



**Interconnected.
Integrated.
Innovative.**

Read on

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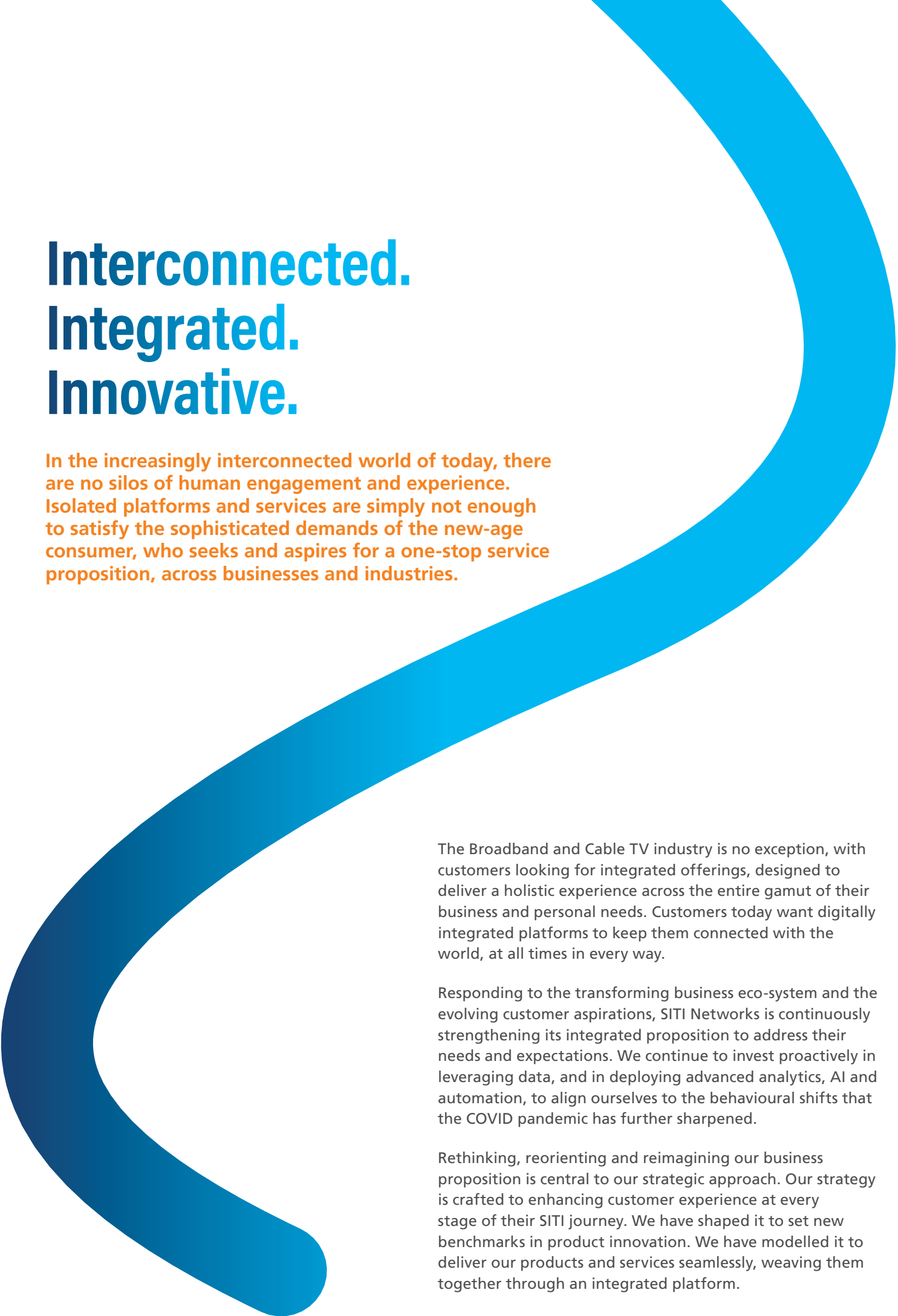


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Interconnected. Integrated. Innovative.

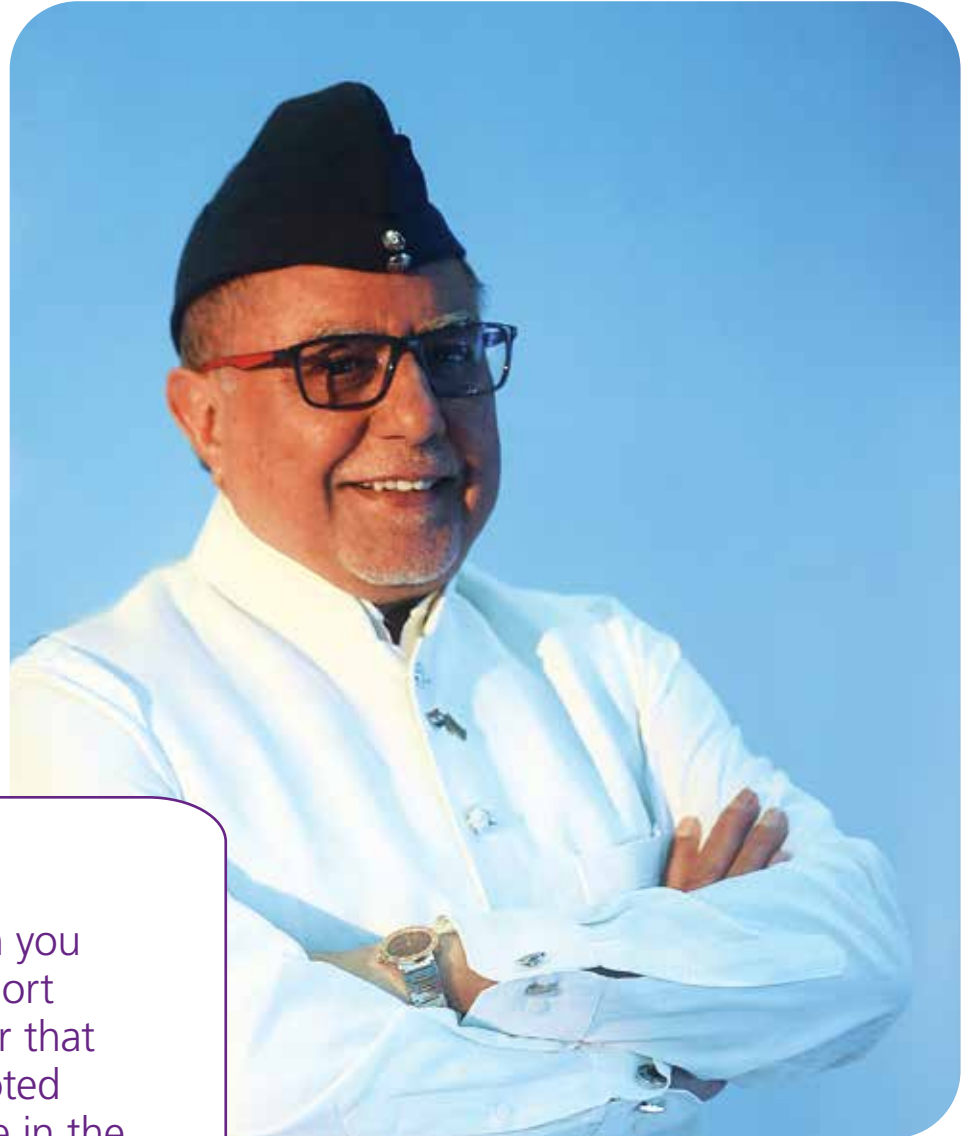
In the increasingly interconnected world of today, there are no silos of human engagement and experience. Isolated platforms and services are simply not enough to satisfy the sophisticated demands of the new-age consumer, who seeks and aspires for a one-stop service proposition, across businesses and industries.

The Broadband and Cable TV industry is no exception, with customers looking for integrated offerings, designed to deliver a holistic experience across the entire gamut of their business and personal needs. Customers today want digitally integrated platforms to keep them connected with the world, at all times in every way.

Responding to the transforming business eco-system and the evolving customer aspirations, SITI Networks is continuously strengthening its integrated proposition to address their needs and expectations. We continue to invest proactively in leveraging data, and in deploying advanced analytics, AI and automation, to align ourselves to the behavioural shifts that the COVID pandemic has further sharpened.

Rethinking, reorienting and reimagining our business proposition is central to our strategic approach. Our strategy is crafted to enhancing customer experience at every stage of their SITI journey. We have shaped it to set new benchmarks in product innovation. We have modelled it to deliver our products and services seamlessly, weaving them together through an integrated platform.

Chief Patron's Message



Dear Shareholders,

I am pleased to share with you the Company's annual report for 2021-22 – another year that underscored our deep-rooted resilience, grit and courage in the face of continuing on-ground challenges. The persisting pandemic and the overall stress in the macro environment pushed us to play on our strengths in order to keep our customers happily interconnected in a transformational world.



Our people, once again, rose to the occasion to successfully manage the challenges, and to help us deliver to customer needs and demands seamlessly and effectively. Their commitment and hard work remains a key driver of our growth strategy and I am thankful to them for their dedication in these testing times.

The focus, at SITI, has been on strengthening our value proposition for our customers, whose needs and aspirations have witnessed a significant change since the onset of the COVID pandemic. We continued to support them at the back of our ability to evolve in tandem with the external changes. This ability has enabled us to come a long way from the times when we were a mere cable operator. We have taken major strides in recent years towards emerging as an integrated service provider, empowered to give customers the best of experience in the interconnected new world.

As an integrated service provider for the entire family, we are not only offering them this experience on a single platform but are also building the blocks of new India – a nation that is more effortlessly connected to the world of news and entertainment than ever before. The country has seen a massive uptick in demand for smooth and uninterrupted connectivity amid the COVID crisis. The population looking to the internet for entertainment and productivity is seeing an exponential growth.

In this backdrop, the demand for integrated offerings, designed to fulfil the entire gamut of customer needs, has also seen humungous growth. Responding to this change, we, at SITI, have also enhanced our focus on building our Broadband proposition through impactful innovations and infrastructure augmentation. Technology is playing a vital role in steering this strategy, with data analytics, artificial intelligence and automation being central to our transformational journey. We continued to increase our investments in these areas during the year to scale up our Broadband business. At the same time, we remained focussed on expanding our portfolio and service proposition in other business segments too.

I look forward to sharing the success of these efforts with all of you in the years ahead, as we work concertedly to realise our vision of becoming India's leading integrated player, offering innovative services to carve a completely interconnected new world.

Brand-building, along with upgradation of customer connect services in Broadband, TV and value-added services of the Company, was a key propeller of our evolutionary journey during the year. We also further strengthened our collaborations with our LCO and other partners to deliver more effectively to the growing needs of consumers.

A vital element of this collaborative approach was our focus on rural and semi-urban areas, which are witnessing accelerated Broadband growth amid the changing business landscape.

I look forward to sharing the success of these efforts with all of you in the years ahead, as we work concertedly to realise our vision of becoming India's leading integrated player, offering innovative services to carve a completely interconnected new world.

Best wishes

Dr. Subhash Chandra

Message from CEO



Dear Shareholders,

The world, as we all know, is in the midst of a massive churn. Driven by the pandemic-catalysed changes, businesses across the globe are pushing the bar of innovation to integrate themselves more deeply into the changing ecosystem. In this evolving paradigm, the way people work, connect and keep themselves entertained is seeing a significant transformation too. This has given a major boost to the Broadband industry, necessitating an agile shift in the industry strategy.

For SITI, FY 2021-22 was a year of re-strategising our approach in line with this evolution. We sharpened our focus on the Broadband business, while continuing to deliver efficaciously on the needs and aspirations of our customers in the Video and Cable TV segments. Having overcome the challenges triggered by the tough second wave of the COVID pandemic to emerge stronger, we moved with dexterity to capture the massive opportunity unleashed by the COVID crisis. We made strategic investments to strengthen the infrastructure needed to deliver integrated offerings to our customers and ensure uninterrupted connectivity.

Being responsive to emerging needs

Amid the fast-pacing external changes, we harnessed the power of the digital to build on our Broadband proposition. We seized the best-in-class automation technologies to enhance the experience of our customers, in the interconnected world that is emerging through the fading pandemic crisis. A key facet of our innovation drive was the massive upgradation we undertook to strengthen the fibre direct network, and to expand the direct points in order to augment the competitive edge of our Broadband business.

Among the significant innovations we launched during the year in this segment was establishment of a metro ethernet network across the capital city of Delhi, thus giving continual Broadband speed to our customers. I am happy to share the initiative has been appreciated by our Broadband clientele in Delhi and we hope to replicate it in other major cities too. Another customer-centric measure that I am pleased to share with you is the lock technology we have started providing to our end customers, enabling greater consumer loyalty. This is in line with our conscious thrust on enhancing our customer engagement and giving them an experiential interface to ensure their total satisfaction with our services.

Our customer service ethos was also manifest in our shift to a Cloud dialler for our contact services. This enabled our teams to continue to service our customers seamlessly while working from home amid the COVID-induced lockdowns. Not only did this initiative helped ensure customer satisfaction but also kept our people safe in the pandemic times.

Building on people partnerships

At SITI, we have always believed our people to be the anchors of our business model, and thus continue to invest in their growth and well-being. As mentioned earlier, we made focussed efforts during the year to keep our employees safe. We suffered some personal loss also but the team was strong enough to withstand the pressures and move progressively forward on the path of future growth.

At the same time, we continued to nurture our relationships with our LCO partners, who remain a key driver of our growth strategy in our Cable TV business. The SITI Mitra mobile app has empowered our 25,000+ LCO cable partners by giving them full control of their business virtually in their palms with its fully functional "Own Your Customer" subscriber management system.

We believe these partnerships will help us realise our vision of becoming the preferred integrated service provider for our customers across our business segments, with enhanced focus on the fast-growing Broadband service.

Investing in right technologies

Another vital priority area for SITI continues to be our digitalisation and technological upgradation efforts, which are important for building the kind of integrated proposition needed to meet the demands of the new-age customer. Our infra sharing agreement with Hinduja Group's Headend in the Sky (HITS) platform NXTDigital is a step in the direction of further strengthening our digital infrastructure to expand our geographic footprint and enhance the quality of delivery. We shall continue to invest in technology and automation to steer our growth trajectory more forcefully, going forward.

As we surge ahead on our strategic roadmap for the future, the focus will be more sharply aligned to enhancing our integrated proposition. We strongly believe that companies that can align themselves with speed and effectiveness to the changes in the external eco-system are the ones that will succeed in delivering to customer needs. We shall continue to adapt to the changing industry, market and consumer trends to be ahead of the curve in the coming years.

Best Regards

Yogesh Sharma

Interconnected



Reality cannot be found except in One single source, because of the interconnection of all things with one another.

Gottfried Leibniz, German mathematician, philosopher, scientist and diplomat

SITI's Integrated Proposition



Experiencing reality requires strong interconnection of the myriad elements involved. Such integration can only be delivered through a single, integrated platform, which is a reality that telecom service providers are increasingly embracing.

Led by our deep understanding of the market and consumption trends, we, at SITI Networks, had moved towards such an integrated, 'single source' approach even before the shift became markedly discernible. Over the past few years, we have invested strategically in building on our integrated proposition to strengthen the platform for smooth and uninterrupted delivery of the multitude of our ground-breaking offerings.

Cognisant of the importance of keeping consumers well connected with the transforming new world, we, at SITI, have evolved into a single window service provider, across our Broadband and Cable TV business segments.

India's preferred converged platform

SITI Networks Limited is the preferred TV and Broadband integrated service

provider across India, with an excellent track record of offering pioneering products and solutions to a growing consumer base. The Company is one of the largest Multi System Operators (MSOs) in the country, and a market leader in the regions of East India, Andhra Pradesh, Telangana & Haryana.

As a one-stop shop for meeting all the product and service needs of its customers, SITI uses a single wire to connect with its customers across its business segments of:

- Digital Cable Television
- Broadband
- Local Television Channels

Our services in digital mode are backed by strong technical capabilities designed to provide exciting products and features like Video on Demand, Pay per View, Over-The Top content (OTT), Electronic Programming Guide (EPG), marketed and delivered under the 'SITI' brand name.

We deploy state-of-the-art technology to provide our exceptional content and services to the consumer's doorstep through robust last-mile connectivity, driven by growing efficiencies.

Leading

Digital TV Network

Launched

Broadband services in 26 new towns across India during FY22

In fiscal 2022, we strengthened our unified proposition further by completing the consolidation of all our warehouses. Our supplies to all locations are now delivered from our single warehouse at Greater Noida.

OUR 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 LEGACY

SITI is part of Essel Group, one of India's leading business houses having diverse interests and vertically integrated presence in the Media and Entertainment industry. As a leading producer, aggregator and distributor of Indian programming around the world, Essel Group has empowered SITI with a strong competitive edge. This legacy enables us to successfully meet the transforming needs of consumers in a fast-evolving market. It equips us to create an enabling environment for effectively delivering our innovative and integrated services to the interconnected world in which we live today.

The Integrated World of SITI

21

States of presence pan-India

249+

Districts of spread

~800+

Locations served with cable services across India

33,000 km

Optical fibre and coaxial cable

10

Digital head ends

100%

Prepaid Subscriptions

85%

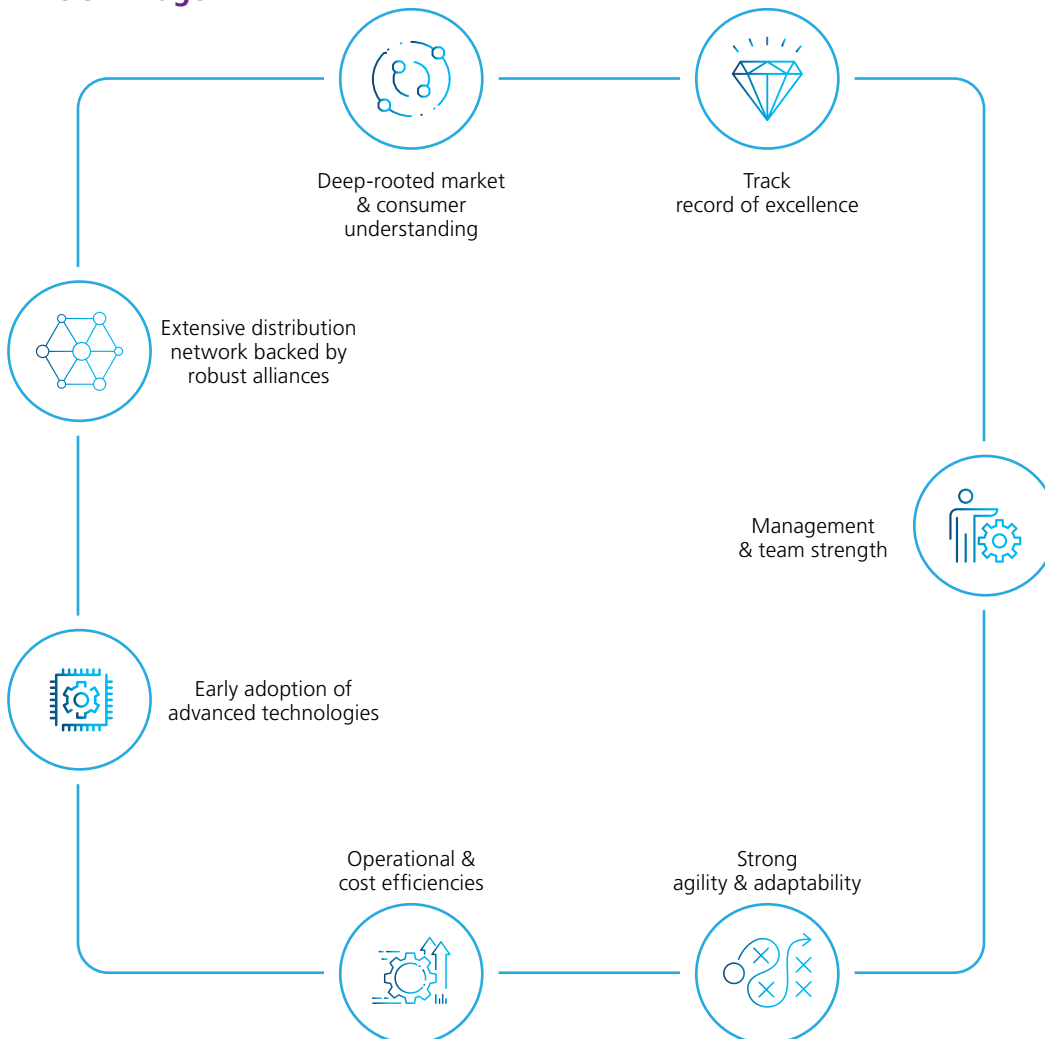
Base on DPO Packs

99%+

Digital Payments

(All numbers as on March 31, 2022)

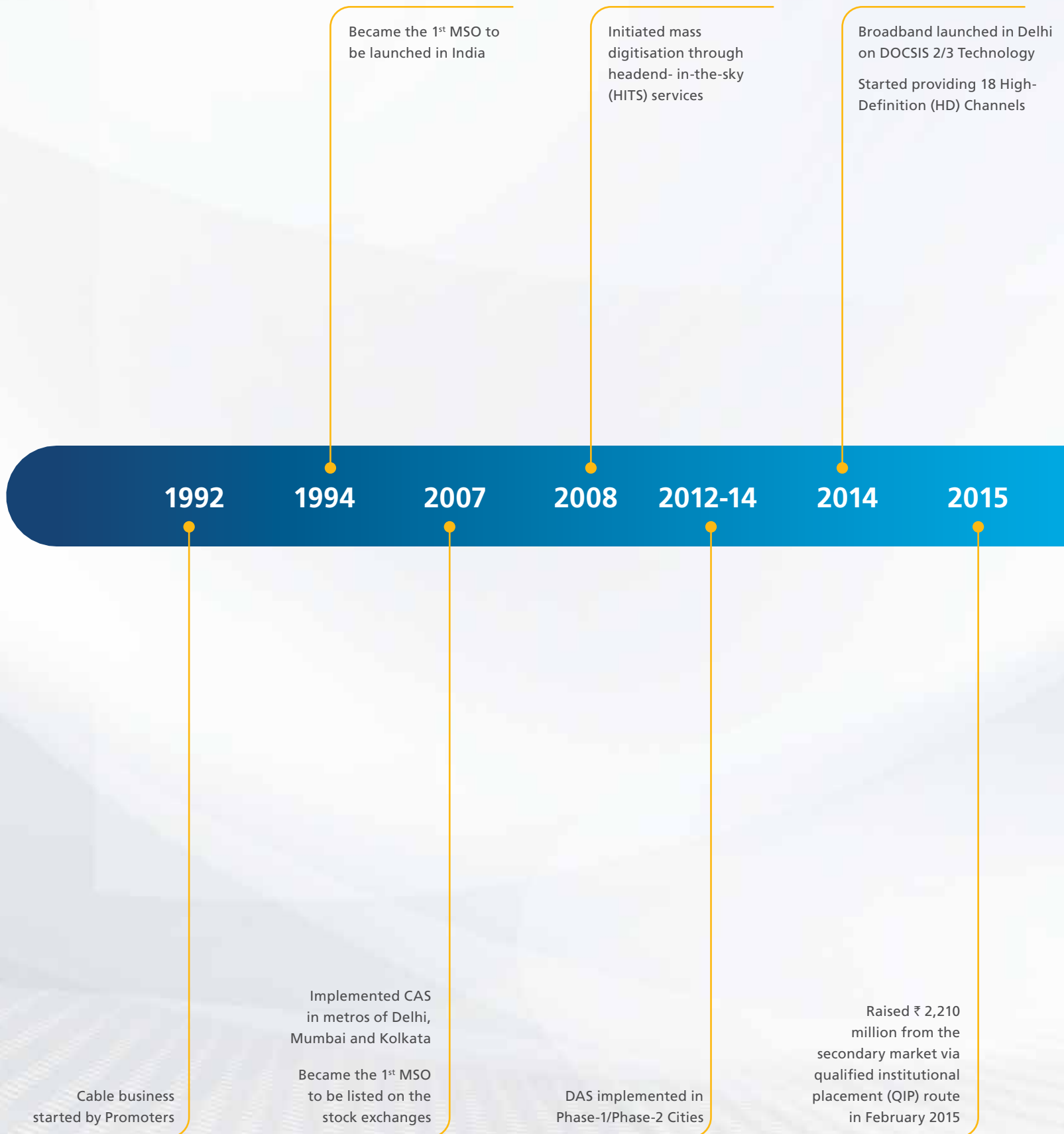
The SITI Edge

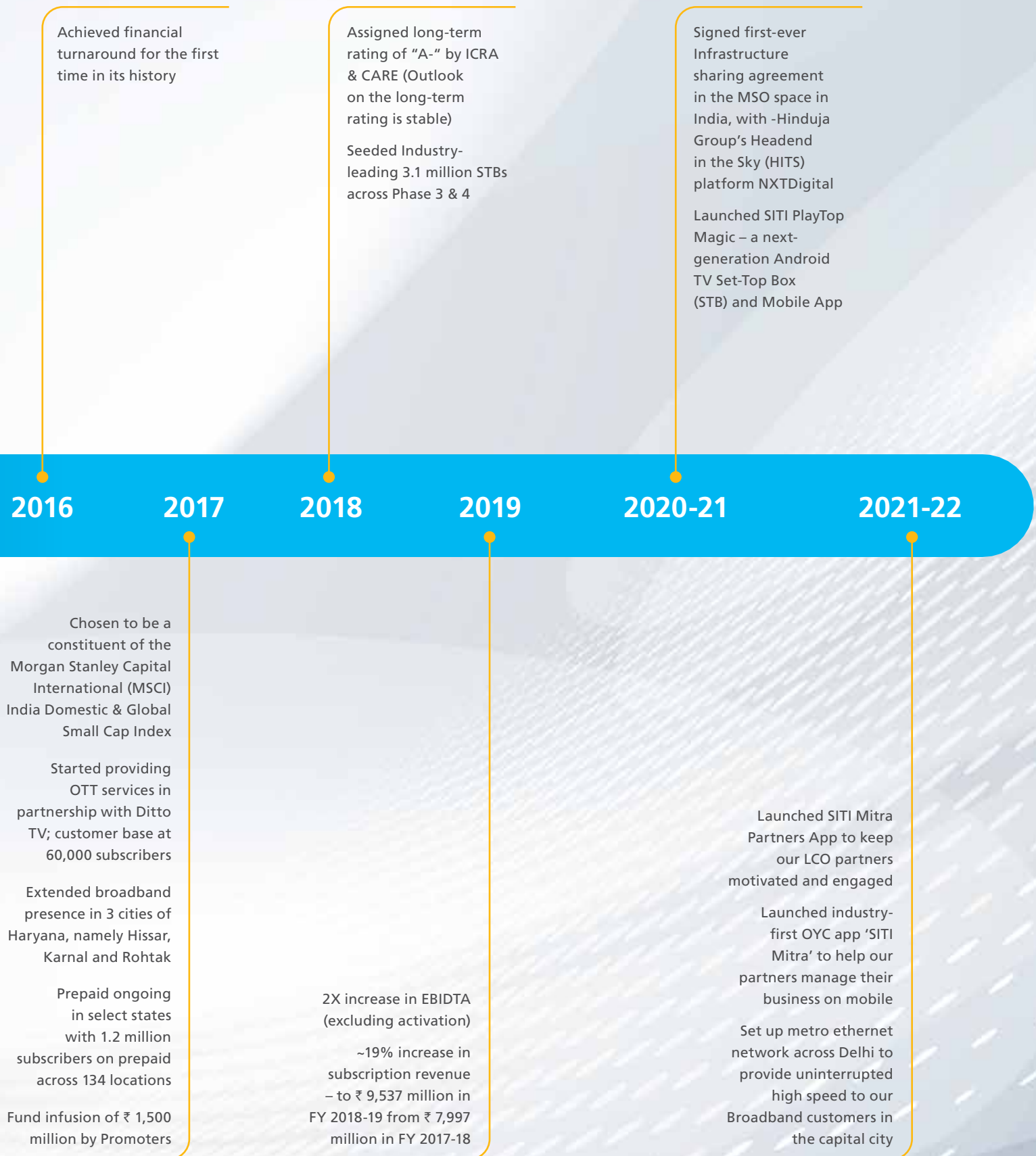


Interconnected across India



Powering ahead on a robust growth trajectory





Integrated



**Great things in business
are never done by one person;
they're done by a team of people.**

Steve Jobs, (Apple)

Integrating Services through Partnerships

The SITI portfolio of integrated offerings is the outcome of our innovation prowess, technological expertise and strong partnerships. We believe that delivering service excellence requires collaborative efforts, led by robust partnerships. Even as we remain focussed on strengthening our innovation edge, we continue to forge new partnerships and enhance our existing partnerships.

During FY22, we further augmented our partnership approach by acquiring strategic cable TV business in Delhi, Rishikesh (Uttarakhand), Narwana (Haryana) and Bellary (Karnataka). The acquisitions will help us deepen our presence in these states to further enhance our pan-India reach and presence.

Partnering our way to India's semi-urban & rural areas

Another strong partnership that has paved the way for SITI's higher growth is our HITS infra sharing agreement – the first ever such agreement in the MSO space in India. The agreement, with Hinduja Group's Headend-in-the-Sky (HITS) platform NXTDigital. This will help us improve our operational efficiencies and provide high up-time and quality services across the country. Under the agreement, we are leveraging the HITS infrastructure to deliver our signals to our Local Cable Operators (LCOs), thus providing our services to semi-urban and rural subscribers while also expanding our footprint across the country through satellite. We have already started testing and a commercial launch is imminent.

Building on our LCO Partnerships

Our LCO partnerships are a key propeller of our integrated service proposition and we are continuously investing in strengthening the same. We are investing continuously in



empowering our LCO partners through innovative initiatives, designed to nurture their growth and align them more intricately with SITI's vision and growth strategy.

In line with this approach, we took several new targeted initiatives during the year to augment our connect with the LCOs.

SITI Navratna Partner Engagement Programme

We appreciate and acknowledge the role of our LCO partners in SITI's growth trajectory and in helping us keep our customers interconnected to the expanding world of Cable TV and Video on Demand services. We strive to keep them motivated and incentivised through special programmes and initiatives, aimed at recognising their contribution to the Company's progression.

In October 2021, we launched the SITI Navratna Partner Engagement Programme to enhance our LCO connect. Under the programme, we award 25 partners every month on the three metrics of 'Consistent Performance', 'Break-out Performance' and 'Twin Performance'.

29%

growth has been achieved by SITI Navratna winners in our Video business since the launch of the programme.

SITI MITRA PARTNER APP



Our efforts to scale our partner connect have been marked by many notable pioneering initiatives over the years. In FY22, we launched the industry-first fully functional OYC app – SITI Mitra. Developed in-house, the app is designed to help our partners manage their business from their mobile phones.

- The app is packed with a slew of features, spanning all the key modules of customer journey – from onboarding and grievance handling to payments and more
- As a back-up, the payment module has been kept separate from OYC, which ensures that even if the website payment module is down due to technical or other reasons, the payment module on the app remains fully functional
- All functionalities relating to regulatory and legal compliances are included in the app, e.g. SAF, Customer KYC, etc.

Innovative



**The technology you use
impresses no one.
The experience you create
with it is everything.**

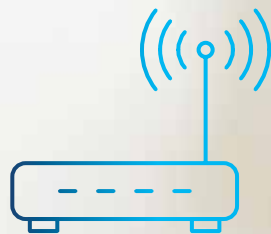
Sean Gerety, a UX Geek



Innovating to Enhance Customer Experience

Our deep understanding of consumer aspirations and their transforming needs enables us to move proactively to enhance their experience through breakthrough products and technologies. The growing telecom interconnectivity and demand for integrated offerings has pushed the bar of innovation further at SITI in recent years.

During FY22, we embarked on several technological innovations to further enhance our Broadband customers' experience in the interconnected new world. As work-from-home gave way to a hybrid mode of working, the need for 24X7 high-speed internet connectivity became sharper, and we responded with agility to deliver to the same through a series of new initiatives.





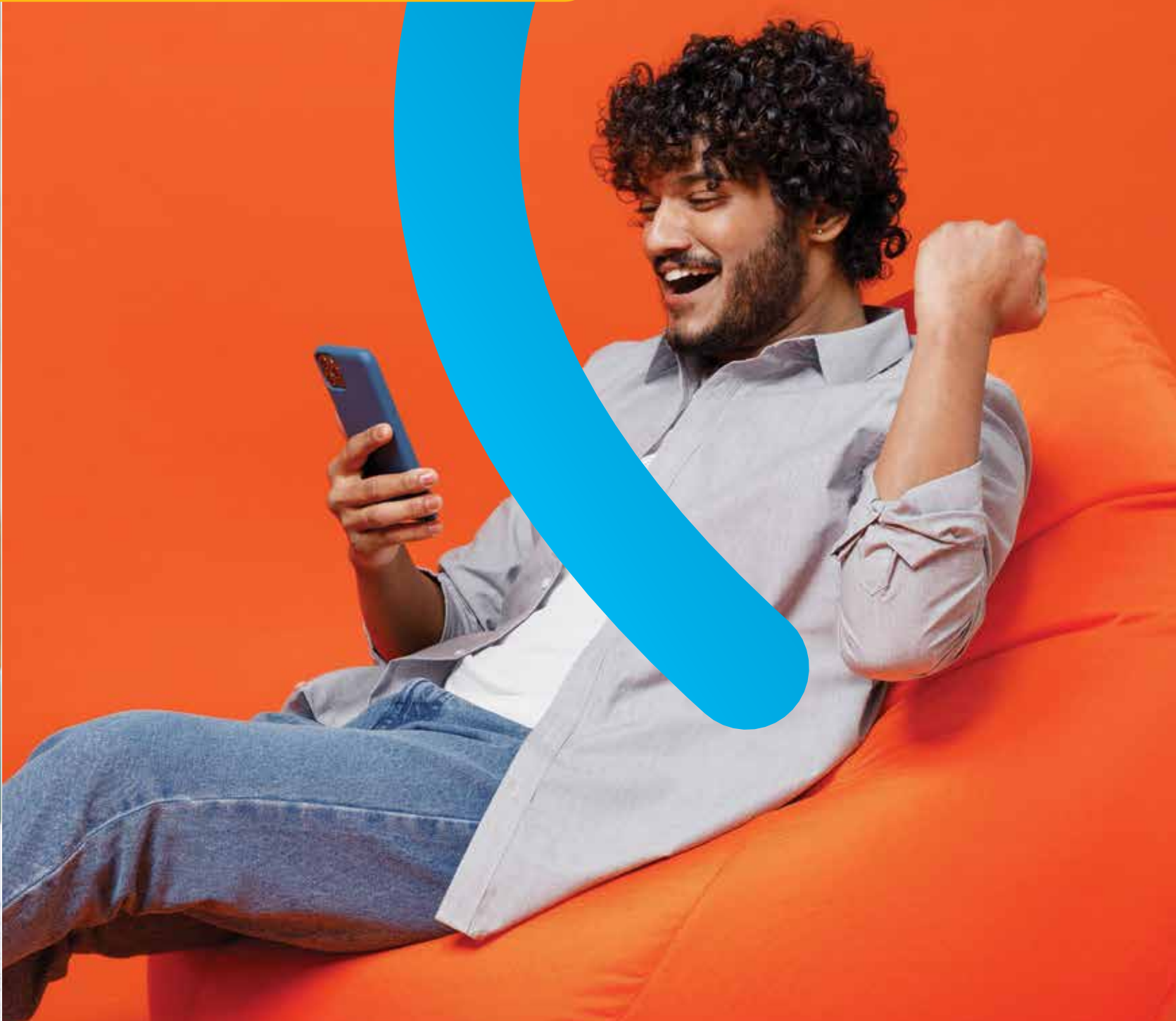
Customer Service Ethos

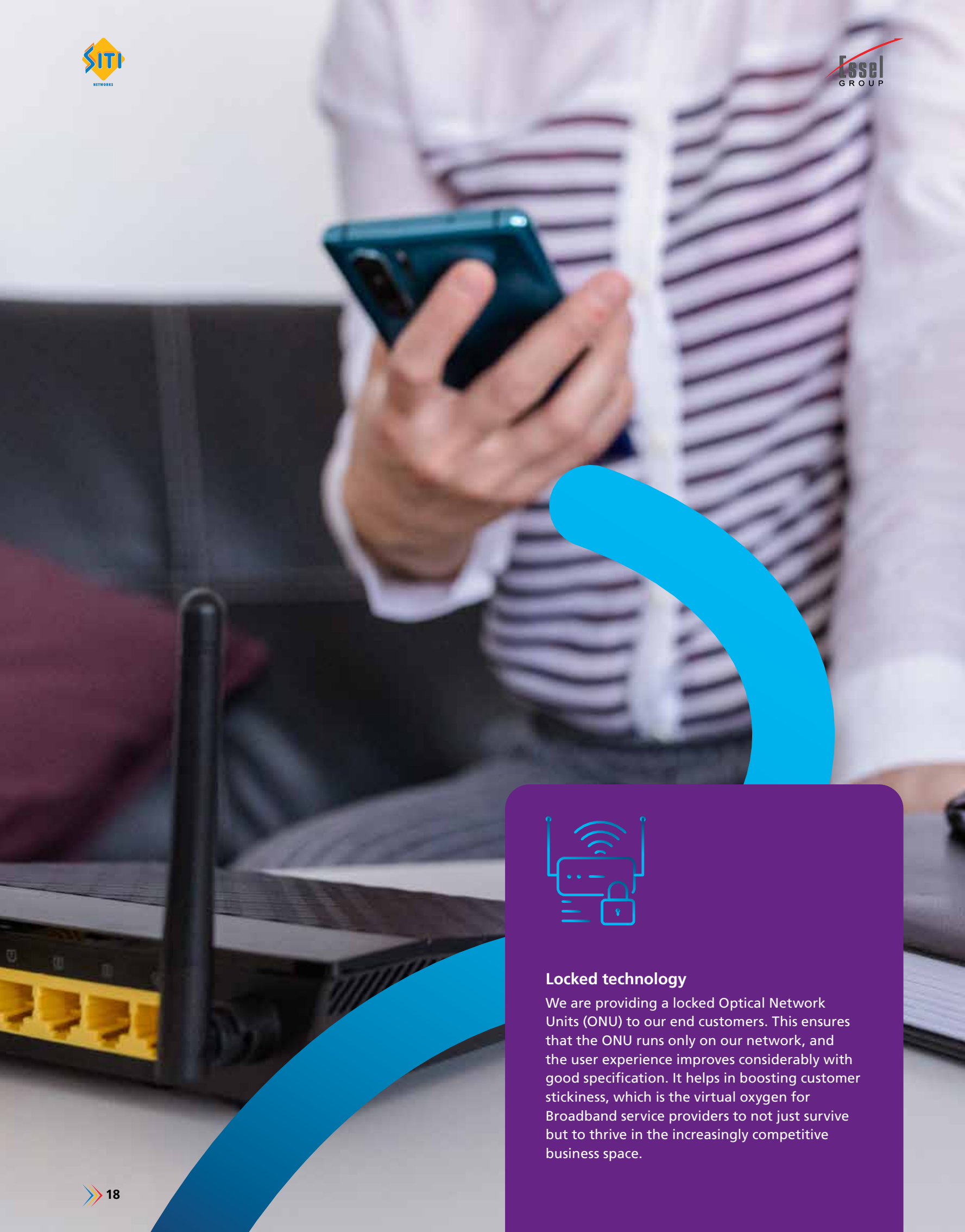
We moved to a Cloud dialler for our contact services, thus enabling us to deliver excellent service to our customers even during the lockdown period, when our agents worked from the safety of their homes. Despite the constraints of the lockdown, our agents ensured that no customer call was left unattended. We also started customer feedback on interactions with the contact centre, and deployed the learnings to improve our services.



Delhi MEN Ring connectivity

To give uninterrupted speed to our Broadband customers in Delhi, we have established a metro ethernet network, covering the entire national capital city with its own dark fibre in ring.





Locked technology

We are providing a locked Optical Network Units (ONU) to our end customers. This ensures that the ONU runs only on our network, and the user experience improves considerably with good specification. It helps in boosting customer stickiness, which is the virtual oxygen for Broadband service providers to not just survive but to thrive in the increasingly competitive business space.



Fibre direct network upgradation

In addition to the innovative technological interventions that we launched, we also initiated a massive upgradation drive of our existing network during the year, to compete aggressively in the transforming market.

- The network upgradation has been prompted by the growing shift to fibre technology by ISP/ Broadband players
- The shift is leading to customer churn and low acquisition on DP points, with fibre technology also being relatively low-maintenance as compared with the legacy DOCSIS network we have at our direct points
- We are also expanding the direct points, with increasing home passes to facilitate new acquisitions with better EBITDA margins
- Further, we have appointed Sales staff for supporting our partners and

maximising the extraction on direct points, which has started delivering better Net additions

Upgradation of customer contact services

Customer satisfaction is vital for business success and it is our focussed endeavour to become more responsive and responsible towards their transforming needs. In addition to the various back-end digital interventions, we also scaled up our front-facing customer services during the year.

- We upgraded our Customer Contact Services to utilise Cloud-based dialers
- This ensured seamless connectivity for our customers with our customer service teams during the second, deadly wave of the COVID pandemic
- Our agents were also safe, and we kept our customer satisfaction metrics high

Digital brand awareness

To create awareness among the customers about our various digital brand platforms, we have launched digital campaigns through Google and Facebook for lead generation. We are also using the QR codes to promote brand awareness.

Partnering our People

As a people-centric organisation, we strongly believe in nurturing a culture that enables the growth, well-being, welfare and career progression of our employees. We have a Company-wide ethos of caring and sharing with our people, and continue to invest in their learning and development on an ongoing basis. We also remain consistently focussed on being connected and engaged with our employees to keep them motivated and inspired, treating them as equal partners in our growth journey.

During FY22, we undertook various initiatives to build on our HR culture and ensure the sustained welfare and well-being of our employees.

Rewards & Recognition

Perceiving our employees to be our valuable assets, we started Rewards & Recognition programmes for our employees, across functions, to encourage them to excel in their work.



Enhancing Employee Connect

We conducted Monthly Townhalls as a forum for dialogue between Employees and the Management. The townhalls helped the Company engage closely with all the employees even during the COVID times.

Ensuring Health & Well-Being

We conducted regular health check-ups of our employees through special camps and supported employees diagnosed with any medical issues.

Spreading Cheer

As part of our efforts to stay engaged with our people through the year, we joined them in celebrating various special occasions. We feel this helps spread cheer and happiness in their lives.



Women's Day Celebration

We believe this to be not just another day but a day to appreciate and give respect to all the women, who are the essence of our lives. We celebrated the International Women's Day during the year to honour the life, grit, and determination of our women employees.

Holi Celebration

We organised a grand office party to celebrate the colours of Holi. All employees played Holi in office before leaving for their respective hometowns to celebrate the festival with their family.



Diwali Celebration

The festival of light heralds the message of peace and prosperity, good fortune and glory, happiness and joy. To mark the occasion, we arranged for Green Rangoli decoration at our office.



Birthday Celebrations

Giving an employee special attention on their birthday makes them feel valued and recognised, and we have made it a practice to arrange for birthday celebrations of our people across departments.



Performance Overview

₹ 1,960 Mn

Operating EBITDA
(Excluding Activation)

13.5%

Operating
EBITDA Margin
(Excluding Activation)

₹ 14,558 Mn

Total Revenue
(Excluding Activation)



2.40 Lakhs

Broadband Subscribers

₹ 9,155 Mn

Subscription Revenue

₹ 1,135 Mn

Broadband Revenue

Board of Directors

Suresh Arora

Executive Director

Mr. Suresh Arora is a business leader with about 35 years of experience. He is a Commerce graduate from the University of Delhi, with a PG Diploma in Business Administration (specialisation in Marketing Management) from Symbiosis, Pune. He has hands-on cross-functional experience and has held senior leadership roles across organisations over the years. He has a deep understanding of Business Development and Administration, Strategy, Leadership, Board Service and Governance, Sales and Marketing, Risk Management and Sustainability domains. During his

stint with Pan India Network Limited ("PINL") – an Essel Group company, Mr Arora played an important role in building a strong network of channel partners, including distributors and retail outlets, thus aiding PINL's Online/Paper Lottery business operations in Punjab & Haryana through close liaisoning with the state governments. SITI Networks has gained through his experience and deep understanding of business.

Mr. Sunil Kumar Maheshwari

Independent Director

Mr. Sunil Maheshwari is at present a Professor in Human Resource Management at the Indian Institute of Management, Ahmedabad. He has served on the Boards of many organisations, including UCO Bank and Andhra Bank. An Alumni of IIT Delhi and IIM Ahmedabad, he worked with BHEL and Indian Railways (IRPS Cadre) before shifting to academics in 1998. From January 2009 to January 2013, he worked as Advisor to the Minister of HRD. He has research, consulting and teaching interests in the areas of strategic human resource management, international human resource management and business turnaround.

His book titled "Turnaround Excellence," published by Penguin Books India and based on a study of six turnaround cases, has been among the business best sellers. He has been widely published in reputed national and international journals, and has written more than 30 cases. He has been a consultant to many large national and international organisations, and has received several awards for excellence in his stellar career.

Mr. Amitabh Kumar

Non-Executive Non-Independent Director

Associated with Essel Group in various capacities since 2001, Mr. Amitabh Kumar is a Technology leader in the Media & Telecom industry. He is also serving as the Head of Broadcasting for Zee Network, with responsibility for its global broadcast operations across ~150 channels. He was a key contributor to the establishment of operations for India's first DTH operator, Dish TV, where he still serves as Advisor Technology.

Mr. Kumar is an Electronics Engineering Graduate from BITS Pilani and holds PG Diploma in Telecommunications

Management from TEMIC Canada. Before being associated with Essel Group, he served as Director Operations for VSNL (1995-2001) besides being its Acting Chairman & Managing Director in 1998-99. He played a pivotal role in VSNL 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).

Ms. Kavita Kapahi

Non-Executive Non-Independent Director

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

She has a passion for working for the disadvantaged sections of the society, and has been actively involved in nurturing differently abled children and young adults, and also empowering them with employment skills. She supports various charitable organisations engaged in education among the marginalised.

Mr. Bhanu Pratap Singh

Independent Director

A BA (Economics) graduate from Duke University, Mr. Bhanu Pratap Singh had worked at JP Morgan Chase as an investment banking analyst in the New York office, covering the power sector. He went on to his MBA from the Tuck School of Business, Dartmouth College, USA, and worked as an MBA summer intern at Nomura Securities in the New York office in the Debt Private Placement Group.

After completing his MBA, he worked in the Leveraged Finance Group of Citigroup in New York, where he worked on structuring and financing leveraged loans and high yield bonds for large US corporates and Private Equity firms. He then moved back to India to start his entrepreneurial journey by founding the Bhavani Group, which is focussed 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 the 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 working with new technologies in the Renewable Energy space.

He 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.

Ms. Shilpi Asthana

Independent Director

A Commerce graduate from Delhi University, MBA from Sikkim Manipal University and Diploma in Industrial Relations and Labor Law from Symbiosis, Pune, is a Professional with experience in various facets of HR function including Manpower Planning, Industrial Relations, People Management etc.

She has a decade of work experience and was previously associated with reputed Companies in Real Estate, Infrastructure & Project Engineering industry.

Management Team



Yogesh Sharma
Chief Executive Officer



Mr. Vikash Khanna
Chief Financial Officer



Mr. Johnson P.J
Head Technology



Mr. Onkar Singh
Head HR



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. Bhanu Pratap Singh

Independent Director

Shilp Asthana

Independent Director

Senior Management

Yogesh Sharma

Chief Executive Officer

Vikash Khanna

Chief Financial Officer

Johnson P.J

Head Technology

Onkar Singh

Head HR

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

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

Notice

Notice is hereby given that the 16th Annual General Meeting (AGM) of the Equity Shareholders of SITI Networks Limited will be held on Monday the 12th day of September, 2022 at 3:00 p.m. (IST) 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, 2022, including the Balance Sheet as at March 31, 2022, 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. Suresh Arora (DIN 00299232), 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 Section 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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force), Ms. Shilpi Asthana (DIN 08465502) who, upon recommendations of the Nomination & Remuneration Committee, was appointed as an Additional Director of the Company by the Board of Directors with effect from December 27, 2021 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature to the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, for the period of three years from December 27, 2021 until December 26, 2024."

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

"RESOLVED THAT pursuant to Section 196, 197, 198, and 203, read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder including Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to requisite regulatory approvals, if required, consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Suresh Arora (DIN : 002299232) as a Whole Time Director of the Company, for a period of three years with effect from June 14, 2022, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT for the purposes of giving effect to this resolution, the Board of Directors (hereinafter referred to as the "Board", which terms be deemed to include any Committee of the Board of Directors duly authorised in that behalf for the time being exercising powers conferred on the Board by this resolution) be and is hereby authorised to alter, vary or modify, from time to time, said terms and conditions within the limits specified in the Explanatory Statement annexed to the Notice or otherwise as may be permissible by law and to do all such acts, deeds, matters and things as it may in its absolute discretion, deemed necessary, expedient, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard."

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 ₹ 40,000/- (Rupees Forty Thousand Only), with addition of applicable taxes and reimbursement of out of expenses, payable to M/s. SK Mittal & Co., Cost Accountants (Firm's Registration No. 000079) towards Cost Audit for the financial year 2022-23, 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, May 28, 2022

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 of 16th Annual General Meeting ("16th AGM"), is annexed hereto. Further, the relevant details pursuant to Regulation 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 and/or re-appointment at the 16th AGM are also annexed with this notice and/or stipulated in Corporate Governance Report.
2. Pursuant to General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (hereinafter collectively referred to as "SEBI Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the MCA Circulars and SEBI Circulars, the 16th AGM of the Company is being held through VC/OAVM. Accordingly, the members can attend and participate in the 16th AGM through VC/OAVM.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with MCA Circulars and SEBI Circulars, the facility for appointment of proxies by the members will not be available. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013 ("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. The members of the Company under the category of Institutional Investors are encouraged to attend and vote at the 16th AGM through VC/OAVM. Institutional / Corporate members (i.e. other than individuals / HUF, NRI, etc.) intending to authorise their representatives to participate and vote at the 16th AGM are requested to send a certified copy of (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail through its registered e-mail address to amitagcs@gmail.com with a copy marked to csandlegal@siti.esselgroup.com.
5. Members who wish to obtain information on Financial Statements for the financial year ended March 31, 2022 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.
6. In compliance with the MCA Circulars and SEBI Circulars, the Notice of the 16th AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories.
7. In line with the MCA Circulars and SEBI Circulars, the Notice calling the 16th 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 16th AGM) i.e. www.evotingindia.com.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and Certificate of Statutory Auditors M/s DNS & Associates, Chartered Accountants, issued under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the members during the 16th AGM.
9. In compliance with 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 Circulars and SEBI Circulars including Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 issued by SEBI on December 9, 2020 and Secretarial Standard -2 issued by ICSI, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the 16th AGM. For this purpose, the Company has made arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-voting 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. 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.

16. 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.

17. 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

18. 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 MCA Circulars and SEBI Circulars including Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 issued by SEBI on December 9, 2020 and Secretarial Standard -2 issued by ICSI, the Company is pleased to provide Members facility to exercise their right to vote at the 16th 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.

19. The remote e-voting period for all items of business contained in this Notice shall commence from September

8, 2022 (Thursday) at 9.00 a.m. and will end on September 11, 2022 (Sunday) 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 5, 2022 (Monday) 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.

20. 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 5, 2022 (Monday) 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.
21. 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.
22. 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 5, 2022 (Monday).
23. 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.
24. The Company has appointed M/s Amit Agarwal & Associates, Practicing Company Secretaries (having Firm Registration No. 12001DE191600), 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 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.

25. THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Thursday, the 8th day of September, 2022 at 9:00 a.m. and ends on Sunday, 11th day of September, 2022 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 of September 5, 2022 (Monday) 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 at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

Step 1 : Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.

- (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 ID in their demat accounts in order to access e-voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users 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 users 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 user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your 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 user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting 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 Depository	<ol style="list-style-type: none"> 1) If 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 user 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 (DP)	<p>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.</p>

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.

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 toll free no. 1800 22 55 33
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 e-voting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 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 Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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.
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. <ul style="list-style-type: none"> • 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.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.

- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutiniser for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- 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 User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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 scrutiniser to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser 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 scrutiniser to verify the same.
26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE 16TH AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:
1. The procedure for attending meeting & e-voting on the day of the 16th AGM is same as the instructions mentioned above for 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 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 16th 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, e-mail 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, e-mail 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 16th 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 16th AGM.
 10. If any Votes are cast by the shareholders through the e-voting available during the 16th AGM and if the same shareholders have not participated in the meeting

through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

27. 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 e-mail to **Company/RTA e-mail id.**
2. For Demat shareholders - Please update your e-mail id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your e-mail 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 e-mail to helpdesk.e-voting@cdslindia.com or contact at toll free no. 1800 22 55 33

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 e-mail to helpdesk.e-voting@cdslindia.com or call toll free no. 1800 22 55 33.

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

Based on the recommendation of Nomination and Remuneration Committee and after reviewing confirmation of independence received, the Board of Directors of the Company had appointed Ms. Shilpi Asthana (DIN 08465502) as an Additional Director of the Company, in the category of Independent Director with effect from December 27, 2021. Pursuant to Section 161(1) of the Companies Act 2013, Ms. Shilpi Asthana shall hold office till the date of this Annual General Meeting. The Nomination and Remuneration Committee while recommending the appointment of Ms. Shilpi Asthana as Independent Director of the Company has considered

his diverse skills and capabilities of leadership, governance, strategic planning and policy development, amongst others, as being key requirements for this role. In view of the above, the Nomination and Remuneration Committee and the Board are of the view that Ms. Shilpi Asthana possesses the requisite skills and capabilities, which would be immense benefit to the Company, and hence, it is desirable to appoint her as an Independent Director of the Company.

The Board of Directors, based on the performance evaluation and after reviewing confirmation of independence received, recommends appointment of Ms. Shilpi Asthana as Independent Director, not liable to retire by rotation, for a period of 3 years commencing December 27, 2021 until December 26, 2024. Appropriate notice has been received from Member proposing appointment of Ms. Shilpi Asthana as an Independent Director of the Company.

The Company has received all statutory disclosures / declarations from Ms. Shilpi Asthana, including (i) consent in writing to act as Director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-Section (2) of Section 164 of the Act, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-Section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board and based on its evaluation, Ms. Shilpi Asthana, who is proposed to be appointed as Independent Director of the Company, fulfils the conditions specified under Section 149(6), Schedule IV of the Companies Act 2013 and Regulation 16 of the SEBI Listing Regulations and is Independent of the Management.

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

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

Item Nos. 4

Based in the recommendations of Nomination & Remuneration Committee and Board of Directors of the Company, and

- (i) pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Shareholders of the Company at the 13th Annual General Meeting of the Company held on September 28, 2019 had appointed Mr. Suresh Arora (DIN 00299232), as a Director of the Company, liable to retire by rotation.

(ii) pursuant to Section 196, 197, 198, 203, read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the Shareholders of the Company at the 13th Annual General Meeting of the Company held on September 28, 2019 had appointed Mr. Suresh Arora, as Whole Time Director for a period of 3 (three) years with effect from June 14, 2019.

Based on the recommendation of Nomination and Remuneration Committee and keeping in view the performance evaluation of Mr. Suresh Arora during his term of 3 years and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, the Board of Directors of the Company has re-appointed Mr. Suresh Arora (DIN 00299232) as Whole Time Director of the Company with effect from June 14, 2022, subject to the approval of the shareholders in General Meeting.

In terms of Section 196(4) of the Companies Act, 2013, subject to the provisions of Section 197 and Schedule V, a Whole Time Director shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Director at a meeting which shall be subject to approval by a resolution at the next general meeting of the company. However, in terms of Regulation 17(1C) of the SEBI Listing Regulations, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Director or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

In terms of Schedule V of the Companies Act, 2013, in case of default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditors, the Company can not pay remuneration to any managerial person except with the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be.

Therefore, subject to approval of the members and in accordance with the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company had approved the re-appointment of Mr. Suresh Arora as Whole Time Director of the Company for a period of 3 years commencing June 14, 2022, without any remuneration.

Memorandum of interest and concern: The terms and conditions as specified herein-above shall also be treated as an abstract of the terms and conditions of his appointment

and memorandum of disclosure of nature of interest or concern therein as required to be given under Section 190 of the Companies Act, 2013.

Your Board recommends the ordinary resolutions as set out in Item No. 4 of this Notice for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Suresh Arora (whose appointment is proposed in the resolution) is in any way concerned or interested in the resolutions 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 May 28, 2022 has, after reviewing confirmation received and based on the recommendation of the Audit Committee, approved appointment of M/s SK Mittal & Co., Cost Accountants (Firm's Registration No. 000079), as Cost Auditor to audit the cost records of the Company for financial year 2022-23, at the remuneration of ₹ 40,000/- (Rupees Forty 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 2022-23.

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, May 28, 2022

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

Addition Information on Directors recommended for appointment/re-appointment as required under Regulation 36 of the SEBI Listing Regulations and applicable Secretarial Standards

MS. SHILPI ASTHANA

Brief Profile:

Ms. Shilpi Asthana (DIN 08465502), a Commerce graduate from Delhi University, MBA from Sikkim Manipal University and Diploma in Industrial Relations and Labor Law from Symbiosis, Pune, is a Professional with experience in various facets of HR function including Manpower Planning, Industrial relations, People Management etc. During around a decade of work experience, Ms. Asthana was associated with reputed Companies in Real Estate, Infrastructure & Project Engineering industry.

Nature of expertise in specific function:

Diverse skills and capabilities of leadership, governance, strategic planning and policy development.

Disclosure of inter-se relationships between Directors and Key Managerial Personnel : Nil

Listed entities (including Siti Networks Limited) in which Ms. Shilpi Asthana holds Directorship and committee membership:

As per SEBI Listing Regulations an Independent Director may hold Directorships in seven listed companies. Ms. Shilpi Asthana holds Directorship in two listed company including Siti Networks Limited.

The details of Directorships/Committee Memberships in listed companies are as follows:

Directorships	Committee Memberships	Committee Chairmanships
Diligent media Corporation Limited	Nomination and Remuneration Committee	Audit Committee
Siti Networks Limited	(i) Audit Committee; and (ii) Nomination and Remuneration Committee	

Listed entities from which Ms. Shilpi Asthana has resigned in past three years: Nil

Shareholding in Company as on May 28, 2022: Nil

Skill and Capabilities :

As per the resolution at Item No. 3 of this Notice, read with the explanatory statement thereto.

Key terms and condition of appointment :

As per the Resolution at Item No. 3 of this Notice, read with the explanatory statement thereto.

MR. SURESH ARORA

Brief Profile:

Mr Suresh Arora (DIN 00299232) is a business leader with about 35 years of experience. He is a Commerce graduate from the University of Delhi, with a PG Diploma in Business Administration (specialisation in Marketing Management) from Symbiosis, Pune. He has hands-on cross-functional experience and has held senior leadership roles across organisations over the years. He has a deep understanding of Business Development and Administration, Strategy, Leadership, Board Service and Governance, Sales and Marketing, Risk Management and Sustainability domains. During his stint with Pan India Network Limited ("PINL") – an Essel Group company, Mr Arora played an important role in building a strong network of channel partners, including distributors and retail outlets, thus aiding PINL's Online/Paper Lottery business operations in Punjab & Haryana through close liaisoning with the state governments. SITI Networks has gained through his experience and deep understanding of business.

Nature of expertise in specific function:

Diversity, Business Development and Administration, Strategy, Leadership, Board Service and Governance, Sales and Marketing, Risk Management and Sustainability.

Disclosure of inter-se relationships between Directors and Key Managerial Personnel: Nil

Listed entities (Including Siti Networks Limited) in which Mr. Suresh Arora holds Directorship and committee membership:

As per SEBI Listing Regulations an Independent Director may hold Directorships in seven listed companies. Mr. Suresh Arora holds Directorship in one listed company i.e. Siti Networks Limited.

The details of Directorships/Committee Memberships in listed companies are as follows:

Directorships	Committee Memberships	Committee Chairmanships
Siti Networks Limited	(i) Stakeholders Relationship Committee; and (ii) Corporate Social Responsibility Committee	

Listed entities from which Mr. Suresh Arora has resigned in past three years: Nil

Shareholding in Company as on May 28, 2022: Nil

Skill and Capabilities :

As per the resolution at Item No. 4 of this Notice, read with the explanatory statement thereto.

Key terms and condition of appointment :

As per the Resolution at Item No. 4 of this Notice, read with the explanatory statement thereto.

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting the 16th Annual Report of your Company, together with the Audited Financial Statements for the financial year ended March 31, 2022, 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, 2022 is summarised below:

(₹ in million)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	6,144.30	7,304.84	14,458.50	15,369.20
Other Income	34.20	28.77	150.20	173.10
Total Income	6,178.50	7,333.61	14,608.70	15,542.30
Total Expenses	5,558.10	6,144.52	12,597.80	12,946.52
EBIDTA	5,250.80	1,189.09	2,010.90	2,595.78
Less : Finance cost	1,085.70	1,103.07	1,204.00	1,262.96
Less : Depreciation	1,849.90	2,053.97	3,307.10	3,490.38
Profit/(Loss) before share of profit/(loss) of associates and joint ventures, exceptional item and tax	(2,315.20)	(1,967.95)	(2,500.20)	(2,157.56)
Share of profit/(loss) of associates and joint ventures	0.00	0.00	(3.80)	21.42
Profit/(Loss) before exceptional item and tax	(2,315.20)	(1,967.95)	(2,504.00)	(2,136.14)
Exceptional items	238.00	296.87	85.90	296.87
Profit /(Loss) before tax & after exceptional items	(2,553.20)	(2,264.82)	(2,589.90)	(2,433.01)
Provision for taxation (net)	0.00	0.00	19.80	(18.82)
Profit/(Loss) after tax & exceptional items	(2,553.20)	(2,264.82)	(2,609.70)	(2,414.19)
Remeasurement of defined benefit liability	0.90	(4.96)	5.50	(0.99)
Total comprehensive profit/(loss) for the period	(2,552.30)	(2,269.78)	(2,604.20)	(2,415.18)

Business Overview

During FY2021-22, businesses were impacted by both the second and third wave of Covid19. Infections during the second wave were high and severe lock down norms and containment zones, impacted the Company's normal business operations. Some employees, LCOs and their respective families were infected, and a few lost their lives too.

Taking utmost precautions, the employees and LCOs continued to provide services to consumers and ensured seamless connectivity on the ground. Despite some recovery in incomes during the year, several households cut their expenses to bare necessity. This resulted in TV Package downgrades or deactivation of TV connections. The impact of the pandemic

was compounded by cyclones AMPHAN and NISARGA in May in the EAST and West zones, leading to a further financial impact on operations.

The Company's wholly subsidiary SITI Broadband is moving rapidly towards expanding its presence in the Broadband space and in keeping with the opportunity and trends, Broadband is its primary focus. 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 center. Its DOCSIS+GPON hybrid technology enables it to offer integrated Cable and Broadband Services.

Directors & Key Managerial Personnel

Your Board 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 six (6) times, details of which are available in the Corporate Governance Report annexed to this report.

Based in the recommendations of Nomination and Remuneration Committee and Board of Directors of the Company, and pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Shareholders of the Company at the 13th Annual General Meeting of the Company held on September 28, 2019 had appointed Mr. Suresh Arora (DIN 00299232), as a Director of the Company, liable to retire by rotation. Accordingly, as per Section 152 of the Act, Mr. Suresh Arora (DIN 00299232) will retire 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. Suresh Arora.

Further, pursuant to Section 196, 197, 198, 203, read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the shareholders of the Company at the 13th Annual General Meeting of the Company held on September 28, 2019 had approved the appointment of Mr. Suresh Arora as Whole Time Director for a period of 3 (three) years with effect from June 14, 2019. Therefore, your Board has, based on recommendations of Nomination & Remuneration Committee, approved the re-appointment of Mr. Suresh Arora as Whole Time Director of the Company for a period of 3 years with effect from June 14, 2022. The Company has received a notice under Section 160 from a member proposing re-appointment of Mr. Suresh Arora. Accordingly, necessary resolution is being placed for approval of the Members at the 16th Annual General Meeting of the Company.

Your Board had, based on recommendations of Nomination & Remuneration Committee, approved the appointment of Ms. Shilpi Asthana (DIN 08465502) as Additional Director in the category of Independent Director with effect from December 27, 2021. In terms of Section 161 of the Companies Act, 2013, Ms. Shilpi Asthana shall hold office up to the date of the ensuing Annual General Meeting of the Company. The Company has received separate notice under Section 160 from a member signifying his intention to propose appointment of Ms. Shilpi Asthana. Accordingly, necessary resolution is being placed for approval of the Members at the 16th Annual General Meeting of the Company.

During the year under review, Mr. Raj Kumar Gupta, who was appointed as Additional Director in the category of Independent Directors and who had informed the Company that he is not interested in being appointed at the 15th Annual General Meeting of the Company due to attaining the age of 75 years on October 10, 2021, has ceased to be Director of the Company on September 28, 2021 i.e. at the 15th Annual General Meeting of the Company.

Consequent upon expiry of second terms of appointment as Independent Director w.e.f. March 31, 2021 and based on recommendations of Nomination & Remuneration Committee, your Board had approved the appointment of Ms. Kavita Kapahi (DIN 02330706) as Additional Director in the category of Non-Executive Non-Independent Director with effect from April 1, 2021. Pursuant to Section 149, 152 and other applicable provisions of Companies Act 2013 ('Act') and the rules made thereunder read with Schedule IV of the Act, the Shareholders of the Company at the 15th Annual General Meeting of the Company held on September 28, 2021, had approved the appointment of Ms. Kavita Kapahi as Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

During the period under review, based on recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Shareholders of the Company at the 15th Annual General Meeting had approved the 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.

Consequent upon resignation of Mr. Anil Kumar Malhotra from the office of Chief Executive Officer ("CEO") of the Company w.e.f. close of business hours on December 31, 2021, your Board, based on the recommendations of the Nomination & Remuneration Committee, had approved the appointment of Mr. Yogesh Sharma as Chief Executive Officer ("CEO") of the Company w.e.f. January 1, 2022.

During the period under review,-

- (i) 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.
- (ii) 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.

(iii) Your Board, based on recommendations of Audit Committee and Nomination & Remuneration Committee, had approved the appointment of Mr. Vikash Khanna as CFO of the Company w.e.f. October 8, 2021.

In compliance with the requirements of Section 203 of the Act, Mr. Suresh Arora, Whole-Time Director, Mr. Yogesh Sharma, Chief Executive Officer, Mr. Vikash Khanna, Chief Financial 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 has reported the following modification(s) 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 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 costs' each would have been lower by:

in case of Standalone Financial Results - ₹ 844.1 million and ₹ 3,369.7 million for the quarter and year ended March 31, 2022, respectively;

in case of Consolidated Financial Results - ₹ 1,805.9 million and ₹ 7,529.3 million for the quarter and year ended March 31, 2022, respectively, while there would have been no impact on the net loss for the quarter and year ended March 31, 2022.

As explained/clarified by the Management of the Company, the Board is of the view that that as per its interpretation and cable Industry 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 quarter and 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 2021-22 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/CMD1/27/2019 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, which has been filed with Stock Exchanges, is 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. SK Mittal & Co., Cost Accountants, having Firm's Registration No. 000079, has been appointed to carry out Audit of the Cost Records of the Company during financial year 2022-23. Requisite proposal seeking ratification/approval of remuneration payable to the Cost Auditor for financial year 2022-23 by the Members as per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, forms part of Notice of the 16th 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.

Directors' Responsibility Statement

Pursuant to Section 134 of the Act, in relation to Annual Financial Statements for the financial year 2021-22, your Directors hereby confirm that:

- i. the Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2022 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, 2022 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.

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 2021-22.

Subsidiaries & Joint Ventures

During the period under review Indian Cable Net Company Limited, which is subsidiary company of the Company, has acquired 76% Equity Stake in the paid up Equity Share Capital of Meghbela Infotel Cable & Broadband Private Limited. Accordingly, Meghbela Infotel Cable & Broadband Private Limited has become subsidiary company of the Company.

As on March 31, 2022, your Company has 24 no. of subsidiary companies, 2 associate companies and 1 wholly owned Limited Liability Partnership.

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

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 Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 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 the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolution passed by the shareholders, and the said certificate of Statutory Auditors will be placed at the 16th 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, 2022, 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. 43 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 2021-22, 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 next listed on 27.06.2022 for final arguments on Admission of the Application.
 - 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 next listed on 20.06.2022 for final arguments on Admission of the Application.

However, Corporate Insolvency Resolution Process (CIRP) was initiated against the said Broadcaster (Shop CJ Network Pvt Ltd.) in a separate application filed by Adonis Mobitrade Pvt. Ltd. Your Company has filed its claim of ₹ 12,754,930/- (inclusive of interest) before the Resolution Professional, Mr. D.B. Patel, appointed in such matter.

- 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 next listed on 27.06.2022 for final arguments on Admission of the Application.
- e. Your Company had 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 Application was allowed and CIRP was initiated wherein Ms. Vinita Agarwal was appointed as the Interim Resolution Professional. However, the Company has withdrawn the matter on 24.05.2022, as the whereabouts of the Directors of the Corporate Debtor as well as the office of the Corporate Debtor was not traceable.
- f. 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.
- g. 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.
- h. 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 ₹ 396,171/- from the corporate debtor on account of non-payment of agreed placement fee as per the terms of the Agreement. The same is pending.

- i. Housing Development Finance Corporation Ltd. (Financial Creditor) has filed an Application under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT, Mumbai Bench, against your Company for initiation of corporate insolvency resolution process against SNL on 18.02.2022 w.r.t default amount of ₹ 2,960,648,008/- as on 31.01.2022 against various loan facilities availed by your Company. The matter is next listed on 22.07.2022.
- j. Your Company had 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 Application was allowed and CIRP was initiated wherein Ms. Jayashree Bhandari was appointed as the Interim Resolution Professional. However, the Company has withdrawn the matter on 28.04.2022, as the whereabouts of the Directors of the Corporate Debtor as well as the office of the Corporate Debtor was not traceable.
- k. Your Company had 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 Application was withdrawn on 25.03.2022 as the whereabouts of the Directors of the Corporate Debtor as well as the office of the Corporate Debtor was not traceable.
- 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 utilising 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 ₹ 13.23 million and outgo of ₹ 132.43 million.

Human Resources & Particulars of Employees

As a people-centric organisation, we strongly believe in nurturing a culture that enables the growth, well-being, welfare and career progression of our employees. We have a Company-wide ethos of caring and sharing with our people and continue to invest in their learning and development on an ongoing basis. We also remain consistently focussed on being connected and engaged with our employees to keep them motivated and inspired, treating them as equal partners in our growth journey.

During FY2022, we undertook various initiatives to build on our HR culture and ensure the sustained welfare and well-being of our employees. We conducted regular health check-ups for our employees through special camps and supported employees diagnosed with any medical issues.

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 thanks the Company's employees, customers, broadcasters, cable operators and other business associates, vendors and shareholders for their continuous supports. The Directors also thanks the 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 & Share Transfer Agent and Depositories for their co-operation.

Your Directors regret the loss of lives due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked his life and safety to fight this pandemic.

Your Directors appreciate and value the contribution made by every member of SITI family.

For and on behalf of the Board

Suresh Arora
Whole Time Director
DIN 00299232

Amitabh Kumar
Non-Executive Director
DIN 00222260

Noida, May 28, 2022

ANNEXURE – I
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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 our 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 authorised 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, 2022, 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, 2022 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. 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 during the period under review, the Company has not undertaken any specific events/actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

CS Amit Agrawal
(Proprietor)

Place : Delhi
Date : May 28, 2022

M. No.: F5311, C.P. No.: 3647
UDIN: F005311D000415523

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[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,
Plot No.- X1-4, Block EP & GP,
Sector-V, Electronics Complex, Salt Lake,
Kolkata – 700091, West Bengal.
CIN: U92132WB1995PLC075754

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 our 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 authorised 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, 2022, 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 the Company for the financial year ended on March 31, 2022 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, 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. 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 Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable 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.

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 Unique Identification No.: S2007DE097200

Date: May 27, 2022

UDIN No.: F004816D000409396

To,

The Members,
Indian Cable Net Company Limited,
Plot No.- X1-4, Block EP & GP,
Sector-V, Electronics Complex, Salt Lake,
Kolkata – 700091, West Bengal.
CIN: U92132WB1995PLC075754

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: May 27, 2022

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

*[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 – 520010, Andhra Pradesh.
CINU93000AP2013PTC088687

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 – 520010, Andhra Pradesh. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our 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 authorised 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, 2022, 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 the Company for the financial year ended on March 31, 2022 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, 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. **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 Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable 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.

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 Unique Identification No.: S2007DE097200

Date: May 25, 2022

UDIN No.: F004816D000385229

To,
Siti Siri Digital Network Private Limited
32.2/1-1A, Ratnamamba Street,
Mogalrajpuram, Vijayawada – 520010, Andhra Pradesh.
CINU93000AP2013PTC088687

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: May 25, 2022

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[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, Srikakulam,

Vijayawada – 520010, Andhra Pradesh.

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 our 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 authorised 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, 2022, 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 the Company for the financial year ended on March 31, 2022 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, 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. **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 Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable 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.

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 Unique Identification No.: S2007DE097200
Date: May 25, 2022 UDIN No.: F004816D000385273

To,
Master Channel Community Network Pvt Ltd
Flat No: T4 & T5, 3rd Floor Vijaya Apartments,
Mogalarajpuram, Srikakulam,
Vijayawada - 520010, Andhra Pradesh.
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: May 25, 2022

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

*[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 – 700091, West Bengal.
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 our 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 authorised 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, 2022, 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 the Company for the financial year ended on March 31, 2022 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, 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. 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 Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable 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.

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 Unique Identification No.: S2007DE097200
Date: May 23, 2022 UDIN No.: F004816D000371336

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 and Associates**
(Company Secretaries)

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

Place: New Delhi
Date: May 23, 2022

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[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, 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 our 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 authorised 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, 2022, 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 the Company for the financial year ended on March 31, 2022 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, 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. **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 Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable 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.

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 Unique Identification No.: S2007DE097200
Date: May 20, 2022 UDIN No.: F004816D000357575

To,
Siti Prime Uttarakhand 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: May 20, 2022

ANNEXURE – II

SECRETARIAL COMPLIANCE REPORT OF
SITI NETWORKS LIMITED

For the year ended March 31, 2022

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, 2022 ("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 Aggarwal and Associates**
(Company Secretaries)

CS Amit Agrawal
Proprietor

M.No.-5311, CP No.: 3647
UDIN: F005311D000378123

Place: Delhi
Date: May 24, 2022

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, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022
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	3598.88	84.62	(281.25)	145.33	(74.62)	15.38	(13.78)	(50.56)
Total Asset	5979.98	595.17	423.64	438.85	18.43	77.32	12.87	140.44
Total Liabilities	1517.11	510.05	690.12	203.24	92.95	61.84	26.55	190.90
Investments	195.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turnover	4045.63	720.34	367.36	436.95	0.00	0.01	0.00	0.00
Profit before taxation	220.50	(20.08)	(39.04)	(33.30)	(0.06)	(0.32)	(3.31)	(8.60)
Provision for taxation	66.82	(5.16)	(13.59)	0.03	0.00	(0.01)	0.00	0.00
Profit after taxation	153.67	(14.92)	(25.45)	(33.33)	(0.06)	(0.33)	(3.31)	(8.60)
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, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022
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	0.10
Reserve & Surplus	(32.55)	(22.75)	(82.08)	(580.88)	(22.02)	(7.21)	(20.87)	(100.02)	(31.18)
Total Asset	39.69	1165.19	92.17	374.84	101.39	8.34	39.95	3.36	74.03
Total Liabilities	72.14	1187.84	174.15	955.62	121.41	15.46	60.32	102.88	105.11
Investments	0.00	0.00	0.00	1.28	1.40	0.00	0.39	0.00	3.50
Turnover	8.40	1557.91	4.87	293.82	60.41	1.11	0.00	0.00	0.00
Profit before taxation	(10.45)	(65.68)	(19.81)	(125.07)	(15.20)	(0.82)	(2.32)	(0.06)	(6.51)
Provision for taxation	0.00	(15.72)	0.00	0.00	(1.55)	0.00	0.00	0.00	0.00
Profit after taxation	(10.45)	(49.96)	(19.81)	(125.07)	(13.65)	(0.82)	(2.32)	(0.06)	(6.51)
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	⁶ Meghbela Infotel Cable & Broadband Private Limited	Siti Networks LLP
Reporting Period	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022	April 1, 2021 March 31, 2022
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	0.10
Reserve & Surplus	(10.07)	8.22	(20.45)	(137.7)	(22.68)	(30.77)	(28.11)	(0.18)
Total Asset	319.90	133.01	43.00	432.3	54.23	917.06	354.20	240.43
Total Liabilities	329.87	124.59	63.35	569.8	76.34	947.74	382.21	240.51
Investments	0.00	0.00	0.00	0.00	0.00	35.27	0.00	0.00
Turnover	834.68	93.89	3.47	250.45	8.09	85.79	237.77	0.00
Profit before taxation	8.18	(5.53)	(4.79)	(63.88)	(18.87)	(14.81)	(37.34)	(0.03)
Provision for taxation	3.06	0.94	0.00	6.27	0.62	0.00	(9.39)	0.00
Profit after taxation	5.12	(6.48)	(4.79)	(57.61)	(19.49)	(14.81)	(27.95)	(0.03)
Proposed Dividend	0.00	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	76.00	

⁴ Wholly owned subsidiary of Indian Cable Net Company Limited

⁵ Subsidiary company of Siti Broadband Services Private Limited

⁶ Subsidiary of Indian Cable Net Company 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	May 26, 2022	May 25, 2022
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	35.27
• 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		

* Held through Variety Entertainment Private Limited

ANNEXURE – IV

ANNEXURE TO DIRECTORS' REPORT

Disclosures as required under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2012 read with SEBI applicable circulars

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, 2022,
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 ₹(2.93) (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 recognised 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 2021-22.
iv.	Option movement during the year:	
	Number of options outstanding at the beginning of the FY 2021-22	655,525 Stock Options
	Number of options granted during FY 2021-22	Nil
	Number of options forfeited / lapsed during FY 2021-22	521,680 Stock Options
	Number of options vested during FY 2021-22	Nil
	Number of options exercised during FY 2021-22	Nil
	Number of shares arising as a result of exercise of options	Nil
	Money realised 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 2021-22	133,845 Stock Options
	Number of options exercisable (vested) at the end of FY 2021-22	133,845 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 2021-22. 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 2021-22. 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 2021-22 for description of method and significant assumptions used to estimate fair value of Options granted.

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:

S. No.	Name of the Director-KMP and Designation	% increase in remuneration in FY 2021-22	Ratio of remuneration of each Director to median remuneration of employees
1.	Ms. Kavita Kapahi, Independent Director ¹	Nil	-
2.	Prof. Sunil Kumar Maheshwari, Independent Director	Nil	-
3.	Mr. Bhanu Pratap Singh, Independent Director	Nil	-
4.	Mr. Raj Kumar Gupta, Independent Director ²	Nil	-
5.	Ms. Shilpi Asthana, Independent Director	Nil	-
6.	Mr. Amitabh Kumar	Nil	-
7.	Mr. Suresh Arora	Nil	-
8.	Mr. Anil Kumar Malhotra ³	Nil	NA
9.	Mr. Yogesh Sharma ⁴	NA	NA
10.	Mr. Sanjay Berry ⁵	NA	NA
11.	Mr. Gulshan Khandelwal ⁶	NA	NA
12.	Mr. Vikash Khanna ⁷	NA	NA
13.	Mr. Suresh Kumar, Company Secretary	Nil	NA

- 1 Consequent upon expiry of her second term of appointment as an Independent Director effective from March 31, 2021, Ms. Kavita Kapahi has been appointed as an Additional Director in the category of Non-Executive Non-Independent Director w.e.f. April 1, 2021.
- 2 Mr. Raj Kumar Gupta, who was Independent Director, had ceased to be Director of the Company w.e.f. September 28, 2021
- 3 Mr. Anil Kumar Malhotra had resigned from the office of Chief Executive Officer ("CEO") of the Company w.e.f. close of business hours on December 31, 2021
- 4 Consequent upon resignation of Mr. Anil Kumar Malhotra, the Board had approved the appointment of Mr. Yogesh Sharma as CEO of the Company w.e.f. January 1, 2022
- 5 Mr. Sanjay Berry has resigned from the office of Chief Financial Officer ("CFO") of the Company with effect from close of business on June 30, 2021.
- 6 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.
- 7 Mr. Vikash Khanna appointed as CFO of the Company w.e.f. October 8, 2021.

S. No.	Requirements	Disclosure
1	The percentage increase in the median remuneration of employees in the financial year 2021-22	0%
2	The number of permanent employees on the rolls of the Company	286 employees as on 31 st March 2022
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 0.00% Managerial 0.00 % 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:

S. No.	Name and age	Designation	Remuneration Received	Qualification and experience	Date of joining	Last Employment
1	Anil Kumar Malhotra (59)	Chief Executive Officer	17,053,569	M. Sc (Physics - Solid State) (37)	01-09-2019	C&S Medianet Private Limited
2	Alok Govil (60)	COO - Sales & Operations	8,973,579	PGDMM (40)	01-07-2017	Zee Entertainment Enterprises Limited
3	Yogesh Sharma (52)	COO - Sales & Operations	8,142,507	B.Tech (27)	15-01-2018	Mediant System Pvt. Ltd.
4	Girish Buttan (54)	Head - Legal	6,092,847	LLB, CS, MBA (29)	01-01-2019	Essel Business Excellence Services Ltd.
5	Sanjay Arya (53)	CTO	5,766,761	BE, Post Diploma in Electronics, PGDM-Marketing (19)	25-10-2007	Reliance Communication Ltd.
6	Ashish Goel (52)	Chief Human Resources Officer	5,415,820	MPM from Pune University (27)	01-10-2018	Technicon Group – Technology & Solution Company Oil and Gas
7	Sanjay Berry (52)	Chief Financial Officer	5,084,662	CA, Executive Leadership Program (Cornell University) (29)	01-09-2017	SITI Networks Limited
8	Jitender Bhati (49)	Associate Vice President - Customer Services & Process	5,075,563	MBA (18)	03-12-2012	Media Pro Enterprises India Pvt. Ltd
9	Saurabh Datta (44)	General Manager - Marketing	4,601,241	PGDM (21)	26-06-2015	Bharti Airtel Ltd
10	Rajesh Sharma (45)	General Manager - Content & Carriage	4,118,096	B. Com (14)	18-04-2012	Turner Broadcasting system Inc.

Note :

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

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

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

S. No.	Name and age	Designation	Remuneration Received	Qualification and experience	Date of joining	Last Employment
1	ANIL KUMAR MALHOTRA (59)	CHIEF EXECUTIVE OFFICER	17,053,569	M.Sc (Physics - Solid State) (37)	01-09-2019	C&S Medianet Private Limited
2	ALOK GOVIL (60)	COO - SALES & OPERATIONS	8,973,579	PGDMM (40)	01-07-2017	Zee Entertainment Enterprises Limited

Note :

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

Management Discussion and Analysis

ECONOMIC REVIEW

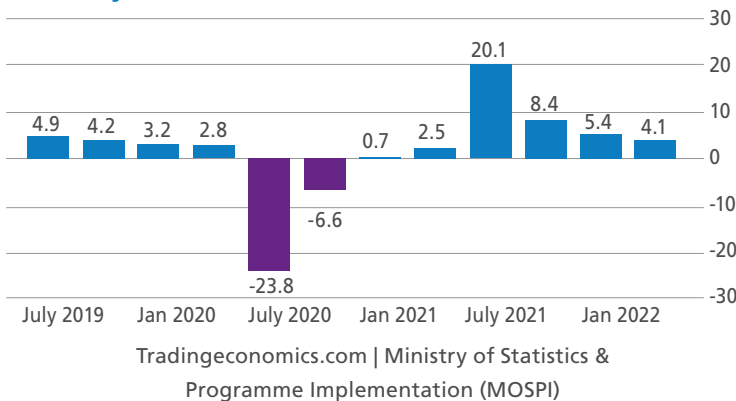
Indian Economic Review

After two waves of COVID-19 erupting during FY 2021-22, the Indian economy staged a strong recovery, with economic activity returning to pre-pandemic levels. After contracting by 6.6% in FY 2020-21, it grew by 8.7% in FY 2021-22 according to the Ministry of Statistics & Programme Implementation (MOSPI).

Some of the factors that have supported growth during the year have been the widespread vaccination coverage, gains from supply side reforms, easing of regulations, robust export growth and a ramp-up in capital spending.

On a quarterly basis, however, the growth has been deteriorating since the beginning of the year, due to the impact of the second and third wave of COVID-19 and also on account of external pressures caused by the geopolitical conflicts between Ukraine and Russia, which led to supply chain disruptions and a rise in the price of fuel and agri-commodities.

Quarterly GDP Growth (%)



Source: Trading Economics

According to the Economic Survey, Agriculture and Allied Sectors supported growth despite the adverse impact of the pandemic. The sector grew 3.9% in FY 2021-22, after expanding 3.6% in the previous year. This robust performance was largely due to a good monsoon as well as policies which ensured timely supplies of seed and fertilisers to farmers, despite pandemic-related disruptions.

The Ministry of Finance stated that after staging a negative growth of 7.0% in FY 2020-21, the Industrial sector also expanded by 11.8% in FY 2021-22 with a positive growth in manufacturing, construction and mining sub-sectors.

The Services sector saw the most divergence in performance of different sub-sectors as they experienced varied levels of impact from the pandemic. The Financial, Real Estate and the Public Administration segments are now above pre-COVID levels while Travel, Trade and Hotels are yet to fully recover. The software and ITeS exports witnessed a boom. The Economic Survey stated that the Services sector, as a whole, has grown by 8.2% during FY 2021-22 after a contraction of 8.4% during the previous year.

Outlook

According to the Monetary Policy Statement by the RBI (June 2022), the tense global geopolitical situation and the consequently elevated commodity prices impart considerable uncertainty to the domestic inflation outlook. Early results from the manufacturing, services and infrastructure sectors suggest further input and output price pressures going forward. Considering these factors, and on the assumption of a normal monsoon in 2022 and an average crude oil price of USD 105 per barrel, the RBI projected inflation at 6.7% for 2022-23.

On the positive side, the RBI observed that the recovery in domestic economic activity is gathering strength. Rural consumption is likely to benefit from the southwest monsoon, which is expected to be normal, and the expected improvement in agricultural prospects. It also envisages a rebound in contact-intensive services, i.e. those services which require consumers to gather in large crowds and/or come in contact with other people, such as hospitality, travel, beauty and wellness, aviation and ancillary services, car repair services, shared mobility, and a rise in urban consumption, going forward. Investment activity is expected to be supported by improved capacity utilisation, government's capital expenditure push and strengthening bank credit. The growth of merchandise and services exports is also set to sustain the recent buoyancy.

Overall, due to the impact of geopolitical tensions, elevated commodity prices, continued supply bottlenecks and tightening global financial conditions, the RBI expects real GDP growth for 2022-23 to be 7.2%.

INDUSTRY REVIEW

Media & Entertainment Industry

The Indian Media and Entertainment (M&E) sector has begun to show signs of a recovery. After plummeting steeply by 24% between 2019 and 2020, M&E revenues gained 16.4% to ₹ 1.61 trillion (USD 21.5 billion). Due to the second wave of COVID-19 which impacted the April-June quarter, it is still 11% below pre-pandemic 2019 levels.

Particulars	2019	2020	2021	2022E	2024E	CAGR 2021-24
Television	787	685	720	759	826	5%
Digital media	221	235	303	385	537	21%
Print	296	190	227	241	251	3%
Online gaming	65	179	101	120	153	15%
Filmed entertainment	191	72	93	150	212	32%
Animation and VFX	95	53	83	120	180	29%
Live events	83	27	32	49	74	32%
Out-of-Home media	39	16	20	26	38	25%
Music	15	15	19	21	28	15%
Radio	31	14	16	18	21	9%
Total	1,822	1,386	1,614	1,889	2,320	13%

Source: EY-FICCI M&E Report, 'Tuning into consumer - Indian M&E rebounds with a customer-centric approach' (March 2022)

Within M&E, the share of revenue of traditional media (television, print, filmed entertainment, OOH, music, radio) fell to 68% in 2021 from 75% in 2019. This is largely due to the advancement of connectivity and proliferation of smartphones, which enabled people to consume all kinds of content, including films, sports, news, music and more via OTT, YouTube, Instagram, Facebook, Twitter, etc.

Television (TV) Industry

According to the EY FICCI M&E Report, 'Tuning into consumer - Indian M&E rebounds with a customer-centric approach' (March 2022), the Television segment grew 5% in 2021 but the time spent on TV decreased 8% in 2021 over 2020, with people moving back to work in 2021.

At the other end of the cost spectrum, connected smart television sets continued their explosive growth, doubling to 10 million connections. There is a large base of occasionally used connected television sets that connect just once or twice a month to the internet. In addition, work-from-home has created a large "laptop audience".

The number of television channels fell marginally to 906 as in Sept 2021 from 911 in Sept 2020. Pay channels increased by 21, while free-to-air (FTA) channels reduced by 26, which reflects a move by broadcasters to build stronger subscription revenue products.

While television advertising grew 25% in 2021, to end the year just 2% short of 2019 levels, subscription revenue continued to fall. For the second year in a row, subscription revenue experienced a 6.2% de-growth due to a reduction of six million pay TV homes and a fall in consumer-end ARPUs.

Segment	2019	2020	2021	2022E	2024E
Advertising	320	251	313	344	394
Distribution	468	434	407	415	432
Total	787	685	720	759	826

₹ billion (gross of taxes) | FY analysis

Source: EY-FICCI M&E Report, 'Tuning into consumer - Indian M&E rebounds with a customer-centric approach' (March 2022)

According to the FICCI-EY report, the number of distribution platforms remained stable. MSO registrations increased by 3% during 2021 to reach 1,745 and end-customer prices declined 1% on an average to reach ₹ 223 net of taxes as compared to ₹ 226 in 2020. The reduction was on account of subscribers fine-tuning their packs to eliminate channels that they did not wish to watch.

Particulars	December 2020	September 2021
MSO	1,702	1,745
DTH	5	5
HITS	1	1

MIB website

The report also pointed out that cable ARPUs did not decline significantly as most consumers opted for packs created by the MSOs and LCOs with minimal customisation. The impact of implementation of NTO was felt as there was little scope for pack discounting by DPOs.

Looking ahead, FICCI-EY expect television households to continue to grow at 1% till 2025, and this growth is likely to be driven by connected televisions, which could cross 40 million by 2025, and free television, which could cross 50 million, thereby stressing the core pay television mark. Connected smart TV sets are expected to reach 14 million by 2022 and 40 million by 2025.

As things stand, television remains the largest segment of the M&E sector but digital media is cementing its position as a strong number two segment. Subject to implementation of ad caps and regulatory restrictions on pricing, television revenues are forecast to grow to ₹ 826 billion by 2024 and the LCO business model is expected to become increasingly hybrid, with a linear TV wire + a broadband connection for providing efficient content services, broadband connectivity, smart home services and locality/community services.

Cable and Satellite

While content is the core product for the M&E space, the way it is distributed to drive consumer interest and engagement across platforms – streaming, broadcast, and cable networks, has a role to play in its effective consumption and monetisation.

The EY FICCI M&E Report, 'Tuning into consumer - Indian M&E rebounds with a customer-centric approach' (March 2022), reveals that despite their rapid growth over the last two years, most D2C services operated by media companies remain unprofitable and consume cash, devouring resources from the overall enterprise. The capital intensity associated with streaming, highlights the importance for media companies to harvest financial benefits of the linear ecosystem. The universe of traditional video subscriptions, broadcast and cable networks remain cash flow engines, suggesting that network owners must continue to direct fresh content, including sports, to their linear channels to keep viewers engaged and revenues forthcoming.

Particulars	2020	2021
Cable	72	67
DTH*	56	55
HITS	2	3
Free TV	40	43
Total	170	168

*Net of temporarily suspended subscribers

Television subscriptions in millions | Industry discussions, billing reports, TRAI data, EY analysis

Source: EY-FICCI M&E Report, 'Tuning into consumer - Indian M&E rebounds with a customer-centric approach' (March 2022)

The FICCI-EY report foresees that in the year ahead, operators will be faced with challenging decisions around programming their streaming platforms to drive growth and remain profitable.

Acting on these decisions will require sophisticated modelling and disciplined business planning that spans creative and executive priorities to achieve an optimal mix of growth and financial outcomes.

More companies will participate in the streaming value chain and network owners, broadband providers and connected TV manufacturers will take steps to simplify, optimise and integrate layers and compatibility tools across platforms to improve the user experience. Tech-savvy companies that harness valuable viewership data to give customers more of the content they want will enjoy a competitive advantage. Lastly, MSO companies will have to look at working with LCOs to grow and the direct-to-consumer (D2C) pivot will continue to be the primary strategic priority for the industry in the coming year.

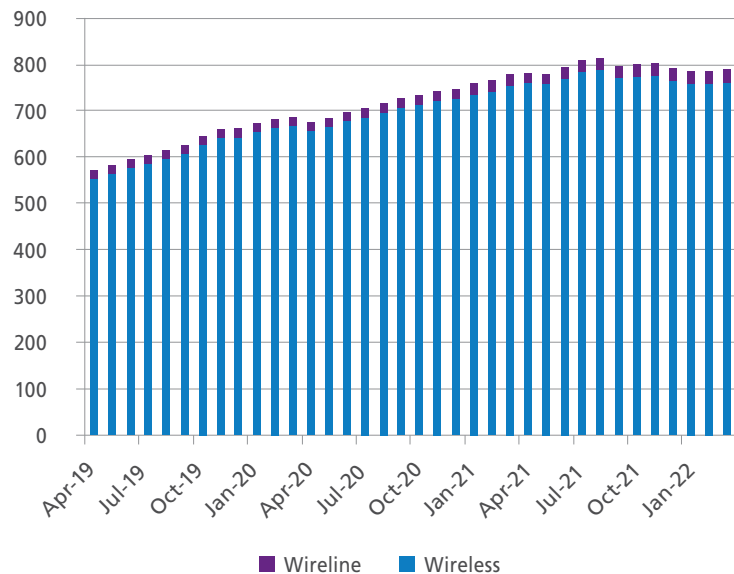
Broadband

According to industry observers, the Indian telecom industry is currently on the path to recovery, with support from the government. A Department of Telecommunications report (March 2022) shares that the number of internet subscribers, including broadband and narrowband, stood at 829.30 million by the end of December 2021. The number of subscribers accessing internet via wireless phones was 802.72 million at the end of December 2021 while the number of wired Internet subscribers was 26.58 million at the end of December 2021. The number of Broadband subscribers was 788.30 million at the end of March 2022 as compared to 783.37 million in February 2022, marking an increase of 0.63%.

Broadband Subscribers in India in Millions

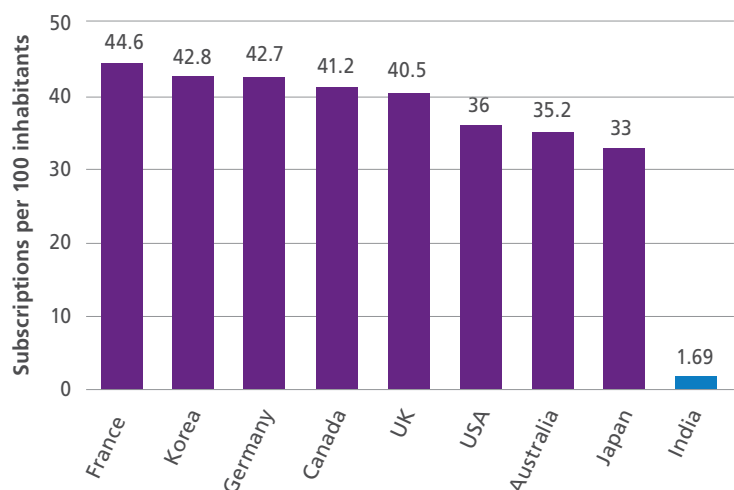
At the end of	Wired	Total Wireless	Total Subscribers	Growth (%)
April'21	22.42	760.45	782.87	0.61
May'21	22.74	757.53	780.27	-0.33
June'21	23.52	769.26	792.78	1.6
July'21	24.01	784.58	808.59	1.99
August'21	24.29	789.18	813.47	0.6
September'21	24.39	770.5	794.89	-2.28
October'21	24.55	774.4	798.95	0.51
November'21	24.42	777.19	801.61	0.33
December'21	26.43	765.65	792.08	-1.19
January'22	26.65	756.78	783.43	-1.09
February'22	26.63	756.74	783.37	-0.01
March'22	27.25	761.05	788.3	0.63

Broadband Subscribers



According to TRAI data, the number of fixed broadband subscribers has increased at a CAGR of 11% between March 2018 and March 2022. Some of the factors that will drive this growth further in future are the trend of work-from-home and hybrid working models. The demand for wireline broadband will be due to its relatively higher reliability and speed coupled with relatively low latency compared to wireless broadband. These characteristics make it more suitable for accessing a wide range of applications and services such as cloud based enterprise applications, electronic communications, video streaming, online gaming, video conferencing, online education and tele-health services.

Global Fixed Broadband penetration (per 100 inhabitants)



Although the current broadband penetration in India is at around 55%, it is significantly lower than China (95%) and other European nations (95-115%). In fact, fixed broadband penetration in India is among the lowest in the world at only 1.69 per hundred inhabitants according to a report by TRAI.

India's global ranking for median internet speed delivered for both mobile and fixed broadband has increased (Source: Ookla, a speed test platform available for users globally maintains a performance index of countries in terms of offering the best internet speeds). However, in the fixed broadband area, India still has a lot of room to improve and there are a lot of areas of the country where optical fibre has not been deployed yet. The telecom operators and the internet service providers (ISPs) in the country are making rapid progress in upgrading to their networks and services.

A report from Point Topic, a US-based analyst, suggests that India will see rapid growth in fibre broadband subscribers by the end of this decade. The country's fibre subscriber trajectory is set to take off in 2025 and tie with the US or surpass it in terms of the number of fibre subscribers by 2028.

Regulatory Update

Budget 2022

The Finance Minister (FM) acknowledged the importance of the Animation, Visual Effects, Gaming, and Comic (AVGC) segment and its potential to employ youth and announced the setting up of a promotion task force, comprising all stakeholders to recommend ways to build domestic capacity for serving out markets and the global demand in this area.

She also announced the spectrum auctions for 5G will happen soon for the rollout of 5G services in 2022-23 towards achievement of the "Digital India" vision.

To provide equal access to e-services, communication facilities and digital resources to the rural population and bring them closer to levels of access enjoyed by urban counterparts, Budget 2022 announced the laying of optical fibre in all villages under the Bharatnet project through PPP mode in 2022-23. The project is expected to be completed in 2025.

National Monetisation Pipeline

The Government has released guidelines relating to a National Monetisation Pipeline (NMP) which aims to provide a medium-term roadmap for generating a flow of income from services provided by the core assets owned or operated by different government agencies. Telecom is one of the top five sectors (by estimated value of ₹ 351 billion) accounting for about 5.9% of the total NMP target. The potential asset base considered are telecom tower assets under Bharat Sanchar Nigam Ltd (BSNL), Mahanagar Telephone Nigam Ltd (MTNL) and Bharatnet optical fibre assets under the Bharat Broadband Network Limited (BBNL). This entails bidding for approximately 286k route-km of Bharatnet fibre assets through PPP model by DoT in phases across the country. Additionally, 14,900 towers of BSNL and MTNL with co-locations from third-party telecom operators will be considered for monetisation during FY23.

Phasing of monetisation value – Telecom Assets (₹ Crore)

Sector/ Asset type	FY22	FY23	FY24	FY25	Total
Total NMP of which:	882	1,624	1,795	1,673	5,975
Telecom of which:	0	202	149	0	351
Bharatnet Fibre	0	158	105	0	263
BSNL & MTNL	0	44	44	0	88
Tower asset					

National Monetisation Pipeline Report (Volume II)

FDI policy initiatives

In 2021, FDI automatic route limits for telecommunications were increased from 49% to 100%. The FDI limits for teleports, DTH, cable networks, mobile TV, head-in-the-sky broadcasting service, and cable networks were raised to 100% FDI through the automatic route in June 2016.

Indian Data Protection Bill (DPB) 2021

The Joint Parliamentary Committee tabled the 'Personal Data Protection Bill' (PDPB) 2019, before the Parliament in December, 2021. With the introduction of recommendations during the session, it became the 'Data Protection Bill, 2021' (DPB). If this bill becomes a law, it will bring India at par with global standards of data protection and privacy.

Industry Outlook

The FICCI-EY report expects the M&E sector to grow at 17% in 2022 to reach ₹ 1.89 trillion (USD 25.2 billion) and recover its 2019 levels. Further, it expects the sector to go on to grow at a CAGR of 11% to reach ₹ 2.32 trillion (USD 30.9 billion) by 2024. It envisages that the key contributors to this growth will be digital, films and television (together adding 65% of the growth), followed by animation and VFX (14%) and online gaming (7%). The report concluded that the hyper-adoption of a digital ecosystem, an endless supply of creative and technically skilled workforce, governmental focus on ease of doing business and sectoral winds of consolidation – all point towards a supply pool capable of fuelling global content needs.

COMPANY OVERVIEW

SITI Networks Limited (the Company) operates India's leading digital TV network. It is a part of one of the leading business houses in the country – the Essel Group, which has a dominant vertically integrated presence in Media and Entertainment and a diverse portfolio of assets in packaging, technology-enabled services, infrastructure development and education sectors. The illustrious Essel Group was established in 1976. It is among India's most prominent business houses with a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education. The Group has over 250,000 hours of original content, a bouquet of 75 channels, a reach of over 1.3 billion viewers spread across 171 countries. Such deep reach facilitates SITI Networks 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.

SITI Networks, was the first MSO to be launched in India, and is one of the largest in the country. A trendsetter in many ways, it was the first MSO to give CRM tools to its partners, the first to be listed on the stock exchanges and the first to launch local channels. The Company has 10 digital head ends, a network of over 31,000+ 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 30 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 is moving rapidly towards expanding its presence in the Broadband space and in keeping with the opportunity and trends, Broadband is its primary focus.

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 GPON hybrid technology enables it to offer integrated Cable and Broadband Services.

Even during the pandemic and unprecedented lockdowns, its operations continued un-disrupted enabled by cloud-based call centre services.

Operational Performance

During FY 2021-22, businesses were impacted by both the second and third wave of COVID-19. Infections during the second wave were high and severe lock down norms and containment zones, impacted the Company's normal business operations. Some employees, LCOs and their respective families were infected and a few lost their lives too.

Taking utmost precautions, the employees and LCOs continued to provide services to consumers and ensured seamless connectivity on the ground. Despite some recovery in incomes during the year, several households cut their expenses to bare necessity. This resulted in TV Package downgrades or

deactivation of TV connections. The impact of the pandemic was compounded by cyclones AMPHAN and NISARGA in May in the EAST and West zones, leading to a further operational and financial impact.

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 compliances.

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 packages for its consumers. Its focus on increasing HD adoption and providing OTT to provide enriched subscriber experiences. As an integrated player, the Company also offers high speed broadband speed with innovative data plans to the consumers, complementing their 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 collaborating 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. 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 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.

Mitigation: As a part of the Essel Group, the Company enjoys access to the parent company's diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education segments. The Company has also entered into agreements with all major broadcasters, which in turn will enable it to offer consumers a wide range of offerings.

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

As a people-centric organisation, we strongly believe in nurturing a culture that enables the growth, well-being, welfare and career progression of our employees. We have a Company-wide ethos of caring and sharing with our people, and continue to invest in their learning and development on an ongoing basis. We also remain consistently focussed on being connected and engaged with our employees to keep them motivated and inspired, treating them as equal partners in our growth journey.

During FY22, we undertook various initiatives to build on our HR culture and ensure the sustained welfare and well-being of our employees.

Rewards & Recognition

Perceiving our employees as valuable assets, we started Rewards & Recognition programmes for them, across functions, to encourage them to excel in their work.

Enhancing Employee Connect

We conducted Monthly Townhalls as a forum for dialogue between Employees and the Management. The Townhalls helped the Company engage closely with all the employees even during the COVID times.

Ensuring Health & Well-being

We conducted regular health check-ups for our employees through special camps and supported employees diagnosed with any medical issues.

Spreading Cheer

As part of our efforts to stay engaged with our people through the year, we joined them in celebrating various special occasions. We feel this helps spread cheer and happiness in their lives.

- **Women's Day Celebration** – We believe that Women's Day is not just another day but a day to appreciate and give respect to all the women who are the essence of our lives. We celebrated International Women's Day during the year to honour the life, grit and determination of our women employees.

- **Holi Celebration** – We organised a grand office party to celebrate the colours of Holi. All employees played Holi in the office before leaving for their respective hometowns to celebrate the festival with their families.
- **Diwali Celebration** – The festival of light heralds the message of peace and prosperity, good fortune and glory, happiness and joy. To mark the occasion, we arranged for Green Rangoli decoration at our office.
- **Birthday Celebrations** – Giving an employee special attention on their birthday makes them feel valued and recognised, and we have made it a practice to arrange for birthday celebrations of our people across departments.

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 maximising 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:

- (i) 1 (one) Executive Director;
- (ii) 3 (three) Independent Directors including 1 (one) Independent Women Director; and
- (iii) 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 fulfill 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.

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 Act and Regulation 16(1)(b) of SEBI Listing Regulations. In opinion of the Board, the Independent Directors fulfill 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, 6 (six) meetings of the Board were held on June 25, 2021, August 13, 2021, October 7, 2021, November 10, 2021, December 31, 2021, February 12, 2022. 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. 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 2021-22 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, 2022 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 6)	15 th AGM held on 28.09.2021		Membership	Chairmanship
Executive Independent Director					
Mr. Suresh Arora	6	Yes	-	1	-
Non – Executive Independent Director					
Prof Sunil Kumar Maheshwari	6	Yes	2	3	-
Mr. Bhanu Pratap Singh	6	Yes	-	2	1
Ms. Shilpi Asthana*	6	N.A.	1	2	1
Mr. Raj Kumar Gupta**	2	N.A.	N.A.	N.A.	N.A.
Non – Executive Non-Independent Director					
Mr. Amitabh Kumar	6	Yes	1	1	1
Ms. Kavita Anand Kapahi	6	Yes	2	4	1

* Shilpi Asthana has been appointed as an Independent Director of the Company w.e.f. December 27, 2021;

** Mr. Raj Kumar Gupta, who was Independent Director, had ceased to be Director of the Company w.e.f. September 28, 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, 2022 are as under:

Name of the Director	Directorship in other Listed Companies	Category of Directorship in other Listed Companies
Mr. Suresh Arora	None	NA
Prof. Sunil Kumar Maheshwari	None	NA
Mr. Bhanu Pratap Singh	None	NA
Ms. Shilpi Asthana	Diligent Media Corporation Limited	Independent Director
Ms. Kavita Kapahi	Shirpur Gold Refinery Limited	Independent Director
Mr. Amitabh Kumar	Zee Media Corporation Limited	Non-Executive Non-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, as on March 31, 2022, the Women Directors of your Company are as follows:

- Ms. Kavita Kapahi, Non-Executive Non-Independent Director; and
- Ms. Shilpi Asthana, Independent Director.

Shares held by Non-Executive Directors

As on March 31, 2022, the Non-Executive Directors of your Company held the following equity shares in the Company:

Name of the Non – Executive Directors	No. of Shares held
Ms. Kavita Kapahi (Non-Executive Non-Independent Director)	50 (in jointly holding)
Mr. Amitabh Kumar (Non-Executive Non-Independent Director)	1,000
Prof. Sunil Kumar Maheshwari (Independent Director)	Nil
Mr. Bhanu Pratap Singh, Independent Director (Independent Director)	Nil
Ms. Shilpi Asthana (Independent Director)	Nil

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.

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	Shilpi Asthana
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 Act, the Independent Directors of the Company met on March 25, 2022, 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 focussed 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 Act 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, 2022.

SURESH ARORA

Whole Time Director

May 26, 2022

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

Ms. Shilpi Asthana (DIN 08465502), a Commerce graduate from Delhi University, MBA from Sikkim Manipal University and Diploma in Industrial Relations and Labor Law from Symbiosis, Pune, is a Professional with experience in various facets of HR function including Manpower Planning, Industrial relations, People Management etc. During around a decade of work experience, Ms. Asthana was associated with reputed Companies in Real Estate, Infrastructure & Project Engineering industry.

Apart from the Company, she is Director in Diligent Media Corporation Limited and Today Merchandise Private Limited

Ms. Shilpi Asthana does not hold any share of the Company.

Mr Suresh Arora (DIN 00299232) is a business leader with about 35 years of experience. He is a Commerce graduate from the University of Delhi, with a PG Diploma in Business Administration (specialisation in Marketing Management) from Symbiosis, Pune. He has hands-on cross-functional experience and has held senior leadership roles across organisations over the years. He has a deep understanding of Business Development and Administration, Strategy, Leadership, Board Service and Governance, Sales and Marketing, Risk Management and Sustainability domains. During his stint with Pan India Network Limited ("PINL") – an Essel Group company, Mr Arora played an important role in building a strong network of channel partners, including distributors and retail outlets, thus aiding PINL's Online/Paper Lottery business operations in Punjab & Haryana through close liaisoning with the state governments. SITI Networks has gained through his experience and deep understanding of business

Apart from the Company, as on March 31, 2022, he was on the Board of Siti Broadband Services Private Limited and Indinet Service Private Limited

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 Act 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 the Act. 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, 2022, the Audit Committee of the Board comprised of following four (4) Members:-

- Mr. Bhanu Pratap Singh, Independent Director as the Chairman;
- Prof. Sunil Kumar Maheshwari, Independent Director;
- Ms. Shilpi Asthana, Independent Director; and
- Ms. Kavita Kapahi, Non-Executive Non-Independent Directors.

Out of four (4) members of the Audit Committee, three (3) Members are Independent Director and one (1) Member is Non-Executive Non-Independent Director. All

the Members of the Audit Committee have accounting and financial management knowledge.

Mr. Bhanu Pratap Singh, Independent Director of the Company, is Chairman of Audit Committee and 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 seven (7) times on April 8, 2021, June 10, 2021, June 25, 2021, August 13, 2021, October 7, 2021, November 10, 2021 and February 12, 2022 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, if any, raised by the Shareholders.

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, 2022 are as under:

Name of the Director	Category	No. of meeting attended
Mr. Bhanu Pratap Singh (Independent Director)	Chairman	7
Prof Sunil Kumar Maheshwari (Independent Director)	Member	7
Ms. Kavita Kapahi (Non-Executive Non-Independent Director)	Member	7
Ms. Shilpi Asthana*	Member	1
Mr. Raj Kumar Gupta** (Independent Director)	Chairman	4

* Ms. Shilpi Asthana has been appointed as Member of Audit Committee w.e.f. December 27, 2021

** Mr. Raj Kumar Gupta has ceased to be member of Audit Committee w.e.f. September 24, 2021

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 Act.

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, 2022, the Nomination and Remuneration Committee of the Company comprised of following Members:

- (i) Mr. Bhanu Pratap Singh, Independent Director as Chairman;
- (ii) Prof. Sunil Kumar Maheshwari, Independent Directors;
- (iii) Ms. Kavita Kapahi, Non-Executive Non-Independent Director; and
- (iv) Ms. Shilpi Asthana, Independent Directors.

During the year under review, the Nomination and Remuneration Committee met five (5) times on June 25, 2021, August 13, 2021, September 30, 2021, October 7, 2021 and December 31, 2021 and requisite quorum was present at the meetings.

The details of attendance of Nomination and Remuneration Committee meetings during the financial year ended March 31, 2022 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 (Non-Executive Non-Independent Director)	Member	5
Ms. Shilpi Asthana* (Independent Director)	Member	1

* Ms. Shilpi Asthana has been appointed as the Members of the Nomination and Remuneration Committee w.e.f. December 27, 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 employees in senior management and Key Managerial Personnel 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 employees in senior management and Key Managerial Personnel 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. However, the Board, based on the recommendation of Nomination and Remuneration Committee, has re-appointed Mr. Suresh Arora, as Whole-Time Director of the Company, for a further period of three (3) years commencing June 14, 2022, subject to approval of the shareholders in General Meeting.

The detail of remuneration paid to the Mr. Suresh Arora, Whole Time Director of the Company during the year ended March 31, 2022 is as under:

Particulars	(₹ in million)
Salary	Nil
Benefits Perquisites and Allowances	Nil
Provident Fund Contribution	Nil
Total Amount	Nil
Employee Stock Options Granted (unvested)	Nil
Notice period and severance fees	Nil

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, 2021 to March 31, 2022:

(₹ in million)	
Name of the Director	Amount Paid as Sitting Fees
Prof Sunil Kumar Maheshwari <i>Independent Director</i>	0.38
Ms. Kavita Kapahi <i>Non-Executive Non-Independent Director</i>	0.40
Mr. Bhanu Pratap Singh <i>Independent Director</i>	0.42
Mr. Amitabh Kumar <i>Non-Executive Non-Independent Director</i>	0.00
Ms. Shilpi Asthana* <i>Independent Director</i>	0.10
Mr. Raj Kumar Gupta** <i>Independent Director</i>	0.12

* Ms. Shilpi Asthana has been appointed as Independent Director of the Company w.e.f. December 27, 2021.

** Mr. Raj Kumar Gupta has ceased to be Director of the Company w.e.f. September 28, 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 Act.

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 following Members:

- (i) Ms. Kavita Kapahi, Non- Executive Non-Independent Director as the Chairman;
- (ii) Mr. Bhanu Pratap Singh, Independent Director; and
- (iii) Mr. Suresh Arora, Executive Director.

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 December 10, 2021 and the necessary quorum was present at the meeting.

The details of attendance of Stakeholders' Relationship Committee meetings during the financial year ended December 10, 2021 are as under:

Name of the Director	Category	No. of meeting attended
Ms. Kavita Kapahi (Independent Director till March 31, 2021 and has been appointed as 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 15th Annual General Meeting of the Company held on September 28, 2021 and answered the queries, if any, raised by the Shareholders, if any.

Details of number of requests/complaints received from investors and resolved during the year ended March 31, 2022, 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	1	1	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 Act, the Corporate Social Responsibility Committee is presently comprising of following Members:

- (i) Ms. Kavita Kapahi, Non-Executive Non-Independent Director as Chairman,
- (ii) Mr. Bhanu Pratap Singh, Independent Director; and
- (iii) Mr. Suresh Arora, Executive Director

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 Act;
- 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 (3) Members namely:

- (i) Ms. Kavita Kapahi, Non-Executive Non-Independent Director as Chairman
- (ii) Mr. Bhanu Pratap Singh, Independent Director, and
- (iii) Mr. Suresh Arora, Executive Director.

Investment Committee

The Board has also constituted an Investment Committee comprising of Executive Director and Key Managerial Personnel of the Company. As on the date of this Report the Investment Committee comprises of:-

- (i) Mr. Suresh Arora, Whole Time Director, as Chairman;
- (ii) Mr. Yogesh Sharma, CEO of the Company, as Members; and
- (iii) Mr. Vikash Khanna, CFO of the Company, as Member.

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 Act;
 - 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 authorise 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 16th Annual General Meeting of the Company for the Financial Year 2021-22 will be held on Monday the 12th day of September, 2022 at 3:00 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OLAV")

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
2020-21	Tuesday, September 28, 2021	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Re-appointment of Mr. Bhanu Pratap Singh as an Independent Director of the Company for the second term.
2019-20	Tuesday, September 29, 2020 at 3:00 PM	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Re-appointment of Mr. 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

All the above special resolutions were passed with requisite majority.

No Special Resolution was passed through Postal Ballot during the financial year 2021-22.

No Extra Ordinary General Meetings of the Members were held during FY 2021-22.

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/Financial Express' and in a vernacular language newspaper viz. 'Navshakti/Mumbai

Lakshadeep (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 ❖ Time ❖ Venue	: Monday the 12th day of September, 2022 at : (IST) 3:00 P.M. : Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
2.	Financial year	: April 1, 2021 to March 31, 2022
3.	Registered Office	: Unit No. 38, 1st Floor, A Wing, Madhu Industrial Estate, Pandurang Budhkar Marg, Worli, Mumbai 400013. Phone No : +91- (022) 43605555; 43605581 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 and 2022-23. 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 ₹ 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.

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received from transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in dematerialised form. Transfers of Equity Shares in electronic form are effected through the depositories with no involvement of the Company. Members holding Equity Shares in physical form are requested to consider converting their holdings to dematerialised form. The Company Secretary is authorised by the Stakeholder Relationship Committee to approve transfers.

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 yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations has been obtained from the Company Secretary in Practice and a copy of such certificate has been 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, 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, 2022, 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 2021-22 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, 2022.

The Company has not issued any GDRs/ADRs in the past and hence as March 31, 2022 the Company does not have any outstanding 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, if any, 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, Birkwork Ratings India Private Limited ("Brickworks") had 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 credit rating(s) was 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 2021 -22) is same as was in the financial year 2019-20.

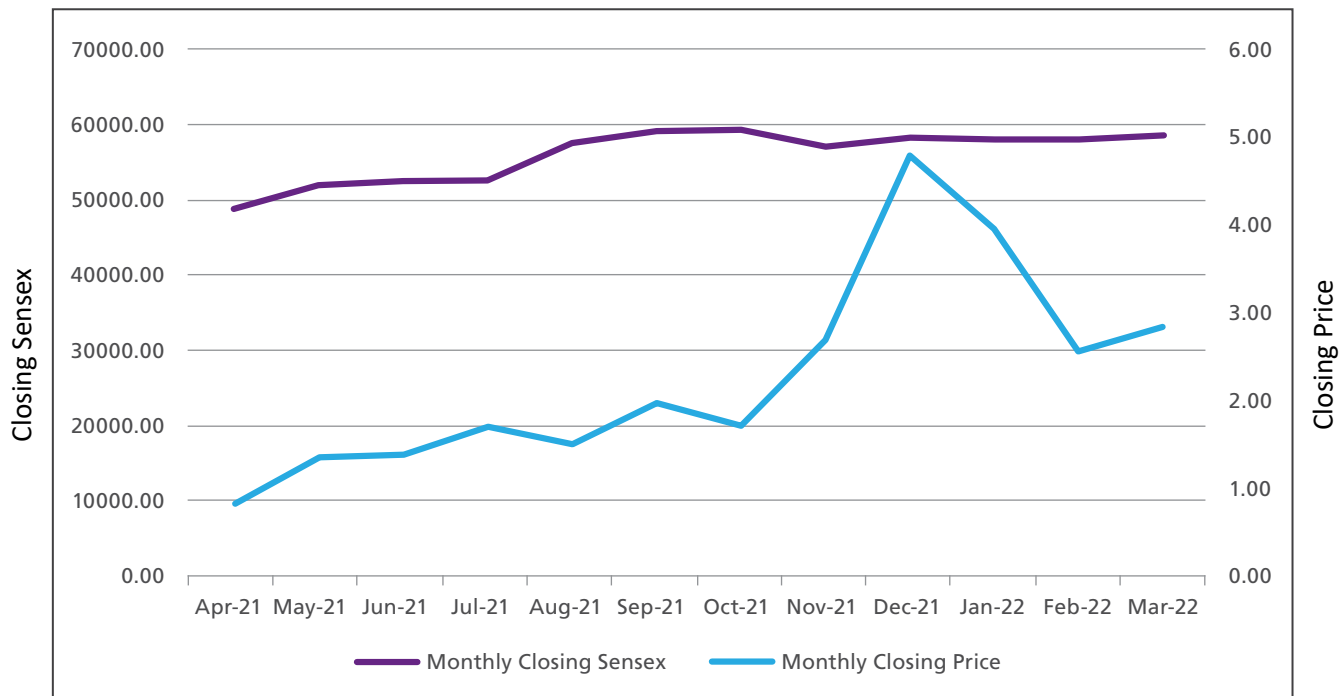
22. MARKET PRICE DATA

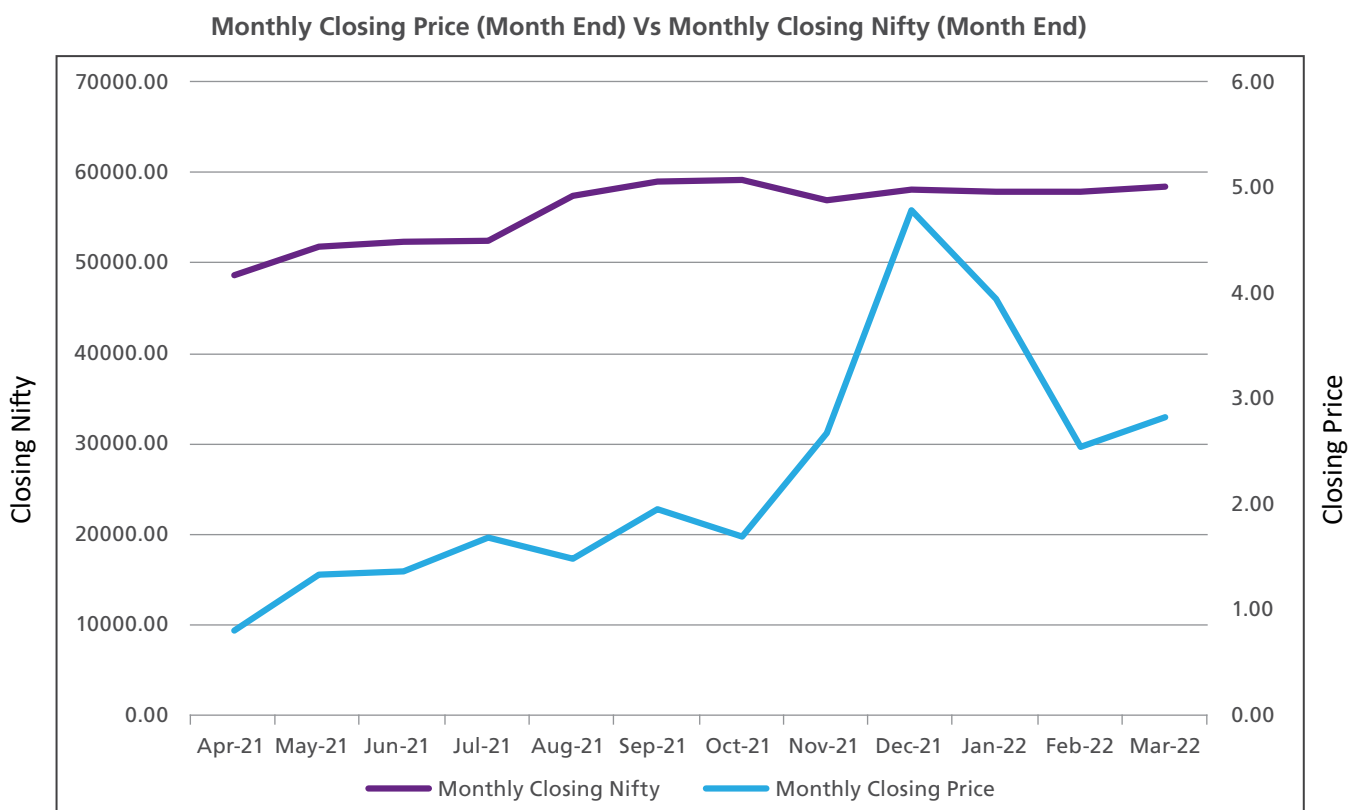
Monthly high and low quotation and volume of Equity Shares traded on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) for the Financial year 2021-22 are given as under:

Month	BSE			NSE		
	High	Low	Traded Quantity (₹ in lakh)	High	Low	Traded Quantity (₹ in lakh)
	(in ₹)	(in ₹)		(in ₹)	(in ₹)	
Apr-21	0.90	0.71	303.38	0.90	0.70	540.99
May-21	1.36	0.79	858.93	1.35	0.80	810.76
Jun-21	1.97	1.30	1,009.79	1.85	1.30	1,129.89
Jul-21	1.80	1.27	672.48	1.80	1.30	922.77
Aug-21	1.95	1.31	652.68	1.90	1.35	669.22
Sep-21	1.98	1.37	669.92	1.90	1.35	717.09
Oct-21	2.97	1.72	770.54	2.70	1.75	599.07
Nov-21	3.12	1.60	546.46	3.00	1.65	635.01
Dec-21	4.81	2.22	920.05	4.65	2.30	673.23
Jan-22	5.74	3.80	897.75	5.55	3.85	1,190.49
Feb-22	4.46	2.56	222.91	4.45	2.60	473.69
Mar-22	3.75	2.45	213.91	3.60	2.50	358.75

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)





24. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022

Description	Shareholders		No. of Shares	
	Number	% of Shareholders	Number	% of Shares
Less than 5000	181,281	94.22	99,816,069	11.45
5001-10000	5,316	2.76	42,739,328	4.90
10001-20000	2,615	1.36	39,165,421	4.49
20001-30000	1,077	0.56	27,528,579	3.16
30001-40000	414	0.22	14,764,024	1.69
40000-50001	472	0.24	22,515,308	2.58
50001-100000	672	0.35	52,497,287	6.02
100000 and above	565	0.29	573,027,832	65.71
Total	192,412	100.00	872,053,848	100.00

25. CATEGORIES OF EQUITY SHAREHOLDER AS ON MARCH 31, 2022

Particulars	No. of Share held	% of shareholding
Promoters	53,222,365	6.10
Individuals	503,051,525	57.69
Financial Institutions, Mutual Funds & Banks & Insurance Companies	15,972	0.00
Indian Companies	217,421,087	24.93
FII (s), NRI(s), Foreign Bodies, Foreign National & OCBs	82,045,058	9.40
Others	16,297,841	1.88
Total	872,053,848	100.00

26. PROMOTER'S SHAREHOLDING AS ON MARCH 31, 2022

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 Satellite 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, 2022

S. 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	38,642,668	4.43
4.	Polus Global Fund	17,840,531	2.04
5.	Rushabh Vinod Sheth	13,156,000	1.51
6.	Pricomm Media Distribution Ventures Pvt Ltd	10,735,000	1.23
7.	JSGG Infra Developers LLP	10,638,298	1.21
8.	Inderpreet Singh	9,070,000	1.04
9.	Moon Capital Trading PTE. Ltd.	8,988,165	1.03
10.	Manoj J Bagadia	8,130,000	0.93

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, 2021	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, 2022	84	46,917

The voting rights on the shares outstanding in suspense account as on March 31, 2022 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 ₹ 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 the Act 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 each quarter in 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. 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 Act 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 is available 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 the Act 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 M/s DNS & Associates, Chartered Accountants, Gurugram, Statutory Auditor of the Company 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 namely M/s DNS & Associates, Chartered Accountants, Gurugram were paid an aggregate remuneration of ₹ 3,650,000/- (including Statutory Audit Fees of ₹ 3,500,000/-).

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	3,500,000
for other services including certifications	30,000
Reimbursement of expenses	120,000
Total	3,650,000

- 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 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, 2022, 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:F005311D000415567

Place: Delhi
Date: May 28, 2022

COMPLIANCE CERTIFICATE

[Regulation 17(8)]

We, Yogesh Sharma, Chief Executive Officer and Vikash Khanna, Chief Financial 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, 2022 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, 2022 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.

Date : May 28, 2022

Place : Noida

Yogesh Sharma

Chief Executive Officer

Vikash Khanna

Chief Financial Officer

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 Network Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, 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, 2022, 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 46 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 costs' each would have been lower by ₹ 3,369.65 million for the year ended March 31, 2022, while there would have been no impact on the net loss for the year ended March 31, 2022.
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 ₹ 2,552.25 million during the year ended March 31, 2022, and as of that date, the Company's accumulated losses amount to ₹ 23,436.14 million resulting in a negative net worth of ₹ 6,500.84 million and its current liabilities exceeded its current assets by ₹ 13,586.33 million resulting in negative working capital. As at March 31, 2022, 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
<p>Impairment assessment of non-current investments</p> <p>As described in Note 6 to the standalone financial statements, the Company has investments of ₹ 3,502.79 million in its subsidiaries, associates and joint venture entities, as at March 31, 2022 (hereinafter together referred to as 'Component entities').</p> <p>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.</p> <p>In view of the above, management during the year ended March 31, 2022, 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.</p> <p>Based on the result of the aforesaid impairment tests, no impairment has been noted.</p> <p>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.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • 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
<p>Provision for expected credit losses (ECL)</p> <p>Refer note 3(k) for significant accounting policy and note 35 for credit risk disclosures.</p> <p>As described in note 10, trade receivables comprise a significant portion of the current financial assets of the Company. As at March 31, 2022 trade receivables aggregate to ₹ 2,022.12 million (net of allowance for expected credit losses of ₹ 4,286.52 million).</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • 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 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 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 recognised in accordance with applicable accounting standards.

Emphasis of Matter

8. We draw attention to note 56 which indicates HDFC Limited (lender) has filed an application against the Company under section 7 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal ('NCLT'), Mumbai for initiation of Corporate Insolvency Resolution Process on the ground that the Company has defaulted in making repayment of borrowings taken from lender amounting to ₹ 2,960.60 million (including principal, interest and additional interest) as on January 31, 2022. NCLT in its hearing on March 30, 2022, has fixed next hearing on July 22, 2022. The Company is in discussion with the lenders for restructuring of its debt and has no negative assessment of Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

9. 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

10. 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.
11. 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.
12. 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

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 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;

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.
- 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, 2022 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, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated May 28, 2022 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 38 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2022;
 - 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, 2022;
 - 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, 2022;
 - iv. (a) The management has represented that, to the best of its knowledge and belief as disclosed in note 54(a) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of

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, 2020 ('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;

- the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 54(b) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2022.

For **DNS & Associates**
Chartered Accountants
Firm's Registration No.: 006956C

Ankit Marwaha
Partner

Place: Noida
Date: May 28, 2022

Membership No.: 518749
UDIN: 22518749AKQPFZ6358

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, 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (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 maintained proper records showing full particulars of intangible assets.
- (b) The company has a regular program of physical verification of its PPE and right of use assets 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 (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following properties, {for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Building	93.88	Information TV Private Limited	No	Less than 360 days	Legal procedures of transfer of the property are in progress. Post completion of such processes, property will be registered in the name of Company.

- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

- (b) The Company has a working capital limit in excess of ₹ 5 crore, sanctioned by banks and/or financial institutions on the basis of security of current assets. However, such borrowings are declared as non-performing assets (NPAs) by the respective banks and financial institutions (FIs). Company is under discussion with the banks for re-structuring of such loans. As a result, Company has not been filing any quarterly returns or statements of current assets with the banks or FIs.
- (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) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, 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, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. 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) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

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	80.90	1.67	July 2003 to June 2008, Financial year 2005-06 to 2008-09 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 2010-11	High Court of Karnataka
Kerala Value Added Tax Act, 2003	Value added tax	4.49	-	Financial year 2015-16	State Tax Officer
Andhra Pradesh Value Added Tax Act, 2005	Value added tax	16.80	8.40	Financial year 2016-17	High Court of Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Value added tax	3.11	1.66	Financial year 2010-11 to 2016-17	Telangana Value Added Tax Appellate Tribunal
Delhi Value Added Tax Act, 2004	Value added tax	0.71	-	Financial year 2013-14	Additional Commissioner (Appeals)
Delhi Value Added Tax Act, 2004	Value added tax	2.24	5.30	Financial year 2014-15	Additional Commissioner (Appeals)
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	8.19	8.19	Financial year 2015-16 to 2017-18	Appellate Deputy Commissioner, Commercial Taxes (Appeals)

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
The Haryana Value Added Tax Act, 2003	Value added tax	33.87	12.13	Financial year 2014-15 to 2017-18	The Joint Excise and Taxation Commissioner (Appeals)
Custom Act, 1962	Custom Duty	1,011.22	20.00	Financial Year 2014-15 till 2018-19	Additional Director General (Adjudication), Directorate of Revenue Intelligence, Delhi
Uttar Pradesh Entertainment and Betting Tax Act	Entertainment tax	10.00*	10.00	Financial year 2016-17 to 2017-18 Q1	Supreme Court

* To the extent determined

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon, except for the below:-

- which were paid on or before the Balance Sheet date:

Name of the bank	Amount of default during the year ended March 31, 2022 (₹ in million)		Period of default (maximum days)	
	Principal	Interest	Principal	Interest
Axis Bank	26.60	-	676	-
Indus Ind Bank	-	56.83	-	91
Kotak Mahindra Bank	-	-	-	-
IDBI Bank	2.45	-	608	-
HDFC Limited	-	26.60	-	610
RBL Bank Limited	14.00	3.86	613	670
Aditya Birla Finance Limited	-	21.56	-	94
Standard Chartered Bank	9.32	-	564	-

- which were unpaid as at March 31, 2022:

Name of the bank	Amount of default as on March 31, 2022 (₹ in million)		Period of default upto the date of balance sheet (maximum days)	
	Principal	Interest	Principal	Interest
Terms loans				
Axis Bank	1,728.67	640.54	975	1,006
Indus Ind Bank	866.03	86.00	460	336
IDBI Bank	149.55	274.41	914	914
HDFC Limited	1,985.00	628.26	975	822
RBL Bank Limited	478.50	147.48	944	914
Standard Chartered Bank	677.79	236.05	910	853
Aditya Birla Finance Limited	363.54	151.55	365	365
Loans repayable on demand from banks				
Axis Bank	248.73	72.20	-	More than one year
IDBI Bank	1,000	219.55	-	More than one year
RBL Bank Limited	0.71	11.00	-	More than one year

- (b) According to the information and explanations given to us including confirmations received from banks/ financial institution and/or other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, no funds were raised by the Company on short term basis.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (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) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company does not incurred cash losses in the current and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that material uncertainty exists as on the date of the audit report that Company is capable of

meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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.

(xx) According to the information and explanations given to us, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting

under clause (xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **DNS & Associates**
Chartered Accountants
Firm's Registration No.: 006956C

Ankit Marwaha
Partner

Place: Noida
Date: May 28, 2022

Membership No.: 518749
UDIN: 22518749AKQPFZ6358

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the 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 Network Limited (the 'Company') as at and for the year ended March 31, 2022, 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 Report') 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 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 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, 2022.

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 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, 2022.

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, 2022, 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 in paragraph 8 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, 2022.
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, 2022, 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

Ankit Marwaha
Partner

Place: Noida
Date: May 28, 2022

Membership No.: 518749
UDIN: 22518749AKQPFZ6358

Standalone Balance Sheet

as at March 31, 2022

(₹ in million)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	3,358.25	4,593.21
b) Capital work-in-progress	4	265.20	152.69
c) Intangible assets	5A	626.32	944.05
d) Intangible assets under development	5B	4.28	4.18
e) Financial assets			
i) Investments	6	3,502.79	3,519.62
ii) Other financial assets	7	150.81	153.99
f) Other non-current assets	8	98.88	93.25
Total non-current assets		8,006.53	9,460.99
Current assets			
a) Inventories	9	6.41	5.81
b) Financial assets			
i) Trade receivables	10	2,022.12	1,953.40
ii) Cash and cash equivalents	11	97.34	37.48
iii) Other financial assets	12	217.48	287.94
c) Other current assets	13	382.60	460.53
Total current assets		2,725.95	2,745.16
Total assets		10,732.48	12,206.15
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14 (a)	872.67	872.67
b) Other equity	14 (b)	(7,373.51)	(4,821.26)
Total equity		(6,500.84)	(3,948.59)
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15 A	855.23	1,489.09
ii) Lease liabilities	15 B	8.01	6.99
iii) Other financial liabilities	16	14.49	15.49
b) Provisions	17	43.31	55.54
Total non-current liabilities		921.04	1,567.11
Current liabilities			
a) Financial liabilities			
i) Borrowings	18 A	8,251.46	7,531.57
ii) Lease liabilities	18 B	5.24	3.02
iii) Trade payables	19		
(A) total outstanding dues of micro enterprises and small enterprises		332.37	313.61
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		4,660.25	4,194.63
iv) Other financial liabilities	20	2,703.34	2,162.28
b) Other current liabilities	21	356.40	375.27
c) Provisions	22	3.22	7.25
Total current liabilities		16,312.28	14,587.63
Total equity and liabilities		10,732.48	12,206.15

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

For and on behalf of the Board of Directors of
SITI Networks Limited

Ankit Marwaha
Partner
Membership No.: 518749

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Yogesh Sharma
Chief Executive Officer

Suresh Kumar
Company Secretary
Membership No:
ACS 14390

Vikash Khanna
Chief Financial Officer

Place : Noida
Date : May 28, 2022

Place : Noida
Date : May 28, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

Particulars	Note	₹ in million)	
		Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	23	6,144.29	7,304.84
Other income	24	34.22	28.77
Total income		6,178.51	7,333.61
Expenses			
Cost of materials consumed	25	12.12	13.69
Purchase of stock-in-trade		15.70	6.46
Pay channel costs		3,369.65	3,752.55
Employee benefits expense	26	342.09	385.27
Finance costs	27	1,085.75	1,103.07
Depreciation and amortisation expenses	28	1,849.88	2,053.97
Other expenses	29	1,818.51	1,986.55
Total expenses		8,493.70	9,301.56
Loss before exceptional items and tax		(2,315.19)	(1,967.95)
Exceptional items	45	237.96	296.87
Loss before tax		(2,553.15)	(2,264.82)
Tax expense	40		
Current tax		-	-
Deferred tax		-	-
Loss for the year		(2,553.15)	(2,264.82)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	32	0.90	(4.96)
Income-tax relating to items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year		(2,552.25)	(2,269.78)
Loss per share (Nominal value of equity share of ₹ 1 each)			
Basic and diluted earnings per share	30	(2.93)	(2.60)

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

Ankit Marwaha
Partner
Membership No.: 518749

Place : Noida
Date : May 28, 2022

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Yogesh Sharma
Chief Executive Officer

Vikash Khanna
Chief Financial Officer

Place : Noida
Date : May 28, 2022

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Suresh Kumar
Company Secretary
Membership No:
ACS 14390

Standalone Cash Flow Statement

for the year ended March 31, 2022

(₹ in million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(2,553.15)	(2,264.82)
Adjustment for:		
Depreciation and amortisation expenses	1,849.88	2,053.97
Interest income on bank deposits	(3.29)	(5.38)
Excess provisions written back	(0.61)	(1.16)
Loss on sale of property, plant and equipment, and other intangible assets (net)	2.73	7.23
Interest expense for borrowings at amortised cost	1,076.09	1,077.07
Interest expense on lease liabilities	1.81	1.65
Bad debts written off	48.28	29.76
Unrealised foreign exchange loss	(0.76)	23.55
Allowance for expected credit losses	45.00	-
Provision for doubtful advances	-	1.80
Effect of recognising other expense on security deposits as per effective interest method	-	(0.83)
Exceptional items	237.96	296.87
Operating profit before working capital changes	703.94	1,219.71
Adjustments for changes in:		
(Increase)/Decrease in trade receivables	(464.16)	90.10
Decrease in other financial assets	76.87	539.81
(Increase)/Decrease in other current and non-current assets	(47.83)	23.99
Increase in inventories	(0.60)	(1.17)
(Decrease)/Increase in other financial liabilities	(266.12)	77.93
(Decrease)/Increase in employee benefit obligations	(15.36)	6.49
Decrease in other current and non-current liabilities	(18.87)	(129.28)
Increase/(Decrease) in trade payables	484.60	(412.66)
Cash generated from operations	452.47	1,414.92
Income taxes refund	124.90	355.96
Net cash flow generated from operating activities	577.37	1,770.88
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, and intangible assets	(473.63)	(682.38)
Proceeds from sale of property, plant and equipment	3.92	2.51
Interest received on bank deposits	-	7.53
Margin money deposits and bank deposits matured (net)	0.05	0.06
Net cash flow (used in) /generated from investing activities	(469.66)	(672.28)

Standalone Cash Flow Statement (Contd.)

for the year ended March 31, 2022

(₹ in million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Movement in borrowings	60.85	(591.71)
Payment of lease liabilities	1.44	(4.31)
Interest and ancillary borrowing costs paid	(110.14)	(490.42)
Net cash flow used in financing activities	(47.85)	(1,086.45)
Net Increase in cash and cash equivalents	59.86	12.17
Cash and cash equivalents at the beginning of the year	37.48	25.31
Cash and cash equivalents at the end of the year	97.34	37.48

Notes:	As at March 31, 2022	As at March 31, 2021
a. Cash and cash equivalents include (refer note 11):		
Balances with banks on current accounts	87.00	33.44
Cheques and drafts on hand	9.22	2.63
Cash on hand	1.12	1.41
	97.34	37.48

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

Ankit Marwaha
Partner
Membership No.: 518749

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Yogesh Sharma
Chief Executive Officer

Vikash Khanna
Chief Financial Officer

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Suresh Kumar
Company Secretary
Membership No:
ACS 14390

Place : Noida
Date : May 28, 2022

Place : Noida
Date : May 28, 2022

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

A Equity share capital (including forfeited equity shares)*

Particulars	(₹ in million)	
	Amount	
Balance as at April 01, 2020	872.67	
Issued during the year	-	
Balance as at March 31, 2021	872.67	
Issued during the year	-	
Balance as at March 31, 2022	872.67	

B Other equity**

Particulars	(₹ in million)				Total other equity
	Reserves and surplus			Other components of equity	
	Securities premium	Retained earnings	General reserve	Employee share based payments reserve	
Balance as at April 01, 2020	16,017.37	(18,614.11)	3.23	42.03	(2,551.48)
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)
Loss for the year	-	(2,553.15)	-	-	(2,553.15)
Other comprehensive income for the year (net of tax)					
Remeasurement of defined benefit liability	-	0.90	-	-	0.90
Total comprehensive income for the year	-	(2,552.25)	-	-	(2,552.25)
Balance as at March 31, 2022	16,017.37	(23,436.14)	3.23	42.03	(7,373.51)

* Refer note 14 (a) for details of Equity

** Refer note 14 (b) for details of Other Equity

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

For and on behalf of the Board of Directors of
SITI Networks Limited

Ankit Marwaha
Partner
Membership No.: 518749

Suresh Arora
Whole Time Director
DIN: 00299232

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Yogesh Sharma
Chief Executive Officer

Suresh Kumar
Company Secretary
Membership No:
ACS 14390

Vikash Khanna
Chief Financial Officer

Place : Noida
Date : May 28, 2022

Place : Noida
Date : May 28, 2022

Summary of Significant Accounting Policies and Other Explanatory Information

for the year ended March 31, 2022

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 May 28, 2022.

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. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Zero '0.00' denotes amount less than ₹ 5,000.

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.

As per 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 utilisation 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.

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) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred by the Company to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, the equity interests issued and fair value of contingent consideration issued. Acquisition-related costs are expensed as and when incurred.

Assets acquired and liabilities assumed are measured at their acquisition-date fair values. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to Other Comprehensive Income (OCI). If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

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 the term of license of the software.

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 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.

j) Investment In Subsidiaries, Joint Ventures And Associates

A subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company 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 over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted at cost and reviewed for impairment at each reporting date in accordance with the policy described in note 1.07 above.

k) 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.

l) 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.

m) 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.

n) 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.

o) 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.

p) Leases

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.

q) 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.

r) 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.

s) 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.

t) 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.

u) 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.

v) 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.

w) Recent accounting pronouncements

Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statements

x) 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

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Owned assets (refer note 4A)	3,346.02	4,583.71
Right-of-use assets (refer note 4B)	12.23	9.50
Total	3,358.25	4,593.21

A. Owned assets

Particulars	(₹ in million)										IRD boxes	Total	
	Buildings	Plant and equipment	Computers	Office equipments	Furniture and fixtures	Air conditioners	Studio equipments	Vehicles	Leasehold improvements	Set top boxes			
Gross carrying amount													
Balance as at April 01, 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	-	99.57	2.75	0.12	0.27	-	-	-	-	240.50	-	343.21	
Disposals	-	(1.33)	-	(0.15)	-	-	-	(0.40)	-	(88.64)	-	(90.52)	
Balance as at March 31, 2021	25.31	4,634.22	125.52	31.21	23.29	15.14	19.95	3.44	53.62	9,944.37	1.26	14,877.33	
Additions	-	75.26	1.63	-	0.17	-	-	-	-	164.07	-	241.13	
Disposals	-	(16.15)	-	-	-	-	-	-	-	(96.61)	-	(112.77)	
Other adjustments	(1.18)	11.15	4.64	14.74	0.43	(15.14)	-	-	1.18	(4.34)	(1.26)	10.23	
Balance as at March 31, 2022	24.13	4,704.48	131.78	45.95	23.89	-	19.95	3.44	54.80	10,007.49	-	15,015.92	

Particulars	(₹ in million)											Total				
	Buildings	Plant and equipment	Computers	Office equipments	Furniture and fixtures	Air conditioners	Studio equipments	Vehicles	Leasehold improvements	Set top boxes	IRD boxes					
Accumulated depreciation																
Balance as at April 01, 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					10,293.62
Charge for the year	0.12	319.05	9.25	2.31	1.31	-	0.59	0.31	0.14	1,134.44	-					1,467.52
Disposals	-	(9.70)	-	-	-	-	-	-	-	(91.79)	-					(101.49)
Other adjustments	(1.43)	25.12	3.76	12.81	1.10	(11.98)	0.30	(0.17)	2.66	(21.27)	(0.66)					10.24
Balance as at March 31, 2022	19.67	3,856.12	128.01	45.60	21.64	-	17.23	3.07	54.65	7,523.87	-					11,669.89
Net carrying amount as at March 31, 2021	4.33	1,112.55	10.52	0.73	4.06	3.16	3.61	0.51	1.77	3,441.87	0.60					4,583.71
Net carrying amount as at March 31, 2022	4.46	848.36	3.77	0.35	2.25	-	2.72	0.37	0.15	2,483.62	-					3,346.02

a) Capital work-in-progress and intangible assets under development include set top boxes, viewing cards (softwares) and plant and equipment amounting to ₹ 49.01 million, ₹ 4.28 million and ₹ 216.19 million respectively (previous year : ₹ 19.70 million, ₹ 4.18 million and ₹ 132.99 million respectively) which are yet to be installed.

b) For details related to assets pledged as security, refer note 42.

Capital work in progress and intangible under development ageing schedule

Particulars	Amount in CWIP for a period of				Total
	(₹ in million)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022	190.43	9.77	1.64	63.36	265.20
As at March 31, 2021	51.78	2.48	0.09	98.34	152.69

4B Right-of-use assets (ROU)

(₹ in million)

Particulars	Buildings	Total
Gross carrying amount		
Balance as at April 01, 2020	17.96	17.96
Addition	-	-
Disposals	-	-
Balance as at March 31, 2021	17.96	17.96
Addition on account of transition to Ind AS - 116	7.59	7.59
Disposals	-	-
Balance as at March 31, 2022	25.55	25.55
Accumulated depreciation		
Balance as at April 01, 2020	3.11	3.11
Charge for the year	5.35	5.35
Disposals	-	-
Balance as at March 31, 2021	8.46	8.46
Charge for the year	4.86	4.86
Disposals	-	-
Balance as at March 31, 2022	13.32	13.32
Net carrying amount as at March 31, 2021	9.50	9.50
Net carrying amount as at March 31, 2022	12.23	12.23

Disclosures on lease pursuant to Ind AS 116 - Leases

- 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.
- 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.
- 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	5	1 - 5	-	-

- Maturity profile of lease liabilities

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
0-1 year	4.86	4.16
1 to 5 years	9.38	8.53
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:

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Short-term and leases of low value assets	75.73	77.45
Variable lease payments	-	-

- f) Total cash inflow against the lease liabilities for the year ended March 31, 2022 is ₹ 5.01 million (previous year: ₹ 4.16 million). Interest on lease for the year ended March 31, 2022 liabilities is ₹ 1.81 million (previous year ₹ 1.65 million).
- g) Refer note 35 for contractual maturity of lease liabilities.

5A Intangible assets

(₹ in million)

	Goodwill	Program, film and cable rights	Software	Total
Gross carrying amount				
Balance as at April 01, 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
Additions	-	-	60.14	60.14
Disposals	-	-	(7.89)	(7.89)
Other adjustments	-	(2.31)	2.37	0.06
Balance as at March 31, 2022	11.31	48.04	3,061.47	3,120.82
Accumulated amortisation				
Balance as at April 01, 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
Charge for the year	-	-	377.50	377.50
Disposals	-	-	(7.52)	(7.52)
Other adjustments	0.01	(1.45)	1.50	0.06
Balance as at March 31, 2022	10.75	48.04	2,435.71	2,494.50
Net carrying amount as at March 31, 2021	0.57	2.43	942.61	944.05
Net carrying amount as at March 31, 2022	0.56	-	625.76	626.32

5B Intangible under development

(₹ in million)

Particulars	Amount in intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
Viewing cards	4.28	-	-	-	4.28
As at March 31, 2021					
Viewing cards	4.18	-	-	-	4.18

6 Investments

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
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

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
10,000 (previous year : 10,000) equity shares of ₹ 10 each fully paid up of Siticable Broadband South Limited	0.10	0.10
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
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
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
Less: aggregate amount of impairment in value of investments	(16.83)	
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
	3,502.79	3,519.62

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
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
	2.05	2.05
Less: aggregate amount of impairment in value of investments	(2.05)	(2.05)
	-	-
	3,502.79	3,519.62
Aggregate amount of unquoted investments	3,521.67	3,521.67
Aggregate amount of impairment in value of investments	18.88	2.05

7 Other financial assets (non-current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Margin money deposits	124.31	124.31
Security deposits	26.50	29.68
	150.81	153.99

- i) Refer note 34 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

8 Other non-current assets

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advances	17.97	0.49
Balance with government authorities (paid under protest)	80.91	92.76
	98.88	93.25

9 Inventories

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(valued at cost, unless otherwise stated)		
Stores and spares	6.41	5.81
	6.41	5.81

10 Trade receivables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
- unsecured, considered good	2,022.12	1,953.40
- unsecured, credit impaired	4,286.52	4,343.33
	6,308.64	6,296.73
Less: allowance for expected credit impaired receivables	(4,286.52)	(4,343.33)
	2,022.12	1,953.40

- i) Refer note 34 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.
- ii) Refer note 36 for related parties disclosures
- iii) Refer note 51 for disclosure of trade receivable ageing schedule.

11 Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks - current accounts	87.00	33.44
Cheques and drafts on hand	9.22	2.63
Cash on hand	1.12	1.41
	97.34	37.48

- (i) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior period.
- (ii) Refer note 34 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

12 Other financial assets (current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Amounts recoverable		
- considered good	20.74	34.00
- considered doubtful	457.82	457.82
Less: credit impaired	(457.82)	(457.82)
Interest accrued on fixed deposits	18.83	15.58
Security deposits	6.24	35.00
Unbilled revenues	171.67	203.36
	217.48	287.94

- (i) Refer note 34 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

13 Other current assets

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Balances with government authorities	315.60	354.87
Prepaid expenses	9.83	15.14
Advance to suppliers		
- considered good	57.17	90.52
- considered doubtful	584.66	611.80
Less: impairment allowance	(584.66)	(611.80)
	382.60	460.53

14(a) Equity share capital

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
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 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.

(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 06, 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, 2026. 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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares				
Housing Development Finance Corporation Limited	9,43,86,000	10.82%	9,43,86,000	10.82%
L & T Finance Limited	5,73,83,732	6.58%	5,73,83,732	6.58%
Morgan Stanley Asia (Singapore) Pte.	3,86,42,668	4.43%	5,63,93,310	6.47%

Preference shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	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 year and last 5 years.

vi) Promoters shareholding*

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of Shares	% of total shareholding	% change during the year	Number of Shares	% of total shareholding	% change during the year
Direct Media Solutions LLP	99,00,000	1.14%	-	99,00,000	1.14%	-
Digital Satellite Holdings Private Limited	93,816	0.01%	-	93,816	0.01%	-
Manaaska Fashions LLP	36,000	0.00%	-	36,000	0.00%	-
Digital Satellite Media and Broadband Private Limited	15,273	0.00%	-	15,273	0.00%	-
Bioscope Cinemas Private Limited	10,611	0.00%	-	10,611	0.00%	-
Essel Media Ventures Limited	4,31,66,665	4.95%	-	4,31,66,665	4.95%	-

* The details of promoter shareholding are as per the information available with the Company.

14(b) Other equity

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	16,017.37	16,017.37
Retained earnings	(23,436.14)	(20,883.89)
General reserve	3.23	3.23
Employee share based payment reserve	42.03	42.03
	(7,373.51)	(4,821.26)

A) Notes:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Securities premium		
Opening balance	16,017.37	16,017.37
Addition during the year	-	-
Closing balance	16,017.37	16,017.37

(₹ in million)

Particulars		As at March 31, 2022	As at March 31, 2021
ii)	Retained earnings		
	Opening balance	(20,883.89)	(18,614.11)
	Loss for the year	(2,553.15)	(2,264.82)
	Other comprehensive loss for the year (net of tax)	0.90	(4.96)
	Closing balance	(23,436.14)	(20,883.89)
iii)	General reserve		
	Opening balance	3.23	3.23
	Addition during the year	-	-
	Closing balance	3.23	3.23
iv)	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:

i) Securities premium

Securities premium is used to record the premium received on issue of shares.

ii) Retained earnings

Retained earnings represent the accumulated earnings, net of losses (if any) made by the Company over the years.

iii) General reserve

General reserve is a free reserve which is created by transferring funds from retained earnings to meet future obligations or other purposes.

iv) 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.

15(A) Borrowings (non-current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured loans from banks [refer note (i)]	742.71	1,489.07
Inter corporate deposit [refer note (ii)]	112.50	-
7.25% non-cumulative redeemable preference shares [refer note 14 (a) (ii) II]	0.02	0.02
	855.23	1,489.09

(i) For details of terms of repayment, nature of security & interest rate of borrowings and delays/default in repayment of borrowings (current and non-current), refer note 15.1 and note 15.2 respectively.

(ii) Inter corporate deposit pertain to deposit taken from subsidiary carrying an interest rate of 9% per annum (March 31, 2021; Nil)

(iii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 34 & 35 respectively.

15(B) Lease liabilities (non-current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities	8.01	6.99
	8.01	6.99

(i) Refer note 4 for disclosure on IND AS-116, "Leases"

(ii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 34 & 35 respectively.

15.1 Details of terms of repayment, nature of security and interest rate of borrowings
(Refer note 15A and 18A)

Nature of loan	As at March 31, 2022		As at March 31, 2021		Nature of securities	Interest rate	Tenure of repayment*
	Non-current	Current	Non-current	Current			
	₹ in million)						
1	-	468.15	-	468.15	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.	Six (previous year: six) quarterly instalments payable as per the terms of underlying agreement.
2	-	1,260.53	-	1,287.13	Term loans from banks are secured by first 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 + 1.20% p.a.	Six (previous year: seven) quarterly instalments payable as per the terms of underlying agreement.
3	-	149.55	-	151.30	Term loans from banks are secured by first 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.
4	638.88	701.04	973.88	361.63	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	Sixteen (previous year: sixteen) quarterly instalments payable as per the terms of underlying agreement.
5	-	1,985.00	-	1,980.95	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.

Nature of loan	As at March 31, 2022		As at March 31, 2021		Nature of securities	Interest rate	Tenure of repayment*
	Non-current	Current	Non-current	Current			
6	-	478.50	-	492.50	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.
7	-	6.89	-	16.21	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.
8	-	421.50	-	421.50	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.
9	-	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.
10	-	554.48	-	549.95	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.
11	103.83	726.98	515.19	304.12	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	742.71	7,002.02	1,489.07	6,282.84			

* 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.

15.2 Details of delays/default 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 balance sheet date:

Name of the bank	Amount of default as on March 31, 2022						Period of default upto the date of balance sheet (maximum days)		Amount of default as on March 31, 2021		Period of default upto the date of balance sheet (maximum days)	
	Principal		Interest		Principal		Interest		Principal		Interest	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Terms loans												
Axis Bank	1,728.67	568.34	975	1,006	1,474.02	371.47	610	641				
IndusInd Bank	866.03	86.00	460	336	146.08	-	95	-				
IDBI Bank	149.55	54.86	914	914	152.00	36.42	549	549				
HDFC Limited	1,985.00	628.25	975	822	1,635.00	397.80	610	549				
RBL Bank Limited	478.50	136.48	944	914	492.50	89.02	579	579				
Standard Chartered Bank	677.79	236.05	910	853	687.11	148.68	545	488				
Aditya Birla Finance Limited	363.54	151.55	487	366	101.04	-	122	60				
Loans repayable on demand from banks												
Axis Bank	248.73	72.20	-	More than one year	248.73	45.33	-	More than one year				
IDBI Bank	1,000.00	219.55	-	More than one year	1,000.00	96.55	-	More than one year				
RBL Bank Limited	0.71	11.00	-	More than one year	-	10.92	-	More than one year				
Total	7,498.52	2,164.28			5,936.48	1,196.19						

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, 2022		Period of default (maximum days)		Amount of default during the year ended March 31, 2021		Period of default (maximum days)	
	Principal		Interest		Principal		Interest	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Axis Bank	26.60	-	676	-	140.00	13.20	603	385
IndusInd Bank	-	56.83	0	91	-	6.67	-	50
IDBI Bank	2.45	-	608	-	52.00	-	260	-
HDFC Limited	-	26.60	-	610	-	77.50	-	548
RBL Bank Limited	14.00	3.86	613	670	32.50	-	550	-
Aditya Birla Finance Limited	-	21.56	-	94	37.50	14.60	115	73
Standard Chartered Bank	9.32	-	564	-	286.58	11.92	482	261
Total	52.37	108.85			548.58	123.89		

15.3 Reconciliation of liabilities arising from financing activities

(₹ in million)

Name of the bank	Long term borrowings (including current maturities)	Lease liabilities	Short term borrowings	Total
As at April 2020	8,324.98	14.31	1,284.08	9,623.37
Cash flows:				
Proceeds from borrowings	-	-	-	-
Repayment of borrowings	556.36	4.31	35.35	596.02
Non cash:				
Impact of amortised cost adjustment for borrowings	3.31	-	-	3.31
Right-of-use assets recognised during the year	-	-	-	-
As at March 2021	7,771.93	10.00	1,248.73	9,030.66
Cash flows:				
Proceeds from borrowings	130.00	1.44	0.71	132.16
Repayment of borrowings	69.87	-	-	69.87
Non cash:				
Impact of amortised cost adjustment for borrowings	25.19	-	-	25.19
Right-of-use assets recognised during the year	-	1.81	-	1.81
As at March 2022	7,857.25	13.25	1,249.44	9,119.95

16 Other financial liabilities (non-current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits received from customers	14.49	15.49
	14.49	15.49

- (i) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 34 & 35 respectively.

17 Provisions (non-current)*

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	29.61	36.71
Provision for compensated absences	13.70	18.83
	43.31	55.54

* Refer note 32 for disclosure on 'Employees Benefit Obligation'

18(A) Borrowings (current, financial liabilities)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand from banks	1,249.44	1,248.73
Current maturities of long-term borrowings	7,002.02	6,282.84
	8,251.46	7,531.57

- i) As at March 31, 2022 and March 31, 2021 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.
- (ii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of there maturity profiles, refer note 34 & 35 respectively.

18(B) Lease liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities	5.24	3.02
	5.24	3.02

- (i) Refer note 4 for disclosure on IND AS-116, "Leases"
- (ii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of there maturity profiles, refer note 34 & 35 respectively.

19 Trade payables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
- Dues of micro enterprises and small enterprises (refer note below)	332.37	313.61
- Dues of creditors other than micro enterprises and small enterprises	4,660.25	4,194.63
	4,992.62	4,508.24

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006	332.37	313.61
Principal amount remaining unpaid	332.37	313.61
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	-	-

The details of amounts outstanding to micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act (MSMED), 2006 are as per available information with the Company.

- (i) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of there maturity profiles, refer note 34 & 35 respectively.
- (ii) Refer note 36 for related party disclosures
- (iii) Refer note 50 for aging schedule of trade payables

20 Other financial liabilities (current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued and due on borrowings [refer note (i)]	2,173.24	1,196.19
Interest accrued and not due on borrowings [refer note (i)]	-	36.47
Capital creditors	199.84	334.23
Book overdraft	18.81	308.00
Employee related payables	71.12	47.00
Others [refer note (ii)]	240.33	240.39
	2,703.34	2,162.28

- (i) For details of terms of repayment, nature of security & interest rate of borrowings and delays/default in repayment of borrowings (current and non-current), refer note 15.1 and note 15.2 respectively.
- (ii) Refer note 36 for related party disclosure
- (iii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 34 & 35 respectively.

21 Other current liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	189.90	196.15
Advance from customers	166.50	179.12
	356.40	375.27

22 Provisions (current)*

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	2.14	4.22
Provision for compensated absences	1.08	3.03
	3.22	7.25

* Refer note 32 for disclosure on 'Employees Benefit Obligation'

23 Revenue from operations

(₹ in million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services		
Subscription income	4,138.30	5,211.17
Advertisement income	559.92	454.44
Carriage and placement income	1,107.33	1,102.46
Activation and set top boxes pairing charges	26.42	11.56
Other operating revenue		
Sale of traded goods*	23.63	10.48
Management charges and other networking income	242.20	453.63
Support and service charges	46.47	61.10
Scrap sales	0.02	-
	6,144.29	7,304.84
* Details of sale of traded goods		
Set top box (STB) and viewing cards (VC)	15.14	7.01
Stores and spares	8.49	3.47
	23.63	10.48

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)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contracted price	6,144.29	7,304.84
Less: rebate and discounts	-	-
Revenue recognised in the statement of profit and loss	6,144.29	7,304.84

B. Disaggregation of revenue

(₹ in million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations		
Sale of services		
- Subscription income	4,138.30	5,211.17
- Advertisement income	559.92	454.44
- Carriage and placement income	1,107.33	1,102.46
- Activation and set top boxes pairing charges	26.42	11.56
Other operating revenue		
- Sale of traded goods	23.63	10.48
- Management charges and other networking income	242.20	453.63
- Support and service charges	46.47	61.10
- Scrap sales	0.02	-
	6,144.29	7,304.84

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 contract assets and liabilities from contract with customers:

Contract liabilities*

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers (including deferred revