NETWORKS

EK TAAR JODE SANSAAR

ANNUAL REPORT
2020-2021

ONE PLATFORM. MANY SERVICES.

BROADBAND I DIGITAL TV I IoT

What lies ahead...

Pg. 02

I am writing to you at an exceptional point in the Company's journey. FY 2020-21 was a year of extraordinary challenges and exceptional resilience.

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With the Covid pandemic requiring more digitalised services, we extended to our LCOs a host of new offerings. We deployed AI (Artificial Intelligence)-enabled Recommendation Engines to facilitate the distributors to create customer packs. The tool is helping LCOs with cost benefits, backed by enhanced speed and efficacy.

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With the pandemic still a harsh reality, we continue to ensure stringent compliance with all Covid safety protocols, which now include at least partial vaccination for employees to enter office premises.

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Download this report or read online at

sitinetworks.com

One Wire. Many Possibilities.

of Diverse Choices, of Transforming Realities, of New Connects!

At SITI, we have incorporated the multiple and diverse choices of our customers into a single wire, designed to deliver to their transforming expectations.

We have built our business around that single wire, which we are continuously strengthening to respond to the evolving market realities.

Armed with the power of this wire, we, at SITI, are continually raising the bar of our offerings to sustain the momentum of our business performance.

We are leveraging this power to stay resiliently engaged with our growing expanse of customers, amid the unprecedented challenges of the pandemic crisis.

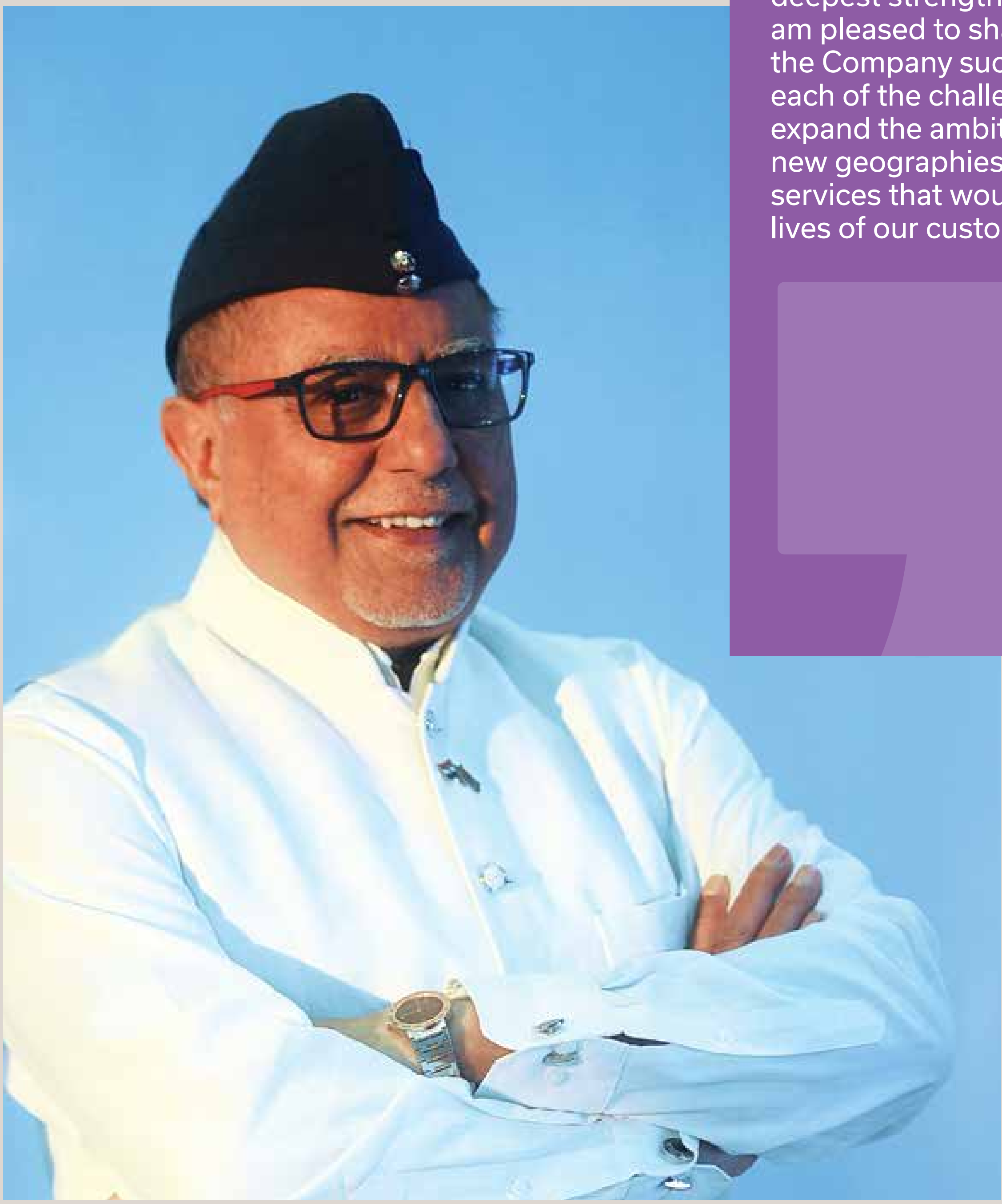
Because, we believe that this single wire is not merely an instrument of delivery but our inalienable bond with our customers. We see in this wire a strong connect for our customers with the rest of the world – a connect that nurtures our value proposition of **'EK TAAR JODE SANSAAR'**, driven by the endless possibilities of one wire!

Chief Patron's Message

Dear Shareholders,

I am writing to you at an exceptional point in the Company's journey.

FY 2020-21 was a year of extraordinary challenges and exceptional resilience. The pandemic crisis tested SITI's deepest strengths and capabilities. I am pleased to share that not only did the Company successfully overcome each of the challenges but went on to expand the ambit of its business into new geographies and innovative IoT services that would add value to the lives of our customers.



Led by strategic investments in upgradation of its technological infrastructure and augmentation of its digital prowess, SITI added new touchpoints of customer engagement to deliver enhanced experience and satisfaction.

The sudden imposition of the nationwide lockdown in March 2020, which saw the cable services being included under essential services, propelled us, at SITI, to move with remarkable alacrity and agility to embrace a whole new way of working. We effectively formed a chain of our own people – engineers and other ground staff – to ensure uninterrupted service for our customers. Our call centre teams also stretched themselves to keep the customers' cable TV and Broadband networks operational at all times, with seamless delivery of content, to keep them safely inside their homes.

I feel a strong sense of pride in the SITI Family, which rose to the difficult occasion to deliver to each and every expectation of its customers, while ensuring strict adherence to all COVID safety protocols. I extend my heartfelt thanks to all of them, with the promise that SITI shall continue to support you at every step of this challenging journey, just as you have assisted us in ensuring business continuity in this difficult environment.

As ensuring seamless on-ground connectivity became a huge challenge amid the lockdown, SITI adopted a differentiated approach to business, choosing growth over slowdown, and expansion against reversion. Led by its keen focus on sustained operational efficiencies and deep-rooted relationships with employees and partners, the Company worked relentlessly to ensure a smooth transition into the new business reality.

Through the peaks and troughs of the crisis that overwhelmed the world during the year, we worked closely with all stakeholders – from the Regulator to the Broadcasters, LCOs, and customers, to deliver on our holistic value proposition. Even as we expanded our Broadband footprint to meet the critical demand of the large 'Work-from-Home' population in new Tier II cities, we continued to invest in updating the systems and processes to facilitate compliance with the New Tariff regime as part of NTO 2.0 guidelines in our Cable TV business.

With accelerated adoption of advanced digital tools and methodologies, we moved expeditiously to harness the market opportunities unleashed by the Government approval for infrastructure sharing in the MSO space. We are also excited to introduce our Next Gen SITI PlayTop Magic Android TV Set Top Box and iOS/Android Apps for our customers, giving them the ease of converting any Television set into a Smart TV.

At the same time, we remain steadfastly focussed on improving operational efficiencies across systems, processes and people, to deepen our ground connect. We shall continue to work closely with our distribution partners for increased sweating of ground assets, going forward. Coupled with our non-negotiable compliance to all regulatory norms and the highest standards of professionalism, we believe this will drive us towards greater customer loyalty and stickiness in the indeterminate environment that still prevails as we move into the next fiscal. Our collective efforts will guide us through the tribulations of these tough times, and I believe we shall emerge stronger from this crisis to serve our customers better and more efficiently.

Best Wishes

Dr. Subhash Chandra

Message from CEO

Dear Shareholders

FY 2020-21 proved to be one of the most difficult years globally, across sectors. The pandemic tested the resilience of organisations worldwide, including MSOs. At SITI, the challenge was aggravated by the need to ensure service continuity even amid the lockdown. It was an extraordinary situation which demanded an exceptional response.

And I am happy to say that we delivered such a response, with our sustained focus on ensuring operating efficiencies and maintaining a strict control over costs. We were quick to reorient our strategic approach to the transforming macro environment through robust business continuity planning and measures.

Sustaining the momentum

Despite the complexities catalysed by the pandemic, we moved aggressively forward during the year, to stay on course with our business transformation across our operational segments. We took proactive steps to ensure that customers across our Broadband and Television segments faced no disruptions and remained connected with the external world, while staying safely at home in these crisis times. With our teams delivering good ground connect on all fronts, we continued to maintain our leadership in the MSO space.

Our sustained focus on enhancing operational efficiencies and exercising strict control over expenses helped us push Operating EBITDA to ₹ 403 million and Operating EBITDA margins to 10.4% in Q4 FY 2020-21. SITI Broadband's base increased 26% y-o-y to 2 lakhs, while its Revenue surged 20% y-o-y at the end of FY 2020-21.

Standing firm at the frontline

A major challenge for the Company in the tough pandemic environment was to ensure that customers remained indoors, while our teams risked their safety outdoors to maintain continuity of services. Amid the lockdown uncertainty, our engineers, staff and partners were at the front-line to ensure that customers did not leave their houses and the pandemic chain was broken.

With the Broadband and Cable TV service providers given exemption by the Government from the stringent lockdown restrictions, we ensured that our people were at the forefront of the nation's efforts to break the chain of the pandemic. Ensuring customer connectivity and service was our topmost priority, and we did not falter in delivering on this count. From our engineers fighting to stay mobile on the ground, to the call centre executives adapting quickly to advanced technological methodologies such as Cloud-based telephony, the resilience and commitment of our people was evident at every step of this challenging journey. 'You stay in, and let us handle things for you from the outside' was the mantra which guided them in delivering to customer needs in these difficult times.

I would like to take this opportunity to thank all these members of the SITI family for their exemplary dedication and commitment, which ensured customer engagement and satisfaction through the year.

Reimagining business for customer delight

As customer needs and aspirations changed fast amid the pandemic crisis, we, at SITI, raised our service bar to ensure enhanced consumer delight. Accelerating the pace of innovation, we scaled new levels of improvisation on business processes to ensure quality service. To keep our customers glued to their TV sets in the safe comfort of their homes with minimal stress of making difficult choices, we redesigned our packages to give them what they wanted, and what they paid for. With no fresh content to savour for months, as the lockdown and other restrictions prohibited shooting for new shows, we had to ensure that they had seamless access to the rich repository of old and classic television content which was being repackaged and delivered across various channels. In the Broadband space, we expanded our footprint to cover 21 cities, with a 1.9 lakh strong and growing base. Our close collaboration with our 24,000+ ground distribution partners remains a key driver of our growth strategy.

Harnessing the Digital power

Our ability to adapt swiftly to the emerging customer and market needs was sharply manifest in the way we harnessed our digital core to ensure service continuity. Physical payment gave way to Online Recharge like never before. Customer contact also changed - from voice to non-voice, with bulk interactions moving towards online mediums. The year also saw SITI scale-up customer experience with the launch of SITI PlayTop Magic, in line with our commitment to bring superior entertainment experience to our customers. This box will make any TV smart, while bringing SITI HD+ Digital Cable Television's ultimate viewing experience with a DVR facility. The Android TV certified 4K HDR Set-Top Box empowers customers to use all Android TV features along with their SITI Digital Cable TV, using a single remote on their existing TV. I am happy to share that it will also give customers access to Google's Android TV Play Store for downloading apps and games of their choice, besides enabling them to record linear TV using just a pen drive. The STB also comes pre-loaded with Amazon Prime Video. We have also launched SITI PlayTop Magic mobile app's launch for both iOS and Android platforms, bringing a single subscription for multiple OTT apps like Hungama Play, Shemaroo Me, and Adda Times into the hands of the customers, in line with our single-wire proposition. I invite all of you to experience our apps, available on both Apple App Store and Android Play Store.

Way forward

As we move into FY 2021-22, we do so with the confidence that our learnings of the past year will enable us to continue to effectively counter the multitude of challenges catalysed by the pandemic. With the successful roll-out of the vaccine, we are looking at sustained and seamless business continuity in a safe and secure environment, going forward. Our strong ground connect, coupled with the transformation we have unleashed across our business systems and processes, will steer our growth (particularly in the Broadband and value-added services segment) even more forcefully than before.

At the same time, our recent investments in enhancing operational efficiencies will further boost customer experience in the coming quarters. Our tie-up with Hinduja Group's Headend in the Sky (HITS) platform NXTDigital is a natural progression for SITI following the Government approval of infrastructure-sharing in our business. This industry-first infrastructure sharing agreement will help SITI overcome the difficulties of a terrestrial network in some markets, especially in the semi-urban and rural regions, through the HITS approach. With two conventional competitors sharing Infrastructure, the initiative heralding a new era of collaboration in the digital platforms space. It will enable both companies to synergise and leverage their strengths to provide best-in-class services to SITI's customers. SITI will harness the HITS infrastructure to deliver its signals to its LCOs to provide quality services to semi-urban and rural subscribers and concurrently expand its pan-India footprint. We believe that more such infrastructure sharing options should be evaluated, as it forms an integral part of the Government's Digital India Strategy and would help in faster spread of other services like Broadband to the last mile.

The coming months will also see SITI further accelerate the momentum of digital adoptions and customer empowerment through impactful and engaging offerings. We are confident that our expertise and experience across our business segments will not only steer us through these testing times but will, in fact, power our growth momentum for the future. I welcome you all to continue to be a part of this exciting journey with SITI!

Best Regards

Anil Malhotra

We are SITI...

We are...

- India's largest MSO
- A leading Digital TV Network
- Present in 21 states across the country

We have...

- A strong footprint across 249+ districts at 800 locations
- Robust systems designed to deliver content to consumers 24X7

ROOTED IN THE SPIRIT OF BUILDING A NATIONWIDE 'ZINDAGI KA NETWORK', SITI IS A ONE-STOP WINDOW FOR CUSTOMERS ACROSS DIGITAL CABLE TELEVISION, BROADBAND AND LOCAL TELEVISION CHANNELS. IT PROVIDES SERVICES IN DIGITAL MODES, WITH A WIDE RANGE OF FEATURES THAT INCLUDE VIDEO ON DEMAND, PAY PER VIEW, OVER-THE-TOP (OTT) CONTENT, ELECTRONIC PROGRAMMING GUIDE (EPG) THROUGH A HIGH QUALITY SET TOP BOX (STB).

SITI Networks Limited is one of India's largest Multi System Operators (MSOs), with pan-India presence and a leadership position in the regions of East India, Andhra Pradesh, Telangana & Haryana. With a single converged platform delivering multiple offerings to a growing base of consumers, SITI is the preferred TV and Broadband integrated service provider across the country.

Seamless last-mile access brings SITI's portfolio of content and service to the consumer's doorstep. State-of-the-art technology equips the Company to deliver multiple TV signals to scale up the viewers' experience. Driven by the values of transparency, ethics and regulatory compliance, SITI is continuously investing in enhancement of efficiencies to effectively align with the NTO regime.

1st

SITI IS THE FIRST MSO...

- To be launched in India (in 1994)
- To provide CRM / OYC tool to LCO partners
- To be listed on Stock Exchange – as SITINET on NSE
- To offer a bouquet of local channels

45 Million
Total Consumers

2 Lakh+
Broadband Consumers

100%
Prepaid Subscriptions

5.4 Lakh
HD Consumers

249
Districts of Reach

79%
Base on DPO Packs

99%+
Digital Payments

Vision

To gain the leadership position in the industry as an integrated service provider by being the preferred choice of the consumer, and enhance consumer delight through offering superior content, quality and services by using advanced technology as an edge.

OUR ROBUST SYSTEMS AND PROCESSES ARE BUILT ON:

- OYC SUBSCRIBER MANAGEMENT SYSTEM
- CONAX CAS
- SAP-BASED SYSTEMS
- UNIFORM COMMERCIAL POLICIES

A Legacy of Leadership

SITI's futuristic vision is driven by its powerful legacy. As part of the Essel Group, one of India's leading business houses, SITI has acquired holistic experience in the Media and Entertainment industry, in which Essel has a vertically integrated presence. With its diversified portfolio of assets across sectors, Essel Group is a leading producer, aggregator and distributor of Indian programming around the world.

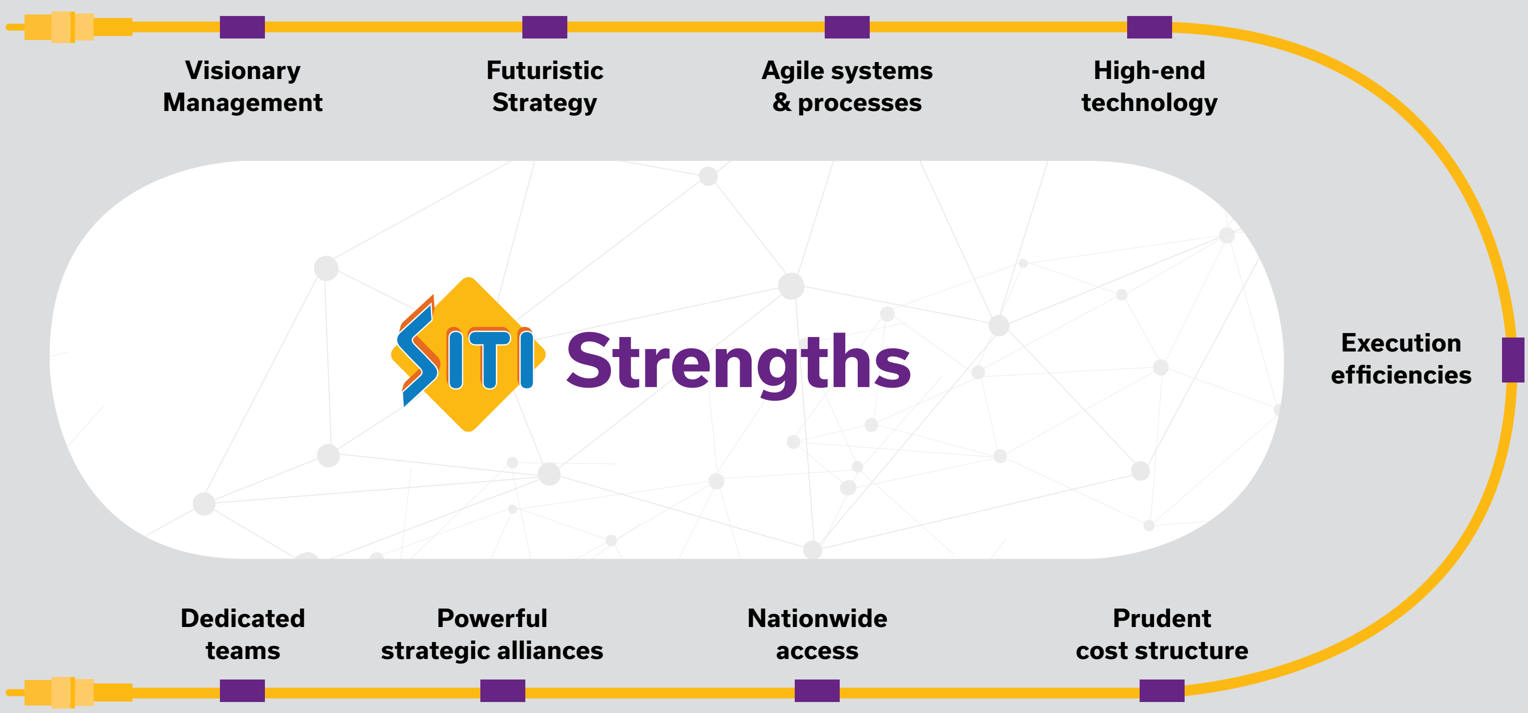
The Essel Group Edge

2,50,000+
Hours of original content

75
Channels

~1.3 Billion
Viewers Reached

171
Countries of Presence



The SITI Journey

1992
Cable business started by Promoters

1994
Became the 1st MSO to be launched in India

2007
Implemented CAS in metros of Delhi, Mumbai and Kolkata

Became the 1st MSO to be listed on the stock exchanges

2008
Initiated mass digitisation through headend-in-the-sky (HITS) services

2009
Rights Issue of ₹ 4,500 million fully subscribed

2012-14
DAS implemented in Phase-1/ Phase-2 Cities

2014
Broadband launched in Delhi on DOCSIS 2/3 Technology

Started providing 18 High-Definition (HD) Channels

2015
Raised ₹ 2,210 million from the secondary market via qualified institutional placement (QIP) route in February 2015

2016

Achieved financial turnaround for the first time in its history

2017

Chosen to be a constituent of the Morgan Stanley Capital International (MSCI) India Domestic & Global Small Cap Index

Started providing OTT services in partnership with Ditto TV; customer base at 60,000 subscribers

Extended broadband presence in 3 cities of Haryana, namely Hissar, Karnal and Rohtak

Prepaid ongoing in select states with 1.2 million subscribers on prepaid across 134 locations

Fund infusion of ₹ 1,500 million by Promoters

2018

Assigned long-term rating of "A-" by ICRA & CARE (Outlook on the long-term rating is stable)

Seeded Industry-leading 3.1 million STBs across Phase 3 & 4

2019

2X increase in EBIDTA (excluding activation)

~19% increase in subscription revenue – to ₹ 9,537 million in FY 2018-19 from ₹ 7,997 million in FY 2017-18

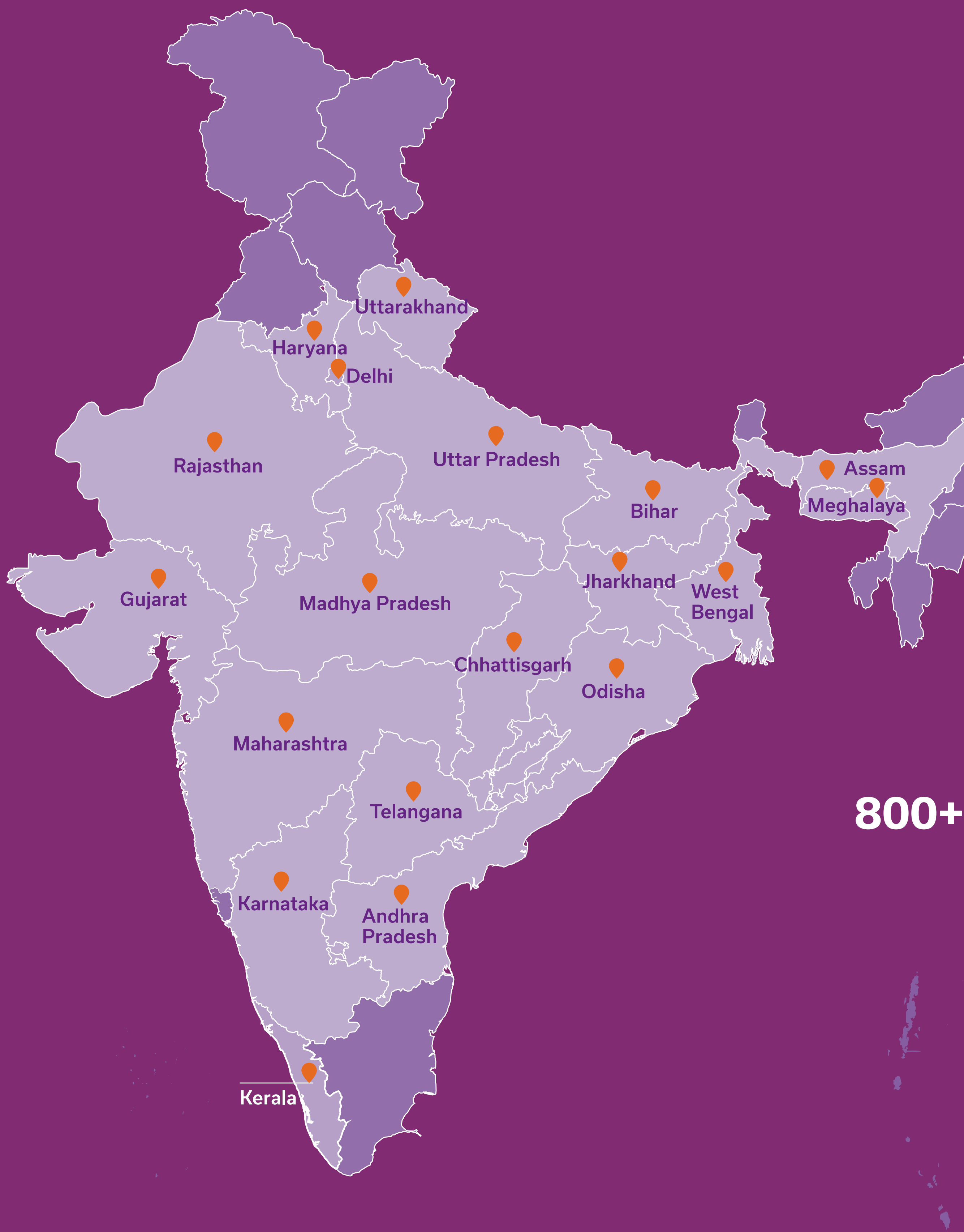
2020

Signed first-ever Infrastructure sharing agreement in the MSO space in India, with Hinduja Group's Headend in the Sky (HITS) platform NXTDigital

Launched SITI PlayTop Magic – a next-generation Android TV Set-Top Box (STB) and Mobile App

SITI's Network

SITI Networks Limited has a pan-India presence and is a leading player in East India, as well as the states of Andhra Pradesh, Telangana & Haryana.

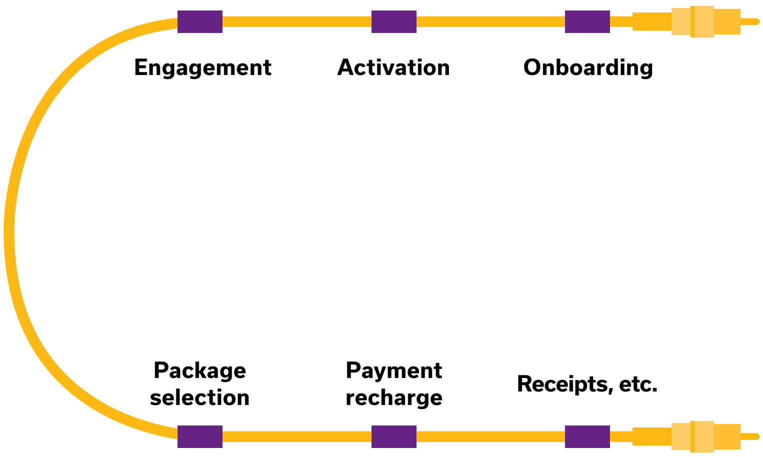


800+ Locations

SITI's Service Lifeline

SITI's 24x7 consumer service proposition is steered by its robust network of LCOs, comprising 24,000+ distributors spread across India. With one the largest distribution networks, spanning the length and breadth of the country, we have developed a strong ground connect which enables us to drive customer convenience and satisfaction.

We have in place a strong framework of systems and processes designed to empower our LCO partners. Innovative digital tools are deployed to equip them with easy and flexible methodologies that enables seamless customer service with respect to:



Own Your Customer (OYC), Subscriber Management System (SMS) and Standard Operating Procedures (SoPs) are some of the tools we have provided to our distributors to stay connected with SITI at the one end, and the customers at the other.

Our LCO network is also driving our sustained expansion into Value Added Services (VAS) to augment growth.

24,000+

Strong Nationwide Distribution Network

ENHANCING LCO CONNECT DURING COVID

With the COVID pandemic requiring more digitalised services, we extended to our LCOs a host of new offerings. We deployed AI (Artificial Intelligence)-enabled Recommendation Engines to facilitate the distributors to create customer packs. The tool is helping LCOs with cost benefits, backed by enhanced speed and efficacy.

Our Distribution Partners collaborated with our field staff and the Contact Centre on the ground during the lockdown period to enable customers stay safely indoors. The OYC platform was further augmented to facilitate LCOs in easy online activation of packages and recharge.

Amid the COVID pandemic, a new reality prevails.
A reality more physically distanced, yet more digitally connected.
A reality that has challenged the existing, and ushered in a new normal.

Amid this transformation, SITI continues to deep-dive into its strong credentials and capabilities, to stay connected with its customers. It continues to provide them with best-in-class infotainment and remain in touch with the world, while staying safely at home.

Taking the new challenges of the new business eco-system head-on, SITI is continually aligning itself to its fast-paced transformations and complexities. It is steadfastly partnering its employees and members, hand-holding its distributors, and staying committed to its value-accretive goals for all its stakeholders.

Striving to stay constantly ahead of the business curve. And being connected to the new future!

Enhancing Efficiencies. Delighting Customers.

10
Digital Headends

~33,000 Kms
Intra-City OFC & Coaxial Network across 800 locations

DOCSIS + GPON
Hybrid Technology to Offer Integrated Cable & Broadband Services

Digital CATV signals
Transported across the country on 1.2 Gbps links, with ~500 IP Points

At SITI, customer delight and satisfaction is a key priority, which we are constantly working to enhance. Our sustained efforts to strengthen efficiencies with the help of advanced technological and digital tools drive our efficiency-led growth and expansion. The transforming business eco-system has, in recent years, sharpened our technological edge. The recent NTO and COVID-related developments have motivated us to scale up our technology infrastructure to create a robust integrated platform for delivering multiple products and service solutions to customers, through a single wire.

Taking the GenNext Leap

We have recently finalised an industry-first Infrastructure sharing tie-up with Hinduja Group's Headend in the Sky (HITS) platform NXTDigital. SITI will leverage the HITS infrastructure to deliver its signals to its LCOs. While enabling SITI to provide its services to semi-urban and rural subscribers, this will also help in expanding our footprint across the country through satellite.

The move, which heralds a new era of collaboration in the digital platforms space, will help SITI pare its connectivity costs and bring down its subscriber acquisition costs for new customers in some existing markets. It is in line with our strategy of enhancing our operational efficiencies and providing high up-time and quality services to customers across the country.

For this integration, NXTDigital's Platform as a Service (PaaS) vertical has worked with SITI Networks' team to ensure testing and full compliance in using the already deployed technologies and systems of SITI. These include Subscriber Management, Conditional Access, and above all, using the existing Set-Top Boxes to provide services with the HITS platform wherever required.

Weaving magic for the future

During FY 2020-21, we launched SITI PlayTop Magic, a next-generation Android TV Set-Top Box (STB) and Mobile App. The Android TV certified 4K HDR Set-Top Box can make any TV smart by enabling customers to use all Android TV features along with their SITI Digital Cable TV, with the help of a single remote on their existing TV. The remote, which will control both the SITI PlayTop Magic STB and customers' TV, will be voice-enabled with in-built Google Assistant.

Customers will be able to access Google's Android TV Play Store for downloading apps and games of their choice. They will also be able to cast from their mobile phones/ tablets onto their TV screens using the SITI PlayTop Magic STB, which has Chromecast built-in. It will bring customers closer with their loved ones by allowing Google Duo-based video calling directly from their living rooms' comfort, using their TV. Working with Google Home, it will bring home automation features, and also allow customers to record linear TV using just a pen drive. The STB also comes pre-loaded with Amazon Prime Video, thus providing customers with a next-generation, superior entertainment experience.

One of the box's unique features is that it can work with any ISP or even a Mobile Hotspot, with the latter ensuring that customers will be able to watch their favourite OTT shows and play games on their TV screen even through their mobile 4G connection. SITI PlayTop Magic STB uses NAGRA's card-less content security solution. The Set-Top Box is built on Realtek's most advanced high-performance chip, making it most suitable for a superior entertainment experience.

The SITI Fibre to The Home (FTTH) smart network continues to delight customers even amid the pandemic challenges, with its uninterrupted platform-agnostic futuristic offerings in both, the Video and Broadband segments. The range of services delivered through FTTH include TV, Broadband, OTT, Gaming, Security and more.

Staying Connected. Staying Online.

A whopping 700 million+ Broadband subscribers make India the second largest Broadband subscription base in the world. The need to stay connected through the Broadband was never as sharply accentuated as in FY 2020-21, when stay-at-home and work-from-home became the new norms amid the pandemic. With Broadband penetration going up 13% in 2020, the opportunity matrix for established players like SITI grew exponentially during the year.

SPEEDING ON

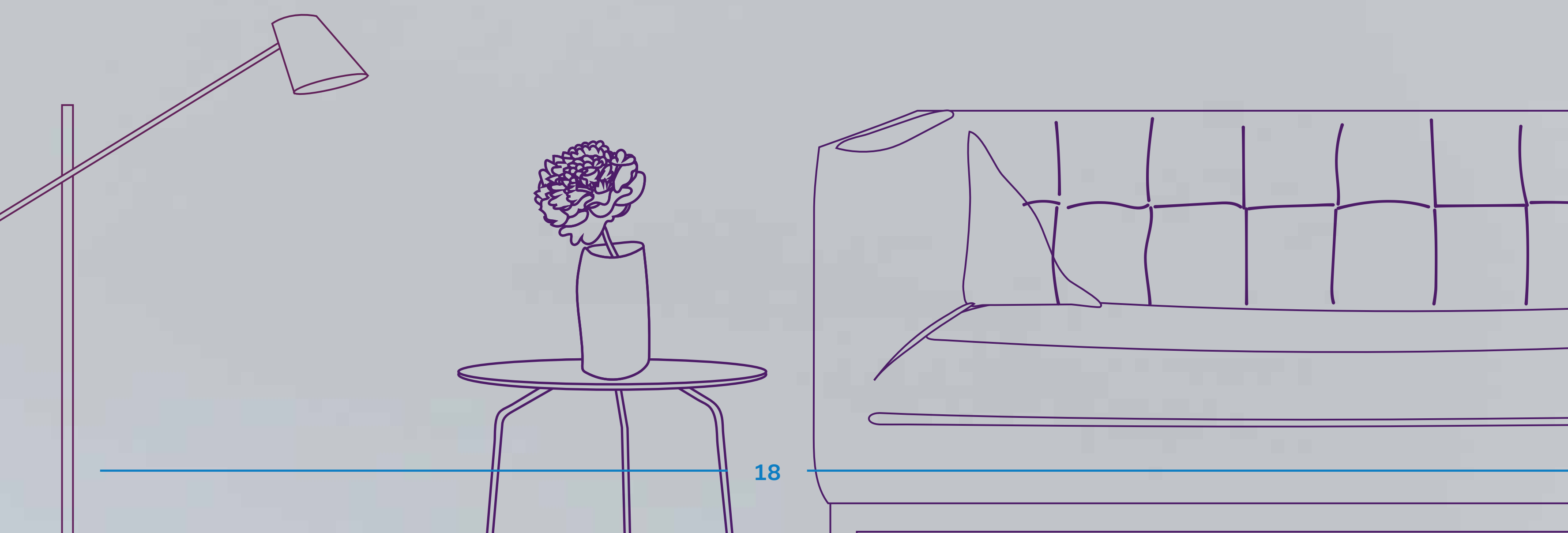
Our next generation technology enabled us to provide consumers with high speed internet access up to 100 Mbps (going up to 300-500 Mbps in select areas), through the high bandwidth capability of optical fibre cable network, even amid the pandemic. The composite FTTx based network architecture, which we had launched in FY 2019-20, continued to ensure delivery of smarter and more innovative offerings, powering enhanced customer engagement. The aim is to ensure customer stickiness through interactive and immersive experience, which we are driving through our wide range of economical and affordable packages designed for diverse customer browsing needs.

Getting smarter with Broadband

The transformed external environment necessitated a new level of smart connectivity within home. It demanded seamless online entertainment and work experience, which we, at SITI, augmented through enhanced focus on scaling our Broadband proposition. From strengthening our systems and processes, to creating new touchpoints for customer engagement, we expanded our Broadband portfolio and service to deliver to the evolving needs of a growing base of customers. New payment gateways were added, including doorstep pick-up of payment, to ensure that customers could stay indoors safely at all times.

Growing Broadband Footprint

Responding actively to the multifold increase in demand for high-quality Broadband connectivity, SITI Broadband expanded its footprint to 21 cities during the year, with the net base increasing to 1.90 lakh. New cities were added as we reached out to customers in places like Noida, Jaipur, Jodhpur, Saharanpur, Dehradun and Bahadurgarh, to cater



to the need of professionals, students and others for easy and affordable access to continuous and uninterrupted Broadband connectivity. We are focussed on working closely with our distribution partners for increased sweating of ground assets further, and creating a strong ground connect with our distribution network.

Providing high-quality content

Cognisant of the need for quality content for our growing customer base, we, at SITI, continued to strengthen our strategic alliances to deliver innovative offerings.

Monetisation of content investment has emerged as the new mantra of our strategic thrust to drive growth in this segment.

Connected with the World

The pandemic-hit world of FY 2020-21 opened new vistas of demand for Television news and entertainment for people around the world. India also saw a sharp spike in opportunities for growth in the Cable TV segment, as players adapted quickly to the new normal.

As disruption became the name of the game, we, at SITI, moved forward with exceptional agility to meet the unprecedented consumer demand amid the unique challenges triggered by the pandemic. At the same time, we raised the bar further in terms of systems and processes to transform in line with the shifts powered by the new NTO regime (NTO 2.0). We gave consumers what they wanted, in ways they were comfortable with. We nurtured their trust in SITI, by staying committedly engaged and responsive towards their needs and aspirations.

WE LEVERAGED THE POWER OF STM4 TECHNOLOGY TO TAKE OUR PRODUCTS AND SERVICES TO CUSTOMERS THROUGH OUR ROBUST AND SCALABLE DISTRIBUTION NETWORK.

Being on customer mind

We aggressively harnessed our incisive knowledge and understanding of the consumer needs, as well as the mindset of our LCOs, to help millions of Indians stay connected with the world during the COVID pandemic. Our bouquet of channels helped them stay updated with local news and events, while enjoying SITI's exciting entertainment offerings. Excellent TV viewing experience was ensured through high-quality digital picture and sound, with uninterrupted signals through seasons. We effectively catered to customer needs for entertainment and meaningful programmes by seamlessly delivering to them the old masterpieces that were being repackaged by channels in the absence of new content creation amid the lockdown and restrictive conditions.

Partnering India

As India's trusted partner, SITI rose to the pandemic challenge to support the Government's efforts to deliver the much-needed health and education services to India's citizens. We added a host of educational channels to our portfolio on free of cost basis to help children continue with their studies, especially in the remote areas of poor Internet connectivity. We also used our customer-facing platforms to promote COVID safety protocols among the people. We leveraged our integrated service proposition to deliver the complete range of our offerings and their benefits to customers in the difficult environment.

Performance Overview

Operating EBITDA (Excluding Activation)

₹ 2,658 Mn

Operating EBITDA Margin (Excluding Activation)

16.5%

Total Revenue (Excluding Activation)

₹ 15,514 Mn

Subscription Revenue

₹ 10,697 Mn

Broadband Subscribers

₹ 1.97 Lakhs

Broadband Revenue

₹ 1,018 Mn

Powering People to Drive Experiences

With the COVID pandemic necessitating a new way of doing business, we, at SITI, pushed the bar of our People connect during the year. Responding with speed and agility, which are an integral ethos of the SITI value system, we transitioned to the new normal within days of the lockdown that hit the country like a bolt from the blue at the start of the pandemic. From providing extraordinary care and support to our employees and their families, to empowering our people to seamlessly meet the unprecedented customer demand for uninterrupted cable and Broadband connectivity, we moved quickly to reorganise our business systems and processes in line with the transforming business reality. Cognisant of the importance of strong intra-organisational communication to facilitate business continuity, we further augmented our communication platform, using Aspect-oriented Programming (AoP).

Responding to Crisis

The pandemic challenged our capacities and capabilities as never before. It necessitated an extraordinary response to ensure that we continued to service customers across all our business zones, flawlessly and seamlessly. The brick and mortar model of our business required us to move with unparalleled alacrity by leveraging the quick reflexes that are built into our organisational core.

As the lockdown prevented our executives and staff members from going to the call centres and offices, we successfully arranged to provide laptops/desktops and other equipment at their homes, despite the logistical problems involved in the process. With the resumption of physical operations towards the end of September 2021 requiring strict compliance with COVID safety protocols, a 'Going back to office' ready reckoner was quickly prepared and circulated among all employees to ensure their safety.

WITH THE PANDEMIC STILL A HARSH REALITY, WE CONTINUE TO ENSURE STRINGENT COMPLIANCE WITH ALL COVID SAFETY PROTOCOLS, WHICH NOW INCLUDE AT LEAST PARTIAL VACCINATION FOR EMPLOYEES TO ENTER OFFICE PREMISES.

EXTRAORDINARY STARTS WITH YOU!

#WalaNahiWali

Caring for People

Central to our People proposition during the critical times that prevailed through the year was to ensure that our employees, both on and off rolls, remained safe while maintaining business continuity. Our initiatives in this regard extended from sanitisation and strict adherence to all protocols across our large nationwide network of offices, to providing sanitation kits, masks and other equipment to the employees on the ground.

Besides augmenting our employee medical insurance scheme to incorporate COVID treatment and care, we also introduced Term Insurance facility for SITI's own and contractual workers, in order to help them meet any eventuality. The facility proved to be a major support system for the families of the employees whom we tragically lost to COVID during the year.

We worked closely with the local administration in all the cities and towns of our presence to arrange passes and transportation for our employees through the lockdown and curfew periods – a Herculean task considering the expanse of our offices across the length and breadth of the country. Families of employees were also given all possible support to handle the pandemic crisis through these difficult times. We also roped in psychologists to motivate the teams and their families, to help them battle the emotional impact of the pandemic and adjust to the new norms.

Sustaining the Learning Process

It was our sustained endeavour during the year to ensure that the SITI 3P philosophy of 'People. Processes. Performance' was not diluted amid the crisis situation. We took several measures to strengthen our online training model, as part of 'Project Learn' which we had introduced in the previous year in line with our 'Learning for All' objective. In-house modules were developed, recorded and shared across the employee hierarchy, to promote skill sharing and facilitate quick adaption to new or transformed roles. Employees were hand-held through the transition, even accommodated in new functions in some cases where adaptability to changes in existing roles appeared to be challenging. Remote learning and skilling initiatives were further enhanced during the year, as we continued onboarding employees as well as LCOs to the Cloud and other online platforms, thus ensuring seamless connectivity within and outside the organisation.

Other Initiatives

The COVID crisis notwithstanding, we also continued to incentivise employees through rewards and other schemes during the year. Though the pandemic limited celebrations, we made the most of the windows when lockdowns/ curfews were not in place to celebrate occasions like the International Women's Day, Holi etc., with strict adherence to social distancing and other protocols.

Board of Directors

Mr. Suresh Arora
Executive Director

Mr. Suresh Arora brings to the table extensive experience of about 35 years across diverse fields, A Commerce graduate from the University of Delhi, with a PG Diploma in Business Administration (specialisation in Marketing Management) from Symbiosis, Pune, the 56-year-old has worked extensively in the areas of Sales & Marketing, Finance & Accounts and Export/ Import procedures & documentation.

During his previous assignment with Pan India Network Limited ("PINL") – an Essel Group company, he held a senior position in the Sales and Marketing Department. He was instrumental in creating a strong network of channel partners, including distributors and retail outlets, to spread and strengthen PINL's Online/Paper Lottery business operations in Punjab & Haryana. In this position, he liaised closely with senior officials of the Punjab government to take the PINL business to new levels of success.

Mr. Sunil Kumar Maheshwari
Independent Director

Currently a Professor in Human Resource Management Area at the Indian Institute of Management, Ahmedabad, Prof. Sunil Kumar Maheshwari has served on Boards of many organisations, including UCO Bank and Andhra Bank. He is an Alumni of IIT Delhi and IIM Ahmedabad, and worked with BHEL and Indian Railways (IRPS Cadre) before getting into academics in 1998. He worked as Advisor to Minister of HRD from January 2009 to January 2013.

His research, consulting and teaching interests are in strategic human resource management, international human resource management and business turnaround. His book titled "Turnaround Excellence," published by Penguin Books India, has been among the business best sellers. The book is based on a study of six turnaround cases.

He has widely published in both national and international journals of high repute. He has written more than 30 cases. He has been a consultant to many large national and international organisations. He has received many awards for excellence in his career.

Mr. Amitabh Kumar
Non-Executive
Non-Independent Director

Mr. Amitabh Kumar, a Technology leader in the Media & Telecom industry, has been associated with Essel Group in various capacities since 2001. He is also serving as the Head of Broadcasting for Zee Network, responsible for its global broadcast operations spanning ~150 channels. He played a major role in setting up operations for India's first DTH operator, Dish TV, where he currently also serves as Advisor Technology.

Mr. Kumar is an Electronics Engineering Graduate from BITS Pilani and holds PG Diploma in Telecommunications Management from TEMIC Canada. Prior to his association with Essel Group, Mr. Amitabh Kumar served as Director Operations for VSNL (1995-2001) and also its Acting Chairman & Managing Director in 1998-99, where he had a key role in setting up India's first Internet Services. He has served on the Board of Governors of Intelsat and was Council Member of Commonwealth Telecommunications Organization (CTO).

Ms. Kavita Kapahi

Non-Executive
Non-Independent Director

An entrepreneur in the security and surveillance industry, Ms. Kapahi is currently managing the business operations of APK Trading & Investment Pvt. Ltd. A Commerce Graduate from Bombay University, she is a Director on Minotaur Holdings and Finance Private Ltd., Indian Cable Net Company Limited and Shirpur Gold Refinery Limited.

With a strong zeal for welfare work for the disadvantaged sections of the society, she has, over the past three years, been involved in grooming differently abled children and young adults and empowering them with employment skills. She is also aiding various charitable organisations engaged in education among the marginalised, who otherwise would remain deprived of basic education.

Mr. Raj Kumar Gupta

Independent Director

Mr. Raj Kumar Gupta is Commerce Graduate from BITS University, Pilani, Rajasthan, and a Chartered Accountant. He is a veteran in Finance and Accounts profession with experience of over 5 decades.

Mr. Gupta is a Senior Partner of M/s. Gupta Raj & Co., Chartered Accountants, a mid-sized firm providing Finance, Audit & Taxation services to various Business Houses.

Mr. Bhanu Pratap Singh

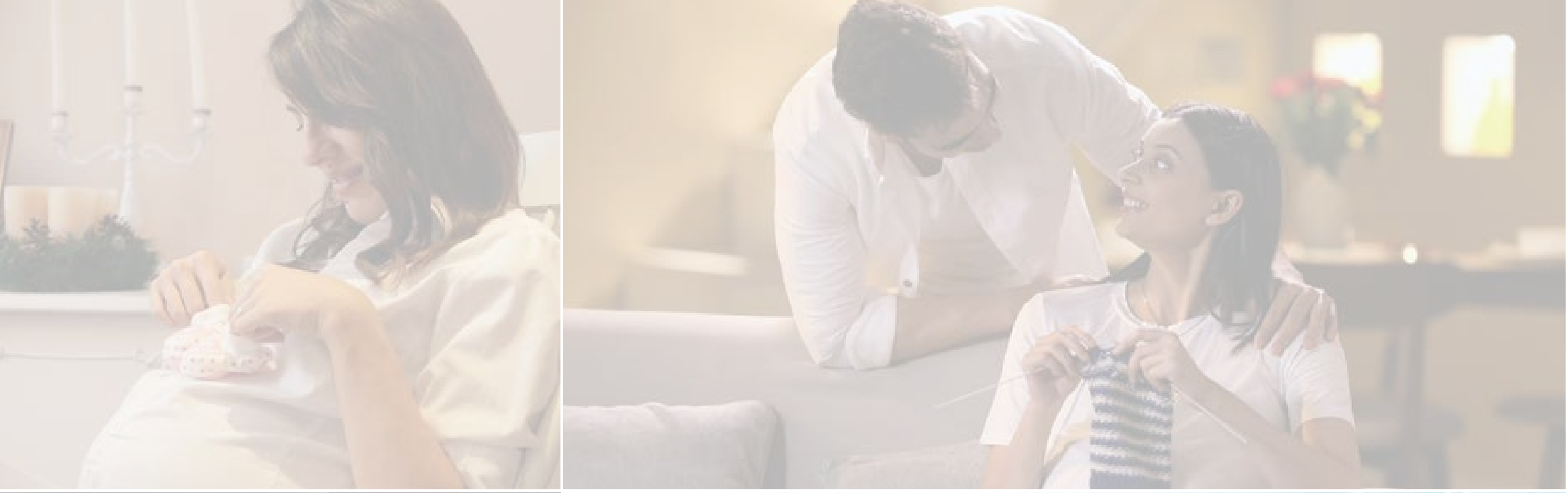
Independent Director

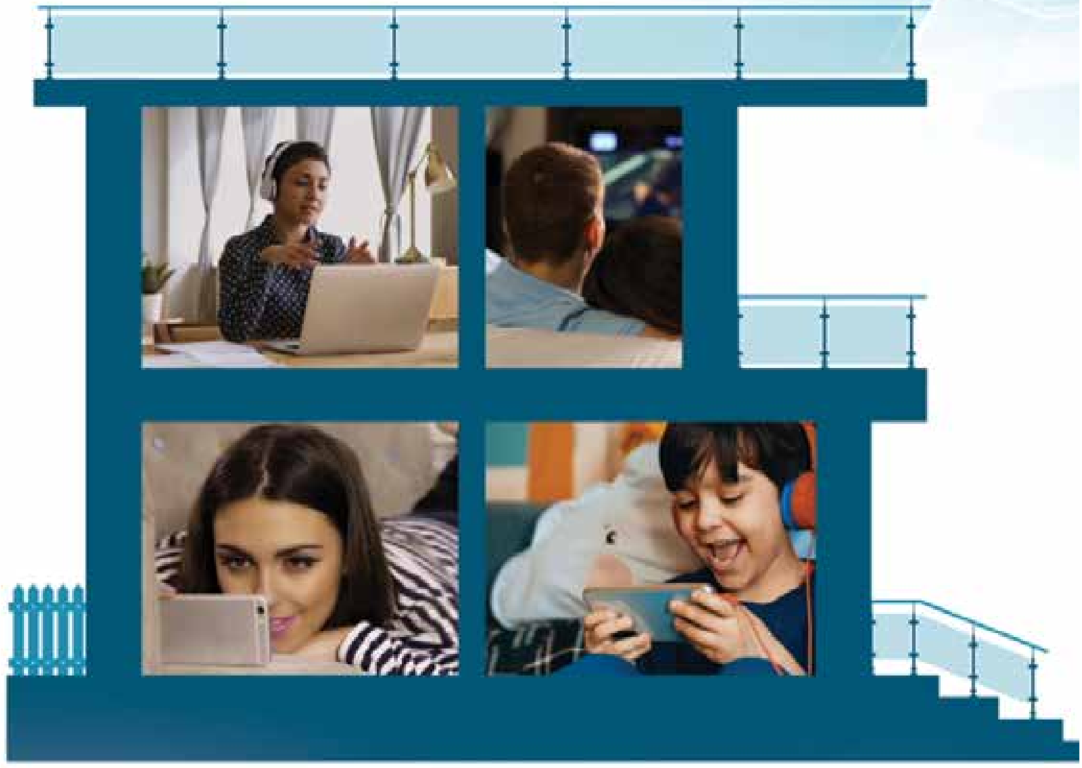
Mr. Bhanu Pratap Singh graduated from Duke University with a BA in Economics. Thereafter, he joined JP Morgan Chase as an investment banking analyst in the New York office covering the power sector. Mr. Singh did his MBA from the Tuck School of Business, Dartmouth College, USA. Mr. Singh worked as an MBA summer intern at Nomura Securities in the New York office in the Debt Private Placement Group.

After graduation from his MBA programme, he worked in the Leveraged Finance Group of Citigroup in New York. In his time there, he worked on structuring and financing leveraged loans and high yield bonds for large US corporates and Private Equity firms. Beginning his entrepreneurial journey, Mr. Singh moved back to India to found the Bhavani Group focussing on small hydropower projects in Himachal Pradesh. Shree Bhavani Power Projects Pvt. Ltd. commissioned Manglad 5MW small hydro project in 2010 and it is generating power since then.

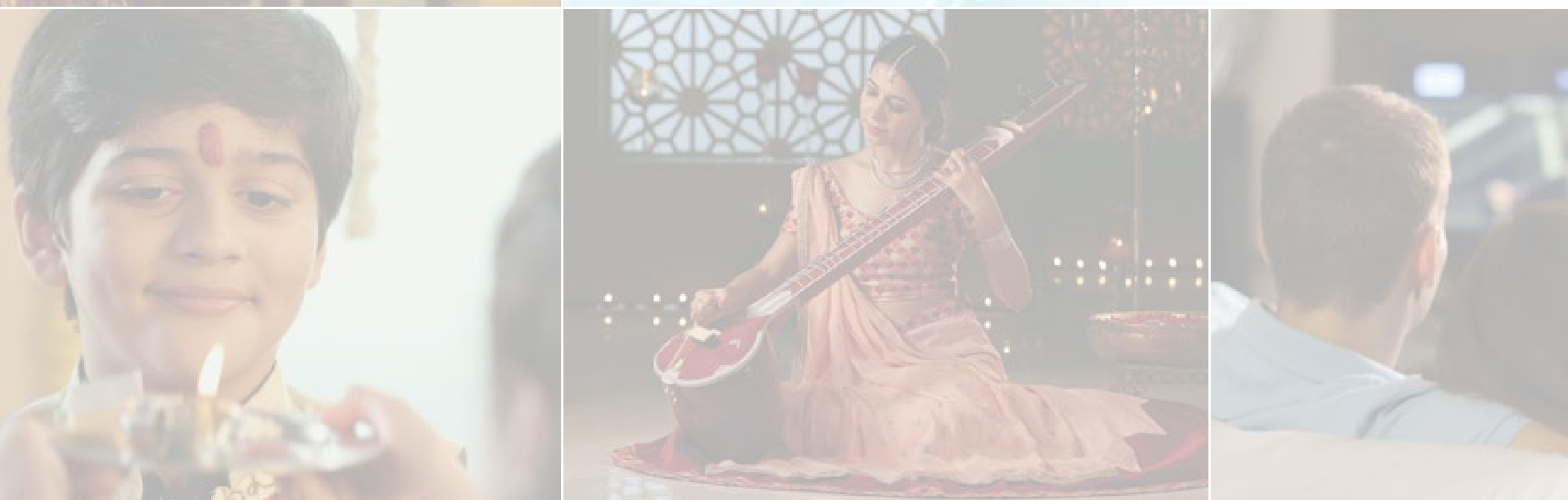
In 2013, his Group company Bhavani Renewable Energy commissioned Binwa 4MW small hydro project. His group company Cosmos Hydro Power is building a 22MW plant in Chamba, HP and it is under construction to be commissioned in 2021. Mr. Singh is simultaneously developing future hydroprojects and also working with new technologies in the Renewable Energy space.

Mr. Singh is Director of Bhavani Renewable Energy Private Limited, Shantanu Energy Private Limited, Cosmos Hydro Power Private Limited & Monte Cristo Hydro Private Limited and Managing Director of Shree Bhavani Power Projects Private Limited & Monte Cristo Infrastructure Private Limited.





