended on June 30, 2016 of the financial year 2016-17.

The Un-Audited Financial Results for the 1st quarter ended on June 30, 2016 of the financial year 2016-17 in the format specified under Regulations 33 of SEBI (LODR) Regulations, 2015, together with Earning Release and Limited Review Report on standalone Financials issued by the Statutory Auditors of the Company are attached herewith for your information and record.

You are therefore, requested to take the above in your record.

Thanking you,

Yours faithfully,

For Siti Networks Limited

(Formerly known as Siti Cable Network Limited)

A handwritten signature in black ink, appearing to read "Suresh Kumar".

Suresh Kumar

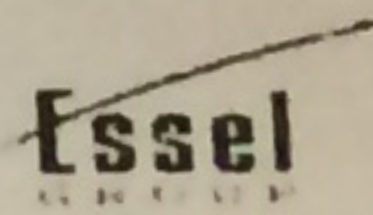
Company Secretary and Compliance Officer
Membership No. A 14390





SITI NETWORKS LIMITED (Formerly SITI Cable Network Limited)

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



UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)			UNAUDITED FINANCIAL RESULTS (STANDALONE)		
Part - I			Part - I		
Statement of Consolidated Unaudited Results for the quarter ended June 30, 2016			Statement of Standalone Unaudited Results for the quarter ended June 30, 2016		
Particulars	Quarter ended June 30, 2016	Quarter ended June 30, 2015	Particulars	Quarter ended June 30, 2016	Quarter ended June 30, 2015
	(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)
1 Income from operations			1 Income from operations		
a. Net sales/income from operations	27,896.4	22,765.4	a. Net sales/income from operations	17,004.5	14,578.6
b. Other operating income	300.3	206.2	b. Other operating income	1,410.0	385.2
Total income from operations	28,196.7	22,971.6	Total income from operations	18,414.5	14,963.8
2 Expenses			2 Expenses		
a. Cost of materials consumed	3.1	1.7	a. Cost of materials consumed	3.1	1.7
b. Purchases of stock-in-trade	750.1	-	b. Purchase of stock-in-trade	1,941.5	168.7
c. Carriage sharing, pay channel and related costs	14,843.6	13,569.9	c. Carriage sharing, pay channel and related costs	10,352.0	9,139.3
d. Employee benefits expense	1,912.2	1,333.3	d. Employee benefits expense	1,474.6	998.7
e. Depreciation and amortization expense	5,473.1	3,584.6	e. Depreciation and amortisation expense	3,259.9	2,013.3
f. Other expenses	6,438.3	4,626.5	f. Other expenses	3,713.6	3,565.9
Total expenses	29,420.4	23,116.0	Total expenses	20,744.7	15,887.6
3. Loss from operations before other income, finance costs and exceptional items (1-2)	(1,223.7)	(144.4)	3. Loss from operations before other income and finance costs (1-2)	(2,330.2)	(923.8)
4. Other Income	491.5	244.0	4. Other income	411.7	837.6
5. (Loss)/profit before finance costs and exceptional items(3+4)	(732.2)	99.6	5. Loss before finance costs (3+4)	(1,918.5)	(86.2)
6. Finance cost	2,967.1	3,439.1	6. Finance costs	2,895.9	3,381.3
7. Loss after finance cost but before exceptional items (5-6)	(3,699.3)	(3,339.5)	7. Loss after finance costs (5-6)	(4,814.4)	(3,467.5)
8. Exceptional Items	-	-	8. Tax expense	-	-
9. Loss before tax (7-8)	(3,699.3)	(3,339.5)	9. Net loss after tax (7-8)	(4,814.4)	(3,467.5)
10. Tax expense	654.1	52.7	10. Other comprehensive income	0.8	0.8
11. Loss after tax (9-10)	(4,353.4)	(3,392.2)	11. Total comprehensive income (9+10)	(4,813.6)	(3,466.7)
12. Minority Interest	1,008.6	276.1	12. Paid-up equity share capital (Face value ₹1/- per share)	7,941.5	6,776.3
13 Loss after tax and minority interest (11-12)	(5,362.0)	(3,668.3)			
14. Other Comprehensive income	0.8	0.8			
15 Total comprehensive income (13+14)	(5,361.2)	(3,667.5)			
16. Paid-up equity share capital (Face value ₹1/- per share)	7,941.5	6,776.3			
			13. Earnings per share (of ₹ 1/-) (not annualised)		
17. Earnings per share (of ₹ 1/-) (not annualized)			a) Basic	(0.6)	(0.5)
a) Basic	(0.7)	(0.5)	b) Diluted	(0.6)	(0.5)
b) Diluted	(0.7)	(0.5)			

