



SITI Cable Network Limited

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



UNAUDITED FINANCIAL RESULTS (CONSOLIDATED)

UNAUDITED FINANCIAL RESULTS (STANDALONE)

(Rs. In Lacs)

Part-I

(Rs. In Lacs)

Statement of consolidated unaudited financial results for the quarter ended June 30, 2014

Particulars	Quarter ended June 30,	Quarter ended March 31,	Quarter ended June 30,	Year ended March 31,
	2014	2014	2013	2014
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1 Income from operations				
a. Net sales/income from operations	20,439.0	22,955.6	13,774.6	67,577.3
b. Other operating income	463.2	378.4	399.7	2,146.4
Total income from operations	20,902.1	23,334.0	14,174.3	69,723.7
2 Expenses				
a. Cost of materials consumed	2.5	7.6	7.0	234.7
b. Purchases of stock-in-trade	5.5	251.6	226.9	722.1
c. Changes in inventories of stock-in-trade	-	(11.9)	4.4	5.6
d. Carriage sharing, pay channel and related costs	12,554.5	12,415.8	6,180.1	33,395.3
e. Employee benefits expense	1,109.9	987.0	901.9	3,819.3
f. Depreciation and amortisation expense	2,898.1	2,117.0	2,478.5	8,379.0
g. Other expenses	3,805.2	7,539.9	3,090.6	20,263.5
Total expenses	20,375.7	23,307.0	13,789.4	66,819.5
3. Profit from Operations before Other Income, finance costs and exceptional items (1-2)	526.4	27.0	384.9	2,904.2
4. Other income	201.8	650.1	254.6	1,310.4
5. Profit before finance costs and exceptional items (3+4)	728.2	677.1	639.5	4,214.6
6. Finance costs	3,037.3	3,123.7	2,613.5	11,911.3
7. (Loss)/profit after finance cost but before exceptional items (5-6)	(2,309.1)	(2,446.6)	(1,974.0)	(7,696.7)
8. Exceptional Items	-	(3.3)	-	(3.3)
9. (Loss)/profit before tax (7-8)	(2,309.1)	(2,443.3)	(1,974.0)	(7,693.4)
10. Tax expense	702.5	(162.1)	733.0	640.8
11. Loss after tax (9-10)	(3,011.6)	(2,281.2)	(2,707.0)	(8,334.2)
12 Minority Interest	155.8	(194.9)	169.9	1,071.8
13 Loss after tax and minority interest (11-12)	(3,167.4)	(2,086.3)	(2,876.9)	(9,406.0)
14 Paid-up equity share capital (Face value Rs. 1/- per share)	6,142.1	5,207.1	4,522.1	5,207.1
12 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				(15,829.8)
12 Loss per share (of Rs. 1/-) (not annualised)				
a) Basic	(0.5)	(0.5)	(0.6)	(2.07)
b) Diluted	(0.5)	(0.5)	(0.6)	(2.07)

Notes:

- SITI Cable Network Limited (the "Company") operates in single business segment of Cable Distribution in India only. Hence there is 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, 2014 have been reviewed by the Audit Committee and were approved by the Board of Directors in their meeting held on August 12, 2014.
- The Statutory Auditors have carried out a "limited review" of the Standalone financial results for the quarter ended June 30, 2014.
- This statement of financial results has been prepared by applying accounting policies as adopted in the last audited annual financial statements for the year ended March 31, 2014.
- The Company had given business advances to its subsidiaries for acquisition of MSOs/ direct points, technological up gradation etc. to the extent of Rs. 26,094 lacs. The Company firmly believes that these advances would further enhance its operations over near future and in view of the guarantee from the companies who together hold a majority stake in the Company, these advances are considered good and recoverable.
- In view of the mandatory digital addressable system (DAS) regulation announced by the Ministry of Information and Broadcasting, Government of India, digitization of cable networks has been implemented in the cities notified for Phase 1 and Phase 2 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 executing contracts with the subscribers and implementation of revenue sharing contracts entered into with the local cable operators (LCOs). Accordingly, the Company has invoiced and recognized subscription revenue net of sharing of revenue with the LCOs under the new DAS regime amounting to Rs. 13,497.4 lacs (standalone Rs.9,605.34 lacs) for the quarter ended June 30, 2014 respectively 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 for the current period.
- Figures for the quarter ended March 31, 2014 are the balancing figures between audited figures in respect of financial year and the published year to date figures upto the third quarter of the said financial year. Also, the figures of standalone financial results upto the end of the third quarter were only reviewed and not subject to audit.
- During the quarter, the Company has revised the useful lives of its fixed assets to comply with the requirements as mentioned under Schedule II of the Companies Act, 2013. Accordingly, the depreciation expense for the quarter ended June 30, 2014 is higher by Rs. 458.18 lacs (standalone financial Rs. 406.55 lacs). Similarly, in case of fixed assets whose life has been completed as on March 31, 2014, the carrying value (net of residual value) of those assets accounting to Rs. 1,068.84 lacs (amounting of Rs. 167.44 lacs in standalone financial) has been adjusted with the opening balances of retained earnings i.e. deficit in statement of profit and loss.
- The Audit Committee and Board of Directors noted the utilization of the proceeds of Rights Issue for the quarter ended June 30, 2014 which is in line with utilization schedule as approved by the Board of Directors. The unutilised amount as on June 30, 2014 is Rs. 759 lacs.
- The Audit Committee and the Board of Directors noted the utilization of the proceeds of warrants for the quarter ended June 30, 2014 which is in line with utilization schedule as approved by the Board of Directors. The unutilised amount as on June 30, 2014 is Rs. 1,515.4 lacs
- Though the Company has continued to incur cash losses during the current quarter, but in view of the present positive networth, mandatory digitization which will yield substantial subscription revenue and continued financial support from the promoter group, the financial results continue to be prepared on a going concern basis.
- Previous period's figures have been regrouped and rearranged, wherever necessary.