Ek Taar Jode Sansaar



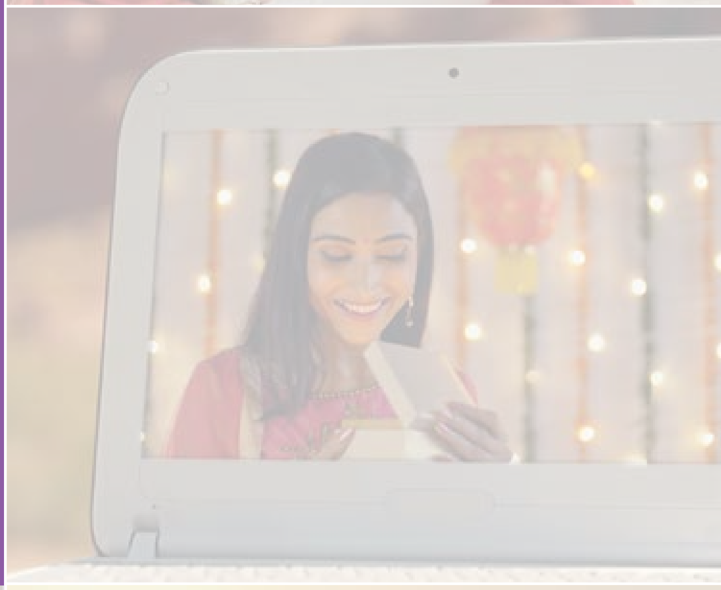
It is not just a wire.

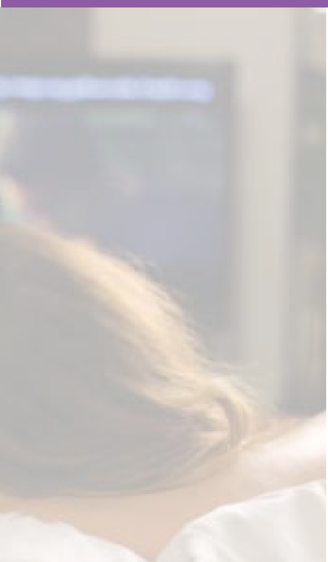
It is the bond that ties us all – with love, affection, care.

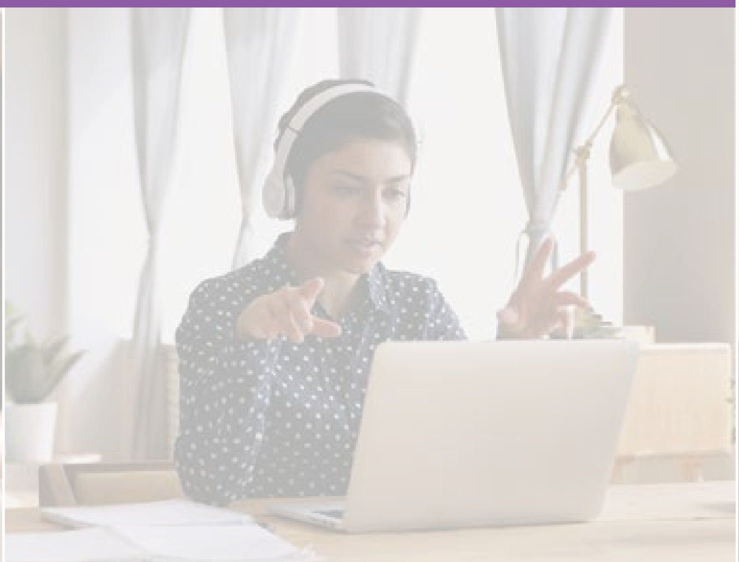
It is the bond that we, at SITI, are constantly nurturing and strengthening.

So that India can remain connected, and every Indian can stay safely at home.

Our new Television Commercial (TVC) captures the many shades of this bond. Here are a few of them.







Management Team

Yogesh Sharma
Chief Operating Officer

Sanjay Arya
Head Technology

Ashish Goel
Chief Human Resources Officer

Saurabh Datta
Head Marketing

Suresh Kumar
Company Secretary and
Compliance Officer

Corporate Information

Board of Directors

Mr. Suresh Arora
Executive Director

Mr. Sunil Kumar Maheshwari
Independent Director

Mr. Amitabh Kumar
Non-Executive Non-Independent Director

Ms. Kavita Kapahi
Non-Executive Non-Independent Director

Mr. Raj Kumar Gupta
Independent Director

Mr. Bhanu Pratap Singh
Independent Director

Senior Management

Yogesh Sharma
Chief Operating Officer

Ashish Goel
Chief Human Resources

Sanjay Arya
Head Technology

Saurabh Datta
Head Marketing

Suresh Kumar
Company Secretary and Compliance Officer

Investor Relations

Vishwa Bandhu Sharma
Phone No: 120-4526740
Email: investorrelations@siti.esselgroup.com

Statutory Auditors

DNS & Associates
Chartered Accountants, Gurugram, Haryana

Bankers

IDBI Bank Limited

Axis Bank Limited

HDFC Limited

Standard Chartered Bank

RBL Bank Limited

IndusInd Bank Limited

Aditya Birla Finance Limited

ICICI Bank Limited

Registered Address

Unit No. 38, 1st Floor, A Wing, Madhu
Industrial Estate, Pandurang Budhkar
Marg, Worli, Mumbai - 400 013
Phone No: +91- (022) 43605555
Email: csandlegal@siti.esselgroup.com

Corporate Office

FC - 19 & 20, Upper Ground Floor,
Sector - 16A, Film City, Noida - 201 301,
Phone No: +91- (0120) 4526707
Email: csandlegal@siti.esselgroup.com

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STATUTORY REPORTS

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Notice

Notice is hereby given that the 15th Annual General Meeting (AGM) of the Equity Shareholders of SITI Networks Limited will be held on Tuesday the 28th day of September, 2021 at 3:00 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company prepared as per Indian Accounting Standards (Ind-AS), on a standalone and consolidated basis, for the financial year ended March 31, 2021, including the Balance Sheet as at March 31, 2021, the Statement of Profit & Loss for the financial year ended on that date and the Reports of the Auditors and Directors thereon.

2. To appoint a Director in place of Mr. Amitabh Kumar (DIN 00222260), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modifications or re-enactment thereof for the time being in force, Ms. Kavita Kapahi (DIN 02330706), who, upon recommendations of the Nomination & Remuneration Committee, was appointed by the Board of Directors as an Additional Director in the category of Non-Executive Non-Independent Director on the Board of the Company pursuant to Section 161 of the Companies Act, 2013 with effect from April 1, 2021, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

4. **To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:**

   "RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ('Act') and the Rules made thereunder read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Bhanu Pratap Singh (DIN 00202817), who has submitted the declaration that he meets the criteria for Independence as provided under the Act and the SEBI Listing Regulations and who holds the office of Independent Director of the Company until March 31, 2022, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his re-appointment for the second term, be and is hereby re-appointed for the second term as an Independent Director of the Company not liable to retire by rotation, for a period of three years commencing April 1, 2022 until March 31, 2025."

5. **To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and such other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Audit Fee of ₹ 45,000/- (Rupees Forty Five Thousand Only), with addition of applicable taxes and reimbursement of out of expenses, payable to M/s. Pawan Kumar & Associates, Cost Accountants (Firm's Registration No. 000782) towards Cost Audit for the financial year 2021-22, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby confirmed, ratified and approved."

By Order & on behalf of the Board

Suresh Kumar
Company Secretary

Noida, August 13, 2021

Registered Office:
Unit No. 38, 1st Floor,
A Wing, Madhu Industrial Estate,
Pandurang Budhkar Marg, Worli,
Mumbai-400013
CIN: L64200MH2006PLC160733
e-mail: csandlegal@siti.esselgroup.com

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 to 5 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment at this Annual General Meeting ("AGM") are also annexed.

2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circulars No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021 and SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021. Therefore, AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM.

3. Pursuant to MCA General Circular No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to satshah@gmail.com with a copy marked to csandlegal@siti.esselgroup.com.

5. The details as required under Regulation 36(3) of SEBI Listing Regulations, in respect of Directors seeking appointment/re-appointment at the AGM and stipulated in Corporate Governance Report hereinafter, forms integral part of this Notice.

6. Members who wish to obtain information on Financial Statements for the financial year ended March 31, 2021 and operations of the Company, if any, may send their queries at least seven days in advance of the AGM to the Company Secretary at the registered office of the Company or at e-mail id csandlegal@siti.esselgroup.com.

7. In compliance with the aforesaid MCA General Circulars No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories.

8. In line with the MCA General Circular No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021, the Notice calling the AGM has been uploaded on the website of the Company at www.sitinetworks.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the remote e-voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

9. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI Listing Regulation and MCA General Circulars No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a Member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of

participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

12. The Members are requested to notify immediately about any change in their address/e-mail address / bank details to their Depository Participant (DP) in respect of their shareholding in demat mode and in respect of their physical shareholding to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited at C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083. Shareholders holding Equity Shares of the Company in physical form may register their e-mail address with the Registrar and Share Transfer agent of the Company to receive all communications by the Company including Annual Report and Notice of Meeting(s) by e-mail, by sending appropriate communication on rnt.helpdesk@linkintime.co.in.

13. **Registration of e-mail id for Shareholders holding physical shares:**

    The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt. Ltd., by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the e- mail / Bank Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail id and also upload the image of share certificate in PDF or JPEG format. (up to 1 MB).

    On submission of the Shareholders details an OTP will be received by the Shareholder which needs to be entered in the link for verification.

14. **For Permanent Registration for Demat Shareholders:**

    It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

15. **For Temporary Registration for Demat Shareholders:**

    The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their website www.linkintime.co.in at the Investor Services tab by choosing the e-mail Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id.

16. **Registration of Bank Details for physical Shareholders:**

    The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Pvt. Ltd., by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the e-mail/Bank Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number , PAN, e – mail id along with the copy of the cheque leaf with the first named Shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. It is very important that the Shareholder to submit the request letter duly signed.

    Link intime will verify the documents uploaded and will only take on records for all valid cases.

    On submission of the Shareholders details an OTP will be received by the Shareholder which needs to be entered in the link for verification.

17. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM provided the votes are not already cast through remote e-voting.

18. In all correspondences with the Company, Members are requested to quote their account/folio numbers and in case their shares are held in the dematerialised form, they must quote their DP ID and Client ID No(s).

E-Voting

19. In compliance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as may be amended from time to time, Regulation 44 of the SEBI Listing Regulations and Secretarial Standard -2 issued by ICSI, the Company is pleased to provide Members facility to exercise their right to vote at the 15th Annual General Meeting (AGM) by electronic means. The facility of casting votes by a Member using an electronic voting system (remote e-voting) and e-voting during the AGM will be provided by Central Depository Services (India) Limited (CDSL) for all the business as detailed in this Notice.

20. The remote e-voting period for all items of business contained in this Notice shall commence from September 24, 2021 (Friday) at 9.00 a.m. and will end on September 27, 2021 (Monday) at 5.00 p.m. During this period Equity Shareholders of the Company holding shares either in physical form or in dematerialised form as on the cut-off date of September 21, 2021 (Tuesday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

21. The facility for voting by way of e-voting shall also be made available at the meeting and Members as on cut-off date i.e. September 21, 2021 (Tuesday) attending the meeting and who have not already cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting.

22. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

23. The voting rights of Members for remote e-voting prior to the meeting or by way of e-voting at the meeting shall be in proportion to their Equity Shareholding in the paid-up equity share capital of the Company as on the cut-off date of September 21, 2021 (Tuesday).

24. At the AGM, the Chairman of the meeting shall after discussions on all the resolutions on which voting is to be held, allow voting by use of e-voting by all those Members who are present at the meeting but have not cast their votes by availing the remote e-voting facility.

25. The Company has appointed Mr. Satish K. Shah (C. P No. 3142) as a Scrutiniser to scrutinise the remote e-voting and e-voting process at AGM in a fair and transparent manner and for conducting the scrutiny of the votes cast. The Scrutiniser shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, and submit forthwith to the Chairman of AGM. The Results declared along with the Scrutiniser's Report shall be placed on the website of the Company www.sitinetworks.com and the website of the CDSL, besides communicating to the stock exchanges on which the shares of the Company are listed. The Resolutions, if approved, shall be deemed to be passed, on the date of AGM.

26. **THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER:**

(i) The voting period begins on Friday, the 24th day of September 2021 at 9.00 a.m. and will end on Monday, the 27th day of September, 2021 at 5.00 p.m. During this period, Shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date September 21, 2021 (Tuesday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM through e-voting.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of the SEBI Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail i.d. in their demat accounts in order to access e-Voting facility.

(v) Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode are as under:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Shareholders who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for Shareholders to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest Shareholder will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the Shareholder will be able to see e-Voting page of the e-Voting service provider for casting their vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the Shareholder can visit the e-Voting service providers' website directly. 3) If the Shareholder is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the Shareholder can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the Shareholder by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, Shareholder will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If Shareholders (you) are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the Shareholder is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

(vi) **Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

(vii) **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(viii) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

	For Shareholders holding shares in Demat Form other than individual and Physical Form
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

(ix) After entering these details appropriately, click on "**SUBMIT**" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant **SITI NETWORKS LIMITED** on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.

(xv) After selecting the resolution, you have decided to vote on, click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.

(xvi) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Facility for Non – Individual Shareholders and Custodians–Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance Shareholder should be created using the admin login and password. The Compliance Shareholder would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the e-mail address viz; csandlegal@siti.esselgroup.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after

successful login as per the instructions mentioned above for Remote e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at csandlegal@siti.esselgroup.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at csandlegal@siti.esselgroup.com. These queries will be replied to by the Company suitably by e-mail.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. **If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.**

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

Item No. 3

Consequent upon expiry of her second term of appointment as an Independent Director w.e.f. March 31, 2021 and based on the recommendation of Nomination & Remuneration Committee of the Board, the Board of Directors of the Company had appointed Ms. Kavita Kapahi (DIN 02330706), as an Additional Director of the Company, in the category of Non-Executive Non-Independent Director on the Board of the Company pursuant to Section 161 of the Companies Act, 2013 with effect from April 1, 2021. Pursuant to Section 161(1) of the Companies Act 2013, Ms. Kavita Kapahi holds office till the date of this Annual General Meeting.

Appropriate notice has been received from a Member proposing appointment of Ms. Kavita Kapahi as Non-Executive Non-Independent Director of the Company and requisite consent has been received from her pursuant to provisions of Section 152 of the Companies Act, 2013. Brief Profile and other details of Ms. Kavita Kapahi stipulated in Corporate Governance Report forms integral part of this Notice.

Your Board recommends the ordinary resolution as set out in Item No. 3 of this Notice for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Ms. Kavita Kapahi (whose appointment is proposed in the resolution) is in any way concerned or interested in the resolution as set out in Item No. 3 of this Notice.

Item Nos. 4

At the 13th Annual General Meeting held on September 28, 2019, Members of the Company had approved appointment of Mr. Bhanu Pratap Singh (DIN 00202817), as Independent Director of the Company not liable to retire by rotation. The current term of the said appointment of Mr. Bhanu Pratap Singh as Independent Director of the Company shall expire on March 31, 2022.

As per Section 149(10) of the Act, an Independent Director shall be eligible for re-appointment for a second term of up to 5 years with Shareholders approval by passing a Special Resolution.

Since the current term of appointment of Mr. Bhanu Pratap Singh shall expire before the Annual General Meeting to be scheduled in 2022, your Board, based on the performance evaluation, recommendation of the Nomination and Remuneration Committee and after reviewing confirmation of independence received, recommends re-appointment of Mr. Bhanu Pratap Singh as an Independent Director for the second term of 3 years commencing from the expiry of his current term of appointment i.e. from April 1, 2022 until March 31, 2025.

Appropriate notice has been received from a Member proposing appointment of Mr. Bhanu Pratap Singh as Independent Director of the Company and requisite consent has been received from the said Director pursuant to provisions of Section 152 of the Companies Act, 2013.

In the opinion of the Board, Mr. Bhanu Pratap Singh, who is proposed to be re-appointed for the second term as an Independent Director of the Company, has confirmed/ declared that he continues to qualify to be an Independent Director of the Company pursuant to and in term of Regulation 16(1)(b) & 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he fulfils the conditions specified under Section 149(6) and Schedule IV of the Companies Act, 2013 and is Independent of the management. Brief Profile and other details of Mr. Bhanu Pratap Singh stipulated in Corporate Governance Report forms integral part of this Notice.

Your Board recommends the special resolution as set out in Item No 4 for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Bhanu Pratap Singh (whose appointment is proposed in the special resolution) are in any way concerned or interested in the resolution as set out in Item No. 4 of this Notice.

Item Nos. 5

The Board of Directors of the Company at its meeting held on June 25, 2021 has, after reviewing confirmation received and based on the recommendation of the Audit Committee, approved appointment of M/s Pawan Kumar & Associates, Cost Accountants (Firm's Registration No. 000782), as Cost Auditor to audit the cost records of the Company for financial year 2021-22, at the remuneration of ₹ 45,000/- (Rupees Forty Five Thousand Only) with addition of applicable taxes and reimbursement of out of pocket expenses, subject however, to the approval of the Shareholders.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, approval/ratification of Shareholders is being sought for payment of remuneration to the Cost Auditor for financial year 2021-22.

Your Board recommends passing of the ordinary resolution as set out in Item No. 5 of the Notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in resolution as set out in Item No.5 of this Notice.

By Order & on behalf of the Board

Suresh Kumar
Company Secretary

Noida, August 13, 2021

Registered Office:
Unit No. 38, 1st Floor,
A Wing, Madhu Industrial Estate,
Pandurang Budhkar Marg, Worli,
Mumbai-400013
CIN: L64200MH2006PLC160733
e-mail: csandlegal@siti.esselgroup.com

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting the 15th Annual Report of your Company, together with the Audited Financial Statements for the financial year ended March 31, 2021, prepared as per Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 (Act).

Financial Highlights

The financial performance of your Company for the year ended March 31, 2021 is summarised below:

(₹ in millions)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	7,304.84	8,189.39	15,369.20	16,083.59
Other Income	28.77	65.17	173.10	167.11
Total Income	**7,333.61**	**8,254.56**	**15,542.30**	**16,250.70**
Total Expenses	6,144.52	6,537.30	12,946.52	12,964.21
EBIDTA	**1,189.09**	**1,717.26**	**2,595.78**	**3,286.49**
Less : Finance cost	1,103.07	1,318.22	1,262.96	1,576.92
Less : Depreciation	2,053.97	1,964.96	3,490.38	3,457.04
Profit/(Loss) before share of profit/(loss) of associates and joint ventures, exceptional item and tax	**(1,967.95)**	**(1,565.92)**	**(2,157.56)**	**(1,747.47)**
Share of profit/(loss) of associates and joint ventures	0.00	0.00	21.42	10.33
Profit/(Loss) before exceptional item and tax	**(1,967.95)**	**(1,565.92)**	**(2,136.14)**	**(1,737.14)**
Exceptional items	296.87	280.03	296.87	501.75
Profit /(Loss) before tax & after exceptional items	**(2,264.82)**	**(1,845.95)**	**(2,433.01)**	**(2,238.89)**
Provision for taxation (net)	0.00	47.75	(18.82)	(97.73)
Profit/(Loss) after tax & exceptional items	**(2,264.82)**	**(1,893.70)**	**(2,414.19)**	**(2,141.16)**
Remeasurement of defined benefit liability	(4.96)	(7.26)	(0.99)	(12.43)
Total comprehensive profit/(loss) for the period	**(2,269.78)**	**(1,900.96)**	**(2,415.18)**	**(2,153.59)**

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company. Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the Management and/or Audit Committee of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and working effectively during financial year 2020-21.

Business Overview

The Covid – 19 pandemic has predominantly impacted FY 2020-21. Since the beginning of the financial year, Covid started penetrating metros, resulting in a nationwide lockdown for about five months. However, soon after the national lockdown was over, the number of cases increased significantly. The economy was further impacted by the restrictions / regional lockdowns imposed by the state governments.

Your Company and its employees were at the forefront to ensure that people remained at home, engaged with consistent and uninterrupted services, be it television or broadband. For partners, too, your Company provided innovative offerings that allowed them to serve customers while maintaining social distancing and adhering to governmental and health guidelines. In the process, it also suffered from the loss of its few employees. Your Company migrated its Customer Contact Center to operate on the prevailing social distancing and work from home protocols by using a Cloud-based dialer that ensured all customer calls were taken and addressed satisfactorily.

The recognition of cable TV and broadband services as essential services by the central government helped your Company ensure the free movement of its staff and partners in delivering continued and uninterrupted services to its subscribers.

Your Company has further worked in optimizing and enhancing operational efficiencies and exercising strict control over expenses, which has helped the Company manage better cash flow and meet the working capital requirement.

In the broadband space, your Company has further increased its presence in 21 cities with a 1.9 lakh strong and growing base with a focus on profitable growth and truly transform into a multi-services operator by reaching to the video subscriber with a bundled offer of broadband and Cable TV multi-service. The Company is also experimenting with enriching the customer experience with value-added services that will be launched for commercial use soon for further stickiness.

Your Company also introduced a scale-up in the customer experience with the launch of Siti Playtop Magic, in line with the commitment to bring a superior entertainment experience to its customers. This box will make any TV smart while bringing SITI HD+ Digital Cable Television's ultimate viewing experience with a DVR facility. The androidtv certified 4K HDR Set-top Box empowers customers to use all androidTV features and their Siti Digital Cable TV using a single remote on their existing TV. To accompany this androidTV set-top box, your Company even rolled out an iOS/Android app by the same name.

Your Company has continued to maintain its leadership position in terms of subscriber numbers. Though subscriber base was significantly reduced during the year due to the Covid-19 pandemic impacting the urban population migrating to rural areas and affecting the entertainment spending of the population, the Company has been able to retain its leadership position by focusing on its service support network and continuous engagement with partners.

Revenue from Operations

₹ **15,369.20 million**

in 2020-21

Your Company has entered into a tie-up with Hinduja Group's Headend in the Sky (HITS) platform NXT Digital in an industry-first initiative of infrastructure sharing, which will help your Company overcome the difficulties of a terrestrial network in some markets, especially in the semi-urban and rural regions.

Directors' Responsibility Statement

Pursuant to Section 134 of the Act, in relation to Annual Financial Statements for the financial year 2020-21, your Directors hereby confirm that:

i. the Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2021 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis;

ii. in preparation of these Financial Statements, the applicable accounting standards have been followed and there are no material departures;

iii. accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit/loss of the Company for the year ended on that date;

iv. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act, to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;

v. requisite internal financial controls, to be followed by the Company, were laid down and that such financial controls are adequate and operating effectively; and

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Directors & Key Managerial Personnel

Your Board currently comprises of six (6) Directors including three (3) Independent Directors, two (2) Non-Executive Non-Independent Director and one (1) Executive Director. Independent Directors provide declarations both at the time of appointment and annually confirming that they meet the criteria of Independence as prescribed under the Act and SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). During the financial year 2020-21, your Board met five (5) times, details of which are available in the Corporate Governance Report annexed to this report.

As per Section 152 of the Act, Mr. Amitabh Kumar (DIN 00222260), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Your Board, based on recommendations of Nomination & Remuneration Committee, recommends the re-appointment of Mr. Amitabh Kumar.

During the year under review, your Board had, based on recommendations of Nomination & Remuneration Committee, approved the appointment of Mr. Raj Kumar Gupta (DIN 02223210) as an Additional Director in the category of Independent Director with effect from February 5, 2021. In terms of Section 161 of the Act, Mr.Raj Kumar Gupta shall hold office up to the date of the ensuing Annual General Meeting of the Company. Mr. Raj Kumar Gupta will attain the age of 75 years on October 10, 2021. In terms of Regulation 17(1A) of the SEBI Listing Regulations, the Company shall not continue his directorship as a Non-Executive Independent Director on attaining the age of 75 years, i.e. on October 10, 2021. Therefore, he has informed that he is not interested in being appointed at the 15th Annual General Meeting of the Company. Accordingly, Board is not proposing for the appointment of Mr. Raj Kumar Gupta at the 15th Annual General Meeting.

Further, during the year under review, the second term of appointment of Ms. Kavita Kapahi (DIN 02330706) as an Independent Director had expired on March 31, 2021. Consequently, Ms. Kavita Kapahi ceased to be Independent Director of the Company with effect from close of business hours on March 31, 2021. Your Board had, based on recommendations of Nomination & Remuneration Committee, approved the appointment of Ms. Kavita Kapahi, as an Additional Director in the category of Non-Executive Non-Independent Women Director with effect from April 1, 2021. In terms of Section 161 of the Act, Ms. Kavita Kapahi, shall hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received a notice under Section 160 from a member proposing appointment of Ms. Kavita Kapahi. Accordingly, necessary resolution is being placed for approval of the Members at the 15th Annual General Meeting of the Company.

The Notice of 15th Annual General Meeting includes proposals for re-appointment of Mr. Bhanu Pratap Singh (DIN 00202817) for the second term as Independent Director, not liable to retire by rotation, for a period of 3 years from expiry of his current term on March 31, 2022. Based on performance evaluation, recommendations of Nomination & Remuneration Committee and after review of confirmation(s) of continuity of compliance with the criteria of independence under applicable regulations, your Board recommends re-appointment of Mr. Bhanu Pratap Singh as Independent Director for second term w.e.f. April 1, 2022, for approval of Shareholders.

Mr. Deepak Mittal (DIN 02067896), who was Independent Director of the Company, had resigned from the Board and Committees of the Company with effect from close of business hours on February 3, 2021 on account of other professional obligations and commitments. There is not any material reason for his resignation.

Mr. Sanjay Berry had resigned from the office of Chief Financial Officer ("CFO") of the Company w.e.f. the close of business hours on June 30, 2021 due to certain personal contingencies. Mr. Gulshan Khandelwal, who was appointed as CFO of the Company w.e.f. July 1, 2021, had resigned as CFO of the Company w.e.f. July 5, 2021 due to health issue, which he was facing post covid recovery. He has also informed the Company that besides the health issues, which needs specific attention, there are certain personal reasons owing to which it appears difficult for him to justify his role.

In compliance with the requirements of Section 203 of the Act, Mr. Suresh Arora, Whole-Time Director, Mr.Anil Kumar Malhotra, Chief Executive Officer and Mr. Suresh Kumar, Company Secretary of the Company are Key Managerial Personnel of the Company. Pursuant to the provisions under Section 134(3)(d) of the Act, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 of SEBI Listing Regulations.

Board Committees

In compliance with the requirements of Act and SEBI Listing Regulations, your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. www.sitinetworks.com.

Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

Board Evaluation

At a separate meeting of Independent Directors held without presence of other Directors and Management, the Independent Directors had, based on various criteria, evaluated performance of the Executive Directors and performance of the Board as a whole and various Board Committees. A report on such evaluation done by Independent Directors was taken on record by the Board and further, the Board had in compliance with the requirements of Act, evaluated performance of all Independent Directors based on various parameters including attendance, contribution etc. The details of the evaluation process are set out in the Corporate Governance Report which forms part of this Report.

Auditors and Audit Report

Statutory Auditors

Pursuant to Section 139 of the Act and the Rules made thereunder, the Statutory Auditors of the Company, M/s DNS & Associates, Chartered Accountants, Gurugram having Firm's Registration No. 006956C, were appointed by the Members at 14th Annual General Meeting of the Company to hold office until the conclusion of the 19th Annual General Meeting scheduled to be held in the calendar year 2025.

Audit Report

During the year under review, the Statutory Auditors had reported the following reportable modifications done in the Audit Report:

The Company's revenue from operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from operations' and the 'Carriage sharing, pay channel, and related costs' each would have been lower by ₹ 3,752.5 million (₹ 7,858.96 million on consolidated basis) for the year ended March 31, 2021, while there would have been no impact on the net loss for the year ended March 31, 2021.

As explained/clarified by the Management, the Board is of the view that as per its interpretation and cable industry/ sector practices of recognising revenue under Ind AS-115, the Company has appropriately shown gross revenue and content cost separately. Further, there is no impact on the net loss for the year ended March 31, 2021.

Secretarial Auditors

M/s Amit Agrawal & Associates, Company Secretaries in Whole Time Practice, having Firm Registration No. I2001DE191600, were appointed as Secretarial Auditors of the Company for the financial year 2020-21 pursuant to Section 204 of the Act. The Secretarial Audit Report of the Company submitted by the Secretarial Auditor, along with the Secretarial Audit Report of all material subsidiary companies of the Company, in the prescribed form MR-3, are collectively annexed to this report as Annexure – I and forms part thereof.

The reports of Secretarial Auditor(s) forming part of this report do not contain any qualification, reservation or adverse remark(s).

Further, pursuant to Regulation 24A of the SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/ CMD/1/27/2019 dated February 8, 2019, an Annual Secretarial Compliance Report issued by the Secretarial Auditor of the Company confirming that the Company had complied with all applicable SEBI Regulations, Circulars and Guidelines, was filed with Stock Exchanges and annexed to this report as Annexure - II.

Cost Auditors

In compliance with the requirement of Section 148 of the Act, read with Companies (Cost Records and Audit) Rules, 2014, as amended, M/s. Pawan Kumar & Associates, Cost Accountants, having Firm's Registration No. 000782, has been appointed to carry out Audit of the Cost Records of the Company during financial year 2021-22. Requisite proposal seeking ratification/approval of remuneration payable to the Cost Auditor for financial year 2021-22 by the Members as per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, forms part of Notice of the 15th Annual General Meeting.

The Company has maintained cost accounts and records in accordance with the provisions of Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

Subsidiaries & Joint Ventures

During the period under review:

(i) the wholly owned subsidiary company of the Company namely Siti Broadband Services Private Limited has acquired 51% Equity Shares in the paid-up Equity Share Capital of E-Net Entertainment Private Limited. Accordingly, E-Net Entertainment Private Limited has become subsidiary company of the Company.

(ii) The wholly owned subsidiary company of the Company namely Variety Entertainment Private Limited has sold its entire stake (i.e. 40% stake) in the Equity Share Capital of Voice Snap Services Private Limited. Accordingly, Voice Snap Services Private Limited had ceased to be associate company of the Company.

(iii) Indian Cable Net Company Limited has acquired 76% Equity Stake in the paid up Equity Share Capital of Meghbela Infitel Cable & Broadband Private Limited. Accordingly, Meghbela Infitel Cable & Broadband Private Limited has become subsidiary company of the Company.

As on March 31, 2021, your Company had 23 no. of subsidiary companies (which has increased to 24 no. of subsidiary companies as on date of this report), 2 associate companies and 1 wholly owned Limited Liability Partnership as compared to 22 no. of subsidiary companies, 3 associate companies and 1 wholly owned Limited Liability Partnership as on March 31, 2020.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries and associate company(ies) in Form AOC-1 is annexed to this report as Annexure – III and forms part thereof.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company www.sitinetworks.com. These documents will also be available for inspection during business hours on all working days (except Saturday) at the Registered Office of the Company.

Deposits

During the year under review, your Company has not accepted or invited any deposits as defined under Section 2(31) read with Chapter V of the Act and Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014.

Dividend

With a view to conserve the resources for future business requirements and expansion plans and in view of losses during the year, your Board has not recommended dividend for the year under review.

Transfer to Reserves

The Company has not transferred any amount to reserves in view of losses during the year under review.

Employee Stock Option Scheme

In pursuance of Employees Stock Option Scheme of the Company (SITI ESOP 2015), your Company had granted 4,663,500 options to eligible employees on September 3, 2015. During the year under review, neither any option was granted, nor any grantee had exercised the vested option(s).

The applicable disclosures as stipulated under Regulation 14 of the Securities and Exchange of India (Share Based Employee Benefits) Regulations, 2014 with regard to SITI ESOP 2015 are annexed to this report as Annexure - IV. The said disclosures on SITI ESOP 2015 will also be available on Company's website www.sitinetworks.com. The Statutory Auditors of the Company M/s DNS & Associates, Chartered Accountants (Firm's Registration No. 006956C) have certified that the SITI ESOP 2015 have been implemented in accordance with SEBI Regulations and the resolution passed by the shareholders, and the said certificate of Statutory Auditors will be placed at the 15th Annual General Meeting of the Company.

Share Capital

During the period under review, there is no change in Authorised Share Capital of the Company. As on March 31,2021, the Authorised Capital of the Company is ₹ 1,300 million comprising of 1,290,000,000 Equity Shares of ₹ 1/- each and 10,000,000 Preference Shares of ₹ 1/- each and the Paid-up Share Capital of the Company is ₹ 872.08 million comprising 872,053,848 Equity Shares of ₹ 1/- each fully paid-up and 23,436 Preference Shares of ₹ 1/- each fully paid-up.

Registered Office

During the year under review, the Registered office of the Company is continued to be situated at 'Unit No. 38, 1st Floor, A wing, Madhu Industrial Estate, P. B Marg, Worli, Mumbai – 400013'.

Corporate Governance & Policies

Your Company is in compliance with the Corporate Governance requirements mentioned under SEBI Listing Regulations and applicable provisions of the Act. In terms of Schedule V of the SEBI Listing Regulations, a detailed report on Corporate Governance together with the Compliance Certificate issued by Secretarial Auditor of the Company is attached to and forms an integral part of this report. Management Discussion and Analysis Report as per SEBI Listing Regulations are presented as separate section forming part of the Annual Report.

In compliance with the requirements of Act and SEBI Listing Regulations, your Board has approved various Policies including Code of Conduct for Directors & Senior Management, Material Subsidiary Policy, Insider Trading Code, Document Preservation Policy, Material Event Determination and Disclosure Policy, Fair Disclosure Policy, Corporate Social Responsibility Policy, Whistle Blower and Vigil Mechanism Policy, Related Party Transaction Policy, Dividend Policy and Remuneration Policy. All these policies and codes have been uploaded on Company's website www.sitinetworks.com. Additionally, Directors Familiarisation Programme and Terms and Conditions for appointment of Independent Directors can be viewed on Company's website www.sitinetworks.com.

In compliance with the requirements of Section 178 of the Act, the Nomination & Remuneration Committee of your Board had fixed various criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limits, qualification / experience, areas of expertise and independence of individual. The Committee had also approved in-principle that the term of an Independent Director shall not exceed three (3) years.

Corporate Social Responsibility

The provisions of Section 135(5) of the Act, which provides for spending in every financial year at least two percent of the average net profits of the Company made during the three immediately preceding financial years, is not applicable to the Company as the Company had incurred losses during the three immediately preceding financial years.

Disclosures

i. **Particulars of Loans, Guarantee or Investments:** Particulars of loans, guarantees and investments made by the Company required under Section 186(4) of the Act are contained in Note No. 42 of the Standalone Financial Statements and are not reproduced for the sake of brevity.

ii. **Related Parties Transactions:** All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were on arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

During the financial year 2020-21, there are no materially significant related party transactions by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, if any, which may have a potential conflict with the interest of the Company at large. Details of related party transactions will be available on Company's website www.sitinetworks.com.

All related party transactions, specifying the nature, value and terms and conditions of the transactions including the arms-length justification, are placed before the Audit Committee for its approval and statement of all related party transactions carried out is placed before the Audit Committee for its review on a quarterly basis. During the year under review, there have been no materially significant related party transactions by the Company as defined under Section 188 of the Act and Regulation 23 of the SEBI Listing Regulations and accordingly, no transactions are required to be reported in Form AOC-2 as per Section 188 of the Act.

iii. **Extract of Annual Return:** The extract of annual return in MGT-9 as required under Section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 will be available on the website of the Company www.sitinetworks.com.

iv. **Internal Financial Control systems and their adequacy:** Your Company has approved internal financial controls and policies/ procedures for orderly and efficient conduct of the business including safeguarding of assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically. Your Company has adopted accounting policies which are in line with the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. These are in accordance with Generally Accepted Accounting Principles in India.

v. **Vigil Mechanisms/Whistle Blower Policy:** The Company has established a vigil mechanism/framed a whistle blower policy of the Directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations. The policy enables the employees and other stakeholders to report to the Management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The said policy is available on website of the Company at www.sitinetworks.com.

vi. **Risk Management:** Your Company has well-defined operational processes to ensure that risks are identified and the operating management is responsible for identifying and implementing the mitigation plans for operational and process risks. Key strategic and business risks are identified and managed by senior management team. The risks that matter and their mitigation plans are updated and reviewed periodically by the senior management and integrated in the Business plan for each year. In the opinion of the Board, currently, there are no risks that may threaten existence of the Company.

vii. **Sexual Harassment:** The Company is committed to provide safe and conducive working environment to all its employees (permanent, contractual, temporary and trainees, etc.) and has zero tolerance for Sexual Harassment at workplace. The Company has adopted a Policy on prevention, prohibition and redressal of Sexual Harassment at workplace in line with the provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder and has constituted Internal Complaints Committee to redressal complaints received regarding sexual harassment.

During the year under review, your Company has not received any complaint on sexual harassment.

viii. **Regulatory Orders:** No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

ix. **Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year:**

a. Your Company has filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, against the Broadcaster - Broadcast Initiatives Ltd. ("corporate debtor") claiming an amount of ₹ 3,622,735/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The matter is currently pending and is listed for completion of pleadings and final hearing on Application to initiate corporate insolvency resolution process proceedings.

b. Your Company has filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Mumbai Bench, against the Broadcaster - Pioneer Channel Factory Ltd. ("corporate debtor") claiming an amount of ₹ 2,340,000/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The matter is currently pending, and the Hon'ble NCLT has directed both parties to explore option for settlement.

c. Your Company has filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Mumbai Bench, against the Broadcaster - Shop CJ Network Pvt Ltd. ("corporate debtor") claiming an amount of ₹ 8,216,487/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The matter is currently pending and is listed for appearance of the corporate debtor.

d. Your Company has filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Mumbai Bench, against the Broadcaster - TV Home Shopping Network Limited ("corporate debtor") claiming an amount of ₹ 4,368,363/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The matter is currently pending and corporate debtor had sought adjournment on the ground to send proposal for settlement.

e. Your Company has filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Kolkata Bench, against the Broadcaster - Pioneer Business Samadhan Pvt. Ltd. ("corporate debtor") claiming an amount of ₹ 554,400/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The matter is currently pending for final hearing on Application to initiate corporate insolvency resolution process proceedings.

f. Your Company has filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Kolkata Bench, against the Broadcaster - Visionary Business Administration Pvt. Ltd. ("corporate debtor") claiming an amount of ₹ 637,088/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The matter is currently pending and is listed for appearance of the corporate debtor.

g. Your Company has filed an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Kolkata Bench, against the Broadcaster - Maa Vaishnodevi Academy Pvt. Ltd. ("corporate debtor") claiming an amount of ₹ 1,316,780/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The matter is currently pending and is listed for appearance of the corporate debtor.

h. In terms of the NCLT Mumbai judgment, your Company has filed its claim before the Official Liquidator at New Delhi against the Broadcaster - Macro Commerce Pvt. Ltd. ("corporate debtor") claiming an amount of ₹ 4,828,720/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. Out of our said claim, we have received an amount of ₹ 2,000,000/-. The said matter is pending.

i. Your Company has filed its claim before the Official Liquidator at Mumbai against the Broadcaster - Fearless Media Pvt. Ltd. ("corporate debtor") claiming an amount of ₹ 591,665/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The same is pending.

j. Your Company has filed its claim before the Official Liquidator at Mumbai against the Broadcaster - Mi Marathi Media Ltd. ("corporate debtor") claiming an amount of ₹ 3,96,171/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The same is pending.

x. Reporting of frauds by auditors: During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

xi. Secretarial standards: The Company has complied with all the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government.

xii. Listing on stock exchanges: The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company is a Multi System Operator (MSO) and is carrying on business of, inter alia, reception of signals of channels of various Broadcasters and distribution of same through cable networks. Since this does not involve any manufacturing activity, most of the Information required to be provided under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, are nil / not applicable. The information, as applicable are given hereunder:

Conservation of Energy:

i.	The steps taken or impact or conservation of energy	Your Company, being a service provider, has minimal energy consumption. Though, every endeavour is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.
ii.	The steps taken by the Company for utilizing alternate sources of energy	
iii.	The capital investment on energy conservation equipments	
Technology Absorption:		
i.	The efforts made towards technology absorption	Your Company uses latest technology and equipment for distribution of Cable TV signals. However, since the Company is not engaged in any manufacturing, the information in connection with technology absorption is Nil.
ii.	The benefits derived like product improvement, cost reduction, product development or import substitution	
iii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	a. the details of technology imported	
	b. the year of import;	
	c. whether the technology been fully absorbed	
	d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
iv.	The expenditure incurred on Research and Development	

Foreign Exchange Earnings and Outgo: During the year under review, your Company had foreign exchange earnings of ₹ nil million and outgo of ₹ 219.86 million.

Human Resources & Particulars of Employees

We responded with speed and agility to the March 2020 lockdown, which was necessitated to prevent the spread of the Covid-19 pandemic. We provided extra care and support to our employees and their families to ensure their health and wellbeing. We also successfully arranged for laptops/desktops and other equipment at their homes, so that they could work from the safety and comfort of their homes. Once physical operations resumed, towards the end of September 2020, we prepared a 'Going back to office' ready reckoner and circulated it among all employees to ensure their safety. We also ensured sanitisation and strict adherence to all protocols, across our large nationwide network of offices and provided sanitation kits, masks and other equipment to the employees on the ground. We also initiated various online training models and upskilling workshops to ensure that the SITI 3P philosophy of 'People. Processes. Performance' was not diluted amid the crisis situation. At the same time, we continued to incentivise employees through rewards and other schemes during the year. Though the pandemic limited celebrations, we made the most of the windows when lockdowns/curfews were not in place to celebrate occasions like the International Women's Day, Holi etc, with strict adherence to social distancing and other protocols.

In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is attached as Annexure – V, which forms part of this report.

Acknowledgements

Your Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. Your Directors express their heartfelt gratitude for valuable support and cooperation extended by customers/subscribers, vendors, dealers, investors/shareholders, business associates (including local cable operators, broadcasters, etc.), bankers, financial institutions, various Governmental Authorities including Ministry of Information and Broadcasting, Ministry of Communication and Information Technology, Telecom Regulatory Authority of India, Stock Exchanges, Registrar and Depositories. The Directors look forward to their continued support. Your Directors also place on record their sincere appreciation of the contribution made by the employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board

Suresh Arora	**Amitabh Kumar**
Whole Time Director	Non-Executive Director
DIN 00299232	DIN 00222260

Noida, August 13, 2021

ANNEXURE – I

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
SITI Networks Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SITI Networks Limited (hereinafter referred to as "the Company") having its registered office at Unit No.38, 1st Floor, A Wing, Madhu Industrial Estate, P.B. Marg, Worli, Mumbai - 400 0013 and corporate office at UG Floor, Plot No. 19 & 20, Sector -16A, Film City, Noida, Uttar Pradesh-201301. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SITI Networks Limited for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

* No event took place under these regulations during the audit period.

(vi) Other laws:

1. Labour Laws:

(Central Act):

a. ESI Act

b. EPF Act

2. **Fiscal Laws:**
   a. Income Tax Act and Rules and regulation made there under to the extent filing of the Return under the Act;
   b. Service Tax Act
   c. Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.
   d. Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment and Overseas Direct Investment.

3. **Industry Specific Laws:**
   a. The Telecom Regulatory Authority of India Act, 1997 and Regulations made thereunder.
   b. The Cable Television Network (Regulation) Act, 1995 and rules framed thereunder.

   We have also examined compliance with the applicable clauses of the following:

   (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

   (ii) The Listing Agreements entered into by the Company with the National Stock Exchange Limited and BSE Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period the Company has provide details of specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that the report is issued on the basis of documents and papers provided to us by the management of the Company in the form of electronic mode. Due do COVID 19 the physical verification is not possible.

For **Amit Agrawal & Associates**
(Company Secretaries)

CS Amit Agrawal
(Proprietor)
M. No. F5311, C.P. No. : 3647
UDIN: F005311C000512191

Place : Delhi
Date : June 25, 2021

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Indian Cable Net Company Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indian Cable Net Company Limited (hereinafter referred to as "the Company") having its registered office at Plot No.- X1-4, Block EP & GP, Sector-V, Electronics Complex, Salt Lake, Kolkata Parganas North-700091, West Bengal. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Indian Cable Net Company Limited for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

*No event took place under these regulations during the audit period.

(vi) Other laws:

1. **Labour Laws:**

(Central Act):

a. ESI Act

b. EPF Act

2. **Fiscal Laws:**

a. Income Tax Act and Rules and regulation made there under to the extent filing of the Return under the Act;

b. Service Tax Act

c. Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.

d. Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment and Overseas Direct Investment.

3. **Industry Specific Laws:**

a. The Telecom Regulatory Authority of India Act, 1997 and Regulations made thereunder.

b. The Cable Television Network (Regulation) Act, 1995 and rules framed thereunder.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s)- Not Applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period the Company has provide details of specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that during the audit period, the Company granted to transfer/sale of assets and inventories of the Company, which are mainly pertaining to broadband business of the Company in favour of Indinet Service Private Limited, being the wholly owned subsidiary company of the Company and being carried on broadband business, at a consideration of ₹ 13,92,85,601/- (Rupees Thirteen Crore Ninety Two Lakh Eighty Five Thousand Six Hundred One).

For **Balika Sharma and Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222
Peer Review Certificate No. 658/2020
Unique Identification No. S2007DE097200
UDIN Number: F004816C000499904

Place: New Delhi
Date: June 22, 2021

Note:
Due to restricted movement amid COVID-19 pandemic, we have examined the Secretarial Records including Minutes, Documents, Registers and other records etc. of the Company for the period ended March 31, 2021 through electronic mode as provided by the Company and we could not examine the original records. This Report is limited to the Statutory, Compliances on laws /regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2021 pertaining to Financial Year 2020-21.

To,

The Members,
Indian Cable Net Company Limited,

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Balika Sharma & Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

Place: New Delhi
Date: June 22, 2021

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
SITI Maurya Cable Net Private Limited
Plot No.- X1-4, Block EP & GP,
Sector-V, Electronics Complex,
Salt Lake, Kolkata Parganas
North WB 700091
CIN: U93000WB2012PTC184542

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SITI Maurya Cable Net Private Limited (hereinafter referred to as "the Company") having its registered office at Plot No.- X1-4, Block EP & GP, Sector-V, Electronics Complex, Salt Lake, Kolkata Parganas North WB 700091. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SITI Maurya Cable Net Private Limited for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

*No event took place under these regulations during the audit period.

(vi) Other laws:

1. Labour Laws:

(Central Act):

a. ESI Act

b. EPF Act

2. Fiscal Laws:

a. Income Tax Act and Rules and regulation made there under to the extent filing of the Return under the Act;

b. Service Tax Act

c. Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.

d. Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment and Overseas Direct Investment.

3. Industry Specific Laws:

a. The Telecom Regulatory Authority of India Act, 1997 and Regulations made thereunder.

b. The Cable Television Network (Regulation) Act, 1995 and rules framed thereunder.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with Stock Exchange(s)- Not Applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period the Company has provide details of specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Balika Sharma and Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222
Peer Review Certificate No. 658/2020
Unique Identification No. S2007DE097200
UDIN Number: F004816C000771296

Place: New Delhi
Date: August 11, 2021

To,

SITI Maurya Cable Net Private Limited
Plot No.- X1-4, Block EP & GP,
Sector-V, Electronics Complex,
Salt Lake, Kolkata Parganas
North WB 700091
CIN: U93000WB2012PTC184542

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Balika Sharma & Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

Place: New Delhi
Date: August 11, 2021

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Siti Siri Digital Network Private Limited
32.2/1-1A,Ratnamamba Street
Mogalrajpuram Vijayawada
AP 520010
CIN: U93000AP2013PTC088687

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Siti Siri Digital Network Private Limited (hereinafter referred to as "the Company") having its registered office at 32.2/1-1A, Ratnamamba Street Mogalrajpuram Vijayawada AP 520010. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Siti Siri Digital Network Private Limited for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

*No event took place under these regulations during the audit period.

(vi) Other laws:

1. **Labour Laws:**

   (Central Act):

   a. ESI Act

   b. EPF Act

2. **Fiscal Laws:**

   a. Income Tax Act and Rules and regulation made there under to the extent filing of the Return under the Act;

   b. Service Tax Act

c. Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.

d. Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment and Overseas Direct Investment.

3. **Industry Specific Laws:**

a. The Telecom Regulatory Authority of India Act, 1997 and Regulations made thereunder.

b. The Cable Television Network (Regulation) Act, 1995 and rules framed thereunder.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company withStock Exchange(s)- Not Applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period the Company has provide details of specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Balika Sharma and Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222
Peer Review Certificate No. 658/2020
Unique Identification No. S2007DE097200
UDIN Number: F004816C000771230

Place: New Delhi
Date: August 11, 2021

To,

Siti Siri Digital Network Private Limited
32.2/1-1A,Ratnamamba Street
Mogalrajpuram Vijayawada
AP 520010
CIN: U93000AP2013PTC088687

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Balika Sharma & Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

Place: New Delhi
Date: August 11, 2021

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Master Channel Community Network Pvt Ltd
Flat No: T4 & T5, 3rd Floor Vijaya Apartments,
Mogalarajpuram, Vijayawada Srikakulam
AP- 520010
CIN: U72200AP1994PTC017527

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Master Channel Community Network Pvt Ltd (hereinafter referred to as "the Company") having its registered office at Flat No: T4&T5, 3rd Floor Vijaya Apartments Mogalarajpuram, Vijayawada Srikakulam AP 520010. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Master Channel Community Network Pvt Ltd. for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

*No event took place under these regulations during the audit period.

(vi) Other laws:

1. Labour Laws:

(Central Act):

a. ESI Act

b. EPF Act

2. Fiscal Laws:

a. Income Tax Act and Rules and regulation made there under to the extent filing of the Return under the Act;

b. Service Tax Act

c. Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.

d. Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment and Overseas Direct Investment.

3. **Industry Specific Laws:**

a. The Telecom Regulatory Authority of India Act, 1997 and Regulations made thereunder.

b. The Cable Television Network (Regulation) Act, 1995 and rules framed thereunder.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with Stock Exchange(s)- Not Applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period the Company has provide details of specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Balika Sharma and Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222
Peer Review Certificate No. 658/2020

Place: New Delhi
Date: August 11, 2021

Unique Identification No. S2007DE097200
UDIN Number: F004816C000771221

To,

Master Channel Community Network Pvt Ltd
Flat No: T4 & T5, 3rd Floor Vijaya Apartments,
Mogalarajpuram, Vijayawada Srikakulam
AP- 520010
CIN: U72200AP1994PTC017527

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Balika Sharma and Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

Place: New Delhi
Date: August 11, 2021

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Siti Prime Uttaranchal Communication Private Limited
F-1, J Block Market, Ashok Vihar,
Phase-I, New Delhi, North West
Delhi-110052
CIN: U64200DL2014PTC269035

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Siti Prime Uttaranchal Communication Private Limited(hereinafter referred to as "the Company") having its registered office at F-1, J Block Market, Ashok Vihar, Phase-I, Delhi-110052. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Siti Prime Uttaranchal Communication Private Limited for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

(g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

*No event took place under these regulations during the audit period.

(vi) Other laws:

1. Labour Laws:

(Central Act):

a. ESI Act

b. EPF Act

2. Fiscal Laws:

a. Income Tax Act and Rules and regulation made there under to the extent filing of the Return under the Act;

b. Service Tax Act

c. Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.

d. Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment and Overseas Direct Investment.

3. **Industry Specific Laws:**

a. The Telecom Regulatory Authority of India Act, 1997 and Regulations made thereunder.

b. The Cable Television Network (Regulation) Act, 1995 and rules framed thereunder.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with Stock Exchange(s)- Not Applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period the Company has provide details of specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Balika Sharma and Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222
Peer Review Certificate No. 658/2020
Unique Identification No. S2007DE097200
UDIN Number: F004816C000771164

Place: New Delhi
Date: August 11, 2021

To,

Siti Prime Uttaranchal Communication Private Limited
F-1, J Block Market, Ashok Vihar,
Phase-I, Delhi-110052
CIN: U64200DL2014PTC269035

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Balika Sharma and Associates**
(Company Secretaries)

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

Place: New Delhi
Date: August 11, 2021

ANNEXURE – II

SECRETARIAL COMPLIANCE REPORT OF SITI NETWORKS LIMITED

For the year ended March 31, 2021

We have examined:

(a) all the documents and records made available to us and explanation provided by Siti Networks Limited,

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued there under; and based on the above examination, we hereby report that, during the Review Period:

   (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder;

   (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under insofar as it appears from our examination of those records.

   (c) No action was taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

   (d) As there was no observation made in previous reports, therefore, the listed entity was not required to take any actions to comply with the same.

For **Amit Agrawal & Associates**
(Company Secretaries)

CS Amit Agrawal
(Proprietor)
M. No.-5311, CP No. : 3647
UDIN: F005311C000512136

Place : Delhi
Date : June 25, 2021

Note:
We further report that the report is issued on the basis of documents and papers provided to us by the management of the Company in the form of electronic mode. Due do COVID 19 the physical verification is not possible.

ANNEXURE – III

Statement containing salient features of the financial statement of subsidiaries/ associates companies/ joint ventures

(Pursuant to first proviso to sub- section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A": Subsidiaries

Name of the Subsidiary	Indian Cable Net Company Ltd.	[1] Master Channel Community Network Pvt. Ltd.	Siti Vision Digital Media Pvt. Ltd.	[2] Siti Maurya Cable Net Pvt. Ltd.	Siti Jai Maa Durgee Communications Pvt. Ltd.	Siti Guntur Digital Network Pvt. Ltd.	Siti Krishna Digital Media Pvt. Ltd.	Siti Faction Digital Pvt. Ltd.
Reporting Period	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020
	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting Currency	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million
Share Capital	864.01	0.50	14.78	90.28	0.10	0.10	0.10	0.10
Reserve & Surplus	3,442.90	97.55	(255.92)	178.66	(74.6)	15.72	(10.47)	(41.96)
Total Asset	6,384.32	705.38	487.07	525.24	18.6	77.64	16.37	150.18
Total Liabilities	2,077.36	607.33	728.21	256.30	93.1	61.82	26.74	192.04
Investments	164.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turnover	4,090.57	765.34	422.77	513.77	0.00	0.00	0.00	0.44
Profit before taxation	100.18	(8.18)	(54.18)	5.23	(0.55)	(0.16)	(3.83)	(8.29)
Provision for taxation	2.53	(1.14)	(7.69)	1.41	0.00	(0.02)	0.00	0.00
Profit after taxation	97.65	(7.04)	(46.49)	3.82	(0.55)	(0.14)	(3.83)	(8.29)
Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
% of shareholding	60.02	66.00	51.00	50.10	51.00	74.00	51.00	51.00

[1] Subsidiary of Central Bombay Cable Network Limited

[2] Subsidiary of Indian Cable Net Company Limited

Name of the Subsidiary	Siti Global Pvt. Ltd.	Siti Siri Digital Network Pvt. Ltd.	Siti Karnal Digital Media Network Pvt. Ltd.	Siti Broadband Services Pvt. Ltd.	Siti Jind Digital Media Communications Pvt. Ltd.	Siti Jony Digital Cable Network Pvt. Ltd.	Central Bombay Cable Network Ltd.	Wire and Wireless Tisai Satellite Ltd.	Siticable Broadband South Ltd.
Reporting Period	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020	April 1, 2020
	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting Currency	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million
Share Capital	0.10	0.10	0.10	0.10	2.00	0.10	0.50	0.50	2.33
Reserve & Surplus	(22.10)	27.01	(62.27)	(455.8)	(8.37)	(6.39)	(18.55)	(99.97)	(24.67)
Total Asset	45.60	1,341.81	120.30	287.02	98.20	9.53	42.45	3.36	83.07
Total Liabilities	67.59	1,314.70	182.46	742.9	104.58	15.82	60.50	102.82	105.41
Investments	0.00	0.00	0.00	1.3	1.40	0.00	0.39	0.00	3.50
Turnover	11.06	1,560.24	10.68	187.72	66.93	2.13	0.00	0.00	0.00
Profit before taxation	(3.10)	(16.18)	(1.61)	(113.96)	(11.78)	(0.34)	(0.09)	(0.06)	(4.24)
Provision for taxation	0.73	(5.10)	0.00	0.00	(1.53)	0.00	0.00	0.00	0.00
Profit after taxation	(3.83)	(11.08)	(1.61)	(113.96)	(10.25)	(0.34)	(0.09)	(0.06)	(4.24)
Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
% of shareholding	51.00	51.00	51.00	100.00	[3] 57.50	51.00	100.00	51.00	100.00

[3] Include 6.50% held by Siticable Broadband South Limited.