Anil Jain

Notes:-

- 1 SITI Networks Limited (formerly SITI Cable Network Limited) (the "Company") predominantly operates in a single business segment of cable distribution in India only. Hence there are no separately reportable business or geographical segments as per Indian Accounting Standard 108 on Operating Segments.
- 2 The above unaudited financial results for the quarter ended June 30, 2016 have been reviewed by the Audit Committee and were approved by the Board of Directors in their meeting held on September 06, 2016.
- 3 This statement of unaudited financial results for the quarter ended June 30, 2016 is in compliance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013 read with SEBI Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated July 05, 2016 and other recognised accounting practices and policies. Consequently, results for the quarter ended June 30, 2015 have been restated to comply with Ind AS to make them comparable.
- 4 The Statutory Auditors have carried out limited review of the unaudited standalone financial results for the quarter ended June 30, 2016. The Ind AS compliant financial results, pertaining to the corresponding quarter ended June 30, 2015, have not been subjected to limited review or audit by the statutory auditors, however, the management has exercised necessary due diligence to ensure that these financial results provide a true and fair view of its affairs.
- 5 The digitisation of cable networks has been implemented in Phase 1, 2 and 3 cities starting from November 1, 2012 onwards and Phase 4 cities are expected to be digitised by January 1, 2017. Owing to the initial delays in implementation of DAS, all the Multi-System Operators (MSOs) are in transition from analogue regime to DAS and are in the process of implementation of revenue sharing contracts with the local cable operators (LCOs). Accordingly, the Company has invoiced LCOs and recognised subscription revenue amounting to ₹ 9,563 lacs (Standalone ₹ 5,510 lacs) for the quarter ended June 30, 2016 and ₹ 2,247 lacs (standalone ₹ 2,082 lacs) for the quarter ended June 30, 2015, based on certain estimates (net basis) derived from market trends and ongoing discussion with the LCOs. Management is of the view that the execution/implementation of such contracts will not have a significant impact on the subscription revenue recognised.
- 6 The Audit Committee and Board of Directors noted the utilisation of the proceeds of preferential allotment of Warrants and Optionally Fully Convertible Debentures for quarter ended June 30, 2016, which is in line with utilisation schedule approved by the Board of Directors. Out of the total proceeds of ₹ 53,000 lacs, the unutilised amount from the proceeds of preferential allotment as on June 30, 2016 is Nil lacs.
- 7 The Company continued to incur losses on consolidated basis, during the quarter ended June 30, 2016 but in view of the present positive net worth and expected substantial subscription revenue growth, the unaudited financial results continue to be prepared on a going concern basis.
- 8 As approved by the Shareholders, the remuneration paid to ED and CEO of the Company exceeds the prescribed limits under the Companies Act, 2013, for which necessary representation for reconsidering the proposal has been submitted before Central Government and approval is awaited for the same.
- 9 During the quarter ended June 30, 2016, the Company has acquired 48% equity share capital in C&S Medianet Private Limited.
- 10 Reconciliation of net loss after tax for the quarter ended June 30, 2015 as reported under previous Indian GAAP vis a vis Ind AS is as below:-

	₹ in lacs	
	Consolidated	Standalone
Net loss after tax as reported under previous Indian GAAP	3,434.5	3,683.2
Adjustments :		
Effect of recognising interest expense on long term borrowings as per effective interest method	51.5	(79.1)
Effect of actuarial gain on defined benefit plan taken to other comprehensive income	0.8	0.8
Measurement of financial asset at fair value through profit and loss account	(2.4)	(2.4)
Effect of provision for expected credit loss	287.5	223.7
Effect of recognition of activation and set top boxes pairing charges	(162.1)	(141.1)
Effect of prior period expenses	(217.6)	(217.6)
Net loss after tax as reported under Ind AS	3,392.2	3,467.5
Other comprehensive income after tax	(0.8)	(0.8)
Total comprehensive income after tax	3,391.4	3,466.7
Profit for the period under Ind AS attributable to		
Equity holders of the Company	3,667.5	
Minority Interest	(276.1)	

- 11 Previous period's amounts have been regrouped and rearranged, wherever necessary.

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

V D Wadhwa

Executive Director and CEO

Place : New Delhi

Date : September 06, 2016

Anil Jain

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(Formerly Walker, Chandiook & Co)
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Review Report on Quarterly Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of SITI Networks Limited (Formerly SITI Cable Network Limited)

1. We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of SITI Networks Limited (Formerly SITI Cable Network Limited) ("the Company") for the quarter ended 30 June 2016. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2015, including the reconciliation of net loss under Ind AS of the corresponding quarter with net loss reported under previous GAAP, as included in the Statement have not been subject to limited review or audit. 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 Engagement (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 (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013 read with SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 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

Sumit Mahajan
per **Sumit Mahajan**

Partner

Membership No. 504822

Place: New Delhi

Date: 06 September 2016



SITI Networks Limited

Consolidated Financial Results Q1 FY17

Investor Release

6th September, 2016

New Delhi, India; 6th Sep., 2016: The Board of Directors of SITI Networks Limited (SITINET) (BSE: 532795, NSE: SITINET) in its meeting held today, has taken on record the Unaudited Consolidated Financial Results of the company for the First Quarter ended June 30, 2016.

Q1 FY17 Highlights

- EBITDA at INR47 Crores; up 29% YoY
- Revenue at INR287 Crores; up 24% YoY
- Subscription Income at INR139 Crores ; up 8% YoY
- Broadband Income at INR20 Crores ; up 118% YoY
- Customer acquisition at 4 lakhs with a Total Digital Subscriber Base of 8.3 Mn; *Largest presence in the country at ~387 cities*
- Added ~34,500 Broadband subscribers; Total Broadband Subscriber Base at 1.67 Lakh

Income Statement	(INR Million)	
	Quarter Ended	
	Q1 FY 2017	Q1 FY 2016
Revenues	2,821	2,297
Other Income	48	24
Total Revenue	2,869	2,321
Total Expenditure	2,395	1,953
EBITDA	474	368
Finance cost	297	344
Depreciation	547	358
PBT	(370)	(335)
Tax	65	5
PAT	(435)	(340)

Revenue Streams (INR Million)	Quarter Ended	
	Q1 FY 2017	Q1 FY 2016
Subscription	1393	1290
Carriage	720	729
Activation	366	125
Broadband	195	90

Operational Metrics	Quarter Ended	
	Q1 FY 2017	Q4 FY 2016
Cable Universe (Mn)	12.2	12.2
Digital Subscribers (Mn)	8.3	7.9
Digital Subscribers added (Mn)	0.4	1.1
HD Subscribers	65,140	50,170
Broadband Home Passess (Lakhs)	11.9	8.9
Broadband Subscribers	1,67,000	1,32,500

Operational Highlights

- **Video**
 - SITI Networks is making good progress in signing of Standard Interconnect Agreement (SIA)/ Model Interconnect Agreement (MIA) with LCOS; Shifted to Net Billing in Kokata from April 2016 onwards, as per provisions of MIA
 - Rolled out new packages in the cities of Delhi, Mumbai, Bangalore and others. The new packages, namely Basic, Royal & Magnum as well as add-on, regional packs & a-la-carte options will provide customers with a more bespoke entertainment experience
 - Launched a new proprietary Multi Genre channel in MP & Chattisgarh and looking to roll out more local channels subsequently
 - We forayed into the domain of OTT services by collaborating with Zee Digital Convergence Limited and launched OTT platform “Ditto TV” for SITI Networks subscribers. Ditto TV services have been bundled with SITI Broadband packages along with being offered on a standalone basis as well to video subscribers
- **Broadband**
 - Established Broadband presence in 4 cities of Haryana namely Hissar, Karnal, Rohtak, and Panipat
 - Introduced new packages in Delhi, with speeds varying from 5 Mbps to 100 Mbps & unlimited data. The response to these plans has been tremendous
- **Awards & Recognitions**
 - SITI Networks’ Executive Director & CEO Mr. VD Wadhwa was the first runner up in the Best CEO Category for Asia Communication Awards 2016, among 10 other Asian CEOs
- **Others**
 - In line with our ideology & vision of being an integrated service provider in a platform neutral environment, the company name has been changed to SITI Networks Limited

- Credit Rating Upgraded: Credit Analysis & Research Limited (CARE) has upgraded the long term rating for SITI Networks to [CARE]A- (Single A Minus). Earlier during the year, credit rating agency ICRA had also upgraded the long-term rating of SITI Networks to [ICRA]A- from [ICRA]BBB+. The outlook on the ratings is 'stable'.
- Consolidated Gross Debt at INR1,126 Crores & Net Debt at INR1,002 Crores

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

“We expanded our reach further by branching out to 387 cities in line with our strategy of select market expansion. We have established our broadband presence in Haryana and expect to significantly expand our subscriber base this year.

Recurring cash flows were sluggish due to delays in Phase 3 monetization on account of legal bottlenecks. However, we expect a time bound resolution by the second half of the year and limited long term impact of this issue. We are well prepared for improved monetization of our subscriber base”

About SITI Networks Limited

SITI Networks Limited (Formerly known as “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 Networks Limited is one of India's largest Multi System Operator (MSO). With 20 analogue and 17 digital head ends and a network of more than 30,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~387 cities and the adjoining areas, reaching out to over 12.2 million viewers.

SITI Networks 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 Networks has been providing services in analogue and digital mode, armed with technical capability to provide features like Video on Demand, Pay per View, Over-The-Top content (OTT), 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 Accounting Standards (Ind-AS).

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 Networks 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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