Place : Mumbai
Date : August 12, 2014

Statement of standalone unaudited financial results for the quarter ended June 30, 2014

Particulars	Quarter ended June 30,	Quarter ended March 31,	Quarter ended June 30,	Year ended March 31,
	2014	2014	2013	2014
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1 Income from operations				
a. Net sales/income from operations	12,587.0	15,199.1	11,820.1	48,501.9
b. Other operating income	229.8	1,413.4	274.7	1,987.6
Total income from operations	12,816.8	16,612.5	12,094.8	50,489.5
2 Expenses				
a. Cost of materials consumed	19.8	7.5	7.9	234.6
b. Purchases of stock-in-trade	58.2	952.5	3,190.2	6,655.8
c. Changes in inventories of stock-in-trade	-	-	-	-
d. Carriage sharing, pay channel and related costs	8,010.0	7,094.8	3,961.5	21,333.8
e. Employee benefits expense	814.2	670.0	648.4	2,727.9
f. Depreciation and amortization expense	1,908.8	1,383.4	1,712.6	5,784.9
g. Other expenses	2,662.0	4,869.4	2,937.9	13,353.8
Total expenses	13,473.0	14,977.6	12,458.5	50,090.8
3. (Loss)/profit from operations before other income, finance costs and tax (1-2)	(656.2)	1,634.9	(363.7)	398.7
4. Other income	197.9	512.0	402.0	1,169.7
5. (Loss)/profit before finance costs and tax (3+4)	(458.3)	2,146.9	38.3	1,568.4
6. Finance costs	3,016.3	3,080.0	2,587.0	11,799.2
7. Loss before tax (5-6)	(3,474.6)	(933.1)	(2,548.7)	(10,230.8)
8. Tax expense	-	-	-	-
9. Loss after tax (7-8)	(3,474.6)	(933.1)	(2,548.7)	(10,230.8)
10 Paid-up equity share capital (Face value Rs. 1/- per share)	6,142.1	5,207.1	4,522.1	5,207.1
11 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				(15,875.3)
12 Loss per share (of Rs. 1/-) (not annualised)				
a) Basic	(0.6)	(0.2)	(0.6)	(2.3)
b) Diluted	(0.6)	(0.2)	(0.6)	(2.3)

Part - II

Select information for the quarter ended June 30, 2014

A. Particulars of shareholding				
1 Public shareholding				
- Number of shares (in lacs)	1,669.7	1,669.7	1,669.7	1,669.7
- Percentage of Shareholding	27.2	32.1	36.9	32.1
2. Promoters and Promoter Group Shareholding				
a) Pledged/ Encumbered				
- Number of shares (in lacs)	1,971.8	1,865.8	1,712.8	1,865.8
- Percentage of Shares (as a% of the total shareholding of promoter and promoter group)	44.1	52.7	60.0	52.7
- Percentage of shares (as a% of the total share capital of the Company)	32.1	35.8	37.9	35.8
(b) Non - encumbered				
- Number of shares (in lacs)	2,500.7	1,671.7	1,139.7	1,671.7
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	55.9	47.3	40.0	47.3
- Percentage of Shares (as a % of the total share capital of the Company)	40.7	32.1	25.2	32.1

Particulars	Quarter Ended
B Investors Complaint	June 30, 2014
Pending at the beginning of the quarter	-
Received during the quarter	2
Disposed off during the Quarter	2
Remaining unresolved at the end of the quarter	-

For and on behalf of the Board of Directors
SITI Cable Network Limited

Sd/-

Subodh Kumar
Director