Name of the Subsidiary	4 Indinet Service Private Limited	Siti Prime Uttaranchal Communication Private Limited	Siti Sagar Digital Cable Network Private Limited	Siti Saistar Digital Media Private Limited	5 E-Net Entertainment Private Limited	Variety Entertainment Private Limited	Siti Networks LLP
Reporting Period	April 1, 2020 March 31, 2021	April 1, 2020 March 31, 2021	April 1, 2020 March 31, 2021	April 1, 2020 March 31, 2021	April 1, 2020 March 31, 2021	April 1, 2020 March 31, 2021	April 1, 2020 March 31, 2021
Reporting Currency	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million
Share Capital	0.10	0.20	0.10	0.10	0.57	0.10	0.10
Reserve & Surplus	(15.19)	14.70	(15.67)	(80.06)	(3.18)	(15.97)	(0.15)
Total Asset	342.76	145.54	49.34	502.89	36.04	924.51	240.46
Total Liabilities	357.85	130.64	64.91	582.85	38.66	940.37	240.51
Investments	0.00	0.00	0.00	0.00	0.00	35.27	0.00
Turnover	830.13	101.46	4.51	260.67	0.00	77.41	0.00
Profit before taxation	(12.06)	(3.95)	(5.58)	(20.17)	(2.97)	3.60	(0.03)
Provision for taxation	(3.04)	0.00	(0.60)	4.83	0.00	0.00	0.00
Profit after taxation	(9.02)	(3.95)	(4.98)	(15.35)	(2.97)	3.60	(0.03)
Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00
% of shareholding	100.00	51.00	51.00	51.00	51.00	100.00	

[4] *Wholly owned subsidiary of Indian Cable Net Company Limited*

[5] *Subsidiary company of Siti Broadband Services Private Limited*

PART "B" ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/ Joint Ventures	C&S Medianet Private Limited	Paramount Digital Media Services Private Limited
Latest Audited Balance Sheet date	June 24, 2021	June 23, 2021
Share of Associate/ Joint Ventures held by the Company on the year end		
• No.	4,800	*10,000
• Amount of Investment in Associates/ Joint Ventures (₹ in million)	0.05	352.70
• Extend of Holding %	48.00%	*50.00%
Description of How there is significant influence	Control of more than 20% of the Total Share Capital.	Control of more than 20% of the Total Share Capital.
Reason why the associate/ joint venture is not consolidated	-	-
Networth attributable to shareholding as per latest audited Balance Sheet	-	-
Profit/ Loss for the Year	-	-
i. Considered in Consolidation (₹ in million)		
ii. Not Considered in Consolidation	0.00	0.00

** Held through Variety Entertainment Private Limited*

ANNEXURE – IV

ANNEXURE TO DIRECTORS' REPORT

Disclosures as required under Regulation 14 of the SEBI (Share Based Employees Benefits) Regulations, 2014 read with SEBI Circular dated July 16, 2015

Sl. No.	Particulars	Details
1	Relevant disclosures in terms of the Guidance Note on Accounting for employees share-based payment issued by ICAI or any other relevant Accounting Standards as prescribed from time to time.	Refer Note no. 33 of standalone financial statements for the year ended March 31, 2021,
2	Diluted EPS on issue of shares pursuant to all the Schemes covered under the regulations shall be disclosed in accordance with Accounting Standard 20 - Earning Per Share issued by ICAI or any other relevant accounting standards as prescribed from time to time	Diluted EPS as per Indian Accounting Standards 33 is ₹ (2.60) (Refer Note 30 of standalone financial statements).
3	**Details relating to ESOS**	
i.	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS including:	Presently the Company has only one ESOP Scheme namely – SITI ESOP 2015.
	a. Date of Shareholders approval	August 27, 2015
	b. Total No. of Options approved under ESOP	33,881,656 Stock Options
	c. Vesting Requirements	The Options granted shall vest, not earlier than one year and not later than five years from the date of grant of options, so long as the employee continues to be in the employment of the Company, as the case may. Vesting shall happen in one or more tranches, subject to such terms and conditions of vesting as may be decided by the Board / Nomination & Remuneration Committee including but not limited to certain performance metrics subject to which the options would vest. The specific vesting schedule and conditions, if any, subject to which vesting would take place would be outlined in the Letter of Grant given to the Grantee at the time of the Grant of Options.
	d. Exercise Price or pricing formula	The exercise price shall be equal to the latest available closing market price (on that stock exchange where there is highest trading volume) on the date prior to the date on which the options are granted to the employees.
	e. Maximum term of Options granted	Options granted under SITI ESOP 2015 scheme shall be capable of being exercised within a period of four years from the date of each Vesting of the respective Stock Options.
	f. Source of share (primary, secondary or combination)	Primary
	g. Variation in terms of Options	None
ii.	Method used to account for ESOS Intrinsic or fair value.	Fair Value Method

Sl. No.	Particulars	Details
iii.	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Not applicable as the Company has accounted for the Stock Option at Fair Value using a variation of the binominal option pricing model as detailed in Note No. 33 of standalone financial statements for FY 2020-21.
iv.	Option movement during the year:	
	Number of options outstanding at the beginning of the FY 2020-21	2,852,275 Stock Options
	Number of options granted during FY 2020-21	Nil
	Number of options forfeited / lapsed during FY 2020-21	2,196,750 Stock Options
	Number of options vested during FY 2020-21	Nil
	Number of options exercised during FY 2020-21	Nil
	Number of shares arising as a result of exercise of options	Nil
	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Nil
	Loan repaid by the trust during the year from exercise price received	Nil
	Number of options outstanding at the end of FY 2020-21	655,525 Stock Options
	Number of options exercisable (vested) at the end of FY 2020-21	655,525 Stock Options
v.	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	No options were exercised during the financial year 2020-21. The weighted average share price per share at the date of exercise in the financial year 2016-17 was ₹ 39.05 per share.
vi.	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to (a) Senior Managerial Personnel; (b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and (c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	No options were exercised during the financial year 2020-21. Therefore, details under this head are nil.
vii.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information viz. (a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model; (b) the method used and the assumptions made to incorporate the effects of expected early exercise; (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and (d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Refer Note 33 to the Notes to standalone financial statements for FY 2020-21 for description of method and significant assumptions used to estimate fair value of Options granted during FY 2020-21.

ANNEXURE – V

PARTICULARS OF REMUNERATION OF EMPLOYEES

{Pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

DISCLOSURE OF MANAGERIAL REMUNERATION PURSUANT TO SECTION 197 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase during the financial year, ratio of remuneration of Directors to the Median remuneration of employees and comparison of remuneration of each KMP against Company's standalone performance:

Sl. No.	Name of the Director-KMP and Designation	% increase in remuneration in FY 2020-21	Ratio of remuneration of each Director to median remuneration of employees
1.	Ms. Kavita Kapahi, Independent Director *	Nil	-
2.	Prof. Sunil Kumar Maheshwari, Independent Director	Nil	-
3.	Mr. Bhanu Pratap Singh, Independent Director	Nil	-
4.	Mr. Deepak Mittal, Independent Director ^	Nil	-
5.	Mr. Amitabh Kumar	Nil	-
6.	Mr. Suresh Arora	Nil	-
7.	Mr. Raj Kumar Gupta, Independent Director ~	Nil	-
8.	Mr. Anil Kumar Malhotra	18%	NA
8.	Mr. Sanjay Berry, Chief Financial Officer **	Nil	NA
7.	Mr. Suresh Kumar, Company Secretary	9%	NA

Note :

***** *Consequent upon expiry of her second term of appointment as an Independent Director effective from March 31, 2021, she has been appointed as an Additional Director in the category of Non-Executive Non-Independent Director w.e.f. April 1, 2021.*

^ *Mr. Deepak Mittal has resigned as Independent Director w.e.f. closed of business hours on February 3, 2021.*

~ *Mr. Raj Kumar Gupta, appointed as Additional Director in the category of Independent Director w.e.f. February 5, 2021.*

*** *Mr.Sanjay Berry has resigned from the office of CFO of the Company with effect from close of business on June 30, 2021.*

Sl. No.	Requirements	Disclosure
1	The percentage increase in the median remuneration of employees in the financial year 2020-21.	0.00%
2	The number of permanent employees on the rolls of the Company	297 employees as on March 31, 2021
3	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Non-managerial – 0.86% Managerial – 6.75% This is based on Remuneration Policy of the Company that rewards personnel differently based on their contribution to the success of the Company and also ensures that external market competitiveness and internal relatives are taken care of.
4	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms that the remuneration is as per the remuneration policy of the Company

B. DISCLOSURES RELATING TO REMUNERATION DRAWN BY EMPLOYEES IN TERMS OF SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. Top ten employees in terms of remuneration drawn:

Sl. No.	Name and age	Designation	Remuneration Received (₹)	Qualification and experience	Date of joining	Last Employment
1	Alok Govil (60)	COO - Sales & Operations	14,239,664	PGDMM (40)	01-07-2017	Zee Entertainment Enterprises Limited
2	Anil Kumar Malhotra (58)	Chief Executive Officer	13,257,407	M.Sc (Physics - Solid State) (36)	01-09-2019	C&S Medianet Private Limited
3	Ashish Goel (51)	Chief Human Resources Officer	5,924,396	MPM from Pune University (26)	01-10-2018	Technicon Group – Technology & Solution Company Oil and Gas
4	Girish Buttan (53)	Head - Legal	6,190,657	LLB, CS, MBA (28)	01-01-2019	Essel Business Excellence Services Ltd.
5	Jitender Bhati (48)	Associate Vice President - Customer Services & Process	5,015,295	MBA (17)	03-12-2012	Media Pro Enterprises India Pvt. Ltd
6	Rajesh Sharma (44)	General Manager - Content & Carriage	5,035,375	B. Com (14)	18-04-2012	Turner Broadcasting system Inc.
7	Sanjay Arya (52)	Chief Technology Officer	5,490,233	BE, Post Diploma IN Electronics, PGDM-Marketing (18)	25-10-2007	Reliance Communication Ltd.
8	Sanjay Berry * (52)	Chief Financial Officer	12,226,388	CA, Executive Leadership Program (Cornell University) (29)	01-09-2017	SITI Networks Limited
9	Sanjay Kundra (52)	Associate Vice President - Sales & Operations	5,904,888	MBA-Marketing, MBA-HR (29)	01-09-2017	Reliance Retail Ltd.
10	Yogesh Sharma (51)	Coo - Sales & Operations	7,816,742	B.Tech (26)	15-01-2018	Mediant System Pvt. Ltd.

Note :

1. *All appointments are contractual and terminable by notice on either side.*
2. *None of the employee are related to any Directors*
3. *Remuneration is as per provisions contained in section 17(1), 17(2) and 17(3) of the Income Tax Act, 1961.*

* *Mr.Sanjay Berry has resigned from the office of CFO of the Company with effect from close of business on June 30, 2021.*

2. Employed throughout the year and in receipt of remuneration aggregating ₹ 1.02 Crores or more per annum:

Sl. No.	Name and age	Designation	Remuneration Received (₹)	Qualification and experience	Date of joining	Last Employment
1	Alok Govil (60)	COO - Sales & Operations	14,239,664	PGDMM (40)	01-07-2017	Zee Entertainment Enterprises Limited
2	Anil Kumar Malhotra (58)	Chief Executive Officer	13,257,407	M.Sc (Physics - Solid State) (36)	01-09-2019	C&S Medianet Private Limited
8	Sanjay Berry* (52)	Chief Financial Officer	12,226,388	CA, Executive Leadership Program (Cornell University) (29)	01-09-2017	SITI Networks Limited

Note :

1. *All appointments are contractual and terminable by notice on either side.*
2. *None of the employee are related to any Directors*
3. *Remuneration is as per provisions contained in section 17(1), 17(2) and 17(3) of the Income Tax Act, 1961.*

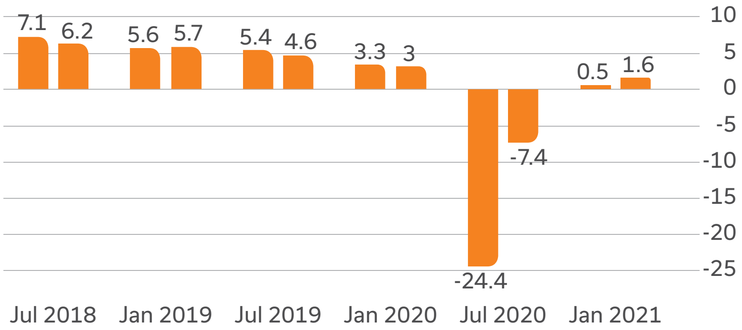
3. Employed for part of the year and in receipt of remuneration aggregating ₹ 8.5 lakh or more per month: NIL

Management Discussion and Analysis

Indian Economic Review

Like the rest of the world, the Indian economy has been set back considerably due to the COVID-19 pandemic. While quarterly growth has been on a downward trend since the beginning of FY 2018-19, it turned sharply negative for the first two quarters of FY 2020-21, as a result of the stringent pan-India lockdowns mandated to control the spread of the disease. Once the embargoes on movement of people and goods was lifted in phases and to different extents, in the second half of the financial year the economy made a tentative recovery.

Quarterly GDP Growth (%)



Source: tradingeconomics.com | Ministry of Statistics and Programme Implementation (MoSPI)

Despite green shoots of recovery in the second half of the year, the Gross Domestic Product (GDP) growth for the entire FY 2020-21 stood at -7.3% as compared to 4.0% in 2019-20.

The uptick in the fourth quarter was driven mainly by the manufacturing sector, while services remained comparatively unresponsive. In absolute terms, the manufacturing and construction sectors demonstrated a pickup in gross value added (GVA) on a quarter-on-quarter basis. The manufacturing sector grew by 6.9% in the last quarter of the financial year (January-March) as against 1.7% in Q3 and -4.2% in the same quarter of the previous year. The construction sector grew by 14.5% in Q4, as against 6.5% in in the previous quarter and just 0.7% in the same period of the previous year.

Agricultural growth moderated to 3.1% in January-March from 4.5% growth in October-December and 6.8% in the last quarter of FY 2019-20. Mining and trade, hotels, transport sectors contracted by 5.7% and 2.3%, respectively.

National Income Estimates

Industry	2019-20	2020-21
Agriculture, Forestry and Fishing	4.3%	3.6%
Manufacturing	-2.4%	-7.2%
Construction	1%	-8.6%
Trade, Hotels, Transport	6.4%	-18.2%

Source: NSO, MoSPI

On the expenditure side, gross fixed capital formation – an indicator for private investment – picked up pace to grow at 10.9% in January-March. This could mark a pick-up in investment momentum, when seen alongside a pickup in government expenditure.

Outlook

As the economy began to show signs of recovery, the country was hit by a second, more virulent wave of COVID-19. This time around, the onus of mandating lockdowns fell on state governments and accordingly, these were implemented to different extents in different regions, depending on the perceived severity of the contagion there. The extent of recovery, going forward, will depend on various factors like the speed and efficacy of the vaccination programme, the prevention of a third COVID surge and the state of sentiment and morale once the lockdowns are lifted, will determine growth prospects during FY 2021-22. Accordingly, the economic outlook remains uncertain and government, institutional and private forecasts are likely to keep varying as clarity emerges.

A positive for growth, however, is that foodgrain production is expected to be at record levels during the year ahead and given that the Indian Meteorological Department has predicted a normal monsoon (Rainfall between 96-104% of the Long Period Average) for the season of 2021. Beyond impacting the availability, price and stocks of foodgrain, a good monsoon also usually translates into good consumption demand and savings in rural India.

	2019	2020	2021E	2023E	CAGR 2020-23
Television	787	685	760	847	7%
Digital Media	221	235	291	425	22%
Print	296	190	237	258	11%
Online Gaming	65	76	99	155	27%
Filmed Entertainment	191	72	153	244	50%
Animation and VFX	95	53	74	129	35%
Live Events	83	27	53	95	52%
Out of Home Media	39	16	22	32	27%
Radio	31	14	23	27	24%
Music	15	15	18	23	15%
Total	**1,822**	**1,383**	**1,729**	**2,234**	**17%**

All figures are gross of taxes (₹ in billion) for calendar years | EY estimates

While television remained the largest segment, digital media overtook print and online gaming overtook a disrupted filmed entertainment segment in 2020.

Digital infrastructure also grew commensurately. By December 2020, there were 747 million broadband subscribers, indicating a growth of 13% over the previous year and more than 40% over 2018. Even the smartphone user base increased to 448 million in 2020 from 340 million in 2018. However, laptop and PC shipments to India fell by 1% in 2020, to approximately 18 million units.

Television (TV) Industry

The television industry contracted by 13% in 2020 as both advertising and distribution clocked in lower figures for the year.

	2019	2020	2021E	2023E
Advertising	320	251	304	345
Distribution	468	434	456	502
Total	**787**	**685**	**760**	**847**

₹ billion (gross of taxes) | EY analysis

The largest segment saw a 22% fall in advertising revenues on account of highly discounted ad rates during the lockdown months – though ad volumes reduced only 3%. In addition, it also witnessed a 7% fall in subscription income, led by the continued growth of free television, reverse migration and a reduction in ARPUs due to part implementation of NTO 2.0. Television advertising declined by 21.5% in 2020, on account of highly discounted ad rates during the lockdown months – though ad volumes reduced only 3%. Subscription de-grew 7%, mainly on account of the continued growth of free television, a reduction of two million pay TV homes, reverse migration and a reduction in ARPUs due to part implementation of NTO 2.0.

Interestingly, the number of distribution platforms grew at the MSO level with MSO registrations increasing by 4% during 2020 over a base of 11% growth in 2019.

	January 2020	December 2020
MSO	1,632	1702
DTH	5	5
HITS	**1**	**1**

Source: MIB website, https://mib.gov.in/sites/default/files/List%20of%20Registered%20MSOs%20as%20on%2001.12.2020.pdf, accessed 20 January 2020

According to the FICCI-E&Y report (March 2021) 'Playing by new rules – India's Media & Entertainment sector reboots in 2020', the television segment revenues are expected to exceed 2019 levels by 2022. According to the report, while television households will continue to grow at over 5% till 2025, we expect growth to be driven by connected TVs which could cross 40 million by 2025 and free television which could cross 50 million, thereby making core television a more massified product.

The smart television will usher in an era of connected viewing which will enable viewers to interact with each other, as well as the broadcaster, through the content. The importance of regional and sports programming will increase, driving up both ad rates as well as end-consumer package pricing, subject to regulatory action.

Cable and Satellite

As per the FICCI E&Y report, as people rely more than ever on fast internet connectivity for work, school and entertainment, cable companies are achieving record results from their high-speed data offerings. With video consumption shifting rapidly from linear channels to on-demand streaming, cable companies are now emphasising internet services as their core consumer offering. Another interesting trend is that Pay TV packages, which were once the cornerstone of the subscriber relationships, are being de-emphasised in favour of broadband speed tiers and other connected services.

According to a Digital Home study (2020) by E&Y, 40% of respondents purchase internet-only packages from cable companies. This marks an increase of 8% year-over-year, confirming market trends.

The report 'Playing by new rules - India's Media & Entertainment sector reboots in 2020' (March 2021) suggests that cable companies will seek to expand their footprint more deeply into the household by deploying a broader suite of products that build on the core internet connection. Consumers will look to their internet provider for complementary features that enhance the internet experience for the entire home network. Cable companies will also aim to accelerate growth in adjacent "smart home" channels, such as home security, a variety of connected devices – thermometers, doorbells, appliances – and potentially telehealth applications. Embedding further into the household makes good strategic sense for cable companies as wireless providers begin to roll out 5G networks at scale.

Response to the New Tariff Order Modifications (January 2020)

In January 2020, TRAI issued amendments to the regulatory framework for Broadcasting and Cable Services Sector. These addressed teething issues faced by consumers while balancing the interests of broadcasters as well as DPOs to create a level playing field.

In response to the New Tariff Order (NTO 2.0), the Indian Broadcasting Foundation (IBF), a representative body of TV broadcasters, filed a petition in the Bombay High Court opposing the TRAI-mandated tariff amendments. They argued that the same would adversely impact the sector's growth. Accordingly, the Bombay High Court directed the regulator to refrain from taking any coercive action until the final judgement was pronounced. However, as the Bombay High Court did not offer any interim relief, TRAI directed broadcasters to comply with the new amendments of the NTO 2.0 by August 10, 2020. Once again all the petitioners approached the Bombay High Court.

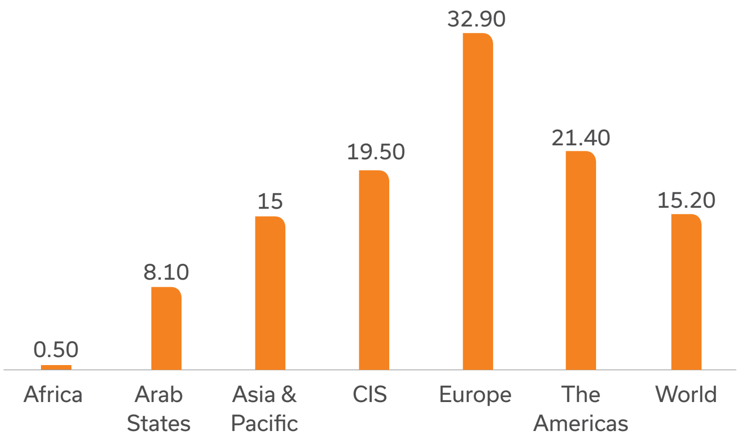
As things stand, the Supreme Court refused stay on Bombay High Court's order, which upheld most provisions of the NTO issued by TRAI in 2017 and 2020, which mandated individual pricing for television channels and recommended caps.

Broadband

During 2020, internet penetration increased 11% to 795 million, bringing the number of broadband subscribers to 747 million. Accordingly, India has the second largest broadband subscriber base in the world.

In terms of Fixed Broadband penetration, India stands at 1.4 per 100 inhabitants *(Source: ITU – Nov. 2020)*, as compared to a world average of 15.2% *(Source: ITU – Apr. 2021)*. This indicates the immense scope for the expansion of Fixed Broadband penetration in the country.

Fixed broadband internet subscription rate 2020, by region (%)



Source: ITU – Apr 2021

Some interesting trends emerged:

- While narrow band subscriptions fell 16%, broadband subscriptions grew 13% during 2020.
- Just 68% of telecom subscriptions accessed the internet; 94% of those accessing the internet used broadband.

Increase in Internet penetration

	Dec 2019	Dec 2020
Total internet subscribers (a = b + c)	719	795
Narrow band subscribers (b)	57	48
Broadband subscribers (c)	662	747
Urban internet subscribers (b)	450	482
Rural internet subscribers (c)	269	311

Source: TRAI, The Indian Telecom Services Performance Indicators July-September, 2020 released on January 21, 2021; TRAI, The Indian Telecom Services Performance Indicators October-December, 2019; TRAI, The Indian Telecom Services Performance Indicators July-September, 2019; EY estimates.

- Of the total 747 million that had broadband access, 725 million were wireless broadband users. It is expected that the growth of the wired broadband subscribers base will continue to support the increased sales of internet and smart television sets.

Broadband subscribers reached 747 million

Subscribers	Dec 2018	Dec 2019	Dec 2020
Wired broadband	18	19	22
Wireless broadband	507	643	725
Total broadband	**525**	**662**	**747**

- Around 67% of subscriptions were 3G and 4G, up from 58% last year. The FICCI E&Y report forecasts that 4G technology will continue to be dominant, representing 63% of mobile subscriptions even in 2026, with 3G getting phased out by that time. It also estimates that 5G will represent around 27% of mobile subscriptions in India at the end of 2026, at about 350 million subscriptions.

Regulatory Update

- **Recommendations on review of television audience measurement and rating system in India**

  On April 28, 2020, TRAI issued recommendations on "Review of Television Audience Measurement and Rating System" as stakeholders were not satisfied with the Broadcast Audience Research Council's (BARC) rating service, owing to its lack of transparency in sharing the methodology and the representation of the panel homes amongst the various platform types. TRAI also mentioned that its objectivity and neutrality are compromised with IBF holding a majority in BARC.

- **Recommendations on interoperability of set-top-boxes (STB)**

  In an effort to encourage cable MSOs and DTH broadcasters to ensure that digital STBs support interoperability, so that consumers have freedom of choice to switch between operators, on April 10, 2020, TRAI issued recommendation on "Interoperability of STB".

Industry Outlook

2020 was a year of disruption. Digital trends, which were already underway, got accelerated. There was a noticeable growth in broadband, personal devices and smart televisions. There was also a greater inclination to try online services along with the availability of time to get acquainted with them. The last quarter of 2020 witnessed some improvement in revenues for most segments of the M&E sector. However, according to the FICCI E&Y report, while the M&E sector is expected to rebound in 2021 and double in size to around ₹ 2.68 trillion by 2025, the recovery of various segments will vary. Different segments may take different periods of time to regain their 2019 (pre-pandemic) revenue numbers. It estimated that the recovery, assuming no further setbacks, would take one to two years for TV, film and music; two to three years for animation and VFX and events and beyond three years for print, radio and OOH.

As television enters an era of connected interactive consumption, especially in reality and fiction content, the need for interactivity and loyalty will increase considerably and become a way of life. This will give rise to loyalty programs and bundling of linear + digital content / channels to capture more time spent within a network.

With the evolution of content and mediums, the M&E industry has become relatively medium agnostic, with video, audio, text and experiences available across almost all segments.

Both content creation and storytelling have become more diverse and originate from across the country. At the same time, there has been an emergence of new distribution models and monetisation strategies are evolving. 2020 also saw how last-mile distribution helped break the pandemic chain. Going forward, it could bring closer integration of linear and non-linear content, with the latter reaching more large screens than the present.

Company Overview

SITI Networks Limited (the Company), a part of one of the leading business houses in the country – Essel Group, operates India's leading digital TV network. The Essel Group has a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education sectors.

The Company is one of India's largest Multi System Operator (MSO) with 10 digital head ends, a network of over 33,000 kms of intra-city optical fibre and coaxial cables, 1.2 Gbps links for pan-India transport to carry digital TV signals and over 24,000 LCO partner across India. The Company has a footprint in ~800 locations, across 249 districts in 20+ states and UT in India. It has 500 IP points and serves a massive customer base of over 45 million active customers.

With many industry and country firsts to its credit, the Company deploys state-of-the-art technology for delivering multiple TV signals to enhance consumer-viewing experience. Its product range includes High Speed Broadband, Digital Television, Broadband and Local Television Channels and Electronic Programming. The Company also provides a wide gamut of services ranging from OTT and High-speed gaming ready services to IoT Ready Network with security camera and surveillance services to even business solutions in the ILP & ILL domains.

The Company also runs an expansive partner platform, accessible through both online mediums in the form of an Android application and a website as well as a strong offline medium operated through a call centre. Its DOCSIS+GPON hybrid technology enables it to offer integrated Cable and Broadband Services.

Even during the pandemic and unprecedented lockdowns, its operations were not disrupted and continued through cloud-based call centre services.

Infrastructure sharing agreement

SITI Networks Limited and Hinduja Group's Headend in the Sky (HITS) platform NXTDigital announced a first-ever infrastructure sharing agreement in the MSO space in India. Consequently, two conventional competitors share infrastructure, heralding a new era of collaboration in the digital platforms space as both companies will synergise and leverage their strengths to provide best services to customers.

SITI will leverage the HITS infrastructure to deliver its signals to its Local Cable Operators (LCOs), thus providing its services to semi-urban and rural subscribers while also expanding its footprint across the country through satellite.

While this partnership outcome is in line with SITI's strategy of enhancing its operational efficiencies and providing high up-time and quality services to its customers across the country, it will also enable SITI to pare its connectivity costs and bring down its subscriber acquisition costs for new customers in some existing markets.

Next Gen SITI PlayTop Magic Android TV Set Top Box and iOS/Android Apps

The SITI PlayTop Magic, Android TV certified 4K HDR Set-Top Box, can make any TV smart by enabling customers to use all Android TV features along with their SITI Digital Cable TV, using a single remote on their existing TV. Customers are able to access Google's Android TV Play Store for downloading apps and games of their choice. This newly launched innovation has a combination of various other attractive features like voice-enabled remote to television and cable connection, ability to cast from mobile, video calling on TV, recording on external drives, etc., which mark a leap in convergence and augment customer convenience and experiences exponentially.

Operational Performance

With the announcement of a nationwide lockdown, the Ministry of Information and Broadcasting included cable services under essential services so that uninterrupted-cable-services could be provided to individuals and enterprises. Despite all the challenges, SITI performed well under severe lockdown in the entire country and migration of urban population in Q1FY21. Furthermore, during the first quarter, Cyclone Amphan in the Company's stronghold territory of Eastern India also impacted the business. However, the key focus continued to be on operational efficiencies, employees and partners, ensuring seamless on-the-ground connectivity during pandemic times.

SITI further expanded its foothold in the broadband business to new tier-2 cities during FY 2020-21. It has continued to update its systems and processes across multiple touchpoints to be fully compliant to the New Tariff regime. The Company has continued to work with all stake-holders, be it the Regulator, Broadcasters, LCOs and above all its esteemed customers to deliver its services.

SITI Broadband's net base increased 26% y-o-y to ~2 lakhs while its revenue surged 20% y-o-y to ₹ 1,018 milion at the end of the fiscal. Its continuous efforts to improve operational efficiencies through improvement of its systems, processes and personnel have yielded results. This has resulted in a better and intimate ground connect with its 24,000+ strong distribution network.

SITI Networks is a part of the illustrious Essel Group, which was established in 1926. As one of India's leading business houses, with a dominant vertically integrated presence in Media and Entertainment, it is a foremost producer, aggregator and distributor of Indian programming across the world. The Group has over 2,50,000 hours of original content, a bouquet of 75 channels, a reach of over 1.3 billion viewers spread across 171 countries. This deep reach facilitates SITI Network's strong business connect and enables the Company to capitalise on various business opportunities while adhering to the Group's high compliance standards and prompt migration to new applicable statutes.

The Group also has a presence in infrastructure, education, precious metal refineries, health, lifestyle and wellness, etc.

Experienced Management Team

The leadership and management teams are constantly finding ways to improve operations and enhance consumer experiences. While striving for business sustainability, disciplined execution, operating efficiencies and cost optimisation, it also dedicatedly upholds SITI's core value system which includes keeping customers first, setting audacious goals, being frugal, showing respect, humility and integrity, targeting speed and agility, being accountable for results and promptly solving problems. Most importantly, it fosters a work environment which supports best business practices and high work ethos, by hiring professionals with the desired skill sets.

Compliance, Integrity, and Work Ethics

SITI Networks bases all its business operations on a firm foundation of best-in-class industry standards of professionalism and compliance. It has always ensured high levels of compliance and ensures that its day-to-day operations are bound by ethics and a high level of transparency, across processes and in dealings with all stakeholders. As a case in point, the Company was one of the first MSOs to implement NTO-related compliance.

Risk Management and Mitigation

The Company has established systems and reporting structures in place as a part of an all-inclusive risk management framework. This framework is aimed at timely identification, evaluation and pre-emption of potential risks. Appropriate risk mitigation measures are established to overcome adverse situations which may arise on account of foreseeable risks.

Preference Risk: Within the ever-changing and evolving M&E industry, with more power being given to consumers to express their preferences, businesses in the industry must keep up with shifting preferences to pre-empt loss of consumer interest.

Mitigation: The Company proactively innovates, upgrades and renews its offerings. It constantly seeks to enhance the quality of infotainment content which it presents its consumers. Its focus on HD and OTT enables it to provide enriched subscriber experiences. Being an integrated player also facilitates the Company as it can offer the superlative broadband speed and striking data plans to the consumers to complement viewing experiences.

Awareness Risk: There is a constant need for the Company to conduct training of the Business Partners who are the main growth drivers of the business.

Mitigation: In addition to regularly collaborates with Business Partners to provide real-time training and branding know-how, the Company has provided its Business Partners with subscriber management software to help them efficiently manage their subscribers and to incentivise and motivate them, the carriage fees are shared with them. To ensure high brand recall, the Company undertakes an outreach programme for its broadband services and spreads awareness among subscribers about its offerings.

Further, its services are offered on a Customer Friendly Platform that entails an intuitive mobile app, a responsive website and call centre support, with options to choose unique services or the entire FTTH Network for broadband and video.

Content Risk: The ability to provide content from broadcasters that is mapped to customer demand is crucial for companies in the segment. This forms the basis of their ability to successfully attract and retain subscribers and maintain competitiveness and brand equity.

Talent and Technology Risk: In the industry, attracting and retaining skilled professionals is imperative for the Company to execute and expand its business frontiers. At the same time, in an ever-changing environment, it becomes crucial for the Company to ensure that it utilises the latest technologies.

Mitigation: The Company's cable and broadband businesses employs highly skilled professionals at the top rung from multiple consumer-facing industries. Similarly, the sales team also has rich experience. To encourage its employees to be decisive and responsible, the Company has in place a performance-linked culture.

Where technology is concerned, the Company is fast moving towards becoming an integrated provider of the entire range of devices that comprise a Smart Network with its Future Ready Network Architecture.

Product Risk: With constant upgrades in available technology, there is a substantial risk arising from migration of subscribers from traditional cable to content which is available in a non-linear fashion.

Mitigation: Keeping up with the times, the Company has been shifting its focus to OTT and broadband services, which enables it to meet evolving subscriber needs. Further, its strong subscriber relationships and committed substantial investments on broadband services puts the Company in a strong place to mitigate product related risks.

Policy and Economic Risk: The outbreak of coronavirus and policy measures that had to be implemented to stem the contagion had an immense impact on the economy, in general. Such events could completely disrupt the functioning of corporates.

Mitigation: The Company has a robust Business Continuity Plan in place that not only covers its own survival but that of its downstream business partners as well.

Human Resource Development

With the COVID pandemic necessitating a new way of doing business, we, at SITI, pushed the bar of our People connect during the year. Responding with speed and agility, which are an integral ethos of the SITI value system, we transitioned to the new normal within days of the lockdown that hit the country like a bolt from the blue at the start of the pandemic. From providing extraordinary care and support to our employees and their families, to empowering our people to seamlessly meet the unprecedented customer demand for uninterrupted cable and broadband connectivity, we moved quickly to reorganise our business systems and processes in line with the transforming business reality. Cognisant of the importance of strong intra-organisational communication to facilitate business continuity, we further augmented our communication platform, using Aspect oriented Programming (AoP).

Responding to the Crisis

As the lockdown prevented our executives and staff members from going to the call centres and offices, we successfully arranged to provide laptops/desktops and other equipment at their homes, despite the logistical problems involved in the process. Once physical operations resumed, towards the end of September 2020, we prepared a 'Going back to office' ready reckoner and circulated it among all employees to ensure their safety.

Caring for People

Central to our People proposition during the critical times that prevailed through the year was to ensure that our employees, both on and off rolls, remained safe while maintaining business continuity. Our initiatives in this regard extended from sanitisation and strict adherence to all protocols across our large nationwide network of offices, to providing sanitation kits, masks and other equipment to the employees on the ground.

Besides augmenting our employee medical insurance scheme to incorporate COVID treatment and care, we also introduced Term Insurance facility for SITI's own and contractual workers, in order to help them meet any eventuality. The facility proved to be a major support system for the families of the employees whom we tragically lost to COVID during the year.

We worked closely with the local administration in all the cities and towns of our presence to arrange passes and transportation for our employees through the lockdown and curfew periods – a herculean task considering the expanse of our offices across the length and breadth of the country.

Families of employees were also given all possible support to handle the pandemic crisis through these difficult times. We also roped in psychologists to motivate the teams and their families, to help them battle the emotional impact of the pandemic and adjust to the new norms.

Sustaining the Learning Process

It was our sustained endeavour during the year to ensure that the SITI 3P philosophy of 'People. Processes. Performance' was not diluted amid the crisis situation. We took several measures to strengthen our online training model, as part of 'Project Learn' which we had introduced in the previous year in line with our 'Learning for All' objective. In-house modules were developed, recorded and shared across the employee hierarchy, to promote skill sharing and facilitate quick adaption to new or transformed roles. Employees were hand-held through the transition, even accommodated in new functions in some cases where adaptability to changes in existing roles appeared to be challenging. Remote learning and skilling initiatives were further enhanced during the year, as we continued onboarding employees as well as LCOs to the Cloud and other online platforms, thus ensuring seamless connectivity within and outside the organisation.

Other Initiatives

The COVID crisis notwithstanding, we also continued to incentivise employees through rewards and other schemes during the year. Though the pandemic limited celebrations, we made the most of the windows when lockdowns/curfews were not in place to celebrate occasions like the International Women's Day, Holi etc., with strict adherence to social distancing and other protocols.

Internal Control Systems

The Company has robust internal control systems to safeguard its assets and ensure efficient productivity commensurate with the size and industry in which it operates. The internal control mechanism ensures strict adherence to requisite laws and regulations and robust financial reporting and transaction reporting. Operational, financial and other areas covered by the Internal Audit are periodically monitored and reviewed by the Audit Committee of the Board. Any deviations from standards are corrected promptly and measures are taken to strengthen the internal control framework further.

Cautionary Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Report on Corporate Governance

COMPANY'S GOVERNANCE PHILOSOPHY

Corporate Governance is about maximizing Shareholder value legally, ethically and on a sustainable basis. At SITI Networks Limited ("SITI"), the goal of corporate governance is to ensure fairness for every stakeholder – our customers, investors, vendor partners, the community, and the governments. We believe that sound corporate governance is critical in enhancing and retaining investor trust. It is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity.

Corporate Governance provides a structure that works for the benefit of everyone concerned, by ensuring that the enterprise adheres to ethical standards, laws and accepted best practices. It imbibes the basic business ethics and values that need to be adhered to in letter and spirit. A transparent, ethical and responsible corporate governance framework essentially emanates from the intrinsic will and passion for good governance ingrained in the culture of the organisation.

A report on compliance with the principles of Corporate Governance as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) is given below:

BOARD OF DIRECTORS

Composition & Category of Directors

SITI has a balanced Board with combination of Executive and Non-Executive Directors. The Board currently comprises of 6 (six) Directors including 1 (one) Executive Director, 3 (three) Independent Directors, and 2 (two) Non-Executive Non-Independent Director including 1 (one) Non-Executive Non-Independent Women Director. The current composition of the Board is in conformity with Regulation 17(1) of SEBI Listing Regulations as well as the Companies Act, 2013 (Act).

Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Regulations. In opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management. In compliance with the requirements of Companies Act, 2013, the Company has issued formal appointment letters to all the Independent Directors. Details of standard term of appointment of Independent Director has been uploaded on the website of the Company www.sitinetworks.com.

Number of Board Meetings

During the financial year under review, 5 (five) meetings of the Board were held on June 29, 2020, September 4, 2020, September 15, 2020, November 9, 2020, and February 5, 2021. Your Board meets at least once a quarter to review the quarterly performance and financial results of the Company and the intervening period between any two Board Meetings were well within the maximum time gap of one hundred and twenty days under Regulation 17 of the SEBI Listing Regulations and Secretarial Standards, except where time gap of more than one hundred and twenty days are allowed by the SEBI and/or Ministry of Corporate Affairs. The annual calendar of meetings for consideration of financial results and Business Plan is broadly determined at the beginning of each financial year.

Attendance Record and their other Directorships/ Committee Memberships

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings held during the Financial Year 2020-21 and also their other Directorships / Chairmanship held in Indian Public Companies and Membership/Chairmanship of various Board Committees of other Indian Public Companies as at March 31, 2021 are as under:

Name of the Director	Attendance at		No. of Directorship of other Public Companies	No. of Membership/ Chairmanship of Board Committees	
	Board Meeting (Total Board Meeting held 5)	14th AGM held on 29.09.2020		Membership	Chairmanship
Non – Executive Independent Director					
Prof Sunil Kumar Maheshwari	5	Yes	1	1	-
Mr. Bhanu Pratap Singh	5	Yes	-	2	1
Mr. Deepak Mittal*	4	Yes	-	-	-
Ms. Kavita Anand Kapahi**	5	Yes	2	5	1
Mr. Raj Kumar Gupta***	1	N.A.	1	2	0
Executive Director					
Mr. Suresh Arora	5	Yes	-	1	-
Non – Executive Non-Independent Director					
Mr. Amitabh Kumar	5	Yes	1	1	1

** Mr. Deepak Mittal resigned as Independent Director of the Company w.e.f. February 3, 2021.*

*** Consequent upon expiry of second term of appointment of Ms. Kavita Anand Kapahi as an Independent Director effective from March 31, 2021, she has been appointed as an Additional Director in the category of Non-Executive Non-Independent Director w.e.f. April 1, 2021.*

**** Mr. Raj Kumar Gupta has been appointed in the category of Independent Director of the Company w.e.f. February 5, 2021.*

- *Directorships in Other Companies does not include Alternate Directorships.*
- *In accordance with Regulation 26 of the SEBI Listing Regulations, Chairmanships/Memberships of only Audit Committees and Stakeholders Relationship Committee in all Public Limited Companies (Listed and Unlisted) except Foreign Companies have been considered.*
- *None of the Directors held directorship in more than 7 listed companies. Further, none of the Independent Directors of the Company served as Independent Director in more than 7 listed Companies.*
- *None of the Directors held directorship in more than 20 Indian Companies, with not more than 10 public limited companies*
- *None of the Directors is a member of more than 10 Committees or Chairperson of more than 5 Committees across all the Public Limited Companies in which he/she is Director.*

Details of other directorships of Directors held in other listed entities as at March 31, 2021 are as under:

Name of the Director	Directorship in other Listed Companies	Category of Directorship
Mr. Suresh Arora	None	NA
Mr. Amitabh Kumar	Zee Media Corporation Limited	Non-Executive Non-Independent Director
Prof. Sunil Kumar Maheshwari	None	NA
Mr. Bhanu Pratap Singh	None	NA
Ms.Kavita Kapahi	Shirpur Gold Refinery Limited	Independent Director *(Non-Executive Non-Independent Director w.e.f. April 1, 2021)*
Mr. Raj Kumar Gupta	Zee Media Corporation Limited	Independent Director

Relationship between Directors inter-se

None of the Directors are, in any way related to each other.

Woman Director

In compliance with Regulation 17(1) of SEBI Listing Regulations and applicable provisions of the Act, Ms. Kavita Kapahi, was a Woman Director, in the category of Independent Director till March 31, 2021. Consequent upon expiry of her second term of appointment as an Independent Director, Ms.Kavita Kapahi has been appointed as Non-Executive Non-Independent Women Director with effect from April 1, 2021.

Shares held by Non-Executive Directors

As on March 31, 2021, the Non-Executive Directors of your Company held the following equity shares in the Company:

Name of the Non – Executive / Independent Directors	No. of Shares held
Ms. Kavita Kapahi *(Ms. Kavita Kapahi, Independent Director holds 50 Equity Shares (in joint holding) of Re. 1/- each of the Company)* *(Ms. Kavita Kapahi is Non-Executive Non-Independent Director w.e.f. April 1, 2021)*	50
Mr. Amitabh Kumar *(Mr.Amitabh Kumar, Non-Executive Non-Independent Director, holds 1000 Equity Shares of Re.1/- each of the Company)*	1,000
Prof. Sunil Kumar Maheshwari	-
Mr. Bhanu Pratap Singh	-
Mr. Raj Kumar Gupta	-

Appointment and Tenure

The Directors of the Company are appointed / re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee and approval of the Members at the General Meetings. In accordance with the Articles of Association of the Company and provisions of the Act, all Directors, except the Independent Directors of the Company, are liable to retire by rotation at the Annual General Meeting (AGM) each year and, if eligible, offer themselves for re-election/

re-appointment. The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of their contract of employment / contract of service with the Company.

None of the Independent Director(s) of the Company resigned before the expiry of their tenure, except Mr. Deepak Mittal, who has resigned w.e.f. February 3, 2021 on account of other professional obligations and commitments and has confirmed that there are no other material reasons.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and SEBI Listing Regulations.
- The Independent Directors can serve a maximum of two terms of three years each, after the introduction of the Act.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Act and the SEBI Listing Regulations.
- The Company shall ensure that the appointment of any Non-Executive Director who has attained the age of 75 years is approved by the Members of the Company by way of a Special Resolution.

Any person who becomes Director or Officer, including an employee who is acting in a managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance Policy. The Company has provided insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance.

Key Skills, Expertise and Competencies of the Board

The Board of the Company comprises eminent personalities and leaders in their respective fields. These Members bring in the required skills, competence and expertise to the Board. These Directors are nominated based on well-defined selection criteria. Nomination and Remuneration Committee ('NRC') considers, *inter alia*, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The Board of Directors have, based on the recommendations of the NRC, identified the following core key skills/expertise/ competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

Key Skills

Areas of Core Skills/ Expertise/ Competence	Suresh Arora	Prof. Sunil Kumar Maheshwari	Amitabh Kumar	Bhanu Pratap Singh	Kavita Kapahi	Raj Kumar Gupta
Strategy and strategic planning	√	√	√	√	√	√
Policy development	√	√	√	√	√	√
Financial Expertise	√	√	√	√	√	√
Risk and compliance oversight	√	√	√	√	√	√
Executive management	√	√	√	√	√	√
Commercial experience	√	√	√	√		√

Industry Skills (Broadcasting/Cable TV Sector)

Areas of Core Skills/ Expertise/ Competence	Suresh Arora	Prof. Sunil Kumar Maheshwari	Amitabh Kumar	Bhanu Pratap Singh	Kavita Kapahi	Raj Kumar Gupta
Product Delivery	√	√	√	√	√	√
Technology Innovation	√		√			
Client engagement	√	√	√	√	√	√
Community and stakeholder engagement	√	√	√	√	√	√
Marketing & Communication	√	√		√		√

Board Procedure

The Board Meetings of the Company are governed by a structured agenda. The Company Secretary in consultation with Executive Director prepares agenda of the Board Meetings. All major agenda items, backed up by relevant and comprehensive background information, are sent well in advance of the date of the Board Meeting(s) to enable the Board Members to take informed decision. Any Board Member may, in consultation with the Chairman of the Meeting and with the consent of all Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. Senior management personnel are invited, from time to time, to the Board Meetings to make presentations on relevant issues or provide necessary insights into the operations / working of the Company and corporate strategies.

All relevant information required to be placed before the Board as per SEBI Listing Regulations are considered and taken on record/approved by the Board. The Board reviews and guides the Company in strategic matters, risk policy and oversees the process of disclosure and communications to maintain highest standards of ethical conduct and integrity. Additionally, the Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

Independent Directors Meeting & Board Evaluation Process

In compliance with the requirements of Regulation 25 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on March 23, 2021, to evaluate performance of the Board and review flow of information between the management and the Board. The evaluation process was carried out based on an assessment sheet structured in line with ICSI guidance note and the guidance note issued by SEBI in this regard was also circulated to Independent Directors, well in advance.

The parameters for evaluation of performance of the Board & Board Committees includes the structure & composition, contents of agenda for the meeting, quality and timelines of information provided, the decision-making process & review thereof, attention to the Company's long-term strategic issues, evaluation of strategic risks, overseeing and guiding major plans of action, corporate restructuring, acquisitions, divestment, etc. The outcome of the evaluation exercise was discussed at subsequent Board Meeting. The Board of Directors also expressed satisfaction towards the evaluation process. The performance of the Independent Directors was also evaluated taking into account *inter alia* (i) Director comes well prepared and informed for the Board / Committee Meeting(s); (ii) Director demonstrates a willingness to devote time and effort to understand the Company and its business; (iii) Director has ability to remain focused at a governance level in Board/ Committee Meetings; (iv) Director's contributions at Board / Committee meetings are of high quality and innovative; (v) Director's proactively contributes in to development of strategy and to risk management of the Company; (vi) Director understands governance, regulatory, financial, fiduciary and ethical requirements of the Board / Committee; (vii) Director exercises objective independent judgment in the best interest of Company; (viii) Director has effectively assisted the Company in implementing best corporate governance practice and then monitors the same; (ix) Director helps in bringing independent judgment during Board deliberations on strategy, performance, risk management etc. and (x) Director keeps himself/ herself well informed about the Company and external environment in which it operates

Familiarisation Program for Independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business of the Company through induction programs at the time of their appointment as Directors and at regular intervals through deep-dive on various business segments of the Company. While review and approval of quarterly and Annual Financial Statements of the Company are taken up, detailed presentation covering *inter alia* economy and industry overview, key regulatory developments, strategy and performance of the Company is made to the Board. Details of Directors familiarisation program is available on Company's website www.sitinetworks.com.

Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board of Directors and Senior Management and all the Directors and senior functionaries as defined in the said Code provide their annual confirmation of compliance with the Code. The Code is available on the website of the Company www.sitinetworks.com. Besides the Code, the Company has also put in place a Policy on Ethics at Work Place which is applicable to all employees. The role and responsibilities of Independent Directors (including Code of Conduct) as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in SEBI Listing Regulations forms part of the appointment letters issued to Independent Directors.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

DECLARATION

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended March 31, 2021.

SURESH ARORA
Whole Time Director

April 1, 2021

Dividend Distribution Policy

In line with the requirements of SEBI Listing Regulations, the Board has approved and adopted Dividend Distribution Policy. The Dividend Distribution Policy is uploaded on the website of the Company and can be accessed on www.sitinetworks.com.

BRIEF PROFILE OF THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE ANNUAL GENERAL MEETING

Mr. Amitabh Kumar: Mr. Amitabh Kumar, a Technology leader in the Media & Telecom industry has been associated with Essel Group in various capacities since 2001. He is also serving as the Head of Broadcasting for Zee Network, responsible for its global broadcast operations spanning ~150 channels. He also played a major role in setting up operations for India's first DTH operator, Dish TV, where he currently also serves as Advisor Technology.

Mr. Kumar is an Electronics Engineering Graduate from BITS Pilani and holds PG Diploma in Telecommunications Management from TEMIC Canada. Prior to his association with Essel Group, Mr. Amitabh Kumar served as Director Operations for VSNL (1995-2001) and also its Acting Chairman & Managing Director in 1998-99, where he had a key role in setting up India's first Internet Services. He has served on the Board of Governors of Intelsat and was Council Member of Commonwealth Telecommunications Organisation (CTO).

Apart from the Company, he is Director in Essel Realty Developers Private Limited, Leopard Infratech Private Limited, Realizum Enterprises Private Limited and Zee Media Corporation Limited.

Mr. Amitabh Kumar holds 1000 Equity Shares of the Company.

Ms. Kavita Kapahi: Ms. Kavita Kapahi, is an entrepreneur in the security and surveillance industry, Ms. Kapahi is currently managing the business operations of APK Trading & Investment Pvt. Ltd. A Commerce Graduate from Bombay University, she is a Director on Minotaur Holdings and Finance Private Ltd., Indian Cable Net Company Limited and Shirpur Gold Refinery Limited. With a strong zeal for welfare work for the disadvantaged sections of the society, she has, over the past three years, been involved in grooming differently abled children and young adults and empowering them with employment skills. She is also aiding various charitable organizations engaged in education among the marginalized, who otherwise would remain deprived of basic education.

Apart from the Company, she is Director in A P K Trading & Investment Private Limited, Minotaur Holdings & Finance Private Limited, Shirpur Gold Refinery Limited and Indian Cable Net Company Limited.

Ms. Kavita Kapahi holds 50 Equity Shares of the Company in joint holding along with her brother Mr. Rishi Kapahi.

Mr. Bhanu Pratap Singh, graduated from Duke University with a BA in Economics. Thereafter, he joined JP Morgan Chase as an investment banking analyst in the New York office covering the power sector. Mr. Singh did his MBA from the Tuck School of Business, Dartmouth College, USA. Mr. Singh worked as an MBA summer intern at Nomura Securities in the New York office in the Debt Private Placement Group.

After graduation from his MBA program, he worked in the Leveraged Finance Group of Citigroup in New York. In his time there, he worked on structuring and financing leveraged loans and high yield bonds for large US corporates and Private Equity firms. Beginning his entrepreneurial journey, Mr. Singh moved back to India to found the Bhavani Group focussing on small hydropower projects in Himachal Pradesh. Shree Bhavani Power Projects Pvt. Ltd. commissioned Manglad 5MW small hydro project in 2010 and it is generating power since then.

In 2013, his group company Bhavani Renewable Energy commissioned Binwa 4MW small hydro project. His group company Cosmos Hydro Power has built a 22MW plant in Chamba, HP and it was commissioned in 2021. Mr. Singh is simultaneously developing future hydro projects and also working with new technologies in the Renewable Energy space.

Mr. Singh is Director of Bhavani Renewable Energy Private Limited, Shantanu Energy Private Limited, Cosmos Hydro Power Private Limited & Monte Cristo Hydro Private Limited and Managing Director of Shree Bhavani Power Projects Private Limited & Monte Cristo Infrastructure Private Limited. Mr. Singh does not hold any share of the Company.

BOARD COMMITTEES

Your Board has constituted Committees for smooth and efficient operation of day-to-day business of the Company. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. Each Committee of the Board is guided by and operates under the terms of reference, which has been framed in compliance with applicable laws defining the scope, powers and composition of the Committee. Minutes of the proceedings of Committees meetings are circulated to the Board members and are placed for record by the Board at its subsequent Meeting.

I. AUDIT COMMITTEE

The Board has constituted a well-qualified Audit Committee. The Company has framed the mandate and working procedures of the Audit Committee as required under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations defining therein the term of reference, membership, powers, meeting procedures etc. of Audit Committee.

The Audit Committee also reviews internal financial controls and adequacy of disclosures and compliance with all relevant laws. In addition to the foregoing, in compliance with requirements of Regulation 24 of the SEBI Listing Regulations, the Audit Committee reviews operations of subsidiary companies viz., its financial statement, significant related party transactions, statement of investments and minutes of meeting of the Board and Committees.

Term of reference

The Terms of reference and role of the Audit Committee are as per Regulation 18 and Schedule II Part C of the SEBI Listing Regulations and Section 177 of Companies Act, 2013. The Committee meets periodically and *inter alia*:

- Reviews Accounting and financial reporting process of the Company;
- Reviews Audited and Un-audited financial results;
- Reviews Internal Audit reports, risk management policies and reports on internal control system;
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations.;
- Reviews and approves transactions proposed to be entered into by the Company with related parties including any subsequent modifications thereto;
- Reviews functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditor and approves the appointment of Chief Financial Officer.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. Additionally, in compliance with requirements of Regulation 24 of the SEBI Listing Regulations, the Audit Committee reviews operations of Subsidiary Companies viz. its financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees.

Composition and Meetings of the Audit Committee

As at March 31, 2021, the Audit Committee of the Board comprised of three (3) Directors including Mr. Bhanu Pratap Singh, Independent Director as the Chairman and Prof. Sunil Kumar Maheshwari and Ms.Kavita Kapahi, Independent Directors (Non-Executive Non-Independent Director w.e.f. April 1, 2021) of the Company as Members of the Audit Committee. All the Members of the Committee (presently, except Ms. Kavita Kapahi, who is Non-Executive Non-Independent Director w.e.f. April 1, 2021) are Independent Directors including Chairman and have accounting and financial management knowledge. Mr. Bhanu Pratap Singh, the Chairman of the Audit Committee has accounting and financial management expertise. The Company Secretary of the Company acts as the secretary to the Committee.

During the year under review, the Audit Committee met five (5) times on June 29, 2020, September 4, 2020, September 15, 2020, November 9, 2020 and February 5, 2021 and the necessary quorum was present at the meetings. Mr. Bhanu Pratap Singh, Chairman of Audit Committee had attended the Annual General Meeting and answered the queries raised by the Shareholders, if any.

The Chief Executive Officer, Chief Financial Officer, Whole Time Director, the Partner/Representative(s) of the Statutory Auditors and Partner/Representative(s) of the Internal Auditors are some of the invitees to the Audit Committee. Internal Auditors attend Audit Committee Meetings wherein the Internal Audit Reports were considered by the Committee.

All recommendations made by the Audit Committee during the year under review were accepted by the Board.

The details of attendance of Audit Committee meetings during the financial year ended March 31, 2021 are as under:

Name of the Director	Category	No. of meeting attended
Mr. Bhanu Pratap Singh *(Independent Director)*	Chairman	5
Prof Sunil Kumar Maheshwari *(Independent Director)*	Member	5
Ms. Kavita Kapahi *(Independent Director)*	Member	5

However, with effect from April 7, 2021

- Mr. Raj Kumar Gupta, Independent Director has been appointed as Member and Chairman of Audit Committee; and
- Mr. Bhanu Pratap Singh, Independent Director is Member of Audit Committee,

II. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

Term of reference

The terms of reference of the Nomination and Remuneration Committee include:

1. Identify persons who are qualified to become directors and who may be appointed in senior

management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

2. Formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
4. Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
5. Formulate policy with regard to remuneration to Directors, Key Managerial Personnel and Senior Management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Composition and Meetings of the Nomination and Remuneration Committee

As at March 31, 2021, the Nomination and Remuneration Committee of the Company comprised of Ms. Kavita Kapahi, Independent Director *(Non-Executive Non-Independent Director w.e.f. April 1, 2021)* as the Chairman, Prof. Sunil Kumar Maheshwari and Mr.Bhanu Pratap Singh (w.e.f. February 5, 2021), Independent Directors of the Company as Members of the Committee. Mr.Deepak Mittal, who was Independent Director, ceased to be Member of Nomination and Remuneration Committee w.e.f. February 3, 2021.

During the year under review, the Nomination and Remuneration Committee met three (3) times on June 29, 2020 and September 15, 2020 and February 5, 2021 the necessary quorum was present at the meetings.

The details of attendance of Nomination and Remuneration Committee meetings during the financial year ended March 31, 2021 are as under:

Name of the Director	Category	No. of meeting attended
Ms. Kavita Kapahi *(Independent Director)* (Non-Executive Non-Independent Director w.e.f. April 1, 2021)	Chairman	3
Prof. Sunil Kumar Maheshwari *(Independent Director)*	Member	3
Mr. Deepak Mittal* *(Independent Director)*	Member	2
Mr.Bhanu Pratap Singh ** *(Independent Director)*	Member**	1

** Mr. Deepak Mittal, who was Independent Director, ceased to be Member of Nomination and Remuneration Committee w.e.f. February 3, 2021.*

*** Mr.Bhanu Pratap Singh, was appointed as the Members of the Nomination and Remuneration Committee w.e.f. February 5, 2021.*

Performance Evaluation Criteria for Independent Directors

Performance of each of the Independent Directors are evaluated every year by the entire Board with respect to various factors like personal traits which include business understanding, communicate skills, ability to exercise objective judgment in the best interests of the Company and on specific criteria which include commitment, guidance to Management, deployment of knowledge and expertise, management of relationship with various stakeholders, independence of behaviour and judgment, maintenance of confidentiality and contribute to corporate governance practice within the Company.

Remuneration Policy

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's Management year on year thereby creating long-term value for all stakeholders of the Company. Focus on productivity and pay-for-performance have been the cornerstones of the Company's reward philosophy with differentiated compensation growth to high-performance employees. With a view to bring performance-based growth approach, the remuneration of employees of the Company have been moderated and structured as a mix of fixed and variable pay depending on the grade and level of employee. The increments and variable pay of all employees of the Company is deliberated and approved by the Nomination & Remuneration Committee of the Board. The Remuneration policy of the Company has been uploaded and can be accessed on Company's website www.sitinetworks.com.

The proposal relating to increments and variable pay of all employees of the Company is deliberated and approved by the Nomination & Remuneration Committee of the Board. The Nomination & Remuneration Committee considers and recommends for approval of the Board, the compensation package of Executive Director(s) which inter alia includes fixed pay (Salary, Allowances & Perquisites) and Variable Pay. The compensation packages are in accordance with applicable laws, in line with the Company's objectives, Shareholders interest, as per the Industry standards and in accordance with the Act.

Remuneration of Executive Directors

During the year under review, your Board comprises of one Whole-Time Director *viz*. Mr. Suresh Arora. He was appointed by the Shareholders of the Company in 13th Annual General Meeting of the Company held on September 28, 2019, for a period of three (3) years with effect from June 14, 2019.

The detail of remuneration paid to the Mr. Suresh Arora, Whole Time Director of the Company during the year ended March 31, 2021 is as under:

Particulars	(₹ in million)
Salary*	-
Benefits Perquisites and Allowances*	-
Provident Fund Contribution	-
Total Amount	-
Employee Stock Options Granted (unvested)	-
Notice period and severance fees	-

Remuneration of Non -Executive Directors

The Non- Executive Directors shall be entitled to sitting fees of ₹ 20,000/- per meeting for attending the meeting(s) of the Board and Committees thereof. The Company also reimburses the out of pocket expenses incurred by the Directors for attending meetings.

Details of the Sitting fees paid to the Non-Executive Directors of the Company for the period April 1, 2020 to March 31, 2021:

(₹ in million)

Name of the Director	Amount Paid as Sitting Fees
Prof Sunil Kumar Maheshwari	0.28
Ms. Kavita Anand Kapahi	0.30
Mr. Bhanu Pratap Singh	0.26
Mr. Deepak Mittal*	0.12
Mr. Raj Kumar Gupta**	0.04
Mr.Amitabh Kumar	0.00

** Mr. Deepak Mittal resigned from the Board and Board constituted committees w.e.f. February 3, 2021.*

*** Mr. Raj Kumar Gupta has been appointed as Director of the Company w.e.f. February 5, 2021.*

The Non-Executive Independent Directors of the Company do not have any other material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management, its Subsidiary and/or its Associate, other than in the normal course of business, which may affect the independence. The Non-Executive Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company.

III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

Terms of reference

The terms of reference of Stakeholders Relationship Committee include satisfactory redressal of investors grievances / complaints; review measures taken for effective exercise of voting rights; review adherence of service standards by Company and RTA and recommends measures for overall improvement in the quality of investor services. The Committee has delegated the power of approving requests for transfer, transmission, rematerialisation, and dematerialisation etc of shares of the Company to the Company Secretary of the Company.

Composition and Meeting of the Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company comprised of Ms. Kavita Kapahi, Non-Executive Non-Independent Director (Independent Director till March 31, 2021) as the Chairman and Mr. Bhanu Pratap Singh, Independent Director and Mr. Suresh Arora, Executive Director as the Members. Mr. Suresh Kumar, Company Secretary of the Company is Compliance Officer of the Company, who oversees the redressal of the investors' grievances.

During the year under review, the Stakeholders' Relationship Committee met one (1) time i.e. on March 23, 2021 and the necessary quorum was present at the meeting.

The details of attendance of Stakeholders' Relationship Committee meetings during the financial year ended March 31, 2021 are as under :

Name of the Director	Category	No. of meeting attended
Ms. Kavita Kapahi *(Independent Director till March 31, 2021)* (Non-Executive Non-Independent Director w.e.f. April 1, 2021)	Chairman	1
Mr. Bhanu Pratap Singh *(Independent Director)*	Member	1
Mr. Suresh Arora *(Executive Director)*	Member	1

Ms. Kavita Kapahi, Chairman of Stakeholders Relationship Committee, attended the 14th Annual General Meeting of the Company held on September 29, 2020 and answered the queries raised by the Shareholders, if any.

Details of number of requests/complaints received from investors and resolved during the year ended March 31, 2021, are as under:

Nature of Correspondence	Received	Resolved/ Replied	Pending
Non - Receipt of Dividend	0	0	0
Non - Receipt of Annual Report	0	0	0
Non - Receipt of Shares	0	0	0
Complaint Received from SEBI/NSE/BSE	0	0	0
Complaint Received from ROC/ Others	0	0	0
Total	0	0	0

IV. OTHER BOARD COMMITTEES

In addition to the above, the Board has, *inter alia*, constituted following Committees to exercise powers delegated by the Board as per the scope mentioned herein:

Corporate Social Responsibility Committee

In compliance with the requirements of Section 135 read with Schedule VII of the Companies Act 2013, the Corporate Social Responsibility Committee is presently comprising of:

(i) Ms. Kavita Kapah, Non-Executive Non-Independent Director as Chairman,

(ii) Mr. Bhanu Pratap Singh, Independent Director as Member; and

(iii) Mr. Suresh Arora, Executive Director as Member, of the Corporate Social Responsibility Committee.

The broad term of reference includes:-

i. To formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

ii. To recommend the amount to be spent on the CSR activities;

iii. To periodically monitor the Company's CSR policy;

iv. To institute a transparent monitoring mechanisms for the implementation of CSR Projects.

During the year, no meeting was held of Corporate Social Responsibility Committee.

Corporate Management Committee

The Board has also constituted a Corporate Management Committee comprising of Key Managerial Personnel of the Company to review, approve and/or grant authorities for managing day-to-day affairs of the Company within the powers delegated by the Board. The Corporate Management Committee meet as and when required to deliberate and decide on various matters within their respective scope or powers delegated by the Board.

Finance Committee

With a view to facilitate monitoring and expediting any debt fund raising process, approve financing facilities offered and/or sanctioned to the Company by various Banks and/or Indian Financial Institution from time to time, in the form of Term Loans, Working Capital facilities, Guarantee Facilities, etc., including the acceptance of terms and conditions of such facilities being offered and exercising such other authorities as may be delegated by the Board.

The Finance Committee is presently comprising of three members namely:

(i) Ms. Kavita Kapahi, Non-Executive Non-Independent Director as Chairman

(ii) Mr. Bhanu Pratap Singh, Independent Director as Member, and

(iii) Mr. Suresh Arora, Executive Director as Member.

Investment Committee

The Board has also constituted an Investment Committee comprising of Executive Director and Key Managerial Personnel of the Company. As at March 31, 2021, the Investment Committee comprises of Mr. Suresh Arora, Whole Time Director, Mr. Anil Kumar Malhotra, CEO of the Company and Mr. Sanjay Berry, CFO of the Company as Members. Mr. Sanjay Berry ceased to be Member of Investment Committee w.e.f. June 30, 2021.

The Investment Committee meet as and when required to deliberate and decide on various matters within their respective scope or powers delegated by the Board.

The broad term of reference includes:

(i) to explore and evaluate the proposal(s) pertaining to restructuring of the investments of the Company in Joint Venture Companies / Subsidiary Companies / Associate Companies / Joint Venture Limited Liability Partnership(s), in consultation with Advisors/Consultants and to make necessary alterations/modifications in such investment proposals, as and when required, in the interest of the Company, subject to compliances of the laws for the time being in force;

(ii) to form and incorporate:

a. public or private company(ies) under the Companies Act, 2013;

b. Limited Liability Partnership(s) under the Limited Liability Partnership Act, 2008 including any statutory modification(s), amendment(s), or re-enactment(s) thereof, for the time being in force;

(iii) to invest the funds of the Company in public or private company(ies) or Limited Liability Partnership(s)

(iv) to nominate person(s) on behalf of the Company for the appointment as:

a. director(s) in any public or private company(ies);

b. designated partner(s) in any Limited Liability Partnerships;

(v) to give consent/approval/no objection for the use of the word(s) "SITI" / "SITI CABLE" / "SITI NETWORKS", which are registered trade-marks of the Company, as suffix or prefix in the name of any public or private company(ies) or in the name of any Limited Liability Partnership(s);

(vi) to approve the Limited Liability Partnership Agreement in respect of such Limited Liability Partnership(s) and to authorize the employee(s) of the Company to sign and execute the same on behalf of the Company;

(vii) to acquire/purchase the equity holding/capital/share of Joint Venture Partner(s) in Joint Venture Company(ies)/Subsidiary Company(ies)/ Limited Liability Partnership(s);

(viii) to sell/dispose of share held/investments made in Joint Venture Company(ies)/Subsidiary Company(ies)/Limited Liability Partnership(s).

The Board has provided for detailed guidelines on constitution, quorum, scope and procedures to be followed by these Committees in discharging their respective functions. Minutes of the proceedings of Committee meetings are circulated to the Board members and are placed for record by the Board at its subsequent Meeting.

GENERAL MEETINGS

The 15th Annual General Meeting of the Company for the Financial Year 2020-21 will be held on Tuesday, September 28, 2021 at 3:00 PM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

The location, date and time of the Annual General Meetings held during last 3 years along with Special Resolution(s) passed at these meetings are:

Meeting	Day, Date and Time of the Meeting	Venue	Special Resolution passed
2019-20	Tuesday, September 29, 2020 at 3:00 PM	through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	a. Re-appointment of Prof. Sunil Kumar Maheshwari as an Independent Director of the Company for the second term.
2018-19	Saturday, September, 28, 2019 at 3:00 p.m.	'Hall of Harmony', Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400018	Nil
2017-18	Tuesday, September 25, 2018 at 3:00 p.m.	The Orchid, 70-C, Nehru Road, Near Mumbai Domestic Airport, Vile Parle (E), Mumbai, Maharashtra 400099	a. Re-appointment of Ms. Kavita Kapahi as an Independent Director of the Company for the second term.

All the above special resolutions were passed with requisite majority.

No Special Resolution was passed through Postal Ballot during the financial year 2020-21.

No Extra Ordinary General Meetings of the Members were held during FY 2020-21.

None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases, etc. to all Stock Exchanges, where the securities of the Company are listed by uploading on the online portal of the stock exchanges i.e. NEAPS (NSE) & Corporate Filing (BSE). Such information is also simultaneously displayed immediately on the Company's website www.sitinetworks.com.The financial results quarterly, half yearly and annual results and other statutory information were generally communicated to the Shareholders by way of an advertisement in a English newspaper viz. 'Business Standard' and in a vernacular language newspaper viz. 'Punya Nagri /Navshakti/Mumbai Lakshadeep (Marathi)/The Global Times (Marathi) ' as per requirements of the SEBI Listing Regulations.

In Compliance with Regulations 46 of the SEBI Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company. Annual Report, quarterly/half-yearly/annual financial statements, shareholding patterns, Stock Exchanges filings along with applicable policies of the Company. Official press releases and presentations made to institutional investors or to analysts, if any, are displayed on Company's website www.sitinetworks.com.

Management Discussion and Analysis Report forming part of this Annual Report is annexed separately.

Annual Report: Annual Report of the Company is also available on the website of the Company for download. Further, the Management Discussion and Analysis (MDA) Report, highlighting operations, business performance, financial and other important aspects of the Company's functioning, forms an integral part of the Annual Report.

GENERAL SHAREHOLDERS INFORMATION

1.	Annual General Meeting		
	• **Day & Date**	:	Tuesday, September 28, 2021
	• **Time**	:	3:00 P.M.
	• **Mode**	:	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
2.	**Financial year**	:	April 1, 2020 to March 31, 2021
3.	**Registered Office**	:	Unit No. 38, 1st Floor, A Wing, Madhu Industrial Estate, Pandurang Budhkar Marg, Worli, Mumbai 400013. Phone No : +91- (022) 43605555 Email : csandlegal@siti.esselgroup.com
4.	Corporate Office	:	FC-19 & 20, UG Floor, Sector-16A, Film City, Noida - 201301. **Ph No.: +91-(0120) 4526707** E-mail : csandlegal@siti.esselgroup.com
5.	**Listing on Stock Exchange**	:	**BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 **The National Stock Exchange of India Limited (NSE)** Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400 051 Company has paid requisite Listing Fees to the Stock Exchanges for FY 2021-22. None of the Company's Securities have been suspended from trading.
6.	Stock Code	:	BSE - 532795 NSE - SITINET-EQ
7.	**Corporate Identification Number (CIN)**	:	L64200MH2006PLC160733
8.	**ISIN No.**	:	INE965H01011 (Equity Shares of Re. 1 each, fully paid up)
9.	Registrar & Share Transfer Agent	:	Link Intime India Pvt Ltd C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083, India Tel: +91 22 49186000 Fax: +91 22 49186060 E.Mail: rnt.helpdesk@linkintime.co.in

12. SHARE TRANSFER SYSTEM

99.96% of the Equity Shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company.

Requests for physical transfer and/or for dematerialization of Equity Shares received by the Company and/or its Registrar are generally registered and returned within a period of 15 days from the date of receipt of completed and validly executed documents.

Effective 1st April 2019 (which was extended till March 31, 2021 by SEBI), SEBI has amended Regulation 40 of the SEBI Listing regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Pursuant to Regulation 13(2) of the SEBI Listing Regulations, a statement on the pending investor complaints is filed with the stock exchanges and placed before the Board on a quarterly basis.

Reconciliation of Share Capital Audits ("Share Capital Audit") were also carried out by the practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The reports for the same were submitted to BSE and NSE. The Share Capital Audit confirms that the total issued / paid up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

A half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges simultaneously.

13. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government.

14. INVESTOR SAFEGUARDS:

In order to serve you better and enable you to avoid risks while dealing in securities, you are requested to follow the general safeguards as detailed hereunder:

- **Dematerialise your Shares**

  Members are requested to convert their physical holding to demat / electronic form through any of the nearest Depository Participants (DPs) to avoid the hassles involved in the physical shares such as possibility of loss, mutilation etc., and also to ensure safe and speedy transaction in securities.

  Further, w.e.f. April 1, 2019 (which was extended till March 31, 2021 by SEBI), the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

- **Consolidate your multiple folios**

  Members are requested to consolidate their shareholding held under multiple folios to save them from the burden of receiving multiple communications.

- **Register Nomination**

  To help your successors get the share transmitted in their favour, please register your nomination. Member(s) desirous of availing this facility may submit nomination in Form SH-13. Member(s) holding shares in dematerialised form are requested to register their nominations directly with their respective DPs.

- **Prevention of frauds**

  We urge you to exercise due diligence and notify us of any change in address / stay in abroad or demise of any Shareholder as soon as possible. Do not leave your demat account dormant for long. Periodic statement of holding should be obtained from the concerned DP and holding should be verified.

- **Confidentiality of Security Details**

  Do not disclose your Folio No. / DP ID / Client ID to an unknown person. Do not hand-over signed blank transfer deeds / delivery instruction slip to any unknown person.

15. DEMATERIALISATION OF SHARES & LIQUIDITY

The Company's Equity Shares are compulsorily traded in electronic (dematerialised) form on NSE and BSE. As at March 31, 2021, 99.96% of the Equity Share Capital of the Company are held in electronic form. Under the Depository system, the ISIN allotted to Company's Equity Shares is INE965H01011. Entire equity shareholding of the entities forming part of promoter/promoter group in the Company is held in dematerialised form.

There are two Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate trading in demat form. The Company has entered into agreements with both these Depositories. The Shareholders can open account with any of the Depository Participant registered with any of these two Depositories.

16. SERVICE OF DOCUMENTS THROUGH E-MAIL

Your Company will be sending the Notice and Annual Report for the Financial Year 2020-21 in electronic form to the Members whose e-mail address have been made available to the Company/Depository Participant(s). Members holding shares in electronic form but who have not registered their e-mail address (including those who wish to change their already registered e-mail id) with their DP and Members' holding shares in physical form are requested to register their e-mail address with their DP / Company, as the case may be, by following the process as provided in the Notes forming part of the Notice.

17. E-VOTING FACILITY

In compliance with Section 108 of the Act and Regulation 44 of the SEBI Listing Regulations, your Company is providing e-voting facility to all Members to enable them to cast their votes electronically on all resolutions set forth in the Notice of Annual General Meeting, using the e-voting platform of CDSL. The instructions for e-Voting have been provided in the Notice of Annual General Meeting.

18. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY;

There are no outstanding Securities issued by the Company and convertible into Equity Shares of the Company as at March 31, 2021.

The Company has not issued any GDRs/ADRs in the past and hence as March 31, 2021 the Company does not have any outstanding any GDRs/ADRs.

19. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is engaged in distribution of signals of channels of various broadcasters through cable networks, there are no risk associated with Commodity Price. Further the Company has not carried out any activity for hedging of foreign exchange risk.

20. SHAREHOLDERS' CORRESPONDENCE

The Company has attended to all the investors' grievances/ queries/ Information requests except for the cases where the Company is restrained due to some pending legal proceedings or court/statutory orders. It is the endeavor of the Company to reply all letters / communications received from the Shareholders within a period of 5 working days.

All correspondence may be addressed to the Registrar & Share Transfer Agent at the address given in this Shareholders Information section. In case any Shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Company Secretary of the Company.

SCORES' (SEBI Complaints Redress System): The Investors' complaints are also being resolved by your Company through the Centralised Web Base Complaint Redressal System 'SCORES' (SEBI Complaints Redress System) initiated by Securities and Exchange Board of India (SEBI). The salient features of SCORES are availability of centralised data base of the complaints, uploading online Action Taken Reports (ATRs) by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.

21. CREDIT RATING

During the financial year 2019-20, Birckwork Ratings India Private Limited ("Brickworks") has reviewed the ratings assigned for Company's Bank Loan facilities on account of delays in the debt servicing and based on the said review, the revised credit rating(s) is as follows:

Facilities	Amount (₹ Crs)	Previous Rating	Revised Rating
Long – Term Bank Loan Facilities (Fund Based)	883.46	BWR BB (negative)	BWR D

Further, credit rating during the financial year under review i.e. (FY 2020 -21) is same as in the financial year 2019-20.

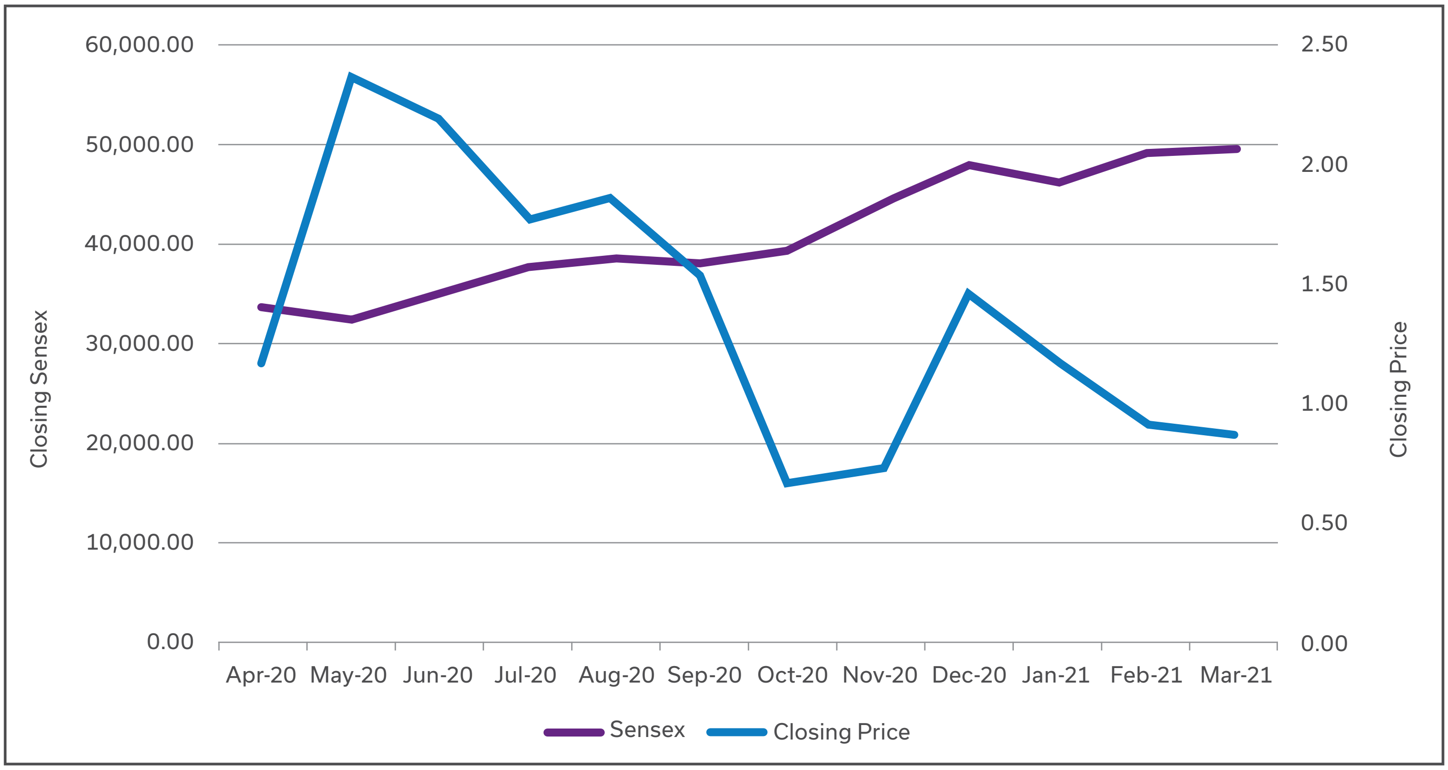
22. MARKET PRICE DATA

Monthly high and Low quotation and volume of Equity Shares traded on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) for the Financial year 2020-21 are given as under:

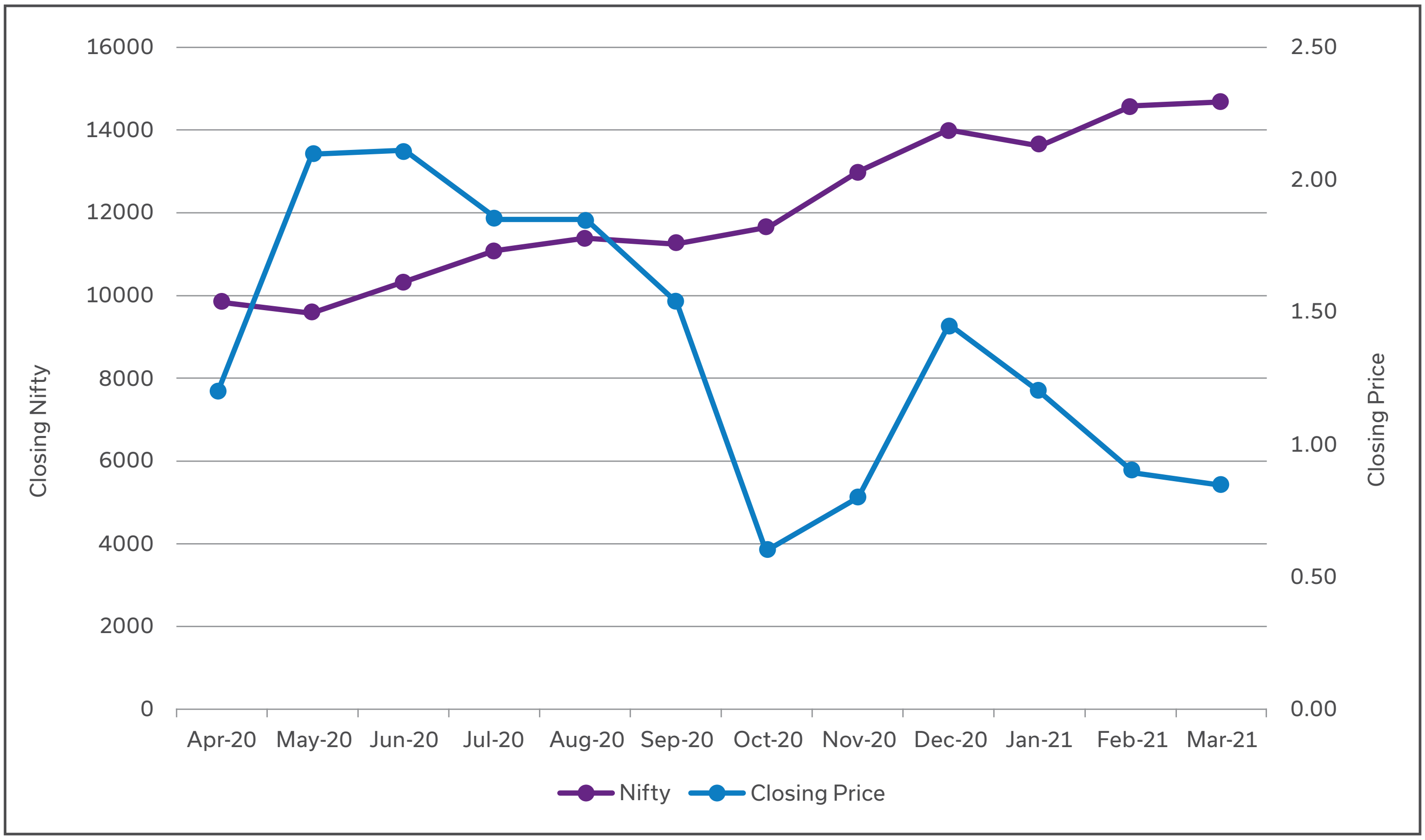
Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Traded Quantity	High (in ₹)	Low (in ₹)	Traded Quantity
April 2020	1.20	0.53	3,334,809	1.20	0.50	6,891,118
May 2020	2.75	1.26	5,702,786	2.20	1.25	2,527,175
June 2020	2.34	1.53	10,077,750	2.30	1.55	17,214,547
July 2020	2.50	1.60	4,883,359	2.40	1.60	7,714,096
August 2020	2.13	1.63	2,387,744	2.00	1.65	5,568,769
September 2020	1.98	1.52	3,392,543	1.95	1.55	5,796,025
October 2020	1.60	0.66	19,375,872	1.55	0.60	63,627,074
November 2020	0.74	0.50	114,397,085	0.95	0.40	1,008,553,155
December 2020	1.45	0.70	71,718,788	1.45	0.75	324,487,250
January 2021	1.82	1.03	66,576,036	1.70	1.05	97,058,149
February 2021	1.29	0.88	67,725,501	1.30	0.85	121,841,430
March 2021	0.97	0.80	68,082,260	0.95	0.80	113,050,146

23. RELATIVE PERFORMANCE OF SHARES OF SITI NETWORKS LIMITED VS. BSE SENSEX & NIFTY INDEX

Monthly Closing Price (Month End) Vs Monthly Closing Sensex (Month End)



Monthly Closing Price (Month End) Vs Monthly Closing Nifty (Month End)



24. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

Description	Shareholders		No. of Shares	
	Number	% of Shareholders	Number	% of Shares
Less than 5000	113,327	93.2817	54,942,270	6.3003
5001-10000	3,505	2.8850	28,764,223	3.2984
10001-20000	1,828	1.5047	28,032,350	3.2145
20001-30000	837	0.6890	21,413,275	2.4555
30001-40000	327	0.2692	11,739,758	1.3462
40001-50001	389	0.3202	18,680,374	2.1421
50001-100000	627	0.5161	48,698,232	5.5843
100000 and above	649	0.5342	659,782,572	75.6585
Total	**121,489**	**100.0000**	**872,053,054**	**100.0000**

25. CATEGORIES OF EQUITY SHAREHOLDER AS ON MARCH 31, 2021

Particulars	No. of Share held	% of shareholding
Promoters	53,222,365	6.10
Individuals	450,660,592	51.68
Financial Institutions, Mutual Funds & Banks	15,972	0.00
Indian Companies	220,118,313	25.24
FII (s),NRI(s),Foreign Bodies & OCBs	126,936,201	14.56
Others	21,100,405	2.42
Total	**87,20,53,848**	**100.00**

26. PROMOTER'S SHAREHOLDING AS ON MARCH 31, 2021

Equity Shares

Sl. No.	Name of the Shareholder	No. of Share held	% of total shareholding
1.	Digital Satellite Holdings Private Limited	93,816	0.01
2.	Direct Media Solutions LLP	9,900,000	1.14
3.	Bioscope Cinemas Private Limited	10,611	0.00
4.	Direct Media and Cable Private Limited	0	0.00
5.	Arrow Media & Broadband Private Limited	0	0.00
6.	Digital Satelite Media and Broadband Private Limited	15,273	0.00
7.	Manaaska Fashions LLP	36,000	0.00
8.	Essel Media Ventures Limited	43,166,665	4.95
Total		**53,222,365**	**6.10**

Preference Shares

Sl. No.	Name of the Shareholder	No. of Share held	% of total shareholding
1.	Churu Trading LLP	23,436	100.00

27. TOP 10 PUBLIC SHAREHOLDERS AS ON MARCH 31, 2021

Sl. No.	Name of Shareholder	No. of Shares held	% of shareholding
1.	Housing Development Finance Corporation Limited	94,386,000	10.82
2.	L AND T Finance Limited	57,383,732	6.58
3.	Morgan Stanley Asia (Singapore) PTE. - ODI	56,393,310	6.47
4.	Polus Global Fund	17,840,531	2.04
5.	Yorik Rajul Shah	14,999,965	1.72
6.	Rushabh Vinod Sheth	13,856,000	1.59
7.	Moon Capital Trading Pte. Ltd.	12,558,282	1.44
8.	Citigroup Global Markets Mauritius Private Limited	12,365,357	1.42
9.	Pricomm Media Distribution Ventures Pvt Ltd	10,735,000	1.23
10.	JSGG Infra Developers LLP	10,638,298	1.21

28. EQUITY SHARES IN THE SUSPENSE ACCOUNT

In accordance with requirement of Regulation 34(3) and Schedule V Part F of SEBI Listing Regulations, the Company reports the following details in respect of the Equity Shares, which were issued by the Company from time to time and lying in the suspense account is as under:

Description	No. of Shareholders	No. of Equity Shares
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on April 1, 2020	83	46,417
Number of Shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Number of Shareholders to whom shares were transferred from the suspense account during the year	0	0
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	83	46,417

The voting rights on the shares outstanding in suspense account as on March 31, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

29. SHARE CAPITAL BUILD-UP

(a) Equity Shares

Particulars	No. of Equity Shares	Date of Issue
Subscribers to the Memorandum of Association of the Company	50,000	March 25,2006
Subdivision of equity shares of ₹ 10/- each into equity shares of Re.1/- each	500,000	July 25, 2006
Allotted to the Shareholders of Zee Entertainment Enterprises Limited pursuant to Scheme of Arrangement	216,717,753	December 29, 2006
Right Issue	236,222,285	October 29, 2009
Allotted upon conversion of warrants as per terms of issue of Preferential Issue	68,500,000	March 25, 2014
Allotted upon conversion of warrants as per terms of issue of Preferential Issue	93,500,000	April 2, 2014
ESOP Allotment	77,840	February 4, 2015
QIP Allotment	63,174,540	March 9, 2015
ESOP Allotment	167,840	March 26, 2015
Allotted upon conversion of warrants as per terms of issue of Preferential Issue	85,714,285	February 19, 2016
Allotted upon conversion of OFCD as per terms of issue of Preferential Issue	30,800,000	March 28, 2017
ESOP Allotment	135,000	February 14, 2017
Allotted upon conversion of warrants as per terms of issue of Preferential Issue	57,142,857	February 27, 2017
Allotted upon conversion of OFCD as per terms of issue of Preferential Issue	20,628,571	February 27, 2017
Less: Forfeiture of shares	1,227,123	October 19, 2011
Paid up equity share capital of the Company as on March 31, 2021	**872,053,848**	

(b) Preference Shares

Particulars	No. of Equity Shares Allotted	Date of Issue
Issued pursuant to Scheme of Arrangement	23,436	December 29, 2006
Paid up preference share capital of the Company as on March 31, 2021	**23,436**	

30. OTHER DISCLOSURES

i. All transactions entered into by the Company with related parties during the financial year 2020-21 were in ordinary course of business and on arm's length basis. The related party transactions undertaken by the Company during the year under review were in compliance with the applicable provisions of Companies Act, 2013 and SEBI Listing Regulations. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of the Annual Report. All ongoing related party transactions along with the estimated transaction value and terms thereof are approved by the Audit Committee before the commencement of financial year and thereafter reviewed on quarterly basis by the Audit Committee.

In compliance with the requirements of Regulation 23 of SEBI Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.sitinetworks.com

There are no materially significant related party transactions between the Company and its promoters, directors or key management personnel or their relatives, having any potential conflict with interests of the Company at large.

ii. Except as mentioned herein below, there has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

The securities of the Company have not been suspended for trading at any point of time during the year and the Company has duly complied with corporate governance requirements as specified under Regulations 17 to 27 and clause (b) to (i) of Regulation 46 (2) of the SEBI Listing Regulations.

Quarterly reports on compliance with Corporate Governance as per Regulation 27 of the SEBI Listing Regulations were duly filed with the stock exchanges within the stipulated time.

iii. As per Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organisation. The policy enables the employees and Directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of Conduct or ethics policy. This Policy, a copy of which is uploaded on the website of the Company, safeguards whistle blowers from reprisals or victimisation. Your Board affirms that no personnel has been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

iv. In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information. Mr. Suresh Kumar, Company Secretary of the Company is Compliance Officer for the purposes of Insider Trading Code, while the Chief Financial Officer of the Company has been assigned responsibility under Fair Disclosure policy as Investor Relations Officer. In line with the amendment to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Insider Trading Code and Policy for Fair Disclosure of Unpublished Price Sensitive Information was revised with effect from April 1, 2019. The revised Code and Policy can be viewed on Company's website www.sitinetworks.com.

v. The Company has five material non-listed Subsidiary namely Indian Cable Net Company Limited, Siti Prime Uttaranchal Communication Private Limited, Siti Siri Digital Network Pvt. Ltd., Master Channel Community Network Pvt. Ltd. and Siti Maurya Cable Net Pvt. Ltd. in terms of Regulation 16 of SEBI Listing Regulations. Detailed secretarial activity reports along with the minutes of the Meetings of Subsidiaries are placed before the Board at the meeting on periodical basis. The Audit Committee reviews the Financial Statements including investments by the unlisted subsidiaries. The policy on determining material subsidiaries has been uploaded and can be accessed on the website of the Company www.sitinetworks.com.

Additionally, the Board has in accordance with the requirements of Companies Act, 2013 and SEBI Listing Regulations approved and adopted various other policies including Material Events Determination and Disclosure Policy, Document Preservation Policy, etc. These Policies can be viewed on Company's website www.sitinetworks.com.

vi. The Company is engaged in distribution of signals of channels of various broadcasters through cable networks, there are no risk associated with Commodity Price. Further the Company has not carried out any activity for hedging of foreign exchange risk.

vii. Your Board hereby confirms that the Company has obtained a certificate from the Company Secretary in practice Mr.Amit Agarwal (CP No.3647), proprietor of M/s Amit Agarwal & Associates, Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

viii. During the financial year, the Board of Directors of the Company has accepted all the recommendation of any Committee of the Board where prior approval of the relevant Committee is required for undertaking any transaction under these Regulations.

ix. Total fees for all services paid by SITI networks and its subsidiaries, on a consolidated basis, to the, the Walker Chandiok & Co. LLP, Chartered Accountants and M/s DNS & Associates, Chartered Accountants, Gurugram, Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

During the year under review, the Statutory Auditors of the Company, Walker Chandiok & Co. LLP, Chartered Accountant and M/s DNS & Associates, Chartered Accountants, Gurugram were paid an aggregate remuneration of ₹ 3,853,521/- (including Statutory Audit Fees of ₹ 3,650,000/-).

Apart from the Company, the Statutory Auditors and its network firms didn't provide any services to any subsidiary company of the Company.

Particulars of payments made to the Statutory Auditors and its Network firms on consolidated basis (excluding taxes) are given below.

Particulars	Amount In ₹
Audit /Limited Reviews fee / fee for retesting the internal controls and issuing opinion on the adequacy and operating effectiveness of internal controls over financial reporting	3,650,000.00
for other services including certifications	70,000.00
Reimbursement of expenses	133,521.00
Total	**3,853,521.00**

x. The Company is committed to provide safe and conducive working environment to all its employees and has zero tolerance for sexual harassment at workplace. In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder, the Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted Internal Complaints Committee functioning at various locations to redress complaints received regarding sexual harassment.

During the year the Company, the Company has not received any complaint under sexual harassment.

xi. The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and applicable requirements of Regulation 46 of SEBI Listing Regulations, as amended.

xii. Your Company has put in place procedures and guidelines to inform the Board Members about the risk assessment and minimisation procedures. Such procedures are periodically reviewed in light of industry dynamics to ensure that executive management controls risk through means of a properly defined framework.

The Company has in place a risk management policy and the same is periodically reviewed by the Board. The Risk Management and Internal Control is discussed in detail in the Management Discussion and Analysis that forms part of this Annual Report.

xiii. In line with the requirements of the SEBI Listing Regulations, the Board has approved and adopted a Dividend Distribution Policy. The Dividend Distribution Policy is available on the website of the Company and can be accessed at www.sitinetworks.com.

xiv. Other Policies: Apart from the above policies, the Board has in accordance with the requirements of Act and the SEBI Listing Regulations, approved and adopted policy for Determining Material Events, Policy for Preservation of Documents & Archival of Records, Corporate Social Responsibility Policy etc. The required policies can be viewed on Company's Website at www.sitinetworks.com.

31. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and applicable requirements of Regulation 46 of the SEBI Listing Regulations, as amended. The status of compliance with non-mandatory requirements of the SEBI Listing Regulations are as detailed hereunder:

- **Internal Auditor** – The Internal Auditor reports directly to the Audit Committee and make comprehensive presentations at the Audit Committee meeting on the Internal Audit Report.

32. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on Management discussion and analysis is provided separately as a part of this Annual Report.

33. CERTIFICATION ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Certificate from Practicing Company Secretary confirming compliance with conditions of Corporate Governance as stipulated in SEBI Listing Regulations is annexed to this Annual Report.

34. CEO/ CFO CERTIFICATION

In terms of the provisions of Regulation 17 (8) of the SEBI Listing Regulations, the certification on the financial statements of the Company, as certified by the Chief Executive Officer and Chief Financial Officer of your Company is annexed to this Annual Report.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
SITI Networks Limited.

We have examined the compliance of conditions of Corporate Governance by SITI Networks Limited (hereinafter referred to as 'the Company'), for the year ended March 31, 2021, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

for **Amit Agrawal and Associates**
(Company Secretaries)

CS Amit Agrawal
Proprietor
M.No.- 5311, CP No. 3647
UDIN: F005311C000512147

Place: Delhi
Date: June 25, 2021

COMPLIANCE CERTIFICATE

[Regulation 17(8)]

We, Anil Kumar Malhotra, Chief Executive Officer and Sanjay Berry, Chief Finance Officer of SITI Networks Limited (hereinafter referred to as 'the Company') certify that:

a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended March 31, 2021 which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) During the year:

   i. there have not been any significant change in internal control over financial reporting;

   ii. there have not been any significant changes in accounting policies; and

   iii. there have been no instances of significant fraud of which we are aware that involve management or other employees having significant role in the Company's internal control system over financial reporting.

Noida, June 25, 2021

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Finance Officer

FINANCIAL STATEMENTS

104 Standalone Financial Statements
164 Consolidated Financial Statements

Independent Auditor's Report

To the Members of SITI Networks Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of SITI Networks Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As described in note 45 to the accompanying standalone financial statements, the Company's 'Revenue from operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 3,752.5 million for the year ended March 31, 2021, while there would have been no impact on the net loss for the year ended March 31, 2021.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to note 47 to the accompanying standalone financial statements, which indicates that the Company has incurred a net loss (including other comprehensive income) of ₹ 2,269.8 million during the year ended March 31, 2021, and as of that date, the Company's accumulated losses amount to ₹ 20,883.9 million resulting in a negative net worth of ₹ 3,948.6 million and its current liabilities exceeded its current assets by ₹ 11,842.5 million resulting in negative working capital. As at March 31, 2021, there are delays/ defaults in repayment of obligations and borrowings. The above factors along with other matters as set forth in note 47, indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. However, basis the impact of Tariff Order 2017, ongoing discussion with the lenders of the Company, and other factors mentioned in aforesaid note to the accompanying standalone financial statements, the management is of the view that going concern basis of accounting is appropriate for preparation of these financial statements.

   The above assessment of the Company's ability to continue as going concern is by its nature considered as key audit matter in accordance with SA 701. In relation to the above key audit matter, our audit work included, but was not limited to, the following procedures:

   - We obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the Company's ability to continue as a going concern and the process to assess the corresponding mitigating factors existing against each such event or condition.
   - Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.
   - We obtained the projected cash flows from the management for the next twelve months from the balance sheet date, basis their future business plans and considering the impact of Tariff Order, 2017.

- We held discussions with the management personnel to understand the assumptions used and estimates made by them for determining the future cash flow projections.
- The key assumptions such as revenue growth rate, changes in direct and administrative expenses, and capital expenditure outflows, were assessed for reasonableness by reference to historical data, future market trends, existing market conditions, business plans and our understanding of the business and the industry in which the Company operates.
- We tested mathematical accuracy of the projections and applied independent sensitivity analysis to the key assumptions mentioned above to determine inputs leading to high estimation uncertainty of the cash flow projections
- We read the relevant correspondences with the lending banks.
- We assessed the appropriateness and adequacy of disclosures made by the Company with respect to the aforesaid events and conditions in accordance with the provisions requirements of Ind AS 1 Presentation of Financial Statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
7. In addition to the matters described in the Basis for Qualified Opinion and Material Uncertainty Related to Going Concern sections, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of non-current investments As described in Note 6 to the standalone financial statements, the Company has investments of ₹ 3,519.6 million in its subsidiaries, associates and joint venture entities, as at March 31, 2021 (hereinafter together referred to as 'Component entities'). Certain Component entities have been incurring losses in the current year and previous year and have negative cash flows from operations during the current as well as previous years, thus resulting in possible impairment indicators. In view of the above, management during the year ended March 31, 2021, has carried out impairment test for such investments, whereby the carrying amount of the investments was compared with the fair value of the business of respective component entity. To determine the fair value, management of the Company has prepared detailed cash flow projections, based on business plans of the respective component entity, expected growth rates of the business and other market related factors including the discount rates, etc. Based on the result of the aforesaid impairment tests, no impairment has been noted. Considering the materiality of the amount involved and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of such investments as a key audit matter.	Our audit procedures included, but were not limited to the following: • We obtained understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing. • We have performed detailed discussions with the management throughout the year to understand the impairment assessment process, assumptions used and estimates made by management to assess the reasonableness of the recoverable amount and tested the operating effectiveness of controls implemented by management. • We obtained from the management of the Company, the approved future business plans of the subsidiary companies and held detailed discussions with the management to understand the assumptions used and estimates made by them for determining the cash flow projections. • We referred to the economic conditions prevalent in the jurisdiction in which the subsidiary company operates and understood from the management about the future business plans. • We assessed the reasonableness of the assumptions used and appropriateness of the valuation methodology applied. • Working with our valuation specialists, we have assessed the reasonableness of assumptions around discount rate, beta, etc. used and valuation methodology applied for valuation of certain investment in optionally convertible debentures of the Component entities. • Evaluated the appropriateness and adequacy of the related disclosures made in the standalone financial statements in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Provision for expected credit losses (ECL) Refer note 3(j) for significant accounting policy and note 34 for credit risk disclosures. As described in note 10, trade receivables comprise a significant portion of the current financial assets of the Company. As at March 31, 2021 trade receivables aggregate to ₹ 1,953.4 million (net of allowance for expected credit losses of ₹ 4,343.3 million). In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company has analysed the trend of trade receivables under different ageing bracket for last three years and calculated credit loss rate basis such ageing. The complexity in calculation of ECL is mainly related to calculations performed for different type of revenue streams in which the Company operates and the different recovery period for different categories of customers. Additional provision is recognised for the receivables which are specifically identified as doubtful or non-recoverable. Further, the management regularly assess each class of trade receivables for recoverability. Provision for ECL is adjusted considering the recovery trends noted for the respective class, adjusted for forward looking estimates. Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis the ongoing communications with the respective parties and is therefore considered as a key audit matter.	Our audit procedures included, but were not limited to the following: • We obtained an understanding of the management process for segregating receivables into appropriate groups, current and historical past due amounts and write offs and collections (if any). • We assessed and tested the design and operating effectiveness of controls around management's assessment of the recoverability of trade receivables and corresponding provisioning for ECL. Also, evaluated the controls over the modelling process, validation of data and related approvals. • We obtained from the management of the Company, detailed assessment, including computation, of the ECL. • We audited the underlying data and assessed reasonableness of the assumptions used for each age-band of trade receivables. • We analysed the methodology used by the management and considered the credit and payment history of specific parties to determine the basis used for arriving at the expected credit loss provision. • We obtained the details of receivables specifically identified by the management for provisioning, over and above the ECL, and corroborated them from the ageing schedule and held discussions with management on their recoverability. • We assessed the appropriateness of disclosures made by the management for the ECL recognized in accordance with applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

8. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

9. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of

the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

11. Those charged with governance is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

13. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely

rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

17. The standalone financial statements of the Company for the year ended March 31, 2020 were audited by the predecessor auditor, Walker Chandiok & Co LLP, who have expressed a qualified opinion on those standalone financial statements vide their audit report dated June 29, 2020.

Report on Other Legal and Regulatory Requirements

18. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

19. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

20. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) except for the effects of the matter(s) described in the Basis for Qualified Opinion section in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    d) except for the effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) the going concern matter described in Material Uncertainty Related to Going Concern section, in our opinion, may have an adverse effect on the functioning of the Company;

    f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

    g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;

    h) we have also audited the internal financial controls with reference to financial statements of the Company as on March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated June 25, 2021 as per Annexure II expressed modified opinion; and

    i) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. the Company, as detailed in note 37 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2021;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2021;

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021; and

For **DNS & Associates**
Chartered Accountants
Firm's Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945
UDIN: 21502945AAAAAF3397

Place: Noida
Date: June 25, 2021

Annexure I to the Independent Auditor's Report

of even date to the members of SITI Networks Limited on the standalone financial statements for the year ended March 31, 2021

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE'), except for some of the network equipment acquired in a scheme of arrangement in an earlier year where the records are maintained for a group of similar assets and not for each individual asset. However, the written down value of these assets is nil.

(b) The Company has a regular program of physical verification of its PPE that are verified in a phase manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets, other than 'set top boxes' and 'broadband consumer premises equipment (CPE)' which are installed either at customer premises or lying with the distributors/ cable operators, and 'distribution equipment comprising overhead and underground cables', since the physical verification of such items of PPE is not feasible owing to the nature and location of these assets. Further, the Company has not been able to reconcile the physical verification of certain 'network equipment' acquired in a scheme of arrangement in an earlier year to the books of account due to lack of records thereof as mentioned in paragraph (a) above. According to the information and explanations given to us, the existence of 'set top boxes' and CPE installed at customer premises is verified on the basis of the 'active user' status of the customers. No material discrepancies were noticed on the physical verification of the PPE of the Company. However, 'set top boxes' and CPE lying with the distributors/cable operators, 'distribution equipment comprising overhead and underground cables' and 'network equipment' acquired in a scheme of arrangement as aforementioned have not been physically verified by the management during the year as explained above and we are, therefore, unable to comment on the discrepancies, if any, which could have arisen on verification thereof.

(c) The title deeds of all the immovable properties (which are included under the head PPE) are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the Company's services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) The dues outstanding in respect of income-tax, sales tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of disputed dues

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	94.18	-	July 2003 to June 2008, Financial year 2005-2006 to Financial year 2008-2009 and Financial year 2011-2012	The Customs Excise and Service Tax Appellate Tribunal
Karnataka Value Added Tax Act, 2003	Value added tax	8.61	-	Financial year 2010-2011	High Court of Karnataka
Kerala Value Added Tax Act, 2003	Value added tax	4.49	-	Financial year 2015-2016	State Tax Officer
Andhra Pradesh Value Added Tax Act, 2005	Value added tax	16.80	8.40	Financial year 2016-2017	High Court of Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Value added tax	3.11	1.66	Financial year 2010-2017	Telangana Value Added Tax Appellate Tribunal
Delhi Value Added Tax Act, 2004	Value added tax	0.71	-	Financial year 2013-2014	Additional Commissioner (Appeals)
Delhi Value Added Tax Act, 2004	Value added tax	2.24	6.30	Financial year 2014-2015	Additional Commissioner (Appeals)
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	8.19	8.19	Financial year 2015-2016 to Financial year 2017-18	Appellate Deputy Commissioner, Commercial Taxes (Appeals)
The Haryana Value Added Tax Act, 2003	Value added tax	33.80	12.06	Financial year 2014-2015 to Financial year 2017-18	The Joint Excise and Taxation Commissioner (Appeals)
Custom Act, 1962	Custom Duty	1,011.22	20.00	Financial Year 2014-2015 till 2018-2019	Additional Director General (Adjudication), Directorate of Revenue Intelligence, Delhi

(viii) The Company has no loans or borrowings payable to government and no dues payable to debenture-holders. The Company has defaulted in repayment of loans/borrowings to the following banks and financial institution:

- which were paid on or before the Balance Sheet date:

Name of the lenders	Amount of default during the year ended March 31, 2021 (₹ in million)		Period of default (in days)		Remarks
	Principal	Interest	Principal	Interest	
In case of:					
(a) Banks					
Axis Bank	140.00	13.20	603	385	
IndusInd Bank	-	6.67	-	50	
Kotak Mahindra Bank	-	-	-	-	
IDBI Bank	52.00	-	260	-	
HDFC Limited	-	77.50	-	548	
RBL Bank Limited	32.50	-	550	-	
Standard Chartered Bank	286.58	11.92	482	261	
(b) Financial institution					
Aditya Birla Finance Limited	37.50	14.60	115	73	

- which were unpaid as at March 31, 2021:

Name of the lenders	Amount of default during the year ended March 31, 2021 (₹ in million)		Period of default (in days)		Remarks
	Principal	Interest	Principal	Interest	
In case of:					
Banks					
Axis Bank	1474.02	371.47	610	641	
IndusInd Bank	146.08	-	95	-	
IDBI Bank	152.00	36.42	549	549	
HDFC Limited	1635.00	397.80	610	549	
RBL Bank Limited	492.50	89.02	579	579	
Standard Chartered Bank	687.11	148.68	545	488	

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **DNS & Associates**
Chartered Accountants
Firm's Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945
UDIN: 21502945AAAAAF3397

Place: New Delhi
Date: June 25, 2021

Annexure II Independent Auditor's Report

ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

1. In conjunction with our audit of the standalone financial statements of SITI Networks Limited ('the Company') as at and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

QUALIFIED OPINION

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2021:

   The company's internal financial controls over preparation of financial statements with respect to presentation and disclosure of 'Revenue from operations' in accordance with the requirement of Ind AS 115 'Revenue from contracts with customers', were not operating effectively which has resulted in a material misstatement in the amounts recognised as 'Revenue from operations' and 'Pay channel, carriage sharing and related costs' including the relevant disclosures in the standalone financial statements, while there is no impact on the net loss for the year ended March 31, 2021.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at March 31, 2021, based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI and except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at March 31, 2021.

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended March 31, 2021, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **DNS & Associates**
Chartered Accountants

Firm's Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945
UDIN: 21502945AAAAAF3397

Place: Noida
Date: June 25, 2021

Standalone Balance Sheet

as at March 31, 2021

(₹ in million)

	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	4,593.21	5,803.59
b) Capital work-in-progress	4	152.69	277.30
c) Other intangible assets	5	944.05	1,327.71
d) Intangible assets under development	4	4.18	11.07
e) Financial assets			
i) Investments	6	3,519.62	3,519.62
ii) Other financial assets	7	153.99	220.26
f) Other non-current assets	8	93.25	101.62
		9,460.99	**11,261.17**
Current assets			
a) Inventories	9	5.81	4.64
b) Financial assets			
i) Trade receivables	10	1,953.40	2,073.25
ii) Cash and cash equivalents	11	37.48	25.31
iii) Bank balances other than (ii) above	12	-	20.86
iv) Other financial assets	13	252.94	948.81
c) Other current assets	14	495.53	842.83
		2,745.16	**3,915.70**
Total assets		**12,206.15**	**15,176.87**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15 (a)	872.67	872.67
b) Other equity	15 (b)	(4,821.26)	(2,551.49)
		(3,948.59)	**(1,678.82)**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	16	1,496.08	2,487.31
ii) Other financial liabilities	17	15.49	39.57
b) Provisions	18	55.54	48.28
		1,567.11	**2,575.16**
Current liabilities			
a) Financial liabilities			
i) Borrowings	19	1,248.73	1,284.08
ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	20	10.18	0.66
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		4,498.07	4,841.57
iii) Other financial liabilities	21	8,401.13	7,599.63
b) Other current liabilities	22	422.27	551.55
c) Provisions	23	7.25	3.04
		14,587.63	**14,280.53**
Total equity and liabilities		**12,206.15**	**15,176.87**

The accompanying notes are an integral part of these standalone financial statements.

This is the standalone balance sheet referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Place : Noida
Date : June 25, 2021

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in million)

	Note	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	24	7,304.84	8,189.39
Other income	25	28.77	65.17
Total income		**7,333.61**	**8,254.56**
Expenses			
Cost of materials consumed		13.69	3.94
Purchase of stock-in-trade		6.46	12.14
Pay channel, carriage sharing and related costs		3,752.55	3,902.38
Employee benefits expense	26	385.27	447.18
Finance costs	27	1,103.07	1,318.22
Depreciation and amortisation expenses	28	2,053.97	1,964.96
Other expenses	29	1,986.55	2,171.66
Total expenses		**9,301.56**	**9,820.48**
Loss before exceptional items and tax		**(1,967.95)**	**(1,565.92)**
Exceptional items	44	296.87	280.03
Loss before tax		**(2,264.82)**	**(1,845.95)**
Tax expense			
Current tax	39	-	47.75
Deferred tax	39	-	-
Loss for the year		**(2,264.82)**	**(1,893.70)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	32	(4.96)	(7.26)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year		**(2,269.78)**	**(1,900.96)**
Earnings per share			
Basic and diluted earnings per share	30	(2.60)	(2.17)

The accompanying notes are an integral part of these standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Place : Noida
Date : June 25, 2021

Essel GROUP

Standalone Cash Flow Statement

for the year ended March 31, 2021

(₹ in million)

		For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Loss before tax	(2,264.82)	(1,845.95)
	Adjustment for:		
	Depreciation and amortisation expenses	2,053.97	1,964.96
	Interest income on bank deposits	(5.38)	(15.89)
	Excess provisions written back	(1.16)	(1.40)
	Loss on sale of property, plant and equipment, and other intangible assets (net)	7.23	23.36
	Interest expense for borrowings at amortised cost	1,077.07	1,266.12
	Interest expense on lease liabilities	1.65	2.15
	Bad debts written off	29.76	90.11
	Unrealised foreign exchange loss	23.55	25.97
	Allowance for expected credit losses	-	115.00
	Provision for doubtful advances	1.80	-
	Effect of recognising other expense on security deposits as per effective interest method	(0.83)	3.31
	Measurement of financial assets and financial liabilities at amortised cost	-	(2.90)
	Measurement of optionally convertible debentures at fair value through profit and loss	-	(8.83)
	Exceptional items	296.87	280.03
	Operating profit before working capital changes	**1,219.71**	**1,896.04**
	Adjustments for changes in:		
	Decrease in trade receivables	90.10	354.44
	Decrease in other financial assets	539.81	75.69
	Decrease in other current and non-current assets	23.99	303.76
	(Increase)/Decrease in inventories	(1.17)	2.49
	Increase/(Decrease) in other financial liabilities	77.93	(50.60)
	Increase/(Decrease) in employee benefit obligations	6.49	(11.42)
	(Decrease) in other current and non-current liabilities	(129.28)	(351.16)
	(Decrease)/Increase in trade payables	(412.66)	446.12
	Cash generated from operations	**1,414.92**	**2,665.36**
	Income taxes refund /(paid)	355.96	(119.83)
	Net cash flow generated from operating activities	**1,770.88**	**2,545.53**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, and intangible assets	(682.38)	(489.83)
	Proceeds from sale of property, plant and equipment	2.51	643.58
	Interest received	7.53	2.36
	Margin money deposits and bank deposits matured (net)	0.06	224.91
	Net cash flow (used in) /generated from investing activities	**(672.28)**	**381.02**

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings (current, financial liabilities) (net)	(35.35)	(244.64)
Repayment of borrowings (non-current, financial liabilities)	(556.37)	(1,999.29)
Repayment of lease liabilities	(4.31)	(6.10)
Interest and ancillary borrowing costs paid	(490.42)	(765.39)
Net cash flow used in financing activities	**(1,086.45)**	**(3,015.42)**
Net Increase in cash and cash equivalents	12.17	(88.87)
Cash and cash equivalents at the beginning of the year	25.31	114.18
Cash and cash equivalents at the end of the year	**37.48**	**25.31**

Notes:

	As at March 31, 2021	As at March 31, 2020
a. Cash and cash equivalents include (refer note 11):		
Balances with banks on current accounts	33.44	21.84
Cheques and drafts on hand	2.63	0.23
Cash on hand	1.41	3.24
	37.48	**25.31**

b. Amendment to Ind AS 7:

The non-cash changes in liabilities arising from financing activities pertains to impact of fair value changes and foreign exchange fluctuations which are considered to be insignificant.

c. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS 7) on "Statement of Cash Flows".

d. Figures in brackets indicate cash outflow.

e. Purchase of property, plant and equipment and intangible assets includes movements of capital work-in-progress, intangible assets under development, capital advances and payables for property, plant and equipment during the year.

This is the standalone cash flow statement referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Place : Noida
Date : June 25, 2021

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Standalone Statement of Changes in Equity

for the year ended March 31, 2021

A Equity share capital (including forfeited equity shares)

(₹ in million)

	Amount
Balance as at April 01, 2019	**872.67**
Issued during the year	-
Balance as at March 31, 2020	**872.67**
Issued during the year	-
Balance as at March 31, 2021	**872.67**

B Other equity

(₹ in million)

	Reserves and surplus*			Other components of equity	Total other equity
	Securities premium	Retained earnings	General reserve	Employee share based payments reserve	
Balance as at April 01, 2019	**16,017.37**	**(16,713.15)**	**3.23**	**42.03**	**(650.52)**
Loss for the year	-	(1,893.70)	-	-	(1,893.70)
Other comprehensive income for the year (net of tax)					
Remeasurement of defined benefit liability	-	(7.26)	-	-	(7.26)
Total comprehensive income for the year	**-**	**(1,900.96)**	**-**	**-**	**(1,900.96)**
Balance as at March 31, 2020	**16,017.37**	**(18,614.11)**	**3.23**	**42.03**	**(2,551.49)**
Balance as at April 01, 2020	**16,017.37**	**(18,614.11)**	**3.23**	**42.03**	**(2,551.49)**
Loss for the year	-	(2,264.82)	-	-	(2,264.82)
Other comprehensive income for the year (net of tax)					
Remeasurement of defined benefit liability	-	(4.96)	-	-	(4.96)
Total comprehensive income for the year	**-**	**(2,269.78)**	**-**	**-**	**(2,269.78)**
Balance as at March 31, 2021	**16,017.37**	**(20,883.89)**	**3.23**	**42.03**	**(4,821.26)**

** refer note 15(b)*

The accompanying notes are an integral part of these standalone financial statements.

This is the standalone statement of changes in equity referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
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Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Place : Noida
Date : June 25, 2021

Summary of Significant Accounting Policies and Other Explanatory Information

for the year ended March 31, 2021

1 Nature of operations

SITI Networks Limited (hereinafter referred to as the 'Company' or 'SNL') was incorporated in the state of Maharashtra, India. The Company is engaged in distribution of television channels through digital cable distribution network and allied services.

2 General information

SNL, is a public company incorporated and domiciled in India. Its registered office is at Unit no. 38, 1st Floor, A Wing Madhu Industrial Estate, Pandurang Budhkar Marg, Worli, Mumbai 400013, India. The Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

3 Summary of significant accounting policies and other explanatory information

a) Overall consideration, basis of preparation and statement of compliance with Indian Accounting Standards ('Ind AS')

The standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India including the Ind AS as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act'). These standalone financial statements have been prepared on going concern basis and presented under the historical cost convention except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period as stated in the accounting policies below. These standalone financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These accounting policies have been used consistently throughout all periods presented in these standalone financial statements unless stated otherwise. The standalone financial statements have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on June 25, 2021.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. The Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

b) Foreign currency translation

Functional and presentation currency

These standalone financial statements are presented in currency Indian Rupee (₹), which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

c) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured.

Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

Revenue from rendering of services

Subscription income and support and service charges is recognised on completion of services and when no significant uncertainty exists regarding the amount of consideration that will be derived.

Other networking and management income and carriage income are recognised on accrual basis as per the terms of related agreements and when no significant uncertainty exists regarding the amount of consideration that will be derived. Carriage and placement income recognition is done basis negotiations/formal agreements with broadcasters.

Advertisement income is recognised when the related advertisement gets telecasted and when no significant uncertainty exists regarding the amount of consideration that will be derived. Other advertisement revenue for slot sale is recognised on period basis.

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with effect from April 01, 2018. Pursuant to adoption of Ind AS 115 by the Company, the activation and set-top box pairing service doesn't qualify as a separate performance obligation and provides no material right to the customers. Such service does not extend beyond the initial contract period and has been recognised over the same.

Revenue from sale of set top box (STBs) & viewing cards (VCs)

Revenue from sale of goods is recognised when the significant risks and rewards in respect of ownership of the goods are transferred to the buyer, usually on delivery of the goods and when no uncertainty exists regarding the amount of consideration that will be derived. The Company collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest

Interest income is reported on an accrual basis using the effective interest method.

d) Operating expenses

Operating expenses are recognised in the statement of profit and loss upon utilization of the related service or as incurred.

e) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing cost is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

f) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (net of CENVAT/GST credit availed), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted. Subsequent expenditure relating to the assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Set top boxes are treated as part of capital work in progress till the end of the month of activation thereof post which the same are capitalised.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives.

	Life in years
Buildings	60
Plant and equipment	8
Computers	3
Office equipment	5
Furniture and fixtures	10
Air conditioners	5
Studio equipment	13
Vehicles	8
Set top boxes	8
Integrated receiver and decoder (IRD) boxes	10

Leasehold improvements are amortised over their lease term or estimated useful lives, whichever is less.

Plant and equipment taken over under scheme of arrangement in the earlier years are depreciated over the management's estimate of remaining useful life, a period of 5 years.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition (calculated as the difference between the net disposal proceeds and its carrying amount) is included in the profit or loss when the respective asset is derecognised.

g) Goodwill

Goodwill is not amortised but is tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

h) Other intangible assets

Recognition and initial measurement

Other intangible assets acquired separately are stated at their cost of acquisition. Following initial recognition, other intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent measurement

Software are amortised as per useful life mentioned in Schedule II of Companies Act.

Cost of news, current affairs, chat shows and events including sports events etc. are fully expensed on first telecast.

Program, film and cable rights are amortised on a straight-line-basis over the license period or 5 years from the date of purchase, whichever is shorter.

Subsequent expenditures on the maintenance of other intangible assets are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the respective intangible asset, and is recognised in profit or loss.

i) Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the Statement of Comprehensive Income.

Goodwill is tested for impairment annually when circumstances indicate that the carrying value may be impaired.

j) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments and are measured initially at:

a) fair value, in case of financial instruments subsequently carried at fair value through profit or loss (FVTPL);

b) fair value adjusted for transaction costs, in case of all other financial instruments.

Subsequent measurement

Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

All other debt instruments are measured at fair value through other comprehensive income or FVTPL based on Company's business model.

Equity investments – All equity investments in scope of Ind AS 109 are measured at fair value.

Equity instruments which are held for trading are generally classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification is made on initial recognition and is irrevocable.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the EIR method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company consider the following –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

As a practical expedient, the Company has adopted 'simplified approach' for recognition of lifetime expected loss on trade receivables. The estimate is based on three years average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables at the reporting date to determine lifetime expected credit losses.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

k) Post-employment, long term and short term employee benefits

Defined contribution plans

Provident fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined benefit plans

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to other comprehensive income in the year in which such gains or losses are determined.

Other employee benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short term employee benefits

Short-term employee benefits, are current liabilities, measured at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

l) Share based employee remuneration

The Company operates equity-settled share-based remuneration plans for its employees, where the fair value of employee's services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions). All share-based remuneration is ultimately recognised as an expense in the statement of profit and loss with a corresponding credit to employee stock option plan reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as securities premium.

m) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed when probable and recognised when realisation of income is virtually certain.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for the effects of mandatorily convertible instrument in compliance with Ind AS 33.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except for anti-dilutive potential equity shares.

o) **Leases**

Accounting policy adopted for leases from April 01, 2019

The Company has adopted Ind AS 116-Leases effective April 01, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application. Accordingly, previous period information has not been restated. The Company's lease asset classes primarily consist of leases for buildings.

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line-basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. The Company has made the following adjustments in the presentation of financial statements as a result of the adoption of Ind AS 116 at April 01, 2019:

i) ROU assets has been presented under the head property, plant and equipment.

ii) Lease liabilities has been presented under the head borrowings (non-current, financial liabilities) and other financial liabilities (current).

iii) Cash payments under operating leases, which were classified within operating activities in the statement of cash flows under earlier standard which meets the recognition under Ind AS 116, are now classified within financing activities, except for short-term leases and leases of low-value assets.

Accounting policy adopted for leases till March 31, 2019

Where the Company is a lessee

Finance leases

Management applies judgement in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include i) the length of the lease term in relation to the economic life of the asset ii) the present value of the minimum lease payments in relation to the asset's fair value and iii) whether the Company obtains ownership of the asset at the end of the lease term. For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interest. If the minimum lease payments cannot be allocated reliably between the two components, entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed as incurred.

Where the Company is a lessor

Operating leases

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

p) Tax expense

Tax expense comprises current tax and deferred tax. Current tax is the amount of the tax for the period determined in accordance with the Income-tax Act, 1961. Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the end of the reporting period. Current income-tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Such assets are reviewed at each balance sheet date to reassess realisation. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss, in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income-tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

q) Inventories

Stores and spares are valued at cost on weighted average basis or at net realisable value whichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is a multi-system operator providing cable television network services and allied services which is considered as the only reportable segment. The Company's operations are based in India.

s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

t) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

u) Equity and reserves

Share capital represents the nominal (par) value of shares that have been issued.

Securities premium includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from securities premium, net of any related income tax benefits.

Other components of equity include the following:

Re-measurement of net defined benefit liability-comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.

Retained earnings includes all current and prior period retained profits and share-based employee remuneration (refer note 15)

All transactions with owners of the parent are recorded separately within equity.

v) Recent accounting pronouncements (standards issued but not yet effective)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. However, there are no such notifications which have been issued but are not yet effective or would have been applicable from April 01, 2021.

MCA issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 01, 2021.

w) Significant management judgement in applying accounting policies and estimation uncertainty

These standalone financial statements have been prepared in accordance with generally accepted accounting principles in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the periods. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of these standalone financial statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying financial statements. Any revision to accounting estimates is recognised prospectively from the period in which results are known materialise in accordance with applicable accounting standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect.

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognised is based on the assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of non-financial assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Property, plant and equipment - Management assess the remaining useful lives and residual values of property, plant and equipment and believes that the assigned useful lives and residual values are reasonable.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

Recoverability of advances/receivables - The management from time to time reviews the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

Defined benefit obligation - Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the defined benefit obligation amount and the annual defined benefit expenses.

Contingencies - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies, claim, litigations etc. against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Company uses following measurement techniques:

- The fair value measurement for financial instruments where active market quotes are available is based on the quotes available in the principal market for selling the asset or transferring the liability.
- The Company uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.
- The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

4 Property, plant and equipment

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Owned assets	4,583.71	5,788.74
Right-of-use assets	9.50	14.85
Total	**4,593.21**	**5,803.59**

A. Owned assets

(₹ in million)

	Buildings	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Air conditioners	Studio equipment	Vehicles	Leasehold improvements	Set top boxes	IRD boxes	Total
Gross carrying amount												
Balance as at April 01, 2019	25.31	4,658.32	121.24	34.48	23.07	15.14	19.95	20.07	53.62	9,641.72	1.26	14,614.18
Additions	-	46.09	1.53	0.05	0.04	-	-	-	-	230.44	-	278.15
Disposals	-	168.43	-	3.29	0.09	-	-	16.23	-	79.65	-	267.69
Balance as at March 31, 2020	**25.31**	**4,535.98**	**122.77**	**31.24**	**23.02**	**15.14**	**19.95**	**3.84**	**53.62**	**9,792.51**	**1.26**	**14,624.64**
Additions	-	99.56	2.75	0.12	0.27	-	-	-	-	240.50	-	343.20
Disposals	-	1.33	-	0.15	-	-	-	0.40	-	88.64	-	90.52
Balance as at March 31, 2021	**25.31**	**4,634.21**	**125.53**	**31.21**	**23.29**	**15.14**	**19.95**	**3.44**	**53.62**	**9,944.36**	**1.26**	**14,877.32**
Accumulated depreciation												
Balance as at April 01, 2019	9.20	2,938.01	101.99	32.51	18.27	11.98	14.57	15.12	49.73	4,331.05	0.66	7,523.09
Charge for the year	0.39	350.87	5.33	1.23	0.52	-	0.59	0.91	0.77	1,184.53	-	1,545.14
Disposals	-	151.96	-	3.12	0.07	-	-	13.08	-	64.10	-	232.33
Balance as at March 31, 2020	**9.59**	**3,136.92**	**107.32**	**30.62**	**18.72**	**11.98**	**15.16**	**2.95**	**50.50**	**5,451.48**	**0.66**	**8,835.90**
Charge for the year	11.39	385.71	7.68	-	0.51	-	1.18	0.36	1.35	1,130.04	-	1,538.22
Disposals	-	0.97	-	0.14	-	-	-	0.38	-	79.02	-	80.51
Balance as at March 31, 2021	**20.98**	**3,521.66**	**115.00**	**30.48**	**19.23**	**11.98**	**16.34**	**2.93**	**51.85**	**6,502.50**	**0.66**	**10,293.61**
Net carrying amount as at March 31, 2020	**15.72**	**1,399.06**	**15.45**	**0.62**	**4.30**	**3.16**	**4.79**	**0.89**	**3.12**	**4,341.02**	**0.60**	**5,788.74**
Net carrying amount as at March 31, 2021	**4.33**	**1,112.55**	**10.53**	**0.73**	**4.06**	**3.16**	**3.61**	**0.51**	**1.77**	**3,441.86**	**0.60**	**4,583.71**

a) *Capital work-in-progress and intangible assets under development include set top boxes, viewing cards (softwares) and plant and equipment amounting to ₹ 19.70 million, ₹ 4.18 million and ₹ 132.99 million respectively (previous year : ₹ 107.80 million, ₹ 11.07 million and ₹ 169.50 million respectively) which are yet to be installed.*

b) *For details related to assets pledged as security, refer note 41*

B. Right-of-use assets (ROU)

(₹ in million)

	Buildings	Total
Gross carrying amount		
Addition on account of transition to Ind AS - 116	17.96	17.96
Balance as at March 31, 2020	**17.96**	**17.96**
Addition on account of transition to Ind AS - 116	-	-
Balance as at March 31, 2021	**17.96**	**17.96**
Accumulated depreciation		
Charge for the year	3.11	3.11
Balance as at March 31, 2020	**3.11**	**3.11**
Charge for the year	5.35	5.35
Balance as at March 31, 2021	**8.46**	**8.46**
Net carrying amount as at March 31, 2020	**14.85**	**14.85**
Net carrying amount as at March 31, 2021	**9.50**	**9.50**

Disclosures on lease pursuant to Ind AS 116 - Leases

a) The Company has leases for office buildings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

b) Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

c. The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Buildings	10	1 - 5	-	-

d. Maturity profile of lease liabilities

Particular	March 31, 2021	March 31, 2020
0 - 1 year	3.02	4.00
1 to 5 years	6.99	10.31
More than 5 years	-	-

e. Lease payments not included in measurement of lease liability -

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	March 31, 2021	March 31, 2020
Short-term and leases of low value assets	77.45	96.33
Variable lease payments	-	-

f. Total cash outflow against the lease liabilities for the year ended March 31, 2021 is ₹ 4.31 million (previous year:₹ 6.1 million). Interest on lease for the year ended March 31, 2021 liabilities is ₹ 1.65 million (previous year ₹ 2.15 million)

g. Refer note 34 for contractual maturity of lease liabilities.

5 Intangible assets

(₹ in million)

	Goodwill	Program, film and cable rights	Software	Total
Gross carrying amount				
Balance as at April 01, 2019	11.31	50.35	2,549.06	2,610.72
Additions	-	-	331.77	331.77
Disposals	-	-	0.72	0.72
Balance as at March 31, 2020	**11.31**	**50.35**	**2,880.11**	**2,941.77**
Additions	-	-	126.74	126.74
Disposals	-	-	-	-
Balance as at March 31, 2021	**11.31**	**50.35**	**3,006.85**	**3,068.51**
Accumulated amortisation				
Balance as at April 01, 2019	10.74	49.49	1,137.47	**1,197.70**
Charge for the year	-	-	416.71	416.71
Disposals	-	-	0.35	0.35
Balance as at March 31, 2020	**10.74**	**49.49**	**1,553.83**	**1,614.06**
Charge for the year	-	-	510.40	510.40
Disposals	-	-	-	-
Balance as at March 31, 2021	**10.74**	**49.49**	**2,064.23**	**2,124.46**
Net carrying amount as at March 31, 2020	**0.57**	**0.86**	**1,326.28**	**1,327.71**
Net carrying amount as at March 31, 2021	**0.57**	**0.86**	**942.62**	**944.05**

6 Investments

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Investment in equity instruments (trade, unquoted) (at cost)		
Subsidiary companies		
51,831,000 (previous year : 51,831,000) equity shares of ₹10 each fully paid up of Indian Cable Net Company Limited	2,361.14	2,361.14
50,000 (previous year : 50,000) equity shares of ₹10 each fully paid up of Central Bombay Cable Network Limited	13.53	13.53
753,587 (previous year : 753,587) equity shares of ₹10 each fully paid up of Siti Vision Digital Media Private Limited	82.39	82.39
10,000 (previous year : 10,000) equity shares of ₹10 each fully paid up of Siticable Broadband South Limited	0.10	0.10
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Jai Maa Durgee Communications Private Limited	16.83	16.83
102,000 (previous year : 102,000) equity shares of ₹10 each fully paid up of Siti Jind Digital Media Communications Private Limited	18.98	18.98
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Jony Digital Cable Network Private Limited	0.05	0.05
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Krishna Digital Media Private Limited	0.05	0.05
7,400 (previous year : 7,400) equity shares of ₹10 each fully paid up of Siti Guntur Digital Network Private Limited	0.07	0.07
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Faction Digital Private Limited	0.05	0.05
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Global Private Limited	0.05	0.05

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
10,000 (previous year : 10,000) equity shares of ₹10 each fully paid up of Siti Broadband Services Private Limited	0.10	0.10
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Karnal Digital Media Network Private Limited	0.05	0.05
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Siri Digital Network Private Limited	0.05	0.05
10,200 (previous year : 10,200) equity shares of ₹10 each fully paid up of Siti Prime Uttaranchal Communication Private Limited	24.99	24.99
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Saistar Digital Media Private Limited	14.61	14.61
5,100 (previous year : 5,100) equity shares of ₹10 each fully paid up of Siti Sagar Digital Cable Network Private Limited	2.48	2.48
1,000 (previous year : 1,000) equity shares of ₹100 each fully paid up of Variety Entertainment Private Limited	7.50	7.50
Investment in LLP		
Subsidiary company		
99.90% (previous year : 99.90%) capital contribution in SITI Networks India LLP	0.10	0.10
Joint venture		
25,500 (previous year : 25,500) equity shares of ₹10 each fully paid up of Wire and Wireless Tisai Satellite Limited	0.26	0.26
Associate		
4,800 (previous year : 4,800) equity shares of ₹10 each fully paid up of C&S Medianet Private Limited	0.05	0.05
Investment in optionally convertible debenture at fair value through profit and loss (trade, unquoted)		
744,900,000 (previous year : 744,900,000) 0.01%, cumulative optionally convertible debentures of ₹ 1 each fully paid up of Siti Siri Digital Network Private Limited	744.89	744.89
231,300,000 (previous year : 231,300,000) 0.01%, cumulative optionally convertible debentures of ₹ 1 each fully paid up of Siti Saistar Digital Media Private Limited	231.30	231.30
	3,519.62	**3,519.62**
Investment other than investment in subsidiaries and joint ventures		
Investment in equity instruments (trade, unquoted)		
480 (previous year : 480) equity shares of ₹100 each fully paid up of Master Ads Private Limited	0.05	0.05
9,500 (previous year : 9,500) equity shares of ₹10 each fully paid up of Dakshin Communications Private Limited	1.77	1.77
3,000 (previous year : 3,000) equity shares of ₹10 each fully paid up of Centre Channel Private Limited	0.23	0.23
Less: Aggregate amount of impairment in value of investments	(2.05)	(2.05)
	-	-
	3,519.62	**3,519.62**
Aggregate amount of unquoted investments	3,521.67	3,521.67
Aggregate amount of impairment in value of investments	2.05	2.05

7 Other financial assets (non-current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Margin money deposits	124.31	103.51
Security deposits	29.68	116.75
	153.99	**220.26**

8 Other non-current assets

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Capital advances	0.49	0.56
Prepaid expenses	-	11.18
Balance with Government authorities (paid under protest)	92.76	89.88
	93.25	**101.62**

9 Inventories (valued at lower of cost or net realisable value)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Stores and spares	5.81	4.64
	5.81	**4.64**

10 Trade receivables

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
- unsecured, considered good	1,953.40	2,073.25
- credit impaired	4,343.33	4,524.03
	6296.73	**6,597.28**
Less: Allowance for expected credit impaired receivables	(4,343.33)	(4,524.03)
	1,953.40	**2,073.25**

(i) For amounts due and terms and conditions relating to related party receivables see note 35.

(ii) Refer note 34 - Financial Risk Management for assessment of expected credit loss

11 Cash and cash equivalents

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Balances with banks - current accounts	33.44	21.84
Cheques and drafts on hand	2.63	0.23
Cash on hand	1.41	3.24
	37.48	**25.31**

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior period.

12 Bank balances other than cash and cash equivalents above

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
- Deposits with original maturity of more than 3 but less than 12 months	-	20.86
	-	**20.86**

13 Other financial assets (current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Amounts recoverable		
- considered good	34.00	433.70
- considered doubtful	457.82	59.65
Less: credit impaired	(457.82)	(59.65)
Interest accrued on fixed deposits	15.58	41.27
Unbilled revenues	203.36	473.84
	252.94	**948.81**

14 Other current assets

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Balances with Government authorities	354.87	648.23
Prepaid expenses	15.14	19.83
Amounts recoverable		
- considered good	90.52	169.77
- considered doubtful	611.80	569.21
Less: Impairment allowance	(611.80)	(569.21)
Security deposits	35.00	5.00
	495.53	**842.83**

15 (a) Equity share capital

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Authorised share capital		
1,290,000,000 (previous year : 1,290,000,000) equity shares of ₹ 1 each	1,290.00	1,290.00
10,000,000 (previous year : 10,000,000) 7.25% non-cumulative redeemable preference shares of ₹ 1 each	10.00	10.00
Total authorised capital	**1,300.00**	**1,300.00**
Issued share capital		
873,280,971 (previous year : 873,280,971) equity shares of ₹ 1 each	873.28	873.28
Less: Forfeited shares 1,227,123 (previous year : 1,227,123) equity shares of ₹ 1 each	(1.23)	(1.23)
23,436 (previous year : 23,436) 7.25% non-cumulative redeemable preference shares of ₹ 1 each	0.02	0.02
Total issued capital	**872.07**	**872.07**
Subscribed and fully paid up capital		
872,053,848 (previous year : 872,053,848) equity shares of ₹ 1 each fully paid up	872.05	872.05
Total paid up capital	**872.05**	**872.05**
Forfeited equity shares 1,227,123 (previous year : 1,227,123) equity shares of ₹ 1 each	0.62	0.62
	872.67	**872.67**

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity share

There is no movement in equity share capital during current and previous year.

Preference shares

There is no movement in preference share capital during current and previous year.

(ii) Terms/rights attached to:

Equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

The Company has only one class of 7.25% Non-cumulative redeemable preference shares of ₹ 1 each. The said preference shares were allotted to Zee Telefilms Limited (now Zee Entertainment Enterprises Limited) on December 29, 2006, pursuant to the scheme of arrangement for demerger of cable business undertaking of Zee Telefilms Limited approved by the Hon'ble Bombay High Court vide its order dated November 17, 2006. Initially, as per the terms of the issue and allotment, the said preference shares were due for redemption on December 29, 2008. However, with the written consent/approval of Zee Entertainment Enterprises Limited, the terms of the issue of said preference shares were varied by extending the period of redemption by another three years i.e. till December 29, 2011. Later on June 6, 2011 these shares were transferred to Churu Enterprises LLP by Zee Entertainment Enterprises Limited.

Period for redemption of preference shares was extended by a period of five years till December 29, 2016 which has been further extended for period of five years till December 29, 2021 by Churu Enterprises LLP. The preference shares are redeemable at par.

In the event of liquidation of the Company the holders of preference shares will have priority over equity shares in the payment of dividend and repayment of capital. These instruments are accounted for as liability in accordance with the Ind AS.

(iii) Details of shareholders holding more than 5% shares in the Company

Equity shares

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Bioscope Cinemas Private Limited	-	-	11,20,08,946	12.84%
Direct Media Solutions LLP	-	-	12,10,00,000	13.88%
Digital Satellite Holdings Private Limited	-	-	15,10,45,816	17.32%
Direct Media and Cable Private Limited	-	-	8,57,14,285	9.83%
Morgan Stanley Asia (Singapore) Pte	56,393,310	6.47%	56,393,310	6.47%
Housing Development Finance Corporation Limited	94,386,000	10.82%	-	-
L&T Finance Limited	57,383,732	6.58%	-	-

Preference shares

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Churu Enterprises LLP	23,436	100%	23,436	100%

(iv) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 33.

(v) No shares were issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue or brought back during the current and last 5 years.

15 (b) Other equity

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Securities premium	16,017.37	16,017.37
Retained earnings	(20,883.89)	(18,614.11)
General reserve	3.23	3.23
Employee share based payment reserve	42.03	42.03
	(4,821.26)	**(2,551.49)**

A) Notes:

(₹ in million)

Particulars	March 31, 2021	March 31, 2020
1 Securities premium		
Opening balance	16,017.37	16,017.37
Addition during the year	-	-
Closing balance	**16,017.37**	**16,017.37**
2 Retained earnings		
Opening balance	(18,614.11)	(16,713.15)
Loss for the year	(2,264.82)	(1,893.70)
Other comprehensive loss for the year (net of tax)	(4.96)	(7.26)
Closing balance	**(20,883.89)**	**(18,614.11)**
3 General reserve		
Opening balance	3.23	3.23
Addition during the year	-	-
Closing balance	**3.23**	**3.23**
4 Employee share based payments reserve		
Opening balance	42.03	42.03
Transferred to General reserve during the year	-	-
Closing balance	**42.03**	**42.03**

B) Nature and purpose of reserves:

1 **Securities premium**

Securities premium is used to record the premium received on issue of shares.

2 **Retained earnings**

Retained earnings represent the accumulated earnings, net of losses (if any) made by the Company over the years.

3 **General reserve**

General reserve is a free reserve which is created by transferring funds from retained earnings to meet future obligations or other purposes.

4 **Employee shares based reserve**

The reserve is used to recognise the grant date fair value of the options issued to employees under Company's employee stock option plan.

16 Borrowings (non-current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Secured loans from banks*	1,489.07	2,476.98
Lease liabilities	6.99	10.31
7.25% non-cumulative redeemable preference shares [refer note 15(a)]	0.02	0.02
	1,496.08	**2,487.31**

** For details of repayment, nature of securities and interest rate of borrowings refer note 16.1*

** For details of period and amount of delays/defaults in repayment of borrowings refer note 16.2*

16.1 Details of terms of repayment, nature of security and interest rate of borrowings

(Refer note 16 and 21)

(₹ in million)

Nature of loan	March 31, 2021		March 31, 2020		Nature of securities	Interest rate	Tenure of repayment*
Term loan	Non-current	Current	Non-current	Current			
1	-	468.15	3.66	466.51	Term loans from banks are secured by first pari passu charge on entire movable fixed assets, both present and future, of the Company and on the receivables, cash flow and bank account of the Company. Also secured by corporate guarantee of an associated company for maintaining revolving debt service reserve account (DSRA) for 1 quarter of the interest and principal repayment to be funded ten days before each due date, for the entire tenure of the loan.	Base rate + 1.20% p.a.	Five (previous year: six) quarterly instalments payable as per the terms of underlying agreement.
2	-	1,287.13	-	1,295.08		Base rate + 1.20% p.a.	Seven (previous year: seven) quarterly instalments payable as per the terms of underlying agreement.
3	-	-	-	125.00		Base rate + 1.20% p.a.	Nil (previous year: one) quarterly instalments payable as per the terms of underlying agreement.
4	-	151.30	-	204.00	Term loans from banks are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's immovable properties, both present and future, and as well as movable properties and first charge by way of hypothecation and/or pledge of the Company's current assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA) for 2 quarter's interest.	Base rate + 2.50% p.a.	Two (previous year: two) quarterly instalments payable as per the terms of underlying agreement.
5	-	-	-	93.75	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's immovable properties, both present and future, and as well as movable properties and first charge by way of hypothecation and/or pledge of the Company's current assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA) for 1 quarter's interest.	Base rate + 0.45% p.a.	Nil (previous year: three) quarterly instalments payable as per the terms of underlying agreement.
6	973.88	361.63	1,044.38	262.50	Term loans from financial institution are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's movable fixed assets, both present and future, and as well as current assets. Also secured by the Company for maintenance of interest service reserve account (ISRA) for 1 quarter's interest.	Base rate + spread rate	Fourteen (previous year: sixteen) quarterly instalments payable as per the terms of underlying agreement.
7	-	1,980.95	349.62	1,631.94	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's immovable properties, both present and future, and as well as current assets.	Bank corporate prime lending rate	Six (previous year: six) half yearly instalments payable as per the terms of underlying agreement.

(₹ in million)

Nature of loan	March 31, 2021		March 31, 2020		Nature of securities	Interest rate	Tenure of repayment*
Term loan	Non-current	Current	Non-current	Current			
8	-	492.50	-	525.00	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's movable fixed assets and as well as current assets. Also secured by corporate guarantee of an associated company.	Base rate + 0.5% p.a.	One (previous year: one) quarterly instalments payable as per the terms of underlying agreement.
9	-	16.21	-	174.79	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	6 months marginal cost of funds based lending rate ('MCLR') + margin	One (previous year: one) half yearly instalments payable as per the terms of underlying agreement.
10	-	421.50	-	549.50	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	6 months MCLR + margin	Three (previous year: three) half yearly instalments payable as per the terms of underlying agreement.
11	-	249.40	-	249.40	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	6 months MCLR + margin	Two (previous year: two) half yearly instalments payable as per the terms of underlying agreement.
12	-	549.95	260.01	270.51	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets.	1 year MCLR + margin	Three (previous year: three) half yearly instalments payable as per the terms of underlying agreement.
13	515.19	304.12	819.31	-	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	1 year MCLR + margin	Eight (previous year: eight) quarterly instalments payable as per the terms of underlying agreement.
Sub total	**1,489.07**	**6,282.84**	**2,476.98**	**5,847.98**			

** The above mentioned loan installments range from ₹ 31.25 million to ₹ 525 million per installment as per the terms of respective underlying agreement. The count of installment has not been reduced in cases where installment has been settled in part.*

16.2 Details of delays/defaults in repayment of borrowings (current and non-current)

The Company has delayed in repayment of following dues to the banks and financial institution during the year, which were unpaid as at March 31, 2021:

Name of the bank	Amount of default as on March 31, 2021 (₹ in million)		Period of default upto the date of balance sheet (maximum days)	
	Principal	Interest	Principal	Interest
Axis Bank	1,474.02	371.47	610	641
IndusInd Bank	146.08	-	95	0
IDBI Bank	152.00	36.42	549	549
HDFC Limited	1,635.00	397.80	610	549
RBL Bank Limited	492.50	89.02	579	579
Standard Chartered Bank	687.11	148.68	545	488
Total	**4586.71**	**1043.39**		

The Company has delayed in repayment of following dues to the banks and financial institution which were however paid on or before the Balance Sheet date:

Name of the bank	Amount of default during the year ended March 31, 2021 (₹ in million)		Period of default (maximum days)		Amount of default during the year ended March 31, 2020 (₹ in million)		Period of default (maximum days)	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Axis Bank	140.00	13.20	603.00	385	474.56	44.87	123	90
IndusInd Bank	-	6.67	0	50	145.92	72.15	88	88
Kotak Mahindra Bank	-	-	0	0	313.74	4.06	88	88
IDBI Bank	52.00	-	260.00	0	208.20	17.97	89	93
HDFC Limited	-	77.50	0	548	15.00	40.00	145	145
RBL Bank Limited	32.50	-	550.00	0	37.50	10.24	88	107
Aditya Birla Finance Limited	37.50	14.60	115.00	73	112.50	140.27	89	89
Standard Chartered Bank	286.58	11.92	482.00	261	576.24	31.09	179	61
Total	**548.58**	**123.89**			**1883.66**	**360.65**		

17 Other financial liabilities (non-current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Security deposits received from customers	15.49	39.57
	15.49	**39.57**

18 Provisions (non-current)*

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	36.71	29.43
Provision for compensated absences	18.83	18.85
	55.54	**48.28**

** Refer note 23 and 32*

19 Borrowings (current, financial liabilities)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand from banks	1,248.73	1,284.08
	1,248.73	**1,284.08**

i) As at March 31, 2021 and March 31, 2020 the cash credit facilities are secured by first pari passu charge on the future and current assets of the Company with minimum assets cover ratio 1:1. The Company is required to maintain Debt Service Reserve Account ('DSRA') for 2 quarter's interest. The same are further secured by corporate guarantee of an associate Company to maintain DSRA and carries an interest rate of bank borrowing rate+250 basis points ('BBR+250 BPS'), intrinsic value base rate ('IVBR') and six months marginal cost of funds based lending rate+1.70% ('MCLR + 1.70%') respectively.

20 Trade payables

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
- Dues of micro enterprises and small enterprises	10.18	0.66
- Dues of creditors other than micro enterprises and small enterprises	4,498.07	4,841.57
	4,508.25	**4,842.23**

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006	10.18	0.66
Principal amount remaining unpaid	10.18	0.66
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

21 Other financial liabilities (current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings*	6,282.84	5,847.98
Lease liabilities	3.02	4.00
Interest accrued and due on borrowings	1,232.66	643.96
Capital creditors	334.23	657.34
Book overdraft	308.00	205.97
Others**	240.39	240.39
	8,401.13	**7,599.63**

** For details of terms of repayment, nature of security & interest rate of borrowings and delays / defaults in repayment of borrowings (Current and Non-Current) refer note 16.1 and note 16.2 respectively.*

*** Refer note 35*

22 Other current liabilities

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	196.15	229.49
Advance from customers	179.12	252.44
Employee related payables	47.00	69.61
	422.27	**551.55**

23 Provisions (current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	4.22	1.70
Provision for compensated absences	3.03	1.34
	7.25	**3.04**

24 Revenue from operations

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of services		
Subscription income	5,211.17	5,856.39
Advertisement income	454.44	441.02
Carriage and placement income	1,102.46	1,173.83
Activation and set top boxes pairing charges	11.56	10.55
Other operating revenue		
Sale of traded goods*	10.48	13.39
Management charges and other networking income	453.63	623.32
Support and service charges	61.10	70.33
Scrap sales	-	0.56
	7,304.84	**8,189.39**
* Details of sale of traded goods		
Set top box (STB) and viewing cards (VC)	7.01	10.62
Stores and spares	3.47	2.77
	10.48	**13.39**

Disclosure of revenue pursuant to Ind AS 115 'Revenue from Contracts with Customers':

A. Reconciliation of revenue from sale of services and other operating revenue with contracted price

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Contracted price	7,304.84	8,189.39

B. Disaggregation of revenue

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations		
Sale of services		
Subscription income	5,211.17	5,856.39
Advertisement income	454.44	441.02
Carriage and placement income	1,102.46	1,173.83
Activation and set top boxes pairing charges	11.56	10.55
Other operating revenue		
Sale of traded goods	10.48	13.39
Management charges and other networking income	453.63	623.32
Support and service charges	61.10	70.33
Scrap sales	-	0.56
	7,304.84	**8,189.39**

The Company has disaggregated the revenue from contracts with customers on the basis of nature of services/goods sold. The Company believes that the disaggregation of revenue on the basis of nature of services/goods sold has no impact on the nature, amount, timing and uncertainty of revenue and cash flows.

C. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers.

Contract liabilities

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Advance from customers (including deferred revenue)	179.12	252.45
	179.12	**252.45**

Contract assets

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Trade receivable	6,296.73	6,597.28
Less: Allowance for expected credit loss	(4,343.33)	(4,524.03)
	1,953.40	**2,073.25**
Unbilled revenue	203.36	473.84

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

D Significant changes in the contract liabilities and contract assets balances during the year are as follows:

Contract liabilities

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Opening balance	252.45	162.52
Revenue recognised (net of collections)	(73.33)	89.93
Closing balance	179.12	252.45

Contract assets

(₹ in million)

	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Opening balance	2,073.25	2,902.90
Amount invoiced, collected and other adjustments (net)	(119.85)	(829.65)
Closing balance	1,953.40	2,073.25

25 Other income

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on		
Bank deposits	5.38	15.89
Others	13.39	26.49
Excess provisions written back	1.16	1.40
Other non-operating income	8.84	21.39
	28.77	**65.17**

26 Employee benefits expense

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, allowances and bonus	350.58	407.40
Contributions to provident and other funds*	18.83	22.81
Staff welfare expenses	15.86	16.97
	385.27	**447.18**

** Refer note 32*

27 Finance costs

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense on financial liabilities	1,077.07	1,266.12
Interest on lease liabilities	1.65	2.15
Others	24.35	49.95
	1,103.07	**1,318.22**

28 Depreciation and amortisation expenses

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment (owned assets)	1,538.22	1,545.14
Depreciation on right-of-use assets	5.35	3.11
Amortisation of intangible assets	510.40	416.71
	2,053.97	**1,964.96**

29 Other expenses

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	77.45	96.33
Rates and taxes	26.58	28.76
Communication expenses	6.26	14.98
Repairs and maintenance		
- Network	32.33	33.32
- Buildings	1.29	0.37
- Others	16.58	18.88
Electricity and water charges	46.39	51.04
Legal, professional and consultancy charges	57.46	64.24
Printing and stationery	1.18	2.40
Contractual service charges	266.49	285.84
Travelling and conveyance expenses	8.97	19.79
Auditor's remuneration	3.85	7.51
Vehicle running expenses	22.41	24.89
Insurance expenses	2.76	2.30
Impairment of trade receivables	-	115.00
Provision for doubtful advances	1.80	-
Advertisement and publicity expenses	5.92	5.12
Commission charges and incentives	651.81	640.19
Bad debts and amounts written off	29.76	90.11
Program production expenses	21.74	24.05
Other operational cost	561.32	511.32
Business and sales promotion	13.51	21.77
Loss on sale of property, plant and equipment (net)	7.23	23.36
Exchange fluctuation loss (net)	12.98	15.47
Miscellaneous expenses	110.48	74.62
	1,986.55	**2,171.66**

Payment to the auditor's:

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
- As auditors	3.65	6.50
- For other services	0.07	0.57
- For reimbursement of expenses	0.13	0.44
	3.85	**7.51**

30 Earnings per share

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Loss attributable to equity shareholders	(2,264.82)	(1,893.70)
Weighted average number of equity shares outstanding during the year (nos.)	87,20,53,848	87,20,53,848
Weighted average number of equity shares outstanding during the year for calculating basic and diluted earnings per share (nos.)	**87,20,53,848**	**87,20,53,848**
Nominal value of per equity share (₹)	1	1
Earnings per share (₹)		
Basic and diluted earnings per share	(2.60)	(2.17)

31 Group Composition Structure

Name of the subsidiary company	Country of incorporation	Percentage of ownership	
		As at March 31, 2021	As at March 31, 2020
Indian Cable Net Company Limited (hereinafter referred as "ICNCL")*	India	60.02%	60.02%
Central Bombay Cable Network Limited (hereinafter referred as "CBCNL")	India	100.00%	100.00%
Siticable Broadband South Limited (hereinafter referred as "SBSL")	India	100.00%	100.00%
Master Channel Community Network Private Limited (hereinafter referred as "MCCNPL")**	India	66.00%	66.00%
Siti Vision Digital Media Private Limited (hereinafter referred as "SVDMPL")	India	51.00%	51.00%
Siti Jind Digital Media Communications Private Limited (hereinafter referred as "SJDMCPL")****	India	57.50%	57.50%
Siti Jai Maa Durgee Communications Private Limited (hereinafter referred as "SJMDCPL")	India	51.00%	51.00%
Siti Jony Digital Cable Network Private Limited (hereinafter referred as "SJDCNPL")	India	51.00%	51.00%
Siti Krishna Digital Media Private Limited (hereinafter referred as "SKDMPL")	India	51.00%	51.00%
Siti Faction Digital Private Limited (hereinafter referred as "SFDPL")	India	51.00%	51.00%
Siti Guntur Digital Network Private Limited (hereinafter referred as "SGDNPL")	India	74.00%	74.00%
Siti Maurya Cable Net Private Limited (hereinafter referred as "SMCNPL") ***	India	50.10%	50.10%
Siti Karnal Digital Media Network Private Limited (hereinafter referred as "SKDMNPL")	India	51.00%	51.00%
Siti Global Private Limited (hereinafter referred as "SGPL")	India	51.00%	51.00%
Siti Siri Digital Network Private Limited (hereinafter referred as "SDNPL")	India	51.00%	51.00%
Siti Broadband Services Private Limited (hereinafter referred as "SBSPL")	India	100.00%	100.00%
Siti Prime Uttaranchal Communication Private Limited (hereinafter referred as "SPUCPL")	India	51.00%	51.00%
Siti Sagar Digital Cable Network Private Limited (hereinafter referred as "SSDCNPL")	India	51.00%	51.00%
Siti Saistar Digital Media Private Limited (hereinafter referred as "SSDMPL")	India	51.00%	51.00%
Variety Entertainment Private Limited (hereinafter referred as "VEPL")	India	100.00%	100.00%
Indinet Service Private Limited (hereinafter referred as "ISPL")***	India	100.00%	100.00%
E-Net Entertainment Private Limited (hereinafter referred as "ENEPL") (w.e.f. December 15, 2020) *****	India	51%	-
Siti Networks India LLP	India	99.90%	99.90%

**Include 0.30% held through CBCNL*

*** Subsidiary of CBCNL*

**** Subsidiary of ICNCL*

***** Include 6.50% held through SBSL*

****** Subsidiary of SBSPL*

Name of the associates and joint ventures	Country of incorporation	Percentage of ownership	
		As at March 31, 2021	As at March 31, 2020
C&S Medianet Private Limited (hereinafter referred as "CSMPL")	India	48.00%	48.00%
Voice Snap Services Private Limited (hereinafter referred as "VSSPL")****** (till February 15, 2021)	India	-	40.00%
Paramount Digital Media Services Private Limited (hereinafter referred as "PDMSPL")*******(w.e.f. January 30, 2020)	India	50.00%	50.00%
Wire and Wireless Tisai Satellite Limited (hereinafter referred as "WWTSL")	India	51.00%	51.00%

******* Associate of VEPL*

******** Joint Venture of VEPL*

32 Employee benefit obligations

Post-employment obligations - gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination equals the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of completed years of service. The expected contribution to the plan for next annual reporting period amounts to ₹ 6.15 million (previous year : ₹ 6.36 million).

The weighted average duration of the defined benefit obligation as at March 31, 2021 is 13 years (previous year 15 years).

The plan exposes the Company to actuarial risks such as interest rate risk and inflation risk.

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of risk free securities.

Inflation risk

A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Company's liability.

The following tables summarises the components of net benefit expense recognised in the standalone statement of profit and loss and the amount recognised in the standalone balance sheet for the respective plans.

Changes in the present value of the defined benefit obligation are as follows:

(₹ in million)

	March 31, 2021	March 31, 2020
Present value of defined benefit obligation at the beginning of the year	31.13	30.50
Interest cost	2.18	2.14
Current service cost	5.02	5.22
Benefits paid	(2.36)	(13.99)
Actuarial loss on remeasurement of obligation	4.96	7.26
Present value of defined benefit obligation at the end of the year *	**40.93**	**31.13**

** Includes current portion ₹ 4.22 million (previous year: ₹ 1.70 million)*

The gratuity plan of the Company is unfunded.

Amount recognised in the standalone statement of profit and loss:

(₹ in million)

	March 31, 2021	March 31, 2020
Current service cost	5.02	5.22
Interest cost	2.18	2.14
	7.20	**7.36**

Amount recognised in the statement of other comprehensive income:

(₹ in million)

	March 31, 2021	March 31, 2020
Actuarial loss arising from change in financial assumptions	-	1.31
Actuarial loss arising from experience adjustments	4.96	5.95
	4.96	**7.26**

The principal assumptions used in determining present value of defined benefit obligation and long term employee benefit obligation are given below:

Actuarial assumptions used

(₹ in million)

	Compensated absences		Gratuity	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Discount rate (per annum)	7.00%	7.00%	7.00%	7.00%
Rate of escalation in salary (per annum)	4.75%	4.75%	4.75%	4.75%
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Withdrawal rate (per annum)	5.0%	5.0%	5.0%	5.0%
Normal retirement age	60 years	60 years	60 years	60 years

These assumptions were developed by management with the assistance of independent actuary. Discount factors are determined close to each year-end by reference to market yields of risk free securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

The present value of the defined benefit obligation was measured using the projected unit credit method.

Amounts of experience adjustment for the current and previous four years are as follows -

(₹ in million)

	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Defined benefit obligations	40.93	31.13	30.50	25.04	29.66
Experience loss/(gain) adjustments on planned liabilities	4.96	5.95	0.45	1.05	0.05

Sensitivity analysis of the defined benefit obligation for significant actuarial assumptions

(₹ in million)

	March 31, 2021	March 31, 2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	40.93	31.13
Increase in Liability with 7% increase in discount rate (previous year 8%)	(3.04)	(2.55)
Decrease in Liability with 8% decrease in discount rate (previous year 9%)	3.46	2.92
Impact of the change in salary growth rate		
Present value of obligation at the end of the year	40.93	31.13
Increase in Liability with 8% increase in salary growth rate (previous year 9%)	3.46	2.95
Decrease in Liability with 8% decrease in salary growth rate (previous year 8%)	(3.09)	(2.62)

Defined contribution plans

Contribution to defined contribution plan, recognised as expense for the year is as under :-

Employer's contribution to provident fund and other funds ₹ 18.83 million (previous year: ₹ 22.81 million)

33 Share-based employee remuneration

Employee Stock Option Plan –ESOP-2015

The Company instituted the Employee Stock Option Scheme -2015 ("SITI ESOP 2015" or "New Plan") to grant equity based incentives to eligible employees. The SITI ESOP-2015 has been approved by the Board of Directors of the Company at their meeting held on May 28, 2015 and by the shareholders of the Company by way of special resolution passed at their Annual General Meeting held on August 27, 2015 to grant upto 33,881,656 options, representing one share for each option upon exercise by the eligible employee at an exercise price determined by the Board/remuneration committee.

The options granted under the Scheme shall vest not less than one year and not more than five years from the date of grant of options. Under the terms of the Scheme, 50%, 35% and 15% of the options will vest in the employee(s) after expiry of one year, two years and three years, respectively, from the date of grant of options. The option grantee must exercise all vested options within a period of four years from the date of vesting and the shares arising on exercise of such options shall not be subject to any lock-in period.

	Employee Stock Option Plan –ESOP-2015
Date of grant	September 3, 2015
Date of Board approval	May 28, 2015
Date of shareholders' approval	August 27, 2015
Number of options granted	46,63,500
Method of settlement (cash/equity)	Equity
Vesting period	Three years
Exercise period	Four years

The details of activity under New Plan have been summarised below:

(₹ in million)

	March 31, 2021		March 31, 2020	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	28,52,275	30.85	28,52,275	30.85
lapsed during the year	21,96,750	-	-	-
Outstanding at the end of the year	6,55,525	30.85	28,52,275	30.85
Exercisable at the end of the year	6,55,525	30.85	28,52,275	30.85

No options were exercised and forfeited during the current and previous financial year.

The fair values of options granted under new plan were determined using a variation of the binomial option pricing model that takes into account factors specific to the share incentive plans, such as the vesting period. The following principal assumptions were used in the valuation:

(₹ in million)

	March 31, 2021			March 31, 2020		
	Options (50%)	Options (35%)	Options (15%)	Options (50%)	Options (35%)	Options (15%)
Number of options	23,31,750	16,32,225	6,99,525	23,31,750	16,32,225	6,99,525
Fair value on grant date	14.63	17.49	19.14	14.63	17.49	19.14
Share price at grant date	30.85	30.85	30.85	30.85	30.85	30.85
Fair value at exercise date	Not Applicable (NA)	NA	NA	NA	NA	NA
Exercise price	30.85	30.85	30.85	30.85	30.85	30.85
Expected volatility	39.82%	44.49%	43.47%	39.82%	44.49%	43.47%
Expected life	Three years	Four years	Five years	Three years	Four years	Five years
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	7.77%	7.97%	7.98%	7.77%	7.97%	7.98%

The underlying expected volatility was determined by reference to historical data of the Company's shares over a period of time since its listing on the Stock Exchange. No special features inherent to the options granted were incorporated into measurement of fair value.

The employee remuneration expense has decreased by ₹ nil million (previous year: decreased by ₹ nil million), all of this relates to options lapsed/expired during the year due to resignation of eligible employees.

34 Fair value measurements

A. Financial instruments by category

(₹ in million)

	Notes	March 31, 2021		
		FVTPL	Amortised cost	Total
Financial assets				
Investment (non- current, financial assets)	6	976.19	2,543.43	3,519.62
Trade receivables (net)	10	-	1,953.40	1,953.40
Cash and cash equivalents	11	-	37.48	37.48
Bank balances other than Cash and cash equivalents above	12	-	-	-
Other financial assets	7 & 13		406.93	406.93
Total financial assets		**976.19**	**4,941.24**	**5,917.43**
Financial liabilities				
Borrowings (including current maturities of long-term borrowings)	16 & 19	-	9,027.65	9,027.65
Trade payables	20	-	4,508.25	4,508.25
Other financial liabilities	17 & 21	-	2,133.78	2,133.78
Total financial liabilities		**-**	**15,669.68**	**15,669.68**

(₹ in million)

	Notes	March 31, 2020		
		FVTPL	Amortised cost	Total
Financial assets				
Investment (non- current, financial assets)	6	976.19	2,543.43	3,519.62
Trade receivables (net)	10	-	2,073.25	2,073.25
Cash and cash equivalents	11	-	25.31	25.31
Bank balances other than Cash and cash equivalents above	12	-	20.86	20.86
Other financial assets	7 & 13	-	1,169.06	1,169.06
Total financial assets		**976.19**	**5,831.91**	**6,808.10**
Financial liabilities				
Borrowings (including current maturities of long-term borrowings)	16 & 19	-	9,619.37	9,619.37
Trade payables	20	-	4,842.23	4,842.23
Other financial liabilities	17 & 21	-	1,791.22	1,791.22
Total financial liabilities		**-**	**16,252.82**	**16,252.82**

B. Financial instruments measured at fair value

The following tables present financial assets and liabilities measured at fair value as at balance sheet in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on March 31, 2021 and March 31, 2020 as follows:

(₹ in million)

Financial assets	March 31, 2021			March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in optionally convertible debentures	-	-	976.19	-	-	976.19

Valuation technique to determine fair value

Optionally convertible debentures (Level 3)

The valuation of optionally convertible debentures ('OCD') has been done using the discounted cash flows method. Discounted cash flow or DCF is the method for estimating the current value of an investment by taking into account its future cash flows. It can be used to determine the estimated investment required to be made in order to receive predetermined returns. The discounted cash flow method is based on the concept of the time value of money, which says that the money that an individual has now is worth more than the same amount in the future.

The valuation exercise is based on the following information received from the management:

a) Audited financial Statements of Siti Saistar Digital Media Private Limited for the FY 2020-21 and unaudited financial numbers of Siti Siri Digital Network Private Limited for the FY 2020-21 comprising Balance Sheet and Profit and Loss account.

b) Projections of the investee companies comprising of Balance Sheet and Profit and Loss account for the FY 2021-22 to FY 2026-27

c) Discussions with the management on various issues relevant for the valuation including the prospects and outlook of the investee companies / industry etc

d) Such other information and explanations as we have required and which have been provided by the management.

The discounted cash flow method involves discounting the investee companies free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows are discounted by weighted average cost of capital comprising of debt and equity. The risk free rate of 6.71% is considered on the 10 year government zero coupon bond yield as on March 31, 2021.

There have been no transfer between level 1, level 2 and level 3 during the year ended March 31, 2021 and March 31, 2020.

The following table presents the changes in level 3 items for the year ended March 31, 2021 and March 31, 2020:

(₹ in million)

Particulars	
As at April 01, 2019	**967.36**
Gain recognised in standalone statement of profit and loss	8.83
As at March 31, 2020	**976.19**
Gain recognised in standalone statement of profit and loss	-
As at March 31, 2021	**976.19**

As at March 31, 2021

Significant unobservable input	Estimate of the input	Sensitivity of the fair value measurement to input
Probability of meeting of cash flow	20%	An increase to 20% would increase fair value by ₹ 65.09 million and decrease by 20% would decrease fair value by ₹ 65.09 million

As at March 31, 2020

Significant unobservable input	Estimate of the input	Sensitivity of the fair value measurement to input
Probability of meeting of cash flow	20%	An increase to 20% would increase fair value by ₹ 14.94 million and decrease by 20% would decrease fair value by ₹ 3.98 million

C. Fair value of financial assets and liabilities measured at amortised cost

(₹ in million)

	March 31, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investment (non- current, financial assets)	976.19	2,543.43	976.19	2,543.43
Trade receivables (net)		1,953.40	-	2,073.25
Cash and cash equivalents		37.48	-	25.31
Bank balances other than Cash and cash equivalents above		-	-	20.86
Other financial assets		406.93	-	1,169.06
Total financial assets	**976.19**	**4,941.24**	**976.19**	**5,831.91**
Financial liabilities				
Borrowings (including current maturities of long-term borrowings)	-	9,027.65	-	9,619.37
Trade payables	-	4,508.25	-	4,842.23
Other financial liabilities	-	2,133.78	-	1,791.22
Total financial liabilities	**-**	**15,669.68**	**-**	**16,252.82**

D. Financial risk management objectives and policies

Financial risk management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk.

The Company's risk management is coordinated in close co-operation with the board of directors, and focuses on securing Company's short to medium term cash flows.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in these standalone financial statements.

A. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: High credit risk

The Company provides for expected credit loss based on the following:

(₹ in million)

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, bank deposit, margin money deposits, interest accrued and other financial assets except security deposits	12 month expected credit loss
High credit risk	Investment, trade receivables, security deposits, amount recoverable and unbilled revenue	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

(₹ in million)

Credit rating	Particulars	March 31, 2021	March 31, 2020
A: Low credit risk	Cash and cash equivalents, bank deposit, margin money deposits, interest accrued and other financial assets other than unbilled revenue & amount recoverable (net)	241.05	741.39
B: High credit risk	Investment, trade receivables, amount recoverable (net) and unbilled revenue	5676.38	6,066.71

Concentration of trade receivables

The Company has widespread customers and there is no concentration of trade receivables.

Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets.

For the purpose of computation of expected credit loss, the Company has analysed the trend of provisions for doubtful trade receivables created in earlier years. The average rate of provision has been computed based on the adjusted sales (excluding those where the Company does not have any historical provision) and provision for doubtful debtors created against those sales. As per this methodology, the Company has determined the expected credit loss at approximately 5% for customers.

Expected credit loss for trade receivables under simplified approach

As at March 31, 2021

(₹ in million)

Particulars	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment provision
Trade receivables	6296.73	(4,343.33)	1,953.40
Security deposits	64.68	-	64.68
Amounts recoverable	491.82	(457.82)	34.00
Investment	3,519.62	-	3,519.62
Unbilled revenues	203.35	-	203.35

As at March 31, 2020

(₹ in million)

Particulars	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment provision
Trade receivables	6,597.28	(4,524.03)	2,073.25
Security deposits	116.75		116.75
Amounts recoverable	493.35	(59.65)	433.70
Investment	3,519.62		3,519.62
Unbilled revenues	473.84		473.84

Reconciliation of loss allowance provision – Trade receivable

(₹ in million)

Particulars	
Loss allowance on April 01, 2019	**4,383.47**
Changes in loss allowance (refer note 29 and note 44)	140.56
Loss allowance on March 31, 2020	**4,524.03**
Changes in loss allowance (refer note 29 and note 44)	(180.70)
Loss allowance on March 31, 2021	**4,343.33**

B. Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables, employee dues and other current payables arising during normal course of business as on each balance sheet date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through funding commitments from shareholders. As at each balance sheet date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarised as follows:

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities

(₹ in million)

March 31, 2021	Less than one year	One to two years	More than two years
Non-derivatives			
Borrowings including current maturities of long term borrowings	8,764.23	747.67	741.40
Payable for capital creditors	334.23	-	-
Security deposits received from customers (non-current, financial liabilities)	-	-	15.49
Book overdraft	308.00	-	-
Trade payables	4,508.25	-	-
Lease liabilities and interest on lease liabilities	3.02	3.76	3.22
Others (including redeemable preference shares)	240.41	-	-
Total non-derivative liabilities	**14,158.14**	**751.43**	**760.11**

(₹ in million)

March 31, 2020	Less than one year	One to two years	More than two years
Non-derivatives			
Borrowings including current maturities of long term borrowings	7,132.06	643.95	2,476.98
Payable for capital creditors	657.34	-	-
Security deposits received from customers (non-current, financial liabilities)	-	-	39.57
Book overdraft	205.97	-	-
Trade payables	4,842.22	-	-
Lease liabilities and interest on lease liabilities	4.00	4.16	6.15
Others (including redeemable preference shares)	240.41	-	-
Total non-derivative liabilities	**13,082.00**	**648.11**	**2,522.70**

C. Market Risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows.

(i) Foreign currency risk

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

(₹ in million)

	March 31, 2021	March 31, 2020
Financial assets (A)	**-**	**39.05**
Trade receivables	-	39.05
Financial liabilities (B)	**159.20**	**390.38**
Payable to capital creditors	159.20	390.38
Net exposure (B-A)	**159.20**	**351.33**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in million)

	Impact on loss after tax	
	March 31, 2021	March 31, 2020
(₹)/USD and (₹)/EURO increased by 5% (previous year (₹)/USD and (₹)/EURO increased by 5%)	(7.96)	(17.57)
(₹)/USD and (₹)/EURO decreased by 5% (previous year (₹)/USD and (₹)/EURO decreased by 5%)	7.96	17.57

(ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's fixed rate borrowings are carried at amortised cost and are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. The Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

(₹ in million)

	March 31, 2021	March 31, 2020
Variable rate borrowings	9020.64	9609.04
Total borrowings	**9,020.64**	**9,609.04**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in million)

	Impact on loss after tax	
	March 31, 2021	March 31, 2020
Interest rates – increase by 100 basis points (previous year 100 bps)	90.21	96.09
Interest rates – decrease by 100 basis points (previous year 100 bps)	(90.21)	(96.09)

35 Related party transactions

(i) Promoter and Promoter Group**

Dr. Subhash Chandra
Direct Media Solutions LLP

(ii) Enterprises owned or significantly influenced by Promoter/Promoter Group**

Zee Entertainment Enterprises Limited
Zee Media Corporation Limited
Zee Network Distribution Limited (formerly known as Zee Turner Limited)

(iii) Names of related parties where control exists

Subsidiary companies

Indian Cable Net Company Limited
Central Bombay Cable Network Limited
Siticable Broadband South Limited
Master Channel Community Network Private Limited (Subsidiary of Central Bombay Cable Network Limited)
Siti Vision Digital Media Private Limited
Siti Jind Digital Media Communications Private Limited
Siti Jai Maa Durgee Communications Private Limited
Siti Jony Digital Cable Network Private Limited
Siti Krishna Digital Media Private Limited
Siti Faction Digital Private Limited
Siti Guntur Digital Network Private Limited
Siti Maurya Cable Net Private Limited (Subsidiary of Indian Cable Net Company Limited)
Siti Karnal Digital Media Network Private Limited
Siti Global Private Limited
Siti Siri Digital Network Private Limited
Siti Broadband Services Private Limited
Siti Prime Uttaranchal Communication Private Limited
Siti Sagar Digital Cable Network Private Limited
Siti Saistar Digital Media Private Limited
Siti Godaari Digital Services Private Limited (till November 20, 2019)
Variety Entertainment Private Limited
Indinet Service Private Limited (Subsidiary of Indian Cable Net Company Limited)
E-Net Entertainment Private Limited (Subsidiary of Siti Broadband Services Private Limited)
Siti Networks India LLP

(iv) Associate companies

Voice Snap Services Private Limited (Associate of Variety Entertainment Private Limited) (till February 15, 2021)
C&S Medianet Private Limited

(v) Joint ventures

Wire and Wireless Tisai Satellite Limited
Paramount Digital Media Services Private Limited (Joint Venture of Variety Entertainment Private Limited) (w.e.f. January 30, 2020)

(vi) Key management personnel (KMP)

Mr. Anil Kumar Malhotra, Chief Executive Officer (w.e.f. September 01, 2019)
Mr. Sidharth Balakrishna, Whole Time Director (till April 15, 2019)
Mr. Sanjay Berry, Chief Financial Officer
Ms. Kavita Kapahi, Independent Director
Prof. Sunil Kumar Maheshwari, Independent Director
Mr. Suresh Arora (Non Executive Director w.e.f. March 29, 2019 till June 13, 2019 and Whole Time Director w.e.f. June 14, 2019)
Mr. Bhanu Pratap Singh, Independent Director (w.e.f. April 01, 2019)
Mr. Deepak Mittal, Independent Director w.e.f. (April 01, 2019)
Mr. Amitabh Kumar, Additional Director w.e.f. (December 30, 2019)

(vii) Enterprises owned or significantly influenced by KMP or their relatives**

Essel Realty Developers Private Limited (w.e.f December 30, 2019)

*** with whom the Company has transactions during the current year and previous year*

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a) Sale of goods and services during the year

(₹ in million)

Subsidiary companies	March 31, 2021	March 31, 2020
Indian Cable Net Company Limited	106.64	205.72
Master Channel Community Network Private Limited	60.53	108.03
Siti Vision Digital Media Private Limited	81.37	1.99
Siti Jind Digital Media Communications Private Limited	5.10	8.29
Siti Jony Digital Cable Network Private Limited	0.17	1.21
Siti Maurya Cable Net Private Limited	1.95	2.22
Siti Faction Digital Private Limited	1.93	2.42
Siti Karnal Digital Media Network Private Limited	0.27	0.16
Siti Siri Digital Network Private Limited	94.34	154.00
Siti Global Private Limited	0.17	0.12
Siti Prime Uttaranchal Communication Private Limited	0.44	0.46
Siti Broadband Services Private Limited	65.03	60.00
Siti Sagar Digital Cable Network Private Limited	-	0.40
Siti Saistar Digital Media Private Limited	3.58	8.66
Variety Entertainment Private Limited	45.75	79.36
Enterprises owned or significantly influenced by Promoter/Promoter Group		
Zee Entertainment Enterprises Limited	168.68	261.25
Zee Media Corporation Limited	0.22	0.27
Enterprises owned or significantly influenced by KMP or their relatives		
Essel Realty Developers Private Limited	-	1.02

b) Purchase of goods and services during the year

(₹ in million)

Subsidiary companies	March 31, 2021	March 31, 2020
Indian Cable Net Company Limited	83.28	119.25
Master Channel Community Network Private Limited	1.23	-
Siti Vision Digital Media Private Limited	3.59	-
Siti Broadband Services Private Limited	0.22	-
Siti Global Private Limited	11.06	12.59
Siti Sagar Digital Cable Network Private Limited	4.51	8.25
Siti Jind Digital Media Communications Private Limited	5.75	9.41
Siti Jony Digital Cable Network Private Limited	2.13	-
Siti Faction Digital Private Limited	2.43	-
Siti Siri Digital Network Private Limited	21.03	
Siti Karnal Digital Media Network Private Limited	10.68	2.00
Enterprises owned or significantly influenced by Promoter/Promoter Group		
Zee Entertainment Enterprises Limited	925.02	985.42
Joint Ventures/Associate companies		
C&S Medianet Private Limited	-	7.57
Enterprises owned or significantly influenced by KMP or their relatives		
Essel Realty Developers Private Limited	0.54	1.37

c) **Trade receivables and investment written off (including amounts under exceptional item)**

(₹ in million)

Subsidiary companies	March 31, 2021	March 31, 2020
Siti Godaari Digital Services Private Limited	-	100.03
Siti Broadband Services Private Limited	-	82.76

d) **Balance (payable)/receivable (net of provision created) at the end of the year**

(₹ in million)

Subsidiary companies	March 31, 2021	March 31, 2020
Indian Cable Net Company Limited	(65.07)	(78.37)
Master Channel Community Network Private Limited	280.27	247.68
Siti Vision Digital Media Private Limited	92.20	93.32
Siti Jind Digital Media Communications Private Limited	7.90	-
Central Bombay Cable Network Limited	0.25	-
Siti Krishna Digital Media Private Limited	-	0.60
Siti Jony Digital Cable Network Private Limited	-	1.71
Siti Maurya Cable Net Private Limited	23.56	19.12
Siti Faction Digital Private Limited	-	2.97
Siti Siri Digital Network Private Limited	64.96	80.13
Siti Global Private Limited	-	5.86
Siti Networks India LLP	(240.39)	(240.39)
Siticable Broadband South Limited	(3.34)	(3.44)
Siti Broadband Services Private Limited	64.36	3.46
Siti Sagar Digital Cable Network Private Limited	-	2.00
Siti Saistar Digital Media Private Limited	40.97	138.72
Variety Entertainment Private Limited	131.31	-
Indinet Service Private Limited	0.09	0.01
Joint ventures/Associate companies		
Wire and Wireless Tisai Satellite Limited	-	0.05
Enterprises owned or significantly influenced by Promoter/Promoter Group		
Trade receivables		
Zee Entertainment Enterprises Limited	4.61	216.60
Zee Media Corporation Limited	18.37	18.36
Trade payables		
Zee Entertainment Enterprises Limited	1,970.54	2,131.32
Zee Network Distribution Limited (formerly known as Zee Turner Limited)	-	10.00
Zee Media Corporation Limited	4.05	4.05
Security deposit given		
Zee Network Distribution Limited (formerly known as Zee Turner Limited)	-	12.72
Enterprises owned or significantly influenced by KMP or their relatives		
Trade payables		
Essel Realty Developers Private Limited	5.89	5.04
Security deposit given including prepaid expense		
Essel Realty Developers Private Limited	34.99	49.79

e) Expenditure paid by the Company on behalf of others and expenditure paid by others on behalf of the Company:

(₹ in million)

Subsidiary companies	Expenditure paid by the Company on behalf of the others		Expenditure paid by others on behalf of the Company	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Siti Vision Digital Media Private Limited	0.01	0.15	-	-
Siticable Broadband South Limited	0.10	0.14	-	-
Central Bombay Cable Network Limited	0.08	0.17	-	-
Master Channel Community Network Private Limited	0.00	0.12	-	-
Siti Jai Maa Durgee Communications Private Limited	0.13	0.20	-	-
Siti Faction Digital Private Limited	0.11	0.21	-	-
Indian Cable Net Company Limited	2.96	4.12	27.95	25.57
Siti Jind Digital Media Communications Private Limited	0.02	0.15	-	-
Siti Krishna Digital Media Private Limited	0.30	0.60	-	-
Siti Karnal Digital Media Network Private Limited	0.53	0.27	-	-
Siti Guntur Digital Network Private Limited	0.00	0.03	-	-
Siti Global Private Limited	0.00	0.39	-	-
Siti Godaari Digital Services Private Limited	-	0.01	-	-
Siti Prime Uttaranchal Communication Private Limited	0.01	0.14	-	-
Siti Maurya Cable Net Private Limited	-	0.13	-	-
Siti Siri Digital Network Private Limited	0.01	0.14	5.89	19.80
Siti Broadband Services Private Limited	0.02	0.02	-	-
Siti Sagar Digital Cable Network Private Limited	0.27	0.10	-	-
Siti Saistar Digital Media Private Limited	0.00	0.13	-	-
Siti Jony Digital Cable Network Private Limited	0.36	0.59	-	-
Indinet Service Private Limited	0.64	-	-	-
Variety Entertainment Private Limited	0.01	0.01	-	-
Siti Networks India LLP	0.03	0.05	-	-
Joint ventures				
Wire and Wireless Tisai Satellite Limited	0.06	0.05	-	-
Enterprises owned or significantly influenced by Promoter/Promoter Group				
Zee Entertainment Enterprises Limited	0.18	0.48	11.84	12.52

f) Advances given and repayment thereof

(₹ in million)

Subsidiary companies		Advances given	Repayment/ Adjustments	Balance owed by related parties
Siticable Broadband South Limited	March 31, 2021	-	-	-
	March 31, 2020	-	0.10	-
Siti Vision Digital Media Private Limited	March 31, 2021	-	-	31.82
	March 31, 2020	-	-	31.82
Master Channel Community Network Private Limited	March 31, 2021	-	1.45	1.43
	March 31, 2020	-	-	2.88
Variety Entertainment Private Limited	March 31, 2021	124.33	124.33	-
	March 31, 2020	202.99	412.91	-
Siti Broadband Services Private Limited	March 31, 2021	96.68	96.68	-
	March 31, 2020	-	-	-

g) Investment in Optionally Convertible Debenture

(₹ in million)

	March 31, 2021	March 31, 2020
Siti Siri Digital Network Private Limited	744.89	744.89
Siti Saistar Digital Media Private Limited	231.30	231.30

h) Remuneration to KMP

(₹ in million)

	March 31, 2021	March 31, 2020
Mr. Sidharth Balakrishna	-	2.52
Mr. Anil Kumar Malhotra	8.13	6.37
Mr. Sanjay Berry	7.57	12.88
Mr. Suresh Arora	-	0.81

i) Compensated absences

(₹ in million)

	March 31, 2021	March 31, 2020
Mr. Sidharth Balakrishna	-	0.04
Mr. Anil Kumar Malhotra	1.20	1.15
Mr. Sanjay Berry	0.24	-
Mr. Suresh Arora	-	0.02

j) Director sitting fees

(₹ in million)

	March 31, 2021	March 31, 2020
Ms. Kavita Kapahi	0.30	0.44
Mr. Bhanu Pratap Singh	0.26	0.32
Prof. Sunil Kumar Maheshwari	0.28	0.22
Mr. Deepak Mittal	0.12	0.12
Mr. Suresh Arora	-	0.08
Mr. Raj Kumar Gupta	0.04	-

k) Corporate guarantee given by

(₹ in million)

	March 31, 2021	March 31, 2020
Zee Entertainment Enterprises Limited	1,001.00	1,166.00

l) Direct Media Solutions LLP, a stakeholder of the Company, has provided financial support as is necessary to enable the Company to fulfil all its obligations incurred in foreseeable future, atleast upto and including March 31, 2021, to enable it to continue as a going concern until such time period.

Further, Direct Media Solutions LLP has indemnified the Company against certain advances and receivables, if such are not adjusted/recovered in near future. The aforementioned indemnity shall also cover any amounts further advanced and receivable from such parties.

Note :- The Company provides long term benefits in the form of gratuity to its KMP along with all employees, the cost and liability of the same is not identifiable for each KMP and hence could not be disclosed.

36 Capital and other commitments

Estimated amount of contracts remaining to be executed and not provided for (net of advances) amounting to ₹ 85.89 million (previous year: ₹ 5.97 million).

37 Contingent liabilities and litigations

i) Claims against the Company not acknowledged as debts ₹ 75.90 million* (previous year: ₹ 95.22 million).

ii) Demands raised by the statutory authorities being contested by the Company:

(₹ in million)

	March 31, 2021	March 31, 2020
Service tax matters*	94.18	69.83
VAT/ Sales tax matters*	77.96	88.00

** excludes pending cases/litigations including ones with business associates/statutory authorities where the management believes that no material liability will devolve on the Company in respect of these litigations or where amount of liability is not ascertainable. These are net of amounts deposited under protest amounting to ₹ 36.61 million (previous year: ₹ 20.29 million).*

The Directorate of Revenue Intelligence (DRI), Bangalore, under section 108 of the Custom Act, 1962, had inquired about the classification of viewing cards for applicability of customs duty. The Company had, suo-moto, paid ₹ 20 million under protest and had received a show cause notice with a demand for ₹ 1,011.22 million. The matter which was adjourned to May 05, 2020 was further adjourned for unidentified time due to COVID-19. The Company is confident that the demand will not sustain, therefore no provision has been made in these financial statements and the amount demanded has been considered as contingent liability.

iii) The Company has received orders from Income-tax authorities for (a) assessment year 2013-14 on account of disallowance under section 14A read with rule 8D aggregating to ₹ 17.84 million and (b) assessment years 2007-08 and 2008-09 on account of non-withholding of taxes amounting to ₹ 26.17 million. The appeal in the aforesaid litigations is pending before Income Tax Appellate Tribunal ('ITAT') and High Court respectively. No demand has been raised on the Company in respect of the aforesaid litigations in view of the brought forward losses.

38 Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at reporting date:

(₹ in million)

	March 31, 2021			March 31, 2020		
	EURO million	USD million	₹ in million	EURO million	USD million	₹ in million
Trade receivables for carriage and placement income	-	-	-	-	0.52	39.05
Payables for capital creditors	1.85	-	159.20	4.48	0.24	390.38

** Closing rate as at March 31, 2021: 1 USD = ₹ 73.23 (previous year: 1 USD = ₹ 75.10); 1 EURO = ₹ 85.88 (previous year: 1 EURO = ₹ 83.04).*

39 The breakup of year end deferred tax assets and liabilities into major components of the respective balance is as under:

(₹ in million)

	March 31, 2021	March 31, 2020
Deferred tax liabilities		
Temporary difference in depreciation and amortisation of property, plant and equipment and other intangible assets	-	-
Gross deferred tax liabilities	-	-
Deferred tax assets		
Provision for doubtful debts	-	-
Gross deferred tax assets	-	-
Net deferred tax liability/(assets)	**-**	**-**

In the absence of probability of sufficient future taxable income, the Company has not recognised deferred tax assets.

During the financial year 2019-20, the current tax amount of ₹ 47.75 million pertained to tax adjustment on conclusion of assessments of previous years. Considering the Company is into continuous losses, no income tax provision has been created for the current year.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

(₹ in million)

	March 31, 2021		March 31, 2020	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences	15,407.17	4,807.04	13,741.46	4,246.11
Brought forward losses	1,438.95	448.95	694.65	214.65

The tax losses expire in assessment year 2019-2020 to 2024-2025. The deductible temporary differences which includes unabsorbed depreciation and provision for doubtful debts do not expire under the current income tax legislation.

40 Capital management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt). The Company is not subject to any externally imposed capital requirements. Net debt are borrowings (including current maturities)and lease liabilities as reduced by cash and cash equivalents, other bank balances and margin money deposit. Equity comprises all components including other comprehensive income.

(₹ in million)

	March 31, 2021	March 31, 2020
Cash and cash equivalents (refer note 11)	37.48	25.31
Bank balances other than cash and cash equivalents above (refer note 12)	-	20.86
Margin money deposit (refer note 7)	124.31	103.51
Total cash (A)	**161.79**	**149.68**
Borrowings (including current maturities of long-term borrowings) (refer note 16 & 19)	9,027.65	9,619.37
Lease liabilities	10.00	14.31
Total borrowing (B)	**9,037.65**	**9,633.68**
Net debt (C=B-A)	**8,875.86**	**9,484.00**
Total equity (refer note 15(a) and 15(b)	(3,948.59)	(1,678.82)
Total capital (equity + net debts) (D)	**4,927.26**	**7,805.18**
Gearing ratio (C/D)	**1.80**	**1.22**

41 Assets pledged as security

The carrying amount of assets pledged as security are:

(₹ in million)

	Note	March 31, 2021	March 31, 2020
Current assets			
a) Inventories	9	5.81	4.64
b) Financial assets			
i) Trade receivables	10	1,953.40	2,073.25
ii) Cash and cash equivalents	11	37.48	25.31
iii) Bank balances other than cash and cash equivalents above	12	-	20.86
iv) Other financial assets	13	252.94	948.81
c) Other current assets	14	495.53	842.83
		2,745.16	**3,915.70**
Non-current assets			
a) Property, plant and equipment	4	4,593.21	5,803.59
b) Capital work-in-progress	4	152.69	277.30
c) Other intangible assets	5	944.05	1,327.71
d) Intangible assets under development	4	4.18	11.07
e) Financial assets			
i) Margin money deposit (pledged)	7	124.31	103.51
		5,818.44	**7,523.18**
Total assets		**8,563.60**	**11,438.88**

42 Information under Section 186 (4) of the Companies Act, 2013

There are no investments or loan given or guarantee provided or security given by the Company other than the investments and loans stated under note 6 and note 13 in these standalone financial statements, which have been made predominantly for the purpose of business.

43 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 ('Ind AS') 108 on Operating Segments. The aforesaid is in line with the way operating results are reviewed by the chief operating decision maker(s).

44 Exceptional items in the standalone financial statements include the following:

During the year ended March 31, 2021

a. Exceptional items, for the year ended March 31, 2021 relates to pay channel cost of ₹ 79.4 million which was being disclosed in contingent liabilities due to pending settlement has been settled and recognized.

b. During the year ended March 31, 2021, the management, in view of prevailing COVID-19 situation and considering other factors, assessed the likelihood of recovery of certain balances from a party and has provided for an amount of ₹ 217.47 million which is doubtful for recovery

The total impact of a and b above on the standalone financial results for the year ended March 31, 2021 amounts to ₹ 296.87 million.

During the year ended March 31, 2020

a. Pursuant to implementation of the Tariff Order 2017 and upon changes in arrangements with customers, the management of the Company has further provided for certain trade receivables amounting to ₹ 180 million and disclosed the same as exceptional items in the standalone financial statements for the year ended March 31, 2020.

b. During the year ended March 31, 2020, a subsidiary company namely, Siti Godaari Digital Services Private Limited ('Siti Godaari') has been dissolved pursuant to being struck-off as per the provisions of section 248 of the Act. Accordingly, the Company has written off trade receivables from and investment in Siti Godaari amounting to ₹ 100.3 million for the year ended March 31, 2020.

The total impact of a and b above on the standalone financial statements for the year ended March 31, 2020 amounts to ₹ 280.03 million.

45 For the year ended March 31, 2021, the 'Subscription income' included in the 'Revenue from operations' in these financial statements, *inter alia*, includes the amounts payable to the broadcasters towards their share per Tariff order 2017 in relation to the pay channels subscribed by the customers. The aforementioned corresponding amounts (i.e. Broadcaster's share) has also been presented as an expense in these financial statements. The said amount is ₹ 3752.55 million for the year ended March 31, 2021 (previous year: ₹ 3,902.38) in the standalone financial statements.

Had these expenses been disclosed on net basis, the 'Revenue from operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 3752.55 million for the year ended March 31, 2021 (previous year: ₹ 3,902.38) in the standalone financial statements. However, there would not have been any impact on the net loss for the period then ended in standalone financial statements.

46 Effective March 01, 2020, amendments to the existing regulatory framework (hereinafter referred to as "New Tariff Order 2020") was applicable but considering the practical challenges and petitions filed against its implementation, as at March 31, 2020, the Company was in process of fully implementing the same.

47 The Company continued to incur losses during the year ended March 31, 2021 and had negative working capital as at March 31, 2021. The Company also has negative net worth as at March 31, 2021. As at March 31, 2021, there are instances of delays in payments of obligations and borrowings, but in view of the management, the expected revenue growth and improvement in operating margins under the Tariff Order 2017, and other likely mitigating factors such as continued endeavour to secure additional funds by the Company besides on-going discussions with the lenders for debt restructuring, for which revised debt repayment plans are being submitted to the lenders, and continuous dialogue with its vendors, these standalone financial statements for the year ended March 31, 2021 continue to be prepared on a going concern basis.

48 In view of aforementioned ongoing discussions with the lenders, inter alia, for reducing existing interest rates, additional interest levied, if any, has not been provided for.

49 Impact of outbreak of Novel Corona Virus (COVID -19)

COVID-19 was declared as pandemic by World Health Organization (WHO) on March 11, 2020, is continuing to spread across the world and India. Since March 2020, the Indian Government has announced a 21 days nationwide lockdown which had been extended in multiple tranches till May 31, 2020 with relaxation to essential services and selected economic activities. The Company has continued to operate and provide cable television and broadband distribution services to its customers, which has been declared as an essential service. Based on the management's assessment and review of current economic scenario, the management does not expect any significant impact of COVID-19 on the Company. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements, and the Company will continue to closely monitor any material changes arising from future economic conditions and continually assess its impact on the operations and financial matrices.

50 Post reporting date events

No adjusting or significant non-adjusting events have occurred between March 31, 2021 and the date of authorisation of these standalone financial statements.

51 Useful life of certain tangible and intangible assets have been re-assessed and accordingly there is an increase in depreciation and amortisation expense of ₹ 101.4 million during the year ended March 31, 2021 in standalone financial statements.

52 The comparative financial results have been regrouped/reclassified in line with the financial results for the year ended March 31, 2021.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

This is the standalone cash flow statement referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Place : Noida
Date : June 25, 2021

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Independent Auditor's Report

To the Members of SITI Networks Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of SITI Networks Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the effects and possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, its associates and joint ventures, as at 31 March 2021, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As described in note 53 to the accompanying consolidated financial statements, the Group's 'Revenue from operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 7,858.9 million for the year ended 31 March 2021, while there would have been no impact on the net loss for the year ended 31 March 2021.

   Further, with respect to the above matter, qualifications have been given by other firms of Chartered Accountants vide their audit reports dated 21 June 2021, 23 June 2021, 22 June 2021, 21 June 2021, 15 June 2021, 22 June 2021 and 22 June 2021 on the financial statements of the subsidiaries of the Holding Company, namely, Siti Prime Uttaranchal Communication Private Limited, Central Bombay Cable Network Limited, Indian Cable Net Company Limited, Siti Jind Digital Media Communications Private Limited, Siti Saistar Digital Media Private Limited, Siti Vision Digital Media Network Private Limited and Siti Siri Digital Network Private Limited respectively and is reproduced by us as under, with the aggregate amount pertaining to such subsidiaries, as also included in the above paragraph.

   The company's/group's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS-115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 4,115.5 million for the year ended 31 March 2021, while there would have been no impact on the net loss for the year ended 31 March 2021.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code

of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 18 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to note 55 to the accompanying consolidated financial statements, which indicates that the Group has incurred a net loss (including other comprehensive income) of ₹ 2,415.2 million during the year ended 31 March 2021, and as of that date, the Group's accumulated losses amount to ₹ 19,372.0 million and its current liabilities exceeded its current assets by ₹ 12,293.1 million resulting in negative working capital. As at 31 March 2021, there are delays/ defaults in repayment of obligations and borrowings. The above factors along with other matters as set forth in note 55, indicate a material uncertainty, which may cast significant doubt about the Group's ability to continue as a going concern. However, basis the impact of Tariff Order 2017, ongoing discussion with the lenders of the Holding Company, and other factors mentioned in aforesaid note to the accompanying consolidated financial statements, the management is of the view that going concern basis of accounting is appropriate for preparation of these consolidated financial statements.

   The above assessment of the Group's ability to continue as going concern is by its nature considered as key audit matter in accordance with SA 701. In relation to the above key audit matter, our audit work included, but was not limited to, the following procedures:

   - We obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the Group's ability to continue as a going concern and the process to assess the corresponding mitigating factors existing against each such event or condition.

   - Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.

   - We obtained the projected cash flows for the next twelve months from the management, basis their future business plans and considering the impact of Tariff Order, 2017.

   - We held discussions with the management personnel to understand the assumptions used and estimates made by them for determining the future cash flow projections.

   - The key assumptions such as revenue growth rate, changes in direct and administrative expenses, and capital expenditure outflows, were assessed for reasonableness by reference to historical data, future market trends, existing market conditions, business plans and our understanding of the business and the industry in which the Group operates.

   - We tested mathematical accuracy of the projections and applied independent sensitivity analysis to the key assumptions mentioned above to determine inputs leading to high estimation uncertainty of the cash flow projections.

   - We read the relevant correspondences with the lending banks.

   - We assessed the appropriateness and adequacy of disclosures made by the Group with respect to the aforesaid events and conditions in accordance with the provisions requirements of Ind AS 1 Presentation of Financial Statements.

   Our opinion is not modified in respect of this matter.

Emphasis of Matter

6. We draw attention to Note 52 regarding restatement of the comparative consolidated financial results for the year ended 31 March 2020, which were audited and reported by the previous auditor. These comparative consolidated financial results for year ended 31 March 2020 included revenue and expenses in respect of certain subsidiaries which were accounted for on estimate basis pending negotiation and final agreement with the vendors and customers. The financial results of these subsidiaries have been restated to account for the impact on the revenue and expenses following the finalization of agreements with those customers and vendors, which have been audited by the statutory auditors of those subsidiaries respectively. As a result, Retained Earnings as on 01 April 2019 and as on 31 March 2020 of the Group have reduced by ₹ 2.1 million and ₹ 132.0 million, non-controlling interest as on 01 April 2019 and as on 31 March 2020 of the Group have reduced by ₹ Nil million and ₹ 126.8 million respectively, and net loss for the year ended 31 March 2020 has increased by ₹ 258.8 million vis-à-vis the previously reported net loss of ₹ 1,894.7 million.

Key Audit Matters

7. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

8. In addition to the matters described in the Basis for Qualified Opinion and Material Uncertainty Related to Going Concern sections, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of investment in associates, joint ventures and net assets of subsidiaries As described in Note 7A to the consolidated financial statements, the Group has investments amounting to ₹ 40.58 million in its associates and joint venture entities and carries net assets amounting to ₹ 3,554.2 million in respect to its subsidiaries as at 31 March 2021 (hereinafter together referred to as 'Component entities'). Certain Component entities qualifying as a cash generating unit ('CGU') have been incurring losses in the current year and previous year and have negative cash flows from operations during the current as well as previous years, thus resulting in possible impairment indicators. In view of the above, management during the year ended 31 March 2021, has carried out impairment test for such CGU's, whereby the carrying amount of the investments and net assets was compared with the fair value of the business of respective component entity. To determine the fair value, management has prepared detailed cash flow projections, based on business plans of the respective component entity, expected growth rates of the business and other market related factors including the discount rates, etc. Based on the result of the aforesaid impairment tests, no impairment has been noted. Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of such investments and net assets as a key audit matter.	Our audit procedures included, but were not limited to the following: • We obtained understanding of the management process for identification of CGU and possible impairment indicators and process performed by the management for impairment testing. • We have performed detailed discussions with the management throughout the year to understand the impairment assessment process, assumptions used and estimates made by management to assess the reasonableness of the recoverable amount and tested the operating effectiveness of controls implemented by management. • We obtained from the management of the Company, the approved future business plans of the joint venture entity and subsidiary companies and held detailed discussions with the management to understand the assumptions used and estimates made by them for determining the cash flow projections. • We referred to the economic conditions prevalent in the jurisdiction in which the joint venture and subsidiary companies operates and understood from the management about the future business plans. • We assessed the reasonableness of the assumptions used and appropriateness of the valuation methodology applied. • Evaluated the appropriateness and adequacy of the related disclosures made by the Group in the consolidated financial statements, in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Provision for expected credit losses (ECL) Refer note 3(m) for significant accounting policy and note 38 for credit risk disclosures. As described in note 11, trade receivables comprise a significant portion of the current financial assets of the Group. As at 31 March 2021, trade receivables aggregate to ₹ 2,318.3 million (net of allowance for expected credit losses of ₹ 3,789.3 million). In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group has analysed the trend of trade receivables under different ageing bracket for last three years and calculated credit loss rate basis such ageing. The complexity in calculation of ECL is mainly related to calculations performed for different type of revenue streams in which the Group operates and the different recovery period for different categories of customers. Additional provision is recognised for the receivables which are specifically identified as doubtful or non-recoverable. Further, the management regularly assess each class of trade receivables for recoverability. Provision for ECL is adjusted considering the recovery trends noted for the respective class, adjusted for forward looking estimates. Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis the ongoing communications with the respective parties and is therefore considered as a key audit matter.	Our audit procedures included, but were not limited to the following: • We obtained an understanding of the management process for segregating receivables into appropriate groups, computation of average historical loss rate by age-band and adjustments made to historical loss rates (if any). • We assessed and tested the design and operating effectiveness of controls around management's assessment of the recoverability of trade receivables and corresponding provisioning for ECL. Also, evaluated the controls over the modelling process, validation of data and related approvals. • We obtained from the management of the Group, detailed assessment, including computation, of the ECL. • We audited the underlying data and assessed reasonableness of the assumptions used for each age-band of trade receivables. • We analyzed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss provision. • We obtained the details of receivables specifically identified by the management for provisioning, over and above the ECL, and corroborated them from the ageing schedule and held discussions with management on their recoverability. • We assessed the appropriateness of disclosures made by the management for the ECL recognized in accordance with applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

9. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

10. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated

financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

11. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

12. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

14. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its associates and joint ventures, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

18. We did not audit the financial statements of twenty subsidiaries, whose financial statements reflects total assets of ₹ 12,420.4 million, total revenues of ₹ 8,709.4 million, total net loss after tax ₹ 157.1 million, total comprehensive loss ₹ 3.97 million and net cash inflows amounting to ₹ 1,279.1 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 21.4 million for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of two associates and two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

19. The audit of consolidated financial results for the year ended 31 March 2020 included in the statement was carried out and reported by predecessor auditor Walker Chandiok & Co LLP, Chartered Accountants, who have expressed modified opinion vide their audit report dated 29 June 2020, whose report has been furnished to us and which has been relied upon by us for the purpose of our audit of the statement. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

20. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:

    a) we have sought and except for the matter described in paragraph 4 of the Basis of Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the effects and possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section with respect to the financial statements of the Holding Company, Siti Prime Uttaranchal Communication Private Limited, Central Bombay Cable Network Limited, Indian Cable Net Company Limited, Siti Jind Digital Media Communications Private Limited, Siti Siri Digital Network Private Limited, Siti Vision Digital Media Private Limited and Siti Saistar Digital Media Private Limited, subsidiaries of the Holding Company respectively;

c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) except for the effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

e) the matter described in paragraph 6 of the Material Uncertainty Related to Going Concern section, in our opinion, may have an adverse effect on the functioning of the Group;

f) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies covered under the Act, are disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;

g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion section with respect to the Holding Company and subsidiary companies, namely, Siti Prime Uttaranchal Communication Private Limited, Central Bombay Cable Network Limited, Indian Cable Net Company Limited, Siti Jind Digital Media Communications Private Limited, Siti Siri Digital Network Private Limited, Siti Vision Digital Media Network Private Limited and Siti Saistar Digital Media Private Limited;

h) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II'; and

i) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures:

   i) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as detailed in Note 41 to the consolidated financial statements;

   ii) the Holding Company, its associates and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021; and

   iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, during the year ended 31 March 2021.

For **DNS & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 006956C

Sumant Sahni
Partner
Membership No. 502945
UDIN- 21502945AAAAAG3500

Place: Noida
Date: 25 June 2021

Annexure I Independent Auditor's Report

To the members of SITI Networks Limited on the consolidated financial statements for the year ended 31 March 2021

List of entities included in the Consolidated Financial Statements

Subsidiaries

1. Central Bombay Cable Network Limited
2. Indian Cable Net Company Limited
3. Master Channel Community Network Private Limited
4. Siti Networks India LLP
5. Siti Broadband Services Private Limited
6. Siti Faction Digital Private Limited
7. Siti Global Private Limited
8. Siti Guntur Digital Network Private Limited
9. Siti Jai Maa Durgee Communications Private Limited
10. Siti Jind Digital Media Communications Private Limited
11. Siti Jony Digital Cable Network Private Limited
12. Siti Krishna Digital Media Private Limited
13. Siti Maurya Cable Net Private Limited
14. Siti Prime Uttaranchal Communication Private Limited
15. Siti Sagar Digital Cable Network Private Limited
16. Siti Saistar Digital Media Private Limited
17. Siti Siri Digital Network Private Limited
18. Siti Vision Digital Media Private Limited
19. Siticable Broadband South Limited
20. Variety Entertainment Private Limited
21. Indinet Service Private Limited
22. Siti Karnal Digital Media Network Private Limited
23. E-Net Entertainment Private Limited

Joint Ventures

1. Wire And Wireless Tisai Satellite Limited
2. Paramount Digital Media Services Private Limited

Associates

1. Voice Snap Services Private Limited
2. C&S Medianet Private Limited

Annexure II Independent Auditor's Report

On the Internal Financial Controls with reference to Financial Statements under clause (I) of sub-section 3 of Section 143 of the Companies Act, 2013 ('The Act')

1. In conjunction with our audit of the consolidated financial statements of SITI Networks Limited ('the Holding Company') and its subsidiaries, (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and those charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

8. According to the information and explanations given to us and based on our audit and consideration of the reports of the other auditors on internal financial controls with reference to the financial statements of the subsidiaries companies, the following material weakness has been identified in the operating effectiveness of the internal financial controls with reference to the financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act as at 31 March 2021:

   a) The internal financial controls over preparation of financial statements with respect to presentation and disclosure of 'Revenue from operations' in accordance with the requirement of Ind AS 115 'Revenue from contracts with customers', were not operating effectively which has resulted in a material misstatement in the amounts recognised as 'Revenue from operations' and 'Pay channel, carriage sharing and related costs' including the relevant disclosures in the consolidated the relevant disclosures in the consolidated financial statements, while there is no impact on the net loss for the year ended 31 March 2021.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, associate companies and joint venture companies, the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI , and except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021.

11. The impact of material weakness identified and reported above has been considered in determining the nature, timing and extent of audit tests applied in the audit of the financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act as at and for the year ended 31 March 2021, and the material weakness as mentioned in paragraph 8 above, has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the consolidated financial statements.

Other Matter

12. We did not audit the internal financial controls with reference to financial statements insofar as it related to twenty subsidiaries, which are companies covered under the Act, whose financial statements reflect total assets ₹ 12,420.4 million and net assets of ₹ 3,554.2 million as at 31 March 2021, total revenues of ₹ 8,709.4 million and net cash flows amounting to ₹ 1,279.1 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 21.4 million for the year ended 31 March 2021 in respect of two associate companies and one joint venture, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, associate companies and joint venture companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, associate companies and joint venture companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **DNS & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 006956C

Sumant Sahni
Partner
Membership No. 502945
UDIN- 21502945AAAAAG3500

Place: Noida
Date: 25 June 2021

Consolidated Balance Sheet

as at March 31, 2021

(₹ in million)

	Note	As at March 31, 2021	As at March 31, 2020 (Restated)	As at April 01, 2019 (Restated)
ASSETS				
Non-current assets				
a) Property, plant and equipment	4	9,707.84	11,831.11	14,079.44
b) Capital work-in-progress	4	547.84	580.13	948.01
c) Investment Property	5	649.85	660.74	658.53
d) Goodwill	6	486.38	485.52	485.52
e) Other intangible assets	6	1,518.60	2,098.66	2,397.94
f) Intangible assets under development	4	4.18	11.07	46.47
g) Investments in joint ventures and associates	7A	40.58	95.29	49.74
h) Financial assets				
i) Investments	7B	84.37	105.81	98.84
ii) Other financial assets	8	238.13	307.87	459.84
i) Deferred tax asset (net)	20	124.77	65.29	20.12
j) Other non-current assets	9	191.08	168.00	127.37
		13,593.62	**16,409.49**	**19,371.82**
Current assets				
a) Inventories	10	20.80	13.49	18.02
b) Financial assets				
i) Trade receivables	11	2,318.37	3,001.99	3,818.00
ii) Cash and cash equivalents	12	1,114.03	1,757.64	715.67
iii) Bank balances other than (ii) above	13	36.61	20.86	65.40
iv) Other financial assets	14	345.46	1,062.54	1,745.69
c) Current tax assets (net)		128.63	109.53	81.84
d) Other current assets	15	1,062.32	1,433.94	2,203.74
		5,026.22	**7,399.99**	**8,648.36**
Total assets		**18,619.84**	**23,809.48**	**28,020.18**
EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	16 (a)	872.67	872.67	872.67
b) Other equity	16 (b)	(3,319.41)	(920.63)	1,105.35
Equity attributable to owners of the parent (a+b)		**(2,446.74)**	**(47.96)**	**1,978.02**
c) Non controlling-interest		910.16	927.89	1,047.06
		(1,536.58)	**879.93**	**3,025.08**
LIABILITIES				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	17	2,151.25	4,230.17	7,423.85
ii) Other financial liabilities	18	523.14	997.17	1,009.36
b) Provisions	19	118.69	103.78	92.37
c) Deferred tax liabilities (net)	20	9.02	58.87	204.03
d) Other non-current liabilities	21	35.00	42.57	43.07
		2,837.10	**5,432.56**	**8,772.68**
Current liabilities				
a) Financial liabilities				
i) Borrowings	22	1,425.23	1,290.71	1,619.00
ii) Trade payables				
(A) total outstanding dues of micro enterprises and small enterprises	23	11.31	10.03	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	23	6,430.72	7,368.33	6,463.47
iii) Other financial liabilities	24	8,449.75	7,659.39	6,727.20
b) Other current liabilities	26	955.28	1,141.87	1,399.71
c) Provisions	25	47.03	26.66	13.04
		17,319.32	**17,496.99**	**16,222.42**
Total equity and liabilities		**18,619.84**	**23,809.48**	**28,020.18**

The accompanying notes are an integral part of these consolidated financial statements.
This is the consolidated balance sheet referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Place : Noida
Date : June 25, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in million)

	Note	Year ended March 31, 2021	Year ended March 31, 2020 (Restated)
Income			
Revenue from operations	27	15,369.20	16,083.59
Other income	28	173.10	167.11
Total income		**15,542.30**	**16,250.70**
Expenses			
Cost of materials consumed		18.97	6.78
Purchase of stock-in-trade		8.35	8.36
Pay channel, carriage sharing and related costs		8,606.98	8,540.82
Employee benefits expense	29	696.39	751.05
Finance costs	30	1,262.96	1,576.92
Depreciation and amortisation expenses	31	3,490.38	3,457.04
Other expenses	32	3,615.83	3,657.20
Total expenses		**17,699.86**	**17,998.17**
Loss before share of loss of associates and joint ventures, exceptional items and tax		**(2,157.56)**	**(1,747.47)**
Share of profit/(loss) of associates and joint ventures		21.42	10.33
Loss before exceptional items and tax		**(2,136.14)**	**(1,737.14)**
Exceptional items	51	296.87	501.75
Loss before tax		**(2,433.01)**	**(2,238.89)**
Tax expense			
Current tax		84.56	89.08
Deferred tax	20	(103.38)	(186.81)
Loss for the year		**(2,414.19)**	**(2,141.16)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	35	(0.99)	(12.43)
Total comprehensive income for the period (including non-controlling interest)		**(2,415.18)**	**(2,153.59)**
Net loss attributable to:			
A Owners of the parent		(2,396.11)	(2,022.70)
B Non-controlling interest		(18.08)	(118.46)
Other comprehensive income attributable to:			
A. Owners of the parent		(2.67)	(10.48)
B. Non-controlling interest		1.68	(1.95)
Total comprehensive income attributable to:			
A. Owners of the parent		(2,398.78)	(2,033.18)
B. Non-controlling interest		(16.40)	(120.41)
Earnings/(Loss) per share			
Basic and diluted loss per share	33	(2.75)	(2.32)

The accompanying notes are an integral part of these consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Place : Noida
Date : June 25, 2021

Consolidated Cash Flow Statement

for the year ended March 31, 2021

(₹ in million)

	March 31, 2021	March 31, 2020 (Restated)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	**(2,433.02)**	**(2,238.88)**
Adjustment for:		
Depreciation and amortisation expenses	3,490.35	3,457.04
Interest income on bank deposits	(38.43)	(47.18)
Excess provisions written back	(87.47)	(24.86)
Share of (profit)/loss of associates and joint ventures	(21.42)	(10.33)
Loss/(profit) on sale of property, plant and equipment, and other intangible assets (net)	8.52	25.11
Interest expense for borrowings at amortised cost	1,225.19	1,499.20
Interest expense on lease liabilities	2.71	3.75
Bad debts written off	48.72	27.51
Unrealised foreign exchange loss/(gain)	24.23	25.97
Provision for doubtful debts	83.91	220.58
Provision for doubtful advances	1.81	0.03
Measurement of investment (non current, financial assets) at fair value through profit and loss	-	(6.96)
Effect of recognising other expense on security deposit as per effective interest method	(0.83)	3.31
Measurement of financial assets and financial liabilities at amortised cost	-	(2.90)
Exceptional items	296.87	501.75
Operating profit before working capital changes	**2,601.14**	**3,433.14**
Adjustments for changes in:		
Decrease/(increase) in trade receivables	550.99	125.10
Decrease in other finance current and non-current assets	568.63	135.88
Decrease/(increase) in other current and non-current assets	66.46	556.97
(Increase)/decrease in inventories	(7.31)	4.50
Increase in other financial liabilities	121.89	26.87
Increase in employee benefit obligations	31.03	15.16
Decrease in other current and non-current liabilities	(194.16)	(52.57)
(Decrease)/Increase in trade payables	(932.06)	991.20
Cash generated from operations	**2,806.61**	**5,236.25**
Income taxes received/paid	186.65	(194.30)
Net cash flows from operating activities	**2,993.26**	**5,041.95**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, and intangibles assets	(1,492.93)	(1,173.94)
Proceeds from sale of property, plant and equipment, and intangible assets	3.37	649.14
Purchase of investments (non-current, financial assets)	-	(35.22)
Sale of investment (current and non-current, financial assets)	97.56	-
Interest received	38.02	32.35
Margin money deposits and bank deposits made and matured (net)	(37.30)	106.32
Net cash flow used in investing activities	**(1,391.28)**	**(421.35)**

(₹ in million)

	March 31, 2021	March 31, 2020 (Restated)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from borrowings (current, financial liabilities) (net)	134.41	(223.50)
Proceeds from borrowings (non-current, financial liabilities)	-	80.00
Repayment of borrowings (non-current, financial liabilities)	(1,767.45)	(2,442.28)
Repayment of lease liabilities	(9.50)	(11.15)
Interest paid	(603.05)	(981.71)
Net cash flow used in financing activities	**(2,245.59)**	**(3,578.64)**
Net increase/(decrease) in cash and cash equivalents	(643.61)	1,041.96
Cash and cash equivalents at the beginning of the year	1,757.64	715.67
Cash and cash equivalents at the end of the year	1,114.03	1,757.64

Notes:

	As at March 31, 2021	As at March 31, 2020
a. Cash and cash equivalents include (refer note 12):		
Cash on hand	25.97	26.49
Balances with banks on current accounts	555.82	779.27
Cheques and drafts on hand	138.34	506.31
Deposits with maturity of upto three months	393.90	445.57
	1,114.03	**1,757.64**

b. Amendment to Ind AS 7:

The non-cash changes in liabilities arising from financing activities pertains to impact of fair value changes and foreign exchange fluctuations which are considered to be insignificant.

c. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statement of Cash Flows".

d. Figures in brackets indicate Cash Outflow.

e. Purchase of property, plant and equipment and intangible assets includes movements of capital work-in-progress, intangible assets under development and payables for property, plant and equipment during the year.

This is the consolidated cash flow statement referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Place : Noida
Date : June 25, 2021

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Essel GROUP

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

A Equity share capital (including forfeited equity shares)

(₹ in million)

	Amount
Balance as at April 01, 2019	**872.67**
Issued during the year	-
Balance as at March 31, 2020	**872.67**
Issued during the year	-
Balance as at March 31, 2021	**872.67**

B Other equity

(₹ in million)

	Reserves and surplus*			Other components of equity *			Total other equity	Equity attributable to owners of the parent	Non controlling-interest	Total equity
	Securities premium	Retained earnings	General reserve	Other comprehensive Income	Foreign currency monetary item translation difference account (FCMITDA)	Employee share based payments reserve				
Balance as at April 01, 2018	**16,017.37**	**(13,524.31)**	**3.23**	**5.01**	**13.81**	**42.18**	**2,557.29**	**3,429.96**	**1,160.33**	**4,590.29**
Loss for the year	-	(2,661.94)	-	-	-	-	(2,661.94)	(2,661.94)	19.11	(2,642.83)
Impact of depreciation on assets due to change in useful life	-	-	-	-	-	-	-	-		-
Remeasurement of defined benefit liability	-	-	-	(1.91)	-	-	(1.91)	(1.91)	(0.27)	(2.18)
Total comprehensive income for the year	**-**	**(2,661.94)**	**-**	**(1.91)**	**-**	**-**	**(2,663.85)**	**(2,663.85)**	**18.84**	**(2,645.01)**
Adjustment on adoption of Ind AS 115 (Refer Note 3(f))	-	1,228.02	-	-	-	-	1,228.02	1,228.02	(132.11)	1,095.91
FCMITDA created during the year	-	-	-	-	(47.62)	-	(47.62)	(47.62)	-	(47.62)
FCMITDA expensed during the year	-	-	-	-	33.81	-	33.81	33.81	-	33.81
Employee share based payments reserve reversed	-	-	-	-	-	(0.15)	(0.15)	(0.15)	-	(0.15)
Adjustment on account of restatement	-	(2.15)	-	-	-	-	(2.15)	(2.15)	-	(2.15)
Balance as at March 31, 2019	**16,017.37**	**(14,960.38)**	**3.23**	**3.10**	**0.00**	**42.03**	**1,105.35**	**1,978.02**	**1,047.06**	**3,025.08**
Balance as at April 01, 2019	**16,017.37**	**(14,960.38)**	**3.23**	**3.10**	**0.00**	**42.03**	**1,105.35**	**1,978.02**	**1,047.06**	**3,025.08**
Loss for the year	-	(2,022.71)	-	-	-	-	(2,022.71)	(2,022.71)	(118.46)	(2,141.16)
Remeasurement of defined benefit liability	-	-	-	(10.49)	-	-	(10.49)	(10.49)	(1.95)	(12.43)
Total comprehensive income for the year	**-**	**(2,022.71)**	**-**	**(10.49)**	**-**	**-**	**(2,033.20)**	**(2,033.20)**	**(120.40)**	**(2,153.59)**
Adjustment of previous year MAT entitlement	-	6.17	-	-	-	-	6.17	6.17	2.28	8.45
Other adjustment	-	1.04	-	-	-	-	1.04	1.04	(1.04)	-
Balance as at March 31, 2020	**16,017.37**	**(16,975.88)**	**3.23**	**(7.39)**	**-**	**42.03**	**(920.63)**	**(47.96)**	**927.89**	**879.93**
Balance as at April 01, 2020	**16,017.37**	**(16,975.88)**	**3.23**	**(7.39)**	**0.00**	**42.03**	**(920.63)**	**(47.96)**	**927.89**	**879.93**
Loss for the year	-	(2,396.11)	-	-	-	-	(2,396.11)	(2,396.11)	(18.08)	(2,414.20)
Remeasurement of defined benefit liability	-	-	-	(2.67)	-	-	(2.67)	(2.67)	1.68	(0.99)
Other adjustment	-	-	-	-	-	-	-	-	(1.32)	(1.32)
Total comprehensive income for the year	**-**	**(2,396.11)**	**-**	**(2.67)**			**(2,398.78)**	**(2,398.78)**	**(17.72)**	**(2,416.51)**
Balance as at March 31, 2021	**16,017.37**	**(19,371.99)**	**3.23**	**(10.06)**	**0.00**	**42.03**	**(3,319.41)**	**(2,446.74)**	**910.16**	**(1,536.58)**

** refer note 16(b)*

The accompanying notes are an integral part of these consolidated financial statements.
This is the consolidated statement of change in equity referred to in our report of even date

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Place : Noida
Date : June 25, 2021

Summary of Significant Accounting Policies and Other Explanatory Information

for the year ended March 31, 2021

1 Nature of operations

SITI Networks Limited (hereinafter referred to as the 'Company' or 'SNL' or 'Holding Company') was incorporated in the state of Maharashtra, India. The Company, its subsidiaries, joint ventures and associates (collectively known as the 'Group') are engaged in distribution of television channels through digital cable distribution network and allied services.

Effective February 01, 2019, the revised regulatory framework (hereinafter referred to as 'Tariff Order 2017') released in March 2017 by the Telecom Regulatory Authority of India ('TRAI') for digital television services is applicable on the Group. Further, effective March 01, 2020, amendments to the existing regulatory framework (hereinafter referred to as "New Tariff Order 2020" released in January 2020 by TRAI is applicable on the Group

2 General information

SNL, is a public company incorporated and domiciled in India. Its registered office is at Unit no. 38, 1st Floor, A wing Madhu Industrial Estate, Pandurang Budhkar Marg, Worli, Mumbai 400013, India. The Company's shares are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

3 Summary of significant accounting policies and other explanatory information

a) Overall consideration and basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act').

These consolidated financial statements have been prepared and presented under the historical cost convention except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period as stated in the accounting policies below.

These consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These accounting policies have been used consistently throughout all periods presented in these consolidated financial statements except as mentioned in note (r) below.

The consolidated financial statements have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on June 25, 2021.

The Group continued to incur losses during the year ended March 31, 2021 and had negative working capital as at March 31, 2021. As at March 31, 2021, there are instances of delays in payments of obligations and borrowings, but in view of the management, the expected revenue growth and improvement in operating margins under the Tariff Order 2017, and other likely mitigating factors such as continued endeavour to secure additional funds by the Company/its subsidiaries besides on-going discussions with the lenders for debt restructuring, for which revised debt repayment plans are being submitted to the lenders, and continuous dialogue with its vendors, these consolidated financial statements for the year ended March 31, 2021 continue to be prepared on a going concern basis.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the aquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

b) Principles of consolidation

The consolidated financial statements consolidates the financial statements of the Holding Company and its subsidiaries. All the group companies have reporting date of March 31.

Subsidiaries are all entities over which the Company exercises control. The Company exercises control if and only if it has the following:

a) power over the entity

b) exposure, or rights, to variable returns from its involvement with the entity; and

c) the ability to use its power over the entity to affect the amount of its returns.

The Company reassesses, whether it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of the financial statements of subsidiaries begins on the date control is established.

In preparing the consolidated financial statements, financial statements of the Holding company and its subsidiaries have been combined on a line by line basis by adding the book values of the line items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

c) Investments in Associates and Joint Ventures

An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group accounts for its interest in joint venture using the equity method, after initially being recognised at cost in the consolidated balance sheet. Goodwill arising on the acquisition of joint venture is included in the carrying value of investments in joint venture. Investments in associates are accounted for using the equity method. Goodwill arising on the acquisition of associates is included in the carrying value of investments in associate.

Under the equity method of accounting applicable for investments in associates and joint ventures, investments are initially recorded at the cost to the Group and then, in subsequent periods, the carrying value is adjusted to reflect the Group's share of the post acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee.

The consolidated statement of profit and loss include the Group's share of associate's results.

If the Group's share of losses in an associate or a joint venture equals or exceeds its interests in the associate or joint venture, the Group discontinues recognition of further losses. Additional losses are provided for, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate/joint venture. Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

d) Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method.

The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

e) Foreign currency translation

Functional and presentation currency

These consolidated financial statements are presented in currency Indian Rupee (₹), which is also the functional currency of the Group.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

f) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the Group and it can be reliably measured.

Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Group applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

Revenue from rendering of services

Subscription income and support and service charges is recognised on completion of services and when no significant uncertainty exists regarding the amount of consideration that will be derived.

Other networking and management income and carriage income are recognised on accrual basis as per the terms of related agreements and when no significant uncertainty exists regarding the amount of consideration that will be derived. Carriage revenue recognition is done basis negotiations/ formal agreement with broadcasters.

Advertisement income is recognised when the related advertisement gets telecasted and when no significant uncertainty exists regarding the amount of consideration that will be derived. Other advertisement revenue for slot sale is recognised on period basis.

The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' with effect from April 01, 2018.

Pursuant to notification of Ind AS 115 and its adoption by the Group, the activation and set-top box pairing service doesn't qualify as a separate performance obligation and provides no material right to the customers. Such service does not extend beyond the initial contract period and has been recognised over the same. The Group has elected to recognise cumulative effect of initially applying Ind AS 115 under modified retrospective approach as an adjustment to opening balance sheet as at April 01, 2018 on the contracts that are not completed as at that date.

Income from rendering technical services and broadband services are recognised on accrual basis.

Revenue from sale of set top box (STBs) & viewing cards (VCs)

Revenue from sale of goods is recognised when the significant risks and rewards in respect of ownership of the goods are transferred to the buyer, usually on delivery of the goods and when no uncertainty exists regarding the amount of consideration that will be derived. The Group collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

Interest

Interest income is reported on an accrual basis using the effective interest method.

g) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the related service or as incurred.

h) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing cost is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to profit or loss as incurred.

i) **Property, plant and equipment**

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (net of CENVAT/GST credit availed), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted.

Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

All other repair and maintenance costs are recognised in consolidated statement of profit or loss as incurred.

Set top boxes are treated as part of capital work in progress till the end of the month of activation thereof post which the same are capitalised.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives

	Life in years
Buildings	60
Plant and equipment (including ground network)	8
Furniture and fixtures	10
Studio equipment	13
Computers	3
Vehicles	8
Office equipment	5
Air conditioners	5
Set top boxes	8
Integrated receiver and decoder (IRD) boxes	10

Leasehold improvements are amortised over their lease term or estimated useful lives, whichever is less.

Leasehold land is amortised over the effective period of lease.

Plant and equipment taken over under scheme of arrangement in the earlier years are depreciated over the management's estimate of remaining useful life, a period of 5 years.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition (calculated as the difference between the net disposal proceeds and its carrying amount) is included in the profit or loss when the respective asset is derecognised.

j) **Intangible assets**

Recognition and initial measurement

Intangible assets acquired separately are stated at their cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent measurement

Goodwill arising from business combination is recognised as a separate asset in the acquirer's consolidated financial statements and is not amortised but is subject to an annual impairment test.

Non compete agreement and customer relationship arising from business combination is recognised as a separate asset in the acquirer's consolidated financial statements and is amortised over the period of four years.

Goodwill is not amortised but is tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Software are amortised as per useful life mentioned the Schedule II of Companies Act.

Cost of news, current affairs, chat shows and events including sports events etc. are fully expensed on first telecast.

Program, film and cable rights are amortised on a straight-line basis over the license period or 5 years from the date of purchase, whichever is shorter.

Amortisation has been included within depreciation and amortisation of non-financial assets.

Subsequent expenditures on the maintenance of intangible assets are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the respective intangible asset, and is recognised in profit or loss.

In case of Indian Cable Net Company Limited, a subsidiary company, distribution network rights are amortized using the straight-line method over a period of ten years.

k) Investment property

Property (land or a building or part of a building or both) that is held (by the lessee under a finance lease) for long-term rental yields or for capital appreciation or both, other than for:

i) use in the production or supply of goods or services or for administrative purposes; or

ii) sale in the ordinary course of business:

is recognised as Investment property in the books.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing cost. Subsequent expenditure is capitalised to the asset carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

The management believes a period of 60 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties over a period of 60 years on a straight-line basis.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

l) Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the Statement of Comprehensive Income.

Goodwill is tested for impairment annually when circumstances indicate that the carrying value may be impaired.

m) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments and are measured initially at:

a) fair value, in case of financial instruments subsequently carried at fair value through profit or loss (FVTPL);

b) fair value adjusted for transaction costs, in case of all other financial instruments.

Subsequent measurement

Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

All other debt instruments are measured at fair value through other comprehensive income or FVTPL based on Group's business model.

Equity investments – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The classification is made on initial recognition and is irrevocable.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the EIR method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in statement profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group consider the following –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

As a practical expedient the Group has adopted 'simplified approach' for recognition of lifetime expected loss on trade receivables. The estimate is based on three years average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables at the reporting date to determine lifetime expected credit losses.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

n) Post-employment, long term and short term employee benefits

Defined contribution plans

Provident fund

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined benefit plans

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of other comprehensive income in the year in which such gains or losses are determined.

Other employee benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short term employee benefits

Short-term employee benefits, are current liabilities, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

o) Share based employee remuneration

The Group operates equity-settled share-based remuneration plans for its employees, where the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted.

This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions). All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to ESOP reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as securities premium.

p) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed when probable and recognised when realisation of income is virtually certain.

q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for the effects of mandatorily convertible instrument in compliance with Ind AS 33.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r) Leases

Policy adopted for leases from April 01, 2019

The Group has adopted Ind AS 116-Leases effective April 01, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application. Accordingly, previous period information has not been restated. The Group's lease asset classes primarily consist of leases for buildings.

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

The Group has made the following adjustments in the presentation of financial statements as a result of the adoption of Ind AS 116 at April 01, 2019:

i) ROU assets has been presented under the head property, plant and equipment.

ii) Lease liabilities has been presented under the head borrowings (non-current, financial liabilities) and other financial liabilities (current).

ii) Cash payments under operating leases, which were classified within operating activities in the statement of cash flows under earlier standard which meets the recognition under Ind AS 116, are now classified within financing activities, except for short-term leases and leases of low-value assets.

Policy adopted for leases before April 01, 2019

Where the Group is a lessee

Finance leases

Management applies judgement in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include i) the length of the lease term in relation to the economic life of the asset ii) the present value of the minimum lease payments in relation to the asset's fair value, and iii) whether the Group obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interest. If the minimum lease payments cannot be allocated reliably between the two components, entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

Where the Group is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed as incurred.

Where the Group is a lessor

Operating leases

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

s) Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are generally recognised in full, although Ind AS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Group does not recognise deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

t) Inventories

Stores and spares are valued at cost on weighted average basis or at net realisable value whichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

u) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is a multi-system operator providing cable television network services and allied services which is considered as the only reportable segment. The Group's operations are based in India.

v) Significant management judgement in applying accounting policies and estimation uncertainty

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the periods. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of these consolidated financial statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying financial statements. Any revision to accounting estimates is recognised prospectively from the period in which results are known materialise in accordance with applicable Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on the assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of non-financial assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Property, plant and equipment – Management assess the remaining useful lives and residual value of property, plant and equipment and believes that the assigned useful lives and residual value are reasonable.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

Recoverability of advances/ receivables- The management from time to time reviews the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

Defined benefit obligation- Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the defined benefit obligation amount and the annual defined benefit expenses.

Contingencies- Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies, claim, litigations etc against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Fair value measurement

The Group measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Group uses following measurement techniques:

- The fair value measurement for financial instruments where active market quotes are available is based on the quotes available in the principal market for selling the asset or transferring the liability.
- The Group uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.
- The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Refer note 37(B) for Fair Value Hierarchy.

w) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

x) Equity and reserves

Share capital represents the nominal (par) value of shares that have been issued.

Securities premium includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from securities premium, net of any related income tax benefits.

Other components of equity include the following:

Re-measurement of net defined benefit liability- comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets (refer note 35).

Retained earnings includes all current and prior period retained profits and share-based employee remuneration (refer note 16).

All transactions with owners of the parent are recorded separately within equity.

y) Recent accounting pronouncements (standards issued but not yet effective)

Ministry of Corporate Affairs ("MCA") notifies newstandards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

4 Property, plant and equipment

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Owned assets	9,692.19	11,804.96	14,079.44
Right-of-use assets	15.65	26.15	-
Total	**9,707.84**	**11,831.11**	**14,079.44**

A. Owned assets

(₹ in million)

	Buildings	Leasehold land	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Air conditioners	Studio equipment	Vehicles	Leasehold improvements	Set top boxes	IRD boxes	Total
Gross carrying amount													
Balance as at April 01, 2018	407.66	469.02	6,699.61	322.11	80.82	187.97	16.24	68.73	43.08	57.94	18,425.79	1.26	26,780.23
Additions	9.98	-	449.65	8.71	6.47	11.04	0.03	1.93	2.95	0.02	1,431.32	-	1,922.10
Disposals	-	-	27.48	-	-	4.12	-	13.52	-	-	1,744.84	-	1,789.96
Adjustment on disposal of subsidiary companies	-	-	105.16	1.95	0.70	3.95	-	-	0.40	-	687.16	-	799.32
Balance as at March 31, 2019	**417.64**	**469.02**	**7,016.62**	**328.87**	**86.59**	**190.94**	**16.27**	**57.14**	**45.63**	**57.96**	**17,425.11**	**1.26**	**26,113.05**
Additions	-	-	114.76	4.38	9.52	30.20	0.07	1.98	1.85	-	523.41	-	686.17
Disposals	13.20	-	168.96	-	3.29	0.09	-	-	18.55	-	181.53	-	385.62
Adjustment on disposal of subsidiary companies	-	-	12.65	0.15	0.78	0.51	-	-	-	0.65	101.73	-	116.47
Balance as at March 31, 2020	**404.44**	**469.02**	**6,949.77**	**333.10**	**92.04**	**220.54**	**16.34**	**59.12**	**28.93**	**57.31**	**17,665.26**	**1.26**	**26,297.13**
Additions	-	-	304.18	6.62	2.59	0.44	0.03	0.78	4.69	1.17	449.39	-	769.89
Disposals	-	-	191.39	18.11	0.30	-	0.00	-	0.79	-	104.85	-	315.44
Balance as at March 31, 2021	**404.44**	**469.02**	**7,062.56**	**321.61**	**94.33**	**220.98**	**16.37**	**59.90**	**32.83**	**58.48**	**18,009.80**	**1.26**	**26,751.58**
Accumulated depreciation													
Balance as at April 01, 2018	19.06	15.18	3,384.19	159.24	72.80	43.83	13.64	37.48	20.48	50.76	6,469.00	0.66	10,286.32
Charge for the year	5.91	7.99	530.03	15.68	6.09	16.62	0.07	1.17	4.23	-	2,406.71	-	2,994.50
Disposals	-	-	13.53	-	-	3.53	-	12.84	-	-	942.85	-	972.75
Adjustment on disposal of subsidiary companies	-	-	31.50	1.37	0.35	1.02	-	-	0.25	-	239.97	-	274.46
Balance as at March 31, 2019	**24.97**	**23.17**	**3,869.19**	**173.55**	**78.54**	**55.90**	**13.71**	**25.81**	**24.46**	**50.76**	**7,692.89**	**0.66**	**12,033.61**
Charge for the year	6.04	6.78	548.10	10.41	6.43	17.25	0.08	1.32	3.73	1.11	2,211.24	-	2,812.49
Disposals	0.31	-	152.36	-	3.12	0.07	-	-	14.49	-	155.87	-	326.22
Adjustment on disposal of subsidiary companies	-	-	2.15	0.11	0.34	0.11	-	-	-	0.28	24.72	-	27.71
Balance as at March 31, 2020	**30.70**	**29.95**	**4,262.78**	**183.85**	**81.50**	**72.96**	**13.80**	**27.13**	**13.70**	**51.59**	**9,723.54**	**0.66**	**14,492.17**
Charge for the year	15.66	6.96	549.58	10.79	7.01	18.75	0.05	2.00	3.15	2.87	2,137.72	-	2,754.54
Disposals	-	-	74.29	17.32	0.15	-	-	-	0.59	-	94.96	-	187.32
Balance as at March 31, 2021	**46.36**	**36.91**	**4,738.07**	**177.32**	**88.36**	**91.71**	**13.85**	**29.13**	**16.26**	**54.46**	**11,766.29**	**0.66**	**17,059.39**
Net carrying amount as at March 31, 2019	**392.67**	**445.85**	**3,147.43**	**155.32**	**8.05**	**135.04**	**2.56**	**31.33**	**21.17**	**7.20**	**9,732.22**	**0.60**	**14,079.44**
Net carrying amount as at March 31, 2020	**373.74**	**439.07**	**2,686.99**	**149.25**	**10.53**	**147.57**	**2.55**	**31.99**	**15.23**	**5.72**	**7,941.72**	**0.60**	**11,804.96**
Net carrying amount as at March 31, 2021	**358.08**	**432.11**	**2,324.49**	**144.29**	**5.97**	**129.27**	**2.52**	**30.77**	**16.57**	**4.02**	**6,243.50**	**0.60**	**9,692.19**

a) *Capital work-in-progress and intangible assets under development include set top boxes, viewing cards (softwares) and plant and equipment amounting to ₹ 290.95 million,₹ 4.18 million and ₹ 256.89 million respectively (March 31, 2020 ₹ 317.11 million, ₹ 11.07 million and ₹ 263.02 million; April 01, 2019 ₹ 646.25 million, ₹ 46.47 million and ₹ 301.76 million) which are yet to be installed.*

b) *For details related to assets pledged as security, refer note 44.*

c) *The Group has capitalised foreign exchange differences on long term monetary liabilities related to set top boxes amounting to ₹ Nil million (March 31, 2020 ₹ Nil million; April 01, 2019 ₹ 272.98 million).*

B. Right-of-use assets (ROU)

(₹ in million)

	Buildings	Total
Gross carrying amount		
Balance as at April 01, 2018	-	-
Addition	-	-
Disposals	-	-
Balance as at March 31, 2019	**-**	**-**
Balance as at April 01, 2019	-	-
Addition on account of transition to Ind AS - 116	35.15	35.15
Disposals	-	-
Balance as at March 31, 2020	**35.15**	**35.15**
Additions	0.79	0.79
Balance as at March 31, 2021	**35.94**	**35.94**
Accumulated depreciation		
Balance as at April 01, 2018	-	-
Charge for the year	-	-
Balance as at March 31, 2019	**-**	**-**
Balance as at April 01, 2019	-	-
Charge for the year	9.00	9.00
Balance as at March 31, 2020	**9.00**	**9.00**
Charge for the year	11.29	11.29
Balance as at March 31, 2021	**20.29**	**20.29**
Net carrying amount as at April 01, 2019	**-**	**-**
Net carrying amount as at March 31, 2020	**26.15**	**26.15**
Net carrying amount as at March 31, 2021	**15.65**	**15.65**

a. The Group has leases for office buildings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

b. Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

c. The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	Number of ROU assets leased	Range of remaining term (in years)	Number of leases with extension options	Number of leases with termination options
Buildings	33	1 - 5	-	-

d. Maturity profile of lease liabilities

Particular	March 31, 2021	March 31, 2020
0 - 1 year	7.65	11.34
1 to 5 years	6.99	10.31
More than 5 years	-	-

e. Lease payments not included in measurement of lease liability -

The expense relating to payments not included in the measurement of the lease liability is as follows:

	March 31, 2021	March 31, 2020
Short-term and leases of low value assets	125.34	148.65
Variable lease payments	-	-

f. Total cash outflow against the lease liabilities for the year ended March 31, 2021 is ₹ 9.50 million (previous year: ₹ 11.50 million) Interest on lease for the year ended March 31, 2021 liabilities is ₹ 2.71 million (previous year ₹ 3.75 million).

g. Refer note 37 for contractual maturity of lease liabilities.

5 Investment property

(₹ in million)

	Total
Gross carrying amount	
Balance as at April 01, 2018	674.51
Additions	-
Balance as at March 31, 2019	**674.51**
Additions	13.20
Balance as at March 31, 2020	**687.71**
Additions	-
Balance as at March 31, 2021	**687.71**
Accumulated depreciation	
Balance as at April 01, 2018	5.30
Charge for the year	10.68
Balance as at March 31, 2019	**15.98**
Charge for the year	10.99
Balance as at March 31, 2020	**26.97**
Charge for the year	10.89
Balance as at March 31, 2021	**37.86**
Net carrying amount as at March 31, 2019	**658.53**
Net carrying amount as at March 31, 2020	**660.74**
Net carrying amount as at March 31, 2021	**649.85**

Note a) Amount recognised in profit and loss for investment property

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Rental income derived from investment property	45.58	49.33	22.86

Note b) Refer note no. 45 for information on investment property pledged as securities by the Group.

Note c) The fair value of investment property as on March 31, 2021, March 31, 2020 and March 31, 2019 amounted to ₹ 1604.50 million ,₹ 1596.30 million and ₹ 1571.60 million, respectively, as assessed by an independent valuer.

6 Other intangible assets

(₹ in million)

	Goodwill	Goodwill on consolidation	Program, film and cable rights	Distribution network rights	Software	Non compete agreement	Customer relationships	Total
Gross carrying amount								
Balance as at April 01, 2018	463.38	287.09	50.33	1,550.00	2,735.40	5.50	25.30	5,117.00
Additions	-	-	-	-	423.43	-	-	423.43
Disposals	-	-	-	-	136.44	-	-	136.44
Adjustment on disposal of subsidiary companies	-	12.80	-	-	-	-	-	12.80
Balance as at March 31, 2019	**463.38**	**274.29**	**50.33**	**1,550.00**	**3,022.39**	**5.50**	**25.30**	**5,391.19**
Additions	-	-	-	-	325.80	-	-	325.80
Disposals	-	-	-	-	1.37	-	-	1.37
Adjustment on disposal of subsidiary companies	-	-	-	-	0.05	-	-	0.05
Balance as at March 31, 2020	**463.38**	**274.29**	**50.33**	**1,550.00**	**3,346.77**	**5.50**	**25.30**	**5,715.57**
Additions	0.86	-	-	-	152.30	-	-	153.16
Disposals	-	-	-	-	67.78	-	-	67.78
Balance as at March 31, 2021	**464.24**	**274.29**	**50.33**	**1,550.00**	**3,431.29**	**5.50**	**25.30**	**5,800.95**
Accumulated amortisation								

(₹ in million)

	Goodwill	Goodwill on consolidation	Program, film and cable rights	Distribution network rights	Software	Non compete agreement	Customer relationships	Total
Balance as at April 01, 2018	210.02	-	47.18	627.76	1,073.64	2.87	13.50	1,974.97
Charge for the year	42.13	-	-	153.71	441.30	1.38	5.97	644.49
Disposals	-	-	-	-	111.73	-	-	111.73
Balance as at March 31, 2019	**252.15**	**-**	**47.18**	**781.47**	**1,403.21**	**4.25**	**19.47**	**2,507.73**
Charge for the year	-	-	-	153.71	463.80	1.25	5.83	624.59
Disposals	-	-	-	-	0.89	-	-	0.89
Adjustment on disposal of subsidiary companies	-	-	-	-	0.04	-	-	0.04
Balance as at March 31, 2020	**252.15**	**-**	**47.18**	**935.18**	**1,866.08**	**5.50**	**25.30**	**3,131.39**
Charge for the year	-	-	-	153.71	559.95	-	-	713.66
Disposals	-	-	-	-	49.08	-	-	49.08
Balance as at March 31, 2021	**252.15**	**-**	**47.18**	**1,088.89**	**2,376.95**	**5.50**	**25.30**	**3,795.97**
Net carrying amount as at March 31, 2019	**211.23**	**274.29**	**3.15**	**768.53**	**1,619.18**	**1.25**	**5.83**	**2,883.46**
Net carrying amount as at March 31, 2020	**211.23**	**274.29**	**3.15**	**614.82**	**1,480.69**	**-**	**-**	**2,584.18**
Net carrying amount as at March 31, 2021	**212.09**	**274.29**	**3.15**	**461.11**	**1,054.34**	**-**	**-**	**2,004.98**

Net book value

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Goodwill	486.38	485.52	485.52
Other intangible assets	1,518.60	2,098.66	2,397.94
Total	**2,004.98**	**2,584.18**	**2,883.46**

7A Investments in joint ventures and associates

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Investment in equity shares (trade, unquoted)			
Investment in associates			
Nil (March 31,2020: 6,667; April 01,2019: 6,667) equity shares of ₹ 10 each fully paid up of Voice Snap Services Private Limited	-	51.12	51.12
Add: Share in profit /(loss)	-	10.28	(1.38)
4,800 (March 31,2020: 4,800; April 01,2019: 4,800) equity shares of ₹ 10 each fully paid up of C&S Medianet Private Limited	0.05	0.05	0.05
Add: Share in loss	(0.05)	(0.05)	(0.05)
Investment in Joint ventures			
25,500 (March 31,2020: 25,500; April 01,2019: 25,500) equity shares of ₹ 10 each fully paid up of Wire and Wireless Tisai Satellite Limited	0.26	0.26	0.26
Add: Share in loss	(0.26)	(0.26)	(0.26)
10,000 (March 31,2020: 10,000; April 01,2019: 10,000) equity shares of ₹ 10 each fully paid up of Paramount Digital Media Services Private Limited	35.27	35.27	-
Add: Share in profit and loss and other adjustment	5.31	(1.38)	-
	40.58	**95.29**	**49.74**

7B Investment other than investment in joint ventures entities and associates

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Investment in equity shares (trade, unquoted)			
480 (March 31,2020: 480; April 01,2019: 480) equity shares of ₹ 100 each fully paid up of Master Ads Private Limited	0.05	0.05	0.05
9,500 (March 31,2020: 9,500; April 01,2019: 9,500) equity shares of ₹10 each fully paid up of Dakshin Communications Private Limited	1.77	1.77	1.77
3,000 (March 31,2020: 3,000; April 01,2019: 3,000) equity shares of ₹10 each fully paid up of Centre Channel Private Limited	0.23	0.23	0.23
Less: Aggregate amount of impairment in value of investments	(2.05)	(2.05)	(2.05)
1,25,000 (March 31, 2020: 1,25,000; April 01, 2019: 1,25,000) equity shares of ₹ 10 each fully paid up of Axom Communications & Cable Private Limited	84.37	105.81	98.84
	84.37	**105.81**	**98.84**
	124.95	**201.10**	**148.58**
Aggregate amount of unquoted investments	127.00	203.15	150.63
Aggregate amount of impairment in value of investments	2.05	2.05	2.05

8 Other financial assets (non-current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Unsecured, considered good			
Margin money deposit (pledged)	188.56	167.00	345.48
Security deposits	49.57	140.87	114.36
	238.13	**307.87**	**459.84**

9 Other non-current assets (non-financial)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Unsecured, considered good			
Prepaid expenses	6.10	11.18	0.29
Capital advances	24.90	0.56	3.99
Other advances to vendors	26.62	25.78	30.03
Balance with Government authorities (paid under protest)	133.46	130.48	93.06
	191.08	**168.00**	**127.37**

10 Inventories

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Stores and spares	20.80	13.49	18.02
	20.80	**13.49**	**18.02**

11 Trade receivables

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Trade receivable - considered good unsecured	2,318.37	3,001.99	3,818.00
Trade receivable - credit impaired	3,789.36	3,860.78	3,589.94
Less: Allowance for expected credit loss	(3,789.36)	(3,860.78)	(3,589.94)
	2,318.37	**3,001.99**	**3,818.00**

(i) For amounts due and terms and conditions relating to related party receivables, see note 38.

(ii) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. No trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

12 Cash and cash equivalents

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Cash on hand	25.97	26.49	199.72
Balances with banks on current accounts	555.82	779.27	257.01
Cheques and drafts on hand	138.34	506.31	32.08
Deposits with maturity of upto three months	393.90	445.57	226.86
	1,114.03	**1,757.64**	**715.67**

13 Bank balances other than cash and cash equivalents above

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
-Deposits with original maturity of more than 3 but less than 12 months	36.61	20.86	65.40
	36.61	**20.86**	**65.40**

14 Other financial assets (current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Unsecured, considered good			
Amounts recoverable	96.82	551.00	1,200.14
Interest accrued and not due on fixed deposits	21.36	44.48	29.64
Unbilled revenues	227.28	467.06	465.91
Security deposits	-	-	50.00
	345.46	**1,062.54**	**1,745.69**

15 Other current assets (non-financial)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Unsecured, considered good unless otherwise stated			
Balances with Government authorities	608.34	999.20	14,44.08
Prepaid expenses	68.94	69.03	37.56
Amount recoverable			
- Considered good	350.04	360.71	722.10
- Considered doubtful	611.80	569.21	569.21
Less: Impairment allowance	(611.80)	(569.21)	(569.21)
Security Deposits	35.00	5.00	-
	1,062.32	**1,433.94**	**2,203.74**

16 (a) Equity share capital

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Authorised share capital			
1,290,000,000 (March 31, 2020; 1,290,000,000; April 01, 2019; 1,290,000,000) equity shares of ₹ 1 each	1,290.00	1,290.00	1,290.00
10,000,000 (March 31, 2020; 10,000,000; April 01, 2019; 10,000,000) preference shares of ₹ 1 each	10.00	10.00	10.00
Total authorised capital	**1,300.00**	**1,300.00**	**1,300.00**
Issued share capital			
873,280,971 (March 31, 2020; 873,280,971; April 01, 2019; 873,280,971) equity shares of ₹ 1 each	873.28	873.28	873.28
Less: Forfeited shares 1,227,123 (March 31, 2020; 1,227,123; April 01, 2019; 1,227,123) equity shares of ₹ 1 each	(1.23)	(1.23)	(1.23)
23,436 (March 31, 2020; 23,436; April 01, 2019; 23,436) 7.25% Non-cumulative redeemable preference shares of ₹ 1 each	0.02	0.02	0.02
Total issued capital	**872.07**	**872.07**	**872.07**
Subscribed and fully paid up capital			
872,053,848 (March 31, 2020; 872,053,848; April 01, 2019; 872,053,848) equity shares of ₹ 1 each fully paid up	872.05	872.05	872.05
Total paid up capital	**872.05**	**872.05**	**872.05**
Forfeited equity shares 1,227,123 (March 31, 2020; 1,227,123; April 01, 2019; 1,227,123) equity shares of ₹ 1 each	0.62	0.62	0.62
	872.67	**872.67**	**872.67**

(A) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

There is no movement in equity share capital during current and previous year.

Preference shares

There is no movement in preference share capital during current and previous year.

(B) Terms/rights attached to:

Equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

The Company has only one class of 7.25% Non-cumulative redeemable preference shares of ₹ 1 each. The said preference shares were allotted to Zee Telefilms Limited (now Zee Entertainment Enterprises Limited) on December 29, 2006, pursuant to the scheme of arrangement for demerger of cable business undertaking of Zee Telefilms Limited approved by the Hon'ble Bombay High Court vide its order dated November 17, 2006. Initially, as per the terms of the issue and allotment, the said preference shares were due for redemption on December 29, 2008. However, with the written consent/approval of Zee Entertainment Enterprises Limited, the terms of the issue of said preference shares was varied by extending the period of redemption by another three years i.e. till December 29, 2011. Later on June 6, 2011 these shares were transferred to Churu Enterprises LLP by Zee Entertainment Enterprises Limited.

Period for redemption of preference shares was extended by a period of five years till December 29, 2016 which has been further extended for period of five years till December 29, 2021 by Churu Enterprises LLP. The preference shares are redeemable at par.

In the event of liquidation of the Company, the holders of preference shares will have priority over equity shares in the payment of dividend and repayment of capital. These instruments are accounted for as liability in accordance with the Ind AS.

(C) Details of shareholders holding more than 5% shares in the Company

(₹ in million)

Equity shares	As at March 31, 2021		As at March 31, 2020		As at April 01, 2019	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Bioscope Cinemas Private Limited	-	-	11,20,08,946	12.84%	11,20,08,946	12.84%
Direct Media Solutions LLP	-	-	12,10,00,000	13.88%	12,10,00,000	13.88%
Digital Satellite Holdings Private Limited	-	-	15,10,45,816	17.32%	15,10,45,816	17.32%
Direct Media and Cable Private Limited	-	-	8,57,14,285	9.83%	8,57,14,285	9.83%
Morgan Stanley Asia (Singapore) Pte	5,63,93,310	6.47%	5,63,93,310	6.47%	-	-
Housing Development Finance Corporation Limited	9,43,86,000	10.82%	-	-	-	-
L & T Finance Limited	5,73,83,732	6.58%	-	-	-	-

(₹ in million)

Preference shares	As at March 31, 2021		As at March 31, 2020		As at April 01, 2019	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Churu Enterprises LLP	23,436	100%	23,436	100%	23,436	100%

(D) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Group, refer note 36.

(E) No shares were issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue or brought back during the current and last 5 years.

16 (b) Other equity

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Securities premium	16,017.37	16,017.37	16,017.37
Retained earnings	(19,371.99)	(16,975.88)	(14,960.38)
General reserve	3.23	3.23	3.23
Other comprehensive Income	(10.06)	(7.39)	3.10
Employee share based payment reserve	42.03	42.03	42.03
	(3,319.41)	**(920.63)**	**1,105.35**

A Notes:

(₹ in million)

		As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
1	**Securities premium**			
	Opening balance	16,017.37	16,017.37	16,017.37
	Addition during the year	-	-	-
	Closing balance	**16,017.37**	**16,017.37**	**16,017.37**
2	**Retained earnings**			
	Opening balance	(16,975.88)	(14,960.38)	(13,524.31)
	Adjustment on account of restatement	-	1.04	(2.15)
	Adjustment on adoption of Ind AS 115 (Refer Note 3(f))	-	-	1,228.02
	Adjustment of previous year MAT entitlement	-	6.17	-
	Addition during the year	(2,396.11)	(2,022.71)	(2,661.94)
	Closing balance	**(19,371.99)**	**(16,975.88)**	**(14,960.38)**
3	**General reserve**			
	Opening balance	3.23	3.23	3.23
	Addition during the year	-	-	-
	Closing balance	**3.23**	**3.23**	**3.23**
4	**Other comprehensive income**			
	Opening balance	(7.39)	3.10	5.01
	Addition during the year	(2.67)	(10.49)	(1.91)
	Closing balance	**(10.06)**	**(7.39)**	**3.10**
5	**Foreign currency monetary item translation difference account (FCMITDA)**			
	Opening balance	-	-	13.81
	Addition during the year	-	-	(47.62)
	Amortised during the year	-	-	33.81
	Closing balance	**-**	**-**	**-**
6	**Employee shares based payments reserve**			
	Opening balance	42.03	42.03	42.18
	Reversal during the year	-	-	(0.15)
	Closing balance	**42.03**	**42.03**	**42.03**

B Nature and purpose of reserves:

1 **Securities premium**

Securities premium is used to record the premium received on issue of shares.

2 **Retained earnings**

Retained earnings represent the accumulated earnings, net of losses (if any) made by the Group over the years.

3 **General reserve**

General reserve is a free reserve which is created by transferring funds from retained earnings to meet future obligations or other purposes.

4 **Other comprehensive income**

For the Group, other comprehensive income includes acturial gain/(loss) on remeasurement of defined benefit liability over the years.

5 **Foreign currency monetary item translation difference account (FCMITDA)**

FCMITDA includes exchange differences arising on restatement of long term foreign currency monetary items, other than for acquisition of fixed assets, and is being amortised over the terms of such monetary items.

6 **Employee shares based reserve**

The reserve is used to recognised the grant date fair value of the options issued to employees under Group's employee stock option plan.

17 Borrowings (non-current, financial liabilities)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Secured loans from banks *	1,939.07	4,015.38	7,189.36
Lease liabilities	6.99	10.31	1.57
7.25% non-cumulative redeemable preference shares (refer note 16(a)(B))	0.02	0.02	0.02
Unsecured loan	205.17	204.46	232.90
	2,151.25	**4,230.17**	**7,423.85**

** For details of repayment, nature of securities and interest rate of borrowings, refer note 17.1*

** For details of period and amount of delays/defaults in repayment of borrowings, refer note 17.2*

17.1 Details of repayment, nature of security and interest rate of borrowings
(Refer note 17 and 24)

(₹ in million)

Nature of loan	March 31, 2021		March 31, 2020		April 01, 2019		Nature of securities	Interest rate	Tenure of repayment*
Term loan	Non-current	Current	Non-current	Current	Non-current	Current			
1	-	468.15	3.66	468.75	385.11	89.25	Term loans from banks are secured by first pari passu charge on entire movable fixed assets, both present and future, of the Company and on the receivables, cash flow and bank account of the Company. Also secured by corporate guarantee of an associated company for maintaining revolving debt service reserve account (DSRA) for 1 quarter of the interest and principal repayment to be funded ten days before each due date, for the entire tenure of the loan.	Base rate + 1.20% p.a.	Five (previous year: Six, Eight) quarterly instalments payable as per the terms of underlying agreement.
2	-	1,287.13	-	1,295.08	547.31	932.28		Base rate + 1.20% p.a.	Seven (previous year: Seven, Eight) quarterly instalments payable as per the terms of underlying agreement.
3	-	-	-	125.00	-	249.78		Base rate + 1.20% p.a.	Nil (previous year: One, Two) quarterly instalments payable as per the terms of underlying agreement.
4	-	-	-	-	-	152.36		Base rate + 1.20% p.a.	Nil (previous year: Nil, Two) quarterly instalments payable as per the terms of underlying agreement.
5	-	151.30	-	204.00	-	411.91	Term loans from banks are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's immovable properties, both present and future, and as well as movable properties and first charge by way of hypothecation and/or pledge of the Company's current assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA) for 2 quarter's interest.	Base rate + 2.50% p.a.	Two (previous year: Two, Four) quarterly instalments payable as per the terms of underlying agreement.
6	-	-	-	-	-	187.33	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's immovable properties, both present and future, and as well as movable properties and first charge by way of hypothecation and/or pledge of the Company's current assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA) for 1 quarter's interest.	Base rate + 0.45% p.a.	Nil (previous year: Nil, Three) quarterly instalments payable as per the terms of underlying agreement.
7	-	-	-	93.75	62.38	155.53	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's immovable properties, both present and future, and as well as movable properties and first charge by way of hypothecation and/or pledge of the Company's current assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA) for 1 quarter's interest.	Base rate + 0.45% p.a.	Nil (previous year: Three, Seven) quarterly instalments payable as per the terms of underlying agreement.
8	973.88	361.63	1,044.38	262.50	1,269.16	147.65	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's movable fixed assets, both present and future, and as well as current assets. Also secured by the Company for maintenance of interest service reserve account (ISRA) for 1 quarter's interest.	Base rate + spread rate	Fourteen (previous year: Sixteen, Twenty) quarterly instalments payable as per the terms of underlying agreement.

(₹ in million)

Nature of loan	March 31, 2021		March 31, 2020		April 01, 2019		Nature of securities	Interest rate	Tenure of repayment*
Term loan	Non-current	Current	Non-current	Current	Non-current	Current			
9	-	1,980.95	349.62	1,631.94	996.41	993.96	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's immovable properties, both present and future, and as well as current assets.	Bank corporate prime lending rate	Six (previous year: Six, Six) half yearly instalments payable as per the terms of underlying agreement.
10	-	492.50	-	525.00	-	561.64	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's movable fixed assets and as well as current assets . Also secured by corporate guarantee of an associated company.	Base rate + 0.5% p.a.	One (previous year: One, Two) quarterly instalments payable as per the terms of underlying agreement.
11	-	16.21	-	174.79	-	365.58	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	6 months MCLR + margin	One (previous year: One, Two) half yearly instalments payable as per the terms of underlying agreement.
12	-	421.50	-	549.50	380.00	380.00	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	6 months MCLR + margin	Three (previous year: Three, Four) half yearly instalments payable as per the terms of underlying agreement.
13	-	249.40	-	249.40	141.45	282.90	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	6 months MCLR + margin	Two (previous year: Two, Three) half yearly instalments payable as per the terms of underlying agreement.
14	-	549.95	260.01	270.51	530.80	118.11	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets.	1 Year MCLR + margin	Three (previous year: Three, Five) half yearly instalments payable as per the terms of underlying agreement.
15	515.19	304.12	819.31	-	811.86	-	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets. Also secured by corporate guarantee of an associated company for maintenance of debt service reserve account (DSRA).	1 Year MCLR + margin	Eight (previous year: Eight, Eight) quarterly instalments payable as per the terms of underlying agreement.
16	-	-	-	-	189.40	-	Term loans from bank are secured by pari passu charge in favour of lender in a form satisfactory to the lender of all of the Company's fixed and current assets excluding immovable assets.	6 months LIBOR + 300bps	Nil (previous year: Nil, One) instalment payable in financial year 2020 as per the terms of underlying agreement.
17	-	-	-	-	-	131.70	Secured by the first and exclusive equitable mortgage land and building at Plot No.- XI/4, Block- EP & GP, Sector-V, Salt Lake, Kolkata-700091, pledge of fixed deposit, held in the name of a subsidiary company and personal guarantee of its directors.	8.5 % p.a.	Nil (previous year: Nil, Six) monthly instalments payable as per the terms of underlying agreement.

(₹ in million)

Nature of loan	March 31, 2021		March 31, 2020		April 01, 2019		Nature of securities	Interest rate	Tenure of repayment*
Term loan	Non-current	Current	Non-current	Current	Non-current	Current			
18	-	8.39	8.40	170.05	175.47	143.18	Secured by the first and exclusive # equitable mortage of land and building at Plot No.- XI/4, Block- EP & GP, Sector-V, Salt Lake, Kolkata-700091, exlcusive security interest in the movable asset and entire current assets including receivable,both present and future.		One (previous year: Five, Nine) quarterly instalments payable as per the terms of underlying agreement.
19	350.00	300.00	1,450.00	250.00	1,700.00	50.00	Term loan from bank are secured by the first and exclusive equitable mortgage of land and building at Plot No.- XI/4, Block- EP & GP, Sector-V, Salt Lake, Kolkata-700091.	9 % p.a.	Four (previous year: Ten, Eleven) half yearly instalments payable as per the terms of underlying agreement.
20	50.00	-	40.00	-	-	-	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's movable and immovable fixed assets, both present and future, and as well as current assets. Also secured by the Company for maintenance of interest service reserve account (ISRA) for 1 quarter's interest.	Base rate + spread rate	Nineteen (previous year: Ninteen, Nil) quarterly instalments payable as per the terms of underlying agreement.
21	50.00	-	40.00	-	-	-	Term loans from bank are secured by pari passu mortgage and charge in favour of lender in a form satisfactory to the lender of all of the Company's movable and immovable fixed assets, both present and future, and as well as current assets. Also secured by the Company for maintenance of interest service reserve account (ISRA) for 1 quarter's interest.	Base rate + spread rate	Nineteen (previous year: Ninteen, Nil) quarterly instalments payable as per the terms of underlying agreement.
Sub total	**1,939.07**	**6,591.23**	**4,015.38**	**6,270.27**	**7,189.36**	**5,353.16**			

** The above mentioned loan instalments range from ₹31.25 million to ₹525 million per installment as per the terms of respective underlying agreement. The count of installment has not been reduced in cases where installment has been settled in part.*

(₹ in million)

Nature of loan	March 31, 2021		March 31, 2020		April 01, 2019		Nature of securities	Interest rate	Tenure of repayment
	Non-current	Current	Non-current	Current	Non-current	Current			
Unsecured loan	205.17	-	204.46	-	232.90	-	Repayable at the end of tenure.	Interest free	Repayable on demand
Sub total	**205.17**	**-**	**204.46**	**-**	**232.90**	**-**			

17.2 Details of delays/defaults in repayment of borrowings (current and non-current)

The Company has delayed in repayment of following dues to the banks and financial institution during the year, which were unpaid as at March 31, 2021:

Name of the bank	Amount of default as on March 31, 2021 (₹ in million)		Period of default upto the date of balance sheet (maximum days)	
	Principal	Interest	Principal	Interest
Axis Bank	1,474.02	371.47	610	641
IndusInd Bank	146.08	-	95	0
IDBI Bank	152.00	36.42	549	549
HDFC Limited	1,635.00	397.80	610	549
RBL Bank Limited	492.50	89.02	579	579
Standard Chartered Bank	687.11	148.68	545	488
Axis Bank	-	45.33	-	More than one year
IDBI Bank	-	96.55	-	More than one year
RBL Bank Limited	-	10.93	-	More than one year
Total	**1043.39**	**1196.20**		

The Company has delayed in repayment of following dues to the banks and financial institution which were however paid on or before the Balance Sheet date:

Name of the bank	Amount of default during the year ended March 31, 2021 (₹ in million)		Period of default (maximum days)		Amount of default during the year ended March 31, 2020 (₹ in million)		Period of default (maximum days)	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Axis Bank	140.00	13.20	603	385	474.56	44.87	123	90
IndusInd Bank	-	6.67	0	50	145.92	72.15	88	88
Kotak Mahindra Bank	-	-	0	0	313.74	4.06	88	88
IDBI Bank	52.00	-	260	0	208.20	17.97	89	93
HDFC Limited	-	77.50	0	548	15.00	40.00	145	145
RBL Bank Limited	32.50	-	550	0	37.50	10.24	88	107
Aditya Birla Finance Limited	37.50	14.60	115	73	112.50	140.27	89	89
Standard Chartered Bank	286.58	11.92	482	261	576.24	31.09	179	61
Total	**548.58**	**123.89**			**1,883.66**	**360.65**		

18 Other financial liabilities (non-current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Security deposits received from customers	79.38	68.77	78.76
Capital Creditors	441.40	923.40	930.60
Others	2.36	5.00	-
	523.14	**997.17**	**1,009.36**

19 Provisions (non-current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Provision for gratuity*	60.25	52.42	43.70
Provision for compensated absences	36.04	35.56	35.19
Provision for taxation	22.40	15.80	13.48
	118.69	**103.78**	**92.37**

**Refer note 35*

20 The breakup of year end deferred tax assets and liabilities into major components of the respective balance is as under

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Deferred tax liabilities			
Timing difference in depreciation and amortisation of property, plant and equipment and other intangible assets	86.64	153.06	498.66
Gross deferred tax liabilities	86.64	153.06	498.66
Deferred tax assets			
Provision for doubtful debts	82.50	122.79	288.21
Expenditure debited to consolidated statement of profit and loss in the current year but allowed for tax purposes in following years	119.89	36.69	26.54
Minimum alternate tax (MAT) credit	-	-	-
Gross deferred tax assets	202.38	159.48	314.75
Net deferred tax liability	**9.02**	**58.87**	**204.03**
Net deferred tax assets	**124.77**	**65.29**	**20.12**

During the financial year 2019-2020 the current tax amount of ₹ 47.75 million pertains to tax adjustment on conclusion of assessments.

Movement in deferred tax liabilities and assets

Net deferred tax asset recognised in consolidated statement of profit and loss during the year ended March 31, 2020 amounts to ₹ 154.95 million (Net deferred tax asset recognised in consolidated statement of profit and loss during the year ended March 31, 2019 amounts to ₹ 39.10 million).

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

(₹ in million)

	As at March 31, 2021		As at March 31, 2020		As at April 01, 2019	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences	15,407.17	4807.04	13,741.46	4,246.11	9,690.32	2,994.31
Brought forward losses	1,438.95	448.95	694.65	214.65	920.84	284.54

The tax losses expire in assessment year 2019-2020 to 2024-2025. The deductible temporary differences which includes unabsorbed depreciation and provision for doubtful debts do not expire under current tax legislation.

21 Other non-current liabilities (non-financial)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Deferred revenue	29.08	14.03	15.03
Interest free deposits from customers	5.44	28.13	28.02
Others	0.48	0.41	0.02
	35.00	**42.57**	**43.07**

22 Borrowings (current, financial liabilities)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Loans repayable on demand			
From banks (secured)	1,419.03	1,284.08	1,603.46
From other (unsecured)	6.20	6.63	15.54
	1,425.23	**1,290.71**	**1,619.00**

i) As at March 31, 2021,March 31, 2020 and April 01, 2019 the cash credit facilities are secured by first pari passu charge on the future and current assets of the Company with minimum assets cover ratio 1:1. The Company is required to maintain Debt Service Reserve Account ('DSRA') for 2 quarter's interest. The same are further secured by corporate guarantee of an associate Company to maintain DSRA and carries an interest rate of bank borrowing rate+250 Basis Points ('BBR + 250 BPS'), intrinsic value base rate and six months marginal cost of funds based lending rate + 1.70% ('MCLR'+1.70%) respectively.

ii) As at March 31, 2021,March 31, 2020 and April 01, 2019, secured by first charge on entire current assets of the company, both present and future and also secured by the first and exclusive equitable mortage land and building at Plot No.- XI/4, Block- EP & GP, Sector-V, Salt Lake, Kolkata-700091, pledge of fixed deposit, held in the name of the company and personal guarantee of the directors and carries interest rate of @ 10.05 % (being 1.25 % over MCLR + SP)

iii) As at As at March 31, 2021,March 31, 2020 and April 01, 2019, the loan from others are repayable on demand carrying interest rate of @ 10.50%.

23 Trade payables

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
- Total outstanding dues of micro enterprises and small enterprises; and	11.31	10.03	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,430.72	7,368.33	6,463.47
	6,442.03	**7,378.36**	**6,463.47**

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006	11.31	10.03	-
Principle amount remaining unpaid	11.31	10.03	-
Interest due thereon	-		-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-		-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-		-
Interest accrued and remaining unpaid	-		-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-		-

24 Other financial liabilities (current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Current maturities of long-term borrowings *	6,591.23	6,270.27	5,353.16
Lease liabilities	7.65	11.34	1.15
Interest accrued and due on borrowings	1,196.19	660.71	139.23
Interest accrued and not due on borrowings	36.47	-	-
Capital creditors	298.45	511.09	1,093.74
Book overdraft	316.64	205.98	139.92
Other	3.12	-	-
	8,449.75	**7,659.39**	**6,727.20**

** For details of period and amount of delays/defaults in repayment of borrowings, refer note 17.2*

25 Provisions (current)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Provision for gratuity	6.51	3.31	2.90
Provision for compensated absences	18.51	2.68	3.01
Provision for taxation	22.01	20.67	7.13
	47.03	**26.66**	**13.04**

26 Other current liabilities (non-financial)

(₹ in million)

	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Deferred revenue	270.54	257.01	37.51
Statutory dues payable	319.01	420.97	871.42
Advance from customers	289.32	394.28	490.78
Employee related payables and others	76.41	69.61	-
	955.28	**1,141.87**	**1,399.71**

27 Revenue from operations

(₹ in million)

	March 31, 2021	March 31, 2020
Sale of services		
Subscription income	11,714.96	12,267.29
Advertisement income	1,055.59	999.34
Carriage and placement income	2,333.83	2,511.75
Activation and set top boxes pairing charges	27.40	39.98
Other operating revenue		
Sale of traded goods*	**16.09**	9.79
Management charges and other networking income	**160.23**	184.54
Support and service charges	**61.10**	70.33
Scrap sales	-	0.57
	15,369.20	**16,083.59**
*** Details of sale of traded goods**		
Set top box (STB) and viewing cards (VC)	1.72	7.01
Stores and spares	14.37	2.78
	16.09	**9.79**

Disclosure of revenue pursuant to Ind AS 115 'Revenue from Contracts with Customers:

A. Reconciliation of revenue from sale of services and other operating revenue with contracted price

(₹ in million)

	March 31, 2021	March 31, 2020
Contracted price	15,369.20	16,083.59

B. Disaggregation of revenue

(₹ in million)

	March 31, 2021	March 31, 2020
Revenue from operations		
Sale of services		
Subscription income	11,714.96	12,267.29
Advertisement income	1,055.59	999.34
Carriage income	2,333.83	2,511.75
Activation and Set top boxes pairing charges	27.40	39.98
Other operating revenue		
Sale of traded goods	16.09	9.79
Management charges and other networking income	160.23	184.54
Support and service charges	61.10	70.33
Scrap sales	-	0.57
	15,369.20	**16,083.59**

The Group has disaggregated the revenue from contracts with customers on the basis of nature of services/goods sold. The Group believes that the disaggregation of revenue on the basis of nature of services/goods sold has no impact on the nature, amount, timing and uncertainity of revenue and cash flows.

C. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers.

Contract liabilities

(₹ in million)

	March 31, 2021	March 31, 2020
Advance from customers (including deferred revenue)	559.86	665.32
	559.86	**665.32**

Contract assets

(₹ in million)

	March 31, 2021	March 31, 2020
Trade receivable	6,107.73	6,862.77
Less: Allowance for expected credit loss	(3,789.36)	(3,860.78)
	2,318.37	**3,001.99**
Unbilled revenue	**227.28**	467.06

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

D. Significant changes in the contract liabilities balances during the year are as follows:

(₹ in million)

	March 31, 2021	March 31, 2020
Opening balance	665.32	543.33
Revenue recognised (net of collections)	(105.46)	121.99
Closing balance	559.86	665.32

28 Other income

(₹ in million)

	March 31, 2021	March 31, 2020
Interest income on		
Bank deposits	38.43	47.18
Others	13.57	33.22
Excess provisions written back	87.47	24.86
Other non-operating income	33.63	61.85
	173.10	**167.11**

29 Employee benefits expense

(₹ in million)

	March 31, 2021	March 31, 2020
Salaries, allowances and bonus	619.71	668.53
Contributions to provident and other funds	42.95	48.25
Staff welfare expenses	33.73	34.27
	696.39	**751.05**

30 Finance costs

(₹ in million)

	March 31, 2021	March 31, 2020
Interest expense for borrowings at amortised cost	1,225.19	1,499.20
Bank charges	35.06	73.86
Interest on lease liabilities	2.71	3.86
	1,262.96	**1,576.92**

31 Depreciation and amortisation expenses

(₹ in million)

	March 31, 2021	March 31, 2020
Depreciation of property, plant and equipment (owned assets) (refer note 4)	2,754.54	2,812.46
Depreciation of property, plant and equipment (right-of-use assets) (refer note 4)	11.29	9.00
Depreciation of investment property (refer note 5)	10.89	10.99
Amortisation of intangible assets (refer note 6)	713.66	624.59
	3,490.38	**3,457.04**

32 Other expenses

(₹ in million)

	March 31, 2021	March 31, 2020
Rent	125.34	148.65
Rates and taxes	53.71	57.61
Communication expenses	15.11	25.39
Repairs and maintenance		
- Network	118.42	92.50
- Buildings	2.67	1.99
- Others	51.11	52.02
Electricity and water charges	118.33	121.75
Legal, professional and consultancy charges	138.11	126.13
Printing and stationery	2.93	5.01
Contractual service charges	417.00	442.10
Travelling and conveyance expenses	34.60	56.35
Auditors' remuneration*	7.57	10.69
Vehicle running expenses	46.90	47.49
Insurance expenses	4.45	3.87
Allowance for expected credit losses	83.91	292.82
Provision for doubtful advances	1.81	0.03
Advertisement and publicity expenses	11.98	14.06
Commission charges and incentives	847.02	784.09
Bad debts written off	48.72	27.51
Program production expenses	42.04	46.85
Other operational cost	1,193.94	1,088.95
Business and sales promotion	16.92	36.99
Loss on sale of property, plant and equipment (net)	8.52	25.11
Exchange fluctuation loss (net)	17.44	31.09
Miscellaneous expenses	207.28	118.15
	3,615.83	**3,657.20**

** Auditors' remuneration (including auditors remuneration of subsidiary companies)*

(₹ in million)

	March 31, 2021	March 31, 2020
as an auditor	6.76	9.26
for other services including certifications	0.68	0.96
reimbursement of expenses	0.13	0.47
	7.57	**10.69**

33 Loss per share

(₹ in million)

	March 31, 2021	March 31, 2020
Loss attributable to owners of the parent	(2,396.11)	(2,022.70)
Weighted average number of equity shares outstanding during the year (nos.)	87,20,53,848	87,20,53,848
Weighted average number of equity shares to be issued on conversion of mandatorily convertible instruments (i.e. share and OFCD) (nos.)		
Weighted average number of equity shares outstanding during the year for calculating basic and diluted earnings per share (nos.)	**87,20,53,848**	**87,20,53,848**
Effect of dilutive potential equity shares		
Employee stock options (nos.)*		
Nominal value of per equity share (₹)		
Loss per share (₹)		
Basic and diluted loss per share	(2.75)	(2.32)
Diluted	(2.75)	(2.32)

** The employee stock option have not been considered, being anti-dilutive.*

34 Group Composition Structure

Name of the subsidiary company	Country of incorporation	Percentage of ownership	
		March 31, 2021	March 31, 2020
Indian Cable Net Company Limited (hereinafter referred as "ICNCL")*	India	60.02%	60.02%
Central Bombay Cable Network Limited (hereinafter referred as "CBCNL")	India	100.00%	100.00%
Siticable Broadband South Limited (hereinafter referred as "SBSL")	India	100.00%	100.00%
Master Channel Community Network Private Limited (hereinafter referred as "MCCNPL")**	India	66.00%	66.00%
Siti Vision Digital Media Private Limited (hereinafter referred as "SVDMPL")	India	51.00%	51.00%
Siti Jind Digital Media Communications Private Limited (hereinafter referred as "SJDMCPL")****	India	57.50%	57.50%
Siti Jai Maa Durgee Communications Private Limited (hereinafter referred as "SJMDCPL")	India	51.00%	51.00%
Siti Jony Digital Cable Network Private Limited (hereinafter referred as "SJDCNPL")	India	51.00%	51.00%
Siti Krishna Digital Media Private Limited (hereinafter referred as "SKDMPL")	India	51.00%	51.00%
Siti Faction Digital Private Limited (hereinafter referred as "SFDPL")	India	51.00%	51.00%
Siti Guntur Digital Network Private Limited (hereinafter referred as "SGDNPL")	India	74.00%	74.00%
Siti Maurya Cable Net Private Limited (hereinafter referred as "SMCNPL") ***	India	50.10%	50.10%
Siti Karnal Digital Media Network Private Limited (hereinafter referred as "SKDMNPL")	India	51.00%	51.00%
Siti Global Private Limited (hereinafter referred as "SGPL")	India	51.00%	51.00%
Siti Siri Digital Network Private Limited (hereinafter referred as "SDNPL")	India	51.00%	51.00%
Siti Broadband Services Private Limited (hereinafter referred as "SBSPL")	India	100.00%	100.00%
Siti Prime Uttaranchal Communication Private Limited (hereinafter referred as "SPUCPL")	India	51.00%	51.00%
Siti Sagar Digital Cable Network Private Limited (hereinafter referred as "SSDCNPL")	India	51.00%	51.00%
Siti Saistar Digital Media Private Limited (hereinafter referred as "SSDMPL")	India	51.00%	51.00%
Variety Entertainment Private Limited (hereinafter referred as "VEPL")	India	100.00%	100.00%
Indinet Service Private Limited (hereinafter referred as "ISPL")***	India	100.00%	100.00%
E-Net Entertainment Private Limited (hereinafter referred as "ENEPL") ***** (w.e.f. December 15, 2020)	India	51.00%	-
Siti Networks India LLP	India	99.90%	99.90%

** Include 0.30% held through CBNCL*
*** Subsidiary of CBCNL*
**** Subsidiary of ICNCL*
***** Include 6.50% held through SBSL*
****** Subsidiary of SBSPL*

Name of the associates and joint ventures	Country of incorporation	Percentage of ownership	
		March 31, 2021	March 31, 2020
C&S Medianet Private Limited (hereinafter referred as "CSMPL")	India	48.00%	48.00%
Voice Snap Services Private Limited (hereinafter referred as "VSSPL")****** (till February 15.2021)	India	-	40.00%
Paramount Digital Media Services Private Limited (hereinafter referred as "PDMSPL")*******(w.e.f. January 30, 2020)	India	50.00%	50.00%
Wire and Wireless Tisai Satellite Limited (hereinafter referred as "WWTSL")	India	51.00%	51.00%

******* Associate of VEPL*

******** Joint Venture of VEPL*

35 Employee benefit obligations

Post-employment obligations - gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of completed years of service. The expected contribution to the plan for next annual reporting period amounts to ₹ 12.16 million (previous year:₹ 12.50 million).

The weighted average duration of the defined benefit obligation as at March 31, 2021 is 15 years (March 31, 2020: 15 years).

The plan exposes the Group to actuarial risks such as interest rate risk and inflation risk.

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of risk free securities.

Inflation risk

A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Group's liability.

The following tables summarises the components of net benefit expense recognised in the consolidated statement of profit and loss and the amount recognised in the consolidated balance sheet for the respective plans.

Changes in the present value of the defined benefit obligation are as follows:

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Present value of defined benefit obligation at the beginning of the year	55.73	46.60	39.49
Interest cost	4.88	3.99	5.59
Current service cost	10.49	6.15	8.39
Benefits paid	(5.33)	(13.44)	(4.69)
Past service Cost	-	-	-
Actuarial loss/(gain) on Remeasurement of obligation	0.99	12.43	(2.18)
Present value of defined benefit obligation at the end of the year *	**66.76**	**55.73**	**46.60**

** Includes current portion ₹ 6.51 million (March 31, 2020 ₹ 3.31 million :April 01, 2019 ₹ 2.90 million)*

The gratuity plan of the Company is unfunded.

Amount recognised in the consolidated statement of profit and loss:

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Current service cost	10.49	6.15	8.39
Interest cost	4.88	3.99	5.59
	15.37	**10.14**	**13.98**

Amount recognised in the statement of other comprehensive income

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Actuarial loss on arising from change in financial assumptions	-	(3.79)	1.23
Actuarial loss on arising from experience adjustments	0.99	16.22	(3.41)
	0.99	**12.43**	**(2.18)**

Actuarial assumptions used

(₹ in million)

	Compensated absences			Gratuity		
	March 31, 2021	March 31, 2020	April 01, 2019	March 31, 2021	March 31, 2020	April 01, 2019
Discount rate (per annum)	7.00%	7.0%	7.75%	7.00%	7.00%	7.75%
Rate of escalation in salary (per annum)	4.75%-8%	4.75%-8%	5%-8%	4.75%-8%	4.75%-8%	5%-8%
Mortality	IALM 2012-14	IALM 2012-14	IALM 2006-08 Ultimate	IALM 2012-14	IALM 2012-14	IALM 2006-08 Ultimate
Withdrawal rate (per annum)	5.0%	5.0%	2%-5%	5.0%	5.0%	2%-5%
Normal retirement age	60 years	60 years	60 years	60 years	60 years	60 years

These assumptions were developed by management with the assistance of independent actuaries. Discount factors are determined close to each year-end by reference to market yields of risk free securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

The present value of the defined benefit obligation was measured using the projected unit credit method.

Amounts of experience adjustment for the current and previous four years are as follows -

(₹ in million)

	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Defined benefit obligations	66.76	55.73	46.60	39.49	43.60
Experience loss adjustments on planned liabilities	0.99	16.22	(3.41)	0.96	0.89

Sensitivity analysis of the defined benefit obligation for significant actuarial assumptions

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Impact of the change in discount rate			
Present value of obligation at the end of the year	**66.76**	**55.73**	**46.60**
Decrease in liability due to increase of 8% (previous year 9%)	(4.95)	(4.60)	(3.91)
Increase in liability due to decrease of 9% (previous year 10%)	6.07	5.07	4.54
Impact of the change in salary growth rate			
Present value of obligation at the end of the year	**66.76**	**55.73**	**46.60**
Increase in liability due to increase of 9% (previous year 11%)	5.51	5.07	4.99
Decrease in liability due to decrease of 8% (previous year 9%)	(4.95)	(4.60)	(4.62)

Defined contribution plans

Contribution to defined contribution plan, recognised as expense for the year are as under :-

Employer's contribution to provident fund and other funds ₹ 42.95 million (Previous year ₹ 48.25 million)

36 Share-based employee remuneration

Employee Stock Option Plan –ESOP-2015

The Holding Company instituted the Employee Stock Option Scheme -2015 ("SITI ESOP 2015" or "New Plan" or "Scheme") to grant equity based incentives to eligible employees. The SITI ESOP-2015 has been approved by the Board of Directors of the Holding Company at their meeting held on May 28, 2015 and by the shareholders of the Holding Company by way of special resolution passed at their Annual General Meeting held on August 27, 2015 to grant upto 33,881,656 options, representing one share for each option upon exercise by the eligible employee at an exercise price determined by the Board/remuneration committee.

The options granted under the Scheme shall vest not less than one year and not more than five years from the date of grant of options. Under the terms of the Scheme, 50%, 35% and 15% of the options will vest in the employee(s) after expiry of one year, two years and three years, respectively, from the date of grant of options. The option grantee must exercise all vested options within a period of four years from the date of vesting and the shares arising on exercise of such options shall not be subject to any lock-in period.

	Employee Stock Option Plan –ESOP-2015
Date of grant	September 3, 2015
Date of Board approval	May 28, 2015
Date of shareholders' approval	August 27, 2015
Number of options granted	46,63,500
Method of settlement (cash/equity)	Equity
Vesting period	Three years
Exercise period	Four years

The details of activity under New Plan have been summarised below:

	March 31, 2021		March 31, 2020		April 01, 2019	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	28,52,275	30.85	28,52,275	30.85	28,52,275	30.85
Lapsed during the year	21,96,750	-	-	-	-	-
Outstanding at the end of the year	6,55,525	30.85	28,52,275	30.85	28,52,275	30.85
Exercisable at the end of the year	6,55,525	30.85	28,52,275	30.85	28,52,275	30.85

No options were exercised and forfeited during the current and previous financial year.

The fair values of options granted under new plan were determined using a variation of the binomial option pricing model that takes into account factors specific to the share incentive plans, such as the vesting period. The following principal assumptions were used in the valuation:

	March 31, 2021			March 31, 2020		
	Options (50%)	Options (35%)	Options (15%)	Options (50%)	Options (35%)	Options (15%)
Number of options	23,31,750	16,32,225	6,99,525	23,31,750	16,32,225	6,99,525
Fair value on grant date	14.63	17.49	19.14	14.63	17.49	19.14
Share price at grant date	30.85	30.85	30.85	30.85	30.85	30.85
Fair value at exercise date	Not Applicable (NA)	NA	NA	NA	NA	NA
Exercise price	30.85	30.85	30.85	30.85	30.85	30.85
Expected volatility	39.82%	44.49%	43.47%	39.82%	44.49%	43.47%
Expected life	Three years	Four years	Five years	Three years	Four years	Five years
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	7.77%	7.97%	7.98%	7.77%	7.97%	7.98%

The underlying expected volatility was determined by reference to historical data of the Holding Company's shares over a period of time since its flotation on the Stock Exchange. No special features inherent to the options granted were incorporated into measurement of fair value.

The employee remuneration expense has decreased by ₹ Nil million (Previous year: ₹ Nil million) all of this relates to options lapsed/expired during the year due to resignation of eligible employees.

37 Fair value measurements

A. Financial instruments by category

(₹ in million)

	Notes	March 31, 2021		
		FVTPL	Amortised cost	Total
Financial assets				
Investment (non- current, financial assets)	7B	-	84.37	84.37
Trade receivables (net)	11	-	2,318.37	2,318.37
Cash and cash equivalents	12	-	1,114.03	1,114.03
Bank balances other than Cash and cash equivalents above	13	-	36.61	36.61
Other financial assets	8 and 14	-	583.58	583.58
Total financial assets		**-**	**4,136.96**	**4,136.96**
Financial liabilities				
Borrowings (including current maturities of long-term borrowings)	17 and 22	-	10,167.71	10,167.71
Trade payables	23	-	6,430.72	6,430.72
Other financial liabilities	18 and 24	-	2,381.66	2,381.66
Total financial liabilities		**-**	**18,980.09**	**18,980.09**

(₹ in million)

	Notes	March 31, 2020		
		FVTPL	Amortised cost	Total
Financial assets				
Investment (non- current, financial assets)	7B	-	105.81	105.81
Trade receivables (net)	11	-	3,001.99	3,001.99
Cash and cash equivalents	12	-	1,757.64	1,757.64
Bank balances other than Cash and cash equivalents above	13	-	20.86	20.86
Other financial assets	8 and 14	-	1,370.41	1,370.41
Total financial assets		**-**	**6,256.71**	**6,256.71**
Financial liabilities				
Borrowings (including current maturities of long-term borrowings)	17 and 22	-	11,805.45	11,805.45
Trade payables	23	-	7,368.33	7,368.33
Other financial liabilities	18 and 24	-	2,372.00	2,372.00
Total financial liabilities		**-**	**21,545.78**	**21,545.78**

(₹ in million)

	Notes	April 01, 2019		
		FVTPL	Amortised cost	Total
Financial assets				
Investment (non- current, financial assets)	7B	-	98.84	98.84
Trade receivables (net)	11	-	3,818.00	3,818.00

(₹ in million)

	Notes	April 01, 2019		
		FVTPL	Amortised cost	Total
Cash and cash equivalents	11	-	715.67	715.67
Bank balances other than Cash and cash equivalents above	13	-	65.40	65.40
Other financial assets	8 and 14	-	2,205.53	2,205.53
Total financial assets		**-**	**6,903.44**	**6,903.44**
Financial liabilities				
Borrowings (including current maturities of long-term borrowings)	17 and 22	-	14,396.01	14,396.01
Trade payables	23	-	6,463.47	6,463.47
Other financial liabilities	18 and 24	-	2,383.40	2,383.40
Total financial liabilities		**-**	**23,242.88**	**23,242.88**

B. Financial instruments measured at fair value

The following tables present financial assets and liabilities measured at fair value in the consolidated balance sheet in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial assets measured at fair value in the consolidated statement of financial position that are grouped into the fair value hierarchy as on March 31, 2021; March 31, 2020 and April 01, 2019.

March 31, 2021	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investment in equity shares	At March 31, 2021	-	-	84.37

March 31, 2020	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investment in equity shares	At March 31, 2020	-	-	105.81

April 01, 2019	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investment in equity shares	At April 01, 2019	-	-	98.84

There have been no transfer between level 1, level 2 and level 3 during the year ended March 31, 2021; March 31, 2020 and April 01, 2019.

C. Fair value of financial assets and liabilities measured at amortised cost

(₹ in million)

Financial assets	March 31, 2021		March 31, 2020		April 01, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Investment (non- current, financial assets)	84.37	84.37	105.81	105.81	98.84	98.84
Trade receivables (net)	2,318.37	2,318.37	3,001.99	3,001.99	3,818.00	3,818.00
Cash and cash equivalents	1,114.03	1,114.03	1,757.64	1,757.64	715.67	715.67
Bank balances other than Cash and cash equivalents above	36.61	36.61	20.86	20.86	65.40	65.40
Other financial assets	583.58	583.58	1,370.41	1,370.41	2,205.53	2,205.53
Total financial assets	**4,136.96**	**4,136.96**	**6,256.72**	**6,256.72**	**6,903.44**	**6,903.44**
Financial liabilities						
Borrowings (including current maturities of long-term borrowings)	10,167.71	10,167.71	11,805.45	11,805.45	14,535.24	14,535.24
Trade payables	6,430.72	6,430.72	7,368.33	7,368.33	6,463.47	6,463.47
Other financial liabilities	2,381.66	2,381.66	2,372.00	2,372.00	2,244.17	2,244.17
Total financial liabilities	**18,980.09**	**18,980.09**	**21,545.78**	**21,545.78**	**23,242.88**	**23,242.88**

D. Financial risk management objectives and policies

Financial risk management

The Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk.

The Group's risk management is coordinated in close co-operation with the board of directors, and focuses on securing Group's short to medium term cash flows.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in these consolidated financial statements.

A. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Group causing financial loss. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date
B: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, bank deposit, margin money deposits, interest accrued and other financial assets except security deposits	12 month expected credit loss
High credit risk	Investment, trade receivables, security deposits, amount recoverable and unbilled revenue	Life time expected credit loss or fully provided for

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

(₹ in million)

Credit rating		March 31, 2021	March 31, 2020	April 01, 2019
A: Low credit risk	Cash and cash equivalents, bank deposit, margin money deposits, interest accrued and other financial assets other than unbilled revenue & amount recoverable (net)	**1,410.13**	2,130.84	1,320.55
B: High credit risk	Investment, trade receivables, amount recoverable (net) and unbilled revenue	**2,767.42**	4,221.16	5,632.63

Concentration of trade receivables

The Group has widespread customers and there is no concentration of trade receivables.

Credit risk exposure

Provision for expected credit losses

The Group provides for 12 month expected credit losses for following financial assets.

For the purpose of computation of expected credit loss, the Group has analysed the trend of provisions for doubtful debts created in earlier years. The average rate of provision has been computed based on the adjusted sales (excluding those where the Group does not have any historical provision) and provision for doubtful debtors created against those sales. As per this methodology, the Group has determined the expected credit loss at approximately 5% for customers.

Expected credit loss for trade receivables under simplified approach

As at March 31, 2021

(₹ in million)

	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment provision
Trade receivables	6,107.74	(3,789.36)	2,318.37
Security deposits	84.57	-	84.57
Amounts recoverable	96.82	-	96.82
Investment	40.58	-	40.58
Unbilled revenues	227.28	-	227.28

As at March 31, 2020

(₹ in million)

	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment provision
Trade receivables	6,862.78	(3,860.78)	3,001.99
Security deposits	145.87	-	145.87
Amounts recoverable	551.00	-	551.00
Investment	95.29	-	95.29
Unbilled revenues	467.06	-	467.06

As at April 01, 2019

(₹ in million)

	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment provision
Trade receivables	7,407.94	(3,589.94)	3,818.00
Security deposits	164.36	-	164.36
Amounts recoverable	1,200.14	-	1,200.14
Investment	49.74	-	49.74
Unbilled revenues	465.91	-	465.91

Reconciliation of loss allowance provision – Trade receivable

(₹ in million)

Loss allowance on April 01, 2019	**3,589.94**
Changes in loss allowance	270.84
Loss allowance on March 31, 2020	**3,860.78**
Changes in loss allowance	(71.42)
Loss allowance on March 31, 2021	**3,789.36**

B. Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Group's business activities may not be available.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables, employee dues and other current payables arising during normal course of business as on each balance sheet date. Long- term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through funding commitments from shareholders. As at each balance sheet date, the Group's liabilities having contractual maturities (including interest payments where applicable) are summarised as follows:

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities

(₹ in million)

March 31, 2021	Less than one year	One to two years	More than two years
Non-derivatives			
Borrowings including current maturities of long-term borrowings	9,242.92	1,106.67	832.40
Payable for capital creditors	298.45	-	-
Book overdraft	316.64	-	-
Trade payables	6,442.03	-	-
Lease liabilities and interest on lease liabilities	7.65	3.76	3.22
Total non-derivative liabilities	**16,307.68**	**1,110.43**	**835.62**
March 31, 2020			
Non-derivatives			
Borrowings including current maturities of long-term borrowings	8,215.06	1,538.43	2,476.94
Payable for capital creditors	511.09	-	923.40
Security deposits received from customers (non-current, financial liabilities)	-	-	68.77
Book overdraft	205.98	-	-
Trade payables	7,378.36	-	-
Lease liabilities and interest on lease liabilities	11.34	4.16	6.15
Total non-derivative liabilities	**16,321.83**	**1,542.59**	**3,475.26**

(₹ in million)

April 01, 2019			
Non-derivatives			
Borrowings including current maturities of long-term borrowings	7,095.85	3,294.13	3,895.22
Payable for capital creditors	1,093.74	-	930.60
Security deposits received from customers (non-current, financial liabilities)	-	-	78.76
Book overdraft	139.92	-	-
Trade payables	6,463.47	-	-
Lease liabilities and interest on lease liabilities	2.74	-	-
Total non-derivative liabilities	**14,795.72**	**3,294.13**	**4,904.58**

C. Market Risk

During the previous year, the Group had foreign currency borrowings in the form of buyers credit and is exposed to change in the exchange rates. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows.

(i) Foreign currency risk

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Financial assets (A)	**-**	**42.16**	**61.07**
Trade receivables	-	39.05	24.60
Advance to vendors	-	3.11	36.47
Financial liabilities (B)	**185.78**	**532.53**	**1,096.20**
Payable to capital creditors	185.78	532.53	1,096.20
Net exposure (B-A)	**185.78**	**490.37**	**1,035.13**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in million)

	Impact on loss after tax		
	March 31, 2021	March 31, 2020	April 01, 2019
(₹)/USD and (₹)/EURO increased by 5% (previous year (₹)/ USD and (₹)/EURO increased by 5%)	(9.29)	(24.52)	(51.76)
(₹)/USD and (₹)/EURO decreased by 5% (previous year (₹)/USD and (₹)/EURO decreased by 5%)	9.29	24.52	51.76

(ii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. The Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Variable rate borrowings (including accrued interest)	11,145.52	12,230.44	14,285.20
Total borrowings	**11,145.52**	**12,230.44**	**14,285.20**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in million)

	Impact on loss after tax		
	March 31, 2021	March 31, 2020	April 01, 2019
Interest rates – increase by 100 basis points (31 March 2019 100 bps)	111.46	122.30	142.85
Interest rates – decrease by 100 basis points (31 March 2019 100bps)	(111.46)	(122.30)	(142.85)

38 Related party transactions

(i) Promoter and Promoter Group**

Dr. Subhash Chandra
Direct Media Solutions LLP

(ii) Enterprises owned or significantly influenced by Promoter/Promoter Group**

Zee Entertainment Enterprises Limited
Zee Media Corporation Limited
Zee Network Distribution Limited (formerly known as Zee Turner Limited)

(iii) Associate companies

Voice Snap Services Private Limited (Associate of Variety Entertainment Private Limited till February 15, 2021)
C&S Medianet Private Limited

(iv) Joint ventures

Wire and Wireless Tisai Satellite Limited
Paramount Digital Media Services Private Limited (Joint venture of Variety Entertainment Private Limited) (w.e.f. January 30, 2020)

(v) Key Management Personnel (KMP)

Mr. Anil Kumar Malhotra, Chief Executive Officer (w.e.f. September 01, 2019)
Mr. Sidharth Balakrishna, Whole Time Director (till April 15, 2019)
Mr. Sanjay Berry, Chief Financial Officer
Ms. Kavita Kapahi, Independent Director
Prof. Sunil Kumar Maheshwari, Independent Director
Mr. Suresh Arora (Non Executive Director w.e.f. March 29, 2019 till June 13, 2019 and Whole Time Director w.e.f. June 14, 2019)
Mr. Bhanu Pratap Singh, Independent Director (w.e.f. April 01, 2019)
Mr. Deepak Mittal, Independent Director (w.e.f. April 01, 2019)
Mr. Amitabh Kumar, Additional Director (w.e.f. December 30, 2019)
Mr. Raj Kumar Gupta, Additional Director (w.e.f. February 5, 2021)

(vi) Enterprises owned or significantly influenced by KMP or their relatives**

Essel Realty Developers Private Limited (w.e.f. December 30, 2019)

*** With whom the Group has transactions during the current year and previous year.*

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

a) Sale of goods and services during the year

(₹ in million)

Enterprises owned or significantly influenced by Promoter/ Promoter Group	March 31, 2021	March 31, 2020
Zee Entertainment Enterprises Limited	384.15	562.30
Zee Media Corporation Limited	4.54	2.21
Enterprises owned or significantly influenced by KMP or their relatives		
Essel Realty Developers Private Limited	-	1.02

b) Purchase of goods and services during the year

(₹ in million)

Enterprises owned or significantly influenced by Promoter/ Promoter Group	March 31, 2021	March 31, 2020
Zee Entertainment Enterprises Limited	1,853.38	1,923.68
Zee Media Corporation Limited	-	-
Joint ventures/Associate companies		
C&S Medianet Private Limited	-	7.57
Enterprises owned or significantly influenced by KMP or their relatives		
Essel Realty Developers Private Limited	0.54	1.37

c) Balance (payable)/receivable (net of provision created) at the end of the year

(₹ in million)

Jointly ventures/Associate companies	March 31, 2021	March 31, 2020	April 01, 2019
Wire and Wireless Tisai Satellite Limited	0.11	0.05	-
Trade payables			
C&S Medianet Private Limited	-	-	1.92
Enterprises owned or significantly influenced by Promoter/Promoter Group			
Trade receivables			
Zee Entertainment Enterprises Limited	66.34	409.27	246.98
Zee Media Corporation Limited	27.33	36.18	148.58
Trade payables			
Zee Entertainment Enterprises Limited	2,197.08	2,404.81	1,422.32
Zee Network Distribution Limited	-	10.00	10.00
Zee Media Corporation Limited	4.84	4.05	3.66
Security deposit given			
Zee Network Distribution Limited	-	12.72	12.72
Enterprises owned or significantly influenced by KMP or their relatives			
Trade payables			
Essel Realty Developers Private Limited	5.89	5.04	-
Security deposit given including prepaid expense			
Essel Realty Developers Private Limited	34.99	49.79	-

d) **Expenditure paid by the Company on behalf of others and expenditure paid by others on behalf of the Group:**

(₹ in million)

Joint Venture	Expenditure paid by the Company on behalf of the others		Expenditure paid by others on behalf of the Company	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Wire and Wireless Tisai Satellite Limited	0.06	0.05	-	-
Enterprises owned or significantly influenced by Promoter/Promoter Group				
Zee Entertainment Enterprises Limited	0.18	0.48	11.84	12.52

e) **Remuneration to KMP**

(₹ in million)

	March 31, 2021	March 31, 2020
Mr. Anil Kumar Malhotra	8.13	6.37
Mr. Siddhartha Balakrishna	-	2.52
Mr. Sanjay Berry	7.57	12.88
Mr. Suresh Arora	-	0.81

f) **Compensated absences**

(₹ in million)

	March 31, 2021	March 31, 2020
Mr. Anil Kumar Malhotra	1.20	1.15
Mr. Siddhartha Balakrishna	-	0.04
Mr. Sanjay Berry	0.24	-
Mr. Suresh Arora	-	0.02

g) **Director sitting fees**

(₹ in million)

	March 31, 2021	March 31, 2020
Ms. Kavita Kapahi	0.30	0.44
Mr. Bhanu Pratap Singh	0.26	0.32
Mr. Deepak Mittal	0.12	0.12
Prof. Sunil Kumar Maheshwari	0.28	0.22
Mr. Suresh Arora	-	0.08
Mr. Raj Kumar Gupta	0.04	-

h) **Corporate guarantee given by**

(₹ in million)

	March 31, 2021	March 31, 2020
Zee Entertainment Enterprises Limited	1,001.00	1,166.00

i) Direct Media Solutions LLP (formerly known as Direct Media Solutions Private Limited), a stakeholder of the Company, has provided financial support as is necessary to enable the Company to fulfil all its obligations incurred in foreseeable future, atleast upto and including March 31, 2021, to enable it to continue as a going concern until such time period.

Further, the stakeholder has indemnified the Company against certain advances and receivables, if such are not adjusted/recovered in near future. The aforementioned indemnity shall also cover any amounts further advanced and receivable from such parties.

Note :- The Group provides long term benefits in the form of gratuity to its KMP along with all employees, the cost and liability of the same is not identifiable seperately for each KMP and hence could not be disclosed.

39 Capital and other commitments

Estimated amount of contracts remaining to be executed and not provided for (net of advances) amounting to ₹ 273.37 million (Previous year ₹ 178.93 million).

40 Previous year's amounts have been regrouped wherever deemed appropriate.

41 Contingent liabilities and litigations

i) Claims against the Group not acknowledged as debts ₹ 180.58 million* (Previous year ₹ 200.26 million).

ii) Demands raised by the statutory authorities being contested by the Group:

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Service tax matters*	110.12	85.57	136.35
VAT/ Sales tax matters*	292.00	301.66	160.02
Other statutory matters*	272.49	226.14	87.00
	674.61	**613.37**	**383.37**

** excludes pending cases/litigations including ones with business associates, statutory authorities, subscribers and other parties where based on the legal advice of in-house legal team, the management believes that no material liability will devolve on the Group or where amount of liability is not presently ascertainable.*

The Directorate of Revenue Intelligence (DRI), Bangalore, under section 108 of the Custom Act, 1962, had inquired about the classification of viewing cards for applicability of customs duty. The Holding Company and ICNCL had, suo-moto, paid ₹ 22 million under protest and had received a show cause notice with a demand for ₹ 1,678.32 million. The matter was adjourned to May 05, 2020 and further adjourned for unidentified time due to COVID-19. The Holding Company and ICNCL is confident that the demand will not sustain, therefore no provision has been made in these financial statements and the amount demanded has been considered as contingent liability.

iii) In case of ICNCL, counter bank guarantees in respect of outstanding bank guarantees and fixed deposit pledged ₹ 32.71 million (Previous year ₹ 34.50 million).

iv) The Group has received orders from Income-tax authorities for (a) assessment year 2013-14 on account of disallowance under section 14A read with rule 8D aggregating to ₹ 17.84 million, (b) assessment years 2007-08 and 2008-09 on account of non-withholding of taxes amounting to ₹ 26.17 million and (c) assessment year 2017-18 on account of adjustment of income tax demand with TDS refundable amounting to ₹ 21.8 million. The appeal in the aforesaid litigations is pending before Income Tax Appellate Tribunal, High Court and The Commissioner of Income-Tax (Appeals) respectively.

However for the cases a) and b) above, no demand has been raised on the Holding Company in respect of the aforesaid litigations in view of the brought forward losses.

v) The Hon'ble Supreme Court in its recent ruling had ruled that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees would form part of basic wages for computing the provident fund ('PF' or 'the fund') contribution and thereby, has laid down principles to exclude (or include) a particular allowance or payments from 'basic wage' for the purpose of computing PF contribution. The Group pays certain allowances to its employees as a part of compensation structure, which have not been included in the basic wages for the purpose of computing the PF.

As this ruling has not prescribed any clarification with respect to its application, the Group, based on legal advice and management assessment has applied the aforesaid ruling prospectively. Management believes that this will not result in any material liability on the Group.

42 Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at reporting date:

	March 31, 2021			
	THAI BHAT million	EURO million	USD million	₹ in million
Trade receivables for carriage income	-	-	-	-
Advance to vendor	-	-	-	-
Payables for capital creditors	-	2.09	0.09	185.78

	March 31, 2020			
	THAI BHAT million	EURO million	USD million	₹ in million
Trade receivables for carriage income	-	-	0.52	39.05
Advance to vendor	0.01	0.01	0.03	3.11
Payables for capital creditors	-	5.40	1.12	532.53

	April 01, 2019			
	THAI BHAT million	EURO million	USD million	₹ in million
Trade receivables for carriage income	-	0.35	24.60	39.05
Advance to vendor	0.11	0.40	36.47	3.11
Payables for capital creditors	6.76	8.23	1,096.20	532.53

43 Capital management

Risk Management

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year. The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Group's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Group monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt) . The Group is not subject to any externally imposed capital requirements. Net debt are non-current and current borrowings as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Cash and cash equivalents (refer note 12)	1,114.03	1,757.64	715.67
Bank balances other than cash and cash equivalents above (refer note 13)	36.61	20.86	65.40
Margin money deposit (refer note 8)	188.56	167.00	345.48
Total cash (A)	**1,339.20**	**1,945.50**	**1,126.55**
Borrowings [including current maturities of long-term borrowing (refer note 17, 22 & 24)]	9,949.32	11,569.73	14,145.97
Lease liabilities (refer note 24)	14.63	21.65	2.71
Total borrowing (B)	**9,963.95**	**11,591.38**	**14,148.68**
Net debt (C=B-A)	**8,624.75**	**9,645.88**	**13,022.13**
Total equity (refer note 16 (a) and 16 (b))	(2,446.75)	(47.96)	1,978.01
Total capital (equity + net debts) (D)	**6,178.01**	**9,597.92**	**15,000.13**
Gearing ratio (C/D)	**1.40**	**1.00**	**0.87**

44 Assets pledged as security

The carrying amount of assets pledged as security are:

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Current assets			
a) Inventories	16.05	12.34	17.37
b) Financial assets			
i) Trade receivables	2,362.71	2,811.52	3,828.38
ii) Cash and cash equivalents	105.95	33.70	114.17
iii) Bank balances other than cash and cash equivalents above	-	20.86	40.00
iv) Other financial assets	258.69	1,019.40	1,731.72
c) Other current assets	533.79	1,117.17	1,175.71
	3,277.19	**5,014.99**	**6,907.35**
Non-current assets			
a) Property, plant and equipment	7,709.84	9,541.55	10,963.66
b) Capital work-in-progress	153.34	277.83	396.91
c) Investment property	649.85	660.74	658.53
d) Other intangible assets	946.66	1,331.66	1,413.02
e) Intangible assets under development	4.18	11.07	46.47
f) Financial assets			
i) Margin money deposit (pledged)	188.70	166.96	324.38
	9,652.57	**11,989.81**	**13,802.97**
Total assets	**12,929.76**	**17,004.80**	**20,710.32**

45 Information under Section 186 (4) of the Companies Act, 2013

There are no investments or loan given or guarantee provided or security given by the Group other than the investments and loans in these consolidated financial statements, which have been made predominantly for the purpose of business.

46 Additional information, as required to Consolidated Financial Statements pursuant to Schedule III to the Companies Act, 2013.

For the financial year ended March 31, 2021

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
SITI Networks Limited	258%	(3,961.61)	94.52%	(2,264.80)	185.80%	(4.96)	95%	(2,269.76)
Subsidiaries							0%	
Indian Cable Net Company Limited (consolidated)	-283%	4,346.19	-3.75%	89.90	-17.49%	1.83	-4%	91.73
Central Bombay Cable Network Limited (consolidated)	-3%	46.46	0.21%	(4.95)	-6.27%	0.66	0%	(4.30)
Siticable Broadband South Limited	1%	(22.34)	0.18%	(4.24)	0.00%	-	0%	(4.24)
Siti Vision Digital Media Private Limited	16%	(241.15)	1.94%	(46.50)	-11.70%	1.23	2%	(45.27)
Siti Jind Digital Media Communications Private Limited	0%	(6.37)	0.43%	(10.24)	-0.19%	0.02	0%	(10.22)
Siti Jai Maa Durgee Communications Private Limited	5%	(74.46)	0.02%	(0.55)	0.00%	-	0%	(0.55)
Siti Jony Digital Cable Network Private Limited	0%	(6.29)	0.01%	(0.34)	0.00%	-	0%	(0.34)

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
Siti Krishna Digital Media Private Limited	1%	(10.37)	0.16%	(3.83)	0.00%	-	0%	(3.83)
Siti Faction Digital Private Limited	3%	(41.86)	0.35%	(8.29)	0.00%	-	0%	(8.29)
Siti Guntur Digital Network Private Limited	-1%	15.82	0.01%	(0.14)	0.00%	-	0%	(0.14)
Siti Karnal Digital Media Network Private Limited	4%	(62.17)	0.07%	(1.61)	0.00%	-	0%	(1.61)
Siti Global Private Limited	1%	(22.00)	0.16%	(3.83)	0.00%	-	0%	(3.83)
Siti Siri Digital Network Private Limited	-2%	27.11	0.46%	(11.08)	-2.23%	0.23	0%	(10.85)
Siti Broadband Services Private Limited	30%	(457.46)	4.83%	(115.71)	0.00%	-	5%	(115.71)
Siti Prime Uttaranchal Communication Private Limited	-1%	14.90	0.16%	(3.95)	0.00%	-	0%	(3.95)
Siti Sagar Digital Cable Network Private Limited	1%	(15.57)	0.21%	(4.98)	0.00%	-	0%	(4.98)
Siti Saistar Digital Media Private Limited	5%	(79.96)	0.64%	(15.35)	0.00%	-	1%	(15.35)
Variety Entertainment Private Limited	1%	(22.35)	0.40%	(9.49)	0.00%	-	0%	(9.49)
SITI Networks India LLP	0%	(0.05)	0.00%	(0.03)	0.00%	-	0%	(0.03)
Minority interest in all subsidiaries	-59%	911.21	-0.67%	16.14	16.03%	(1.68)	-1%	14.46
Intra-group eliminations	122%	(1,872.10)	-0.32%	7.77	0.00%	-	0%	7.77

For the financial year ended March 31, 2020

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
SITI Networks Limited	-195%	(1,713.52)	93.62%	(1,893.70)	55.40%	(7.26)	93%	(1,900.96)
Subsidiaries								
Indian Cable Net Company Limited (consolidated)	483%	4,254.46	3.88%	(78.57)	35.67%	(4.68)	4%	(83.25)
Central Bombay Cable Network Limited (consolidated)	6%	50.76	0.02%	(0.49)	8.41%	(1.10)	0%	(1.59)
Siticable Broadband South Limited	-2%	(18.10)	0.01%	(0.13)	0.00%	-	0%	(0.13)
Siti Vision Digital Media Private Limited	-2%	(21.80)	-0.52%	10.47	0.00%	-	-1%	10.47
Siti Jind Digital Media Communications Private Limited	0%	3.85	-0.02%	0.49	0.00%	-	0%	0.49
Siti Jai Maa Durgee Communications Private Limited	-8%	(73.91)	0.03%	(0.65)	0.00%	-	0%	(0.65)
Siti Jony Digital Cable Network Private Limited	-1%	(5.95)	0.11%	(2.30)	0.00%	-	0%	(2.30)

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
Siti Krishna Digital Media Private Limited	-1%	(6.54)	0.19%	(3.83)	0.00%	-	0%	(3.83)
Siti Faction Digital Private Limited	-4%	(33.57)	0.40%	(8.12)	0.00%	-	0%	(8.12)
Siti Guntur Digital Network Private Limited	2%	15.89	0.01%	(0.27)	0.00%	-	0%	(0.27)
Siti Karnal Digital Media Network Private Limited	-7%	(60.56)	1.03%	(20.79)	0.00%	-	1%	(20.79)
Siti Global Private Limited	-2%	(18.17)	0.33%	(7.56)	0.00%	-	0%	(7.56)
Siti Siri Digital Network Private Limited	4%	37.69	-0.93%	18.81	0.52%	(0.07)	-1%	18.74
Siti Broadband Services Private Limited	-39%	(341.76)	0.85%	(17.15)	0.00%	-	1%	(17.15)
Siti Prime Uttaranchal Communication Private Limited	2%	18.85	0.52%	(10.54)	0.00%	-	1%	(10.54)
Siti Sagar Digital Cable Network Private Limited	-1%	(10.58)	0.31%	(6.30)	0.00%	-	0%	(6.30)
Siti Godaari Digital Services Private Limited	-1%	(4.44)	0.00%	-	0.00%	-	0%	-
Siti Saistar Digital Media Private Limited	-27%	(236.64)	-0.01%	0.27	0.00%	-	0%	0.27
Variety Entertainment Private Limited	-1%	(12.87)	-0.73%	14.75	0.00%	-	-1%	14.75
SITI Networks India LLP	0%	(0.02)	0.03%	(0.03)	0.00%	-	0%	(0.03)
Minority interest in all subsidiaries	120%	1,055.76	0.92%	(18.61)	0.00%	-	1%	(15.96)
Intra-group eliminations	-227%	(1,998.90)	-0.08%	1.54	0.00%	-	0%	1.55

For the financial year ended April 01, 2019

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
SITI Networks Limited (formerly SITI Cable Network limited)	6%	187.44	139.91%	(3,724.28)	69.13%	(1.51)	140%	(3,725.79)
Subsidiaries								
Indian Cable Net Company Limited (consolidated)	143%	4,337.71	-1.98%	52.77	32.04%	(0.70)	-2%	52.07
Central Bombay Cable Network Limited (consolidated)	2%	52.35	0.18%	(4.80)	-3.32%	0.07	0%	(4.72)
Siticable Broadband South Limited	-1%	(17.98)	0.00%	(0.11)	0.00%	-	0%	(0.11)
Siti Vision Digital Media Private Limited	2%	45.73	-2.11%	56.05	0.00%	-	-2%	56.05

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of TCI	Amount
Siti Jind Digital Media Communications Private Limited	0%	3.35	0.19%	(5.13)	0.00%	-	0%	(5.13)
Siti Jai Maa Durgee Communications Private Limited	-2%	(73.26)	0.03%	(0.83)	0.00%	-	0%	(0.83)
Siti Bhatia Network Entertainment Private Limited	0%	-	0.05%	(1.27)	0.00%	-	0%	(1.27)
Siti Jony Digital Cable Network Private Limited	0%	(3.66)	0.13%	(3.39)	0.00%	-	0%	(3.39)
Siti Krishna Digital Media Private Limited	0%	(2.71)	0.20%	(5.44)	0.00%	-	0%	(5.44)
Siti Faction Digital Private Limited	-1%	(25.45)	0.32%	(8.63)	0.00%	-	0%	(8.63)
Siti Guntur Digital Network Private Limited	1%	16.16	0.02%	(0.62)	0.00%	-	0%	(0.62)
Siti Karnal Digital Media Network Private Limited	-1%	(39.77)	1.02%	(27.04)	0.00%	-	1%	(27.04)
Siti Global Private Limited	0%	(10.62)	0.14%	(3.80)	0.00%	-	0%	(3.80)
Siti Siri Digital Network Private Limited (formerly Siri Digital Network Private Limited)	0%	10.39	-0.21%	5.61	2.16%	(0.05)	0%	5.56
Siti Broadband Services Private Limited	-11%	(324.61)	2.31%	(61.59)	0.00%	-	2%	(61.59)
Siti Prime Uttaranchal Communication Private Limited	1%	29.39	0.18%	(4.81)	0.00%	-	0%	(4.81)
Siti Sagar Digital Cable Network Private Limited (formerly Panchsheel Digital Communication Network Private Limited)	0%	(4.28)	0.20%	(5.24)	0.00%	-	0%	(5.24)
Siti Godaari Digital Services Private Limited (formerly Bargachh Digital Communication Network Private Limited)	0%	(4.44)	0.00%	-	0.00%	-	0%	-
Siti Saistar Digital Media Private Limited (formerly Saistar Digitalmedia Private Limited)	-6%	(188.44)	5.29%	(140.76)	0.00%	-	5%	(140.76)
Variety Entertainment Private Limited	-1%	(27.61)	0.61%	(16.22)	0.00%	-	1%	(16.22)
SITI Networks India LLP	0%	0.01	0.00%	(0.09)	0.00%	-	0%	(0.09)
Minority interest in all subsidiaries	35%	1,047.06	-1.88%	49.93	0.00%	-	-2%	49.93
Intra-group eliminations	-65%	(1,981.68)	-44.62%	1,187.72	0.00%	-	-45%	1,187.72

47 Investment in joint venture and associate

Summarised balance sheet	PDMS	WWTSL*	C&S Medianet Private Limited*	Voice Snap Services Private Limited	PDMS	WWTSL*	C&S Medianet Private Limited*	Voice Snap Services Private Limited
	March 31, 2021				March 31, 2020			
Current assets								
Cash and cash equivalents	7.15		7.20		4.28	-	0.13	54.68
Other assets	12.97		8.70		15.32	-	12.95	52.34
	20.12	**-**	**15.91**	**-**	**19.61**	**-**	**13.08**	**107.02**
Non-current assets	80.67	3.36			82.88	3.36	-	10.38
Current liabilities								
Financial liabilities (excluding trade payables and provisions)					-	-	-	29.25
Other liabilities	4.68		17.17		5.31	-	14.84	-
	4.68	**-**	**17.17**	**-**	**5.31**	**-**	**14.84**	**29.25**
Non-Current liabilities								
Financial liabilities (excluding trade payables and provisions)						-	-	0.80
Other liabilities	21.43				17.23	-	-	-
	21.43	**-**	**-**	**-**	**17.23**	**-**	**-**	**0.80**
Net assets	**74.67**	**3.36**	**(1.26)**	**-**	**79.96**	**3.36**	**(1.76)**	**87.36**
Ownership interest	**50.00%**	**51.00%**	**48.00%**		**50.00%**	**51.00%**	**48.00%**	**40.00%**
Carrying amount of interest	37.34	1.71	-	-	39.98	1.71	-	34.94
Proportionate share in net assets less securities premium	37.34	1.71	-	-	39.98	1.71	-	34.94
Add securities premium	-	-	-	-	-	-	-	-
Carrying amount of interest	**37.34**	**1.71**	**-**	**-**	**39.98**	**1.71**	**-**	**34.94**

**The carrying amount of interest has been restricted to ₹ Nil million on account of losses.*

Summarised statement of profit and loss	PDMS	WWTSL*	C&S Medianet Private Limited*	Voice Snap Services Private Limited	PDMS	WWTSL*	C&S Medianet Private Limited*	Voice Snap Services Private Limited
	March 31, 2021				March 31, 2020			
Revenue	70.05				71.13	-	30.07	210.67
Other income	0.10		0.60		0.06	-	0.01	1.95
Depreciation and amortisation	5.00		-		5.26	-	0.02	25.93
Finance cost						-	-	0.06
Other expenses	71.17	0.06	0.17		78.58	0.03	30.56	152.11
Income tax expense or income						-	-	5.26
Loss from operations	**(6.03)**	**(0.06)**	**0.43**	**-**	**(12.66)**	**(0.03)**	**(0.49)**	**29.26**
Post tax loss from operations	(6.03)	(0.06)	0.43	-	(12.66)	(0.03)	(0.49)	29.26
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	(6.03)	(0.06)	0.43	-	(12.66)	(0.03)	(0.49)	29.26
Ownership interest	**50.00%**	**51.00%**	**48.00%**	**40.00%**	**50.00%**	**51.00%**	**48.00%**	**40.00%**

Other adjustment: ₹ 9.70 million

**The carrying amount of interest has been restricted to ₹ Nil million on account of losses.*

*** PDMS is aquired from January 30, 2020 so the share of loss is restricted for 2 months*

48 Tax Expense

The major components of income tax for the year are as under:

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
Income tax related to items recognised directly in the statement of profit and loss			
Current tax - current year	84.56	89.08	139.50
Deferred tax charge	(103.38)	(186.81)	(39.10)
Total	**(18.82)**	**(97.73)**	**100.40**
Effective tax rate	34.61%	34.61%	34.61%

A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the Group's effective income tax rate for the year ended 31 March, 2020 and 31 March, 2019 is as follows:

	March 31, 2021	March 31, 2020	April 01, 2019
Loss before tax	(2,433.02)	(1,947.49)	(2,542.45)
Effective tax rate	34.61%	34.61%	34.61%
Tax at statutory income tax rate	(842.07)	(674.03)	(879.94)
Tax effect on non-deductible expenses	257.57	326.51	395.38
Additional allowances for tax purposes	(227.63)	(253.52)	(353.56)
Effect of tax on group companies incurring losses	(792.35)	(623.37)	(919.26)
Effect of tax rate difference of subsidiaries	(5.33)	(5.43)	4.21
Other permanent difference	6.29	(114.62)	15.05
Tax expense recognised in the statement of profit and loss	**(18.82)**	**(97.73)**	**100.40**

49 The Group 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 ('Ind AS') 108 on Operating Segments. Further the Holding Company, its subsidiaries, its associates and its joint venture also predominantly operate in a single business segment of cable and broadband distribution in India only. Hence the Group has no separately reportable business or geographical segments as per Ind AS 108. The aforesaid is in line with the way operating results are reviewed and viewed by the chief operating decision maker(s).

50 Pursuant to the applicability of CSR (Corporate Social Responsibility) provisions of the Companies Act, 2013 the Company has made the requisite expenditure towards CSR as per the details below:

(₹ in million)

	March 31, 2021	March 31, 2020	April 01, 2019
a) Gross amount required to be spent by a subsidiary company during the year	2.71	5.68	6.20
b) Amount spent during the year on the following			
1. Construction / Acquisition of any asset		-	-
2. On purpose other than 1 above	2.71	5.68	6.20

51 Exceptional items in the consolidated financial statements include the following:

During the year ended March 31, 2021

a. Exceptional items, for the year ended 31 March 2021 relates to pay channel cost of ₹ 79.40 million which was being disclosed in contingent liabilities due to pending settlement has been settled and recognized.

b. During the year ended 31 March 2021, the management, in view of prevailing COVID-19 situation and considering other factors, assessed the likelihood of recovery of certain balances from a party and has provided for an amount of ₹ 2,17.47 million which is doubtful for recovery

The total impact of a and b above on the consolidated financial statements for the year ended 31 March 2021 amounts to ₹ 2,96.87 million.

During the year ended March 31, 2020

a. Pursuant to implementation of the Tariff Order 2017 and upon changes in arrangements with customers, the management of the Holding Company has further provided for certain trade receivables amounting to ₹ 180.00 million. Additionally, a subsidiary company has also provided for certain trade receivables amounting to ₹ 226.21 million during the year ended March 31, 2020. The total impact of the aforemention on the consolidated financial statements is ₹ 406.21 million for the year ended March 31, 2020.

b. During the year ended March 31, 2020, a subsidiary company namely, Siti Godaari Digital Services Private Limited ('Siti Godaari') has been dissolved pursuant to being struck-off as per the provisions of section 248 of the Act. Pursuant to above, the Group has incurred a loss on dissolution amounting to ₹ 95.54 million for the year ended March 31, 2020.

The total impact of a and b above on the consolidated financial statements for the year ended March 31, 2020 amounts to ₹ 501.75 million.

52 Prior year adjustments

During the year, the Group has restated its comparative financial statements to account for impact on the revenue and expenses following the finalization of agreements with those customers and vendors, which have been audited by statutory Auditors of those subsidiaries respectively.

As at 1st April 2019

	As previously reported	Adjustment	As restated
Assets			
Non- Current assets			
Property, plant and equipment	14,079.21	0.23	14,079.44
Deferred tax asset (net)	13.07	7.04	20.12
Current assets			
Trade receivables	3,959.55	(141.55)	3,818.00
Current tax assets (net)	71.34	10.51	81.84
	18,123.17	**(123.77)**	**17,999.40**
Equity			
Other equity	1,107.50	(2.15)	1,105.35
Current liabilities			
Borrowings	1,623.08	(4.07)	1,619.00
Trade payables	6,580.88	(117.42)	6,463.47
Other financial liabilities	6,727.33	(0.14)	6,727.20
	16,038.79	**(123.78)**	**15,915.01**

As at 1st April 2020

	As previously reported	Adjustment	As restated
Assets			
Non- Current assets			
Property, plant and equipment	11,830.85	0.03	11,830.88
Deferred tax asset (net)	26.39	31.86	58.25
Current assets			
Trade receivables	3,250.09	(106.54)	3,143.54
Current tax assets (net)	98.97	0.06	99.02
	15,206.30	**(74.61)**	**15,131.69**
Equity			
Other equity	(787.53)	(132.00)	(919.53)
Non controlling-interest	1,055.75	(126.82)	928.94
Current liabilities			
Borrowings	4,234.13	0.11	4,234.24
Trade payables	7,304.27	181.48	7,485.75
Other financial liabilities	7,656.91	2.62	7,659.53
	19,463.53	**(74.59)**	**19,388.92**

	As previously reported	Adjustment	As restated
Income			
Revenue from operations	16,185.85	(102.26)	16,083.59
Other income	171.40	(4.29)	167.11
Total income	**16,357.25**	**(106.55)**	**16,250.70**
Expenses			
Pay channel, carriage sharing and related costs	8,439.56	101.26	8,540.82
Employee benefits expense	747.75	3.30	751.05
Finance costs	1,576.81	0.11	1,576.92
Depreciation and amortisation expenses	3,457.07	(0.03)	3,457.04
Other expenses	3,576.98	80.22	3,657.20
Total expenses	**17,798.17**	**184.86**	**17,983.03**
Loss before share of loss of associates and joint ventures, exceptional items and tax	**(1,440.92)**	**(291.41)**	**(1,732.33)**
Tax expense			
Current tax	89.14	(0.06)	89.08
Deferred tax	(154.95)	(31.86)	(186.81)
Loss for the year	**(65.82)**	**(31.91)**	**(97.73)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	(13.11)	0.68	(12.43)
Net loss attributable to:			
A Owners of the parent	(1,890.37)	(132.34)	(2,022.71)
B Non-controlling interest	8.70	(127.15)	(118.46)
Other comprehensive income attributable to:			
A Owners of the parent	(10.83)	0.34	(10.49)
B Non-controlling interest	(2.28)	0.33	(1.95)
Total comprehensive income attributable to:			
A Owners of the parent	(1,901.20)	(132.00)	(2,033.20)
B Non-controlling interest	6.42	(126.82)	(120.40)

53 For the year ended March 31, 2021, the 'Subscription income' included in the 'Revenue from operations' in these financial statements, inter alia, includes the amounts payable to the broadcasters towards their share per Tariff order 2017 in relation to the pay channels subscribed by the customers. The aforementioned corresponding amounts (i.e Broadcaster's share) has also been presented as an expense in these financial statements. The said amount is ₹ 7,858.96 million for the year ended March 31, 2021 in the consolidated financial statements.

Had these expenses been disclosed on net basis, the 'Revenue from operations' and the 'Pay channel, carriage sharing and related costs' each would have been lower by ₹ 7,858.96 million for the year ended March 31, 2021 in the consolidated financial statements. However, there would not have been any impact on the net loss for the period then ended in the consolidated financial statements.

54 Effective March 01, 2020, amendments to the existing regulatory framework (hereinafter referred to as "New Tariff Order 2020") was applicable but considering the practical challenges and petitions filed against its implementation, as at March 31, 2020, the Group was in process of fully implementing the same.

55 The Group continued to incur losses during the year ended March 31, 2021 and had negative working capital as at March 31, 2021. As at March 31, 2021, there are instances of delays in payments of obligations and borrowings, but in view of the management, the expected revenue growth and improvement in operating margins under the Tariff Order 2017, and other likely mitigating factors such as continued endeavour to secure additional funds by the Company besides on-going discussions with the lenders for debt restructuring, for which revised debt repayment plans are being submitted to the lenders, and continuous dialogue with its vendors, these consolidated financial statements for the year ended March 31, 2021 continue to be prepared on a going concern basis.

56 In view of aforementioned ongoing discussions with the lenders, inter alia, for reducing existing interest rates, additional interest levied, if any, has not been provided for.

57 Impact of outbreak of Novel Corona Virus (COVID -19)

COVID-19 was declared as pandemic by World Health Organization (WHO) on March 11, 2020, is continuing to spread across the world and India. Since March 2020, the Indian Government has announced a 21 days nationwide lockdown which has been extended in multiple tranches till May 31, 2020 with relaxation to essential services and selected economic activities. The Group has continued to operate and provide cable television and broadband distribution services to its customers, which has been declared as an essential service. Based on the management's assessment and review of current economic scenario, the management does not expect any significant impact of COVID-19 on the Group. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements, and the Group will continue to closely monitor any material changes arising from future economic conditions and continually assess its impact on the operations and financial matrices.

58 Post reporting date events

No adjusting or significant non-adjusting events have occurred between March 31, 2021 and the date of authorisation of these consolidated financial statements.

This is the Summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Sumant Sahni
Partner
Membership No.: 502945

Place : Noida
Date : June 25, 2021

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Anil Kumar Malhotra
Chief Executive Officer

Sanjay Berry
Chief Financial Officer

Suresh Kumar
Company Secretary
Membership No: ACS 14390

Place : Noida
Date : June 25, 2021

Notes

Notes

Notes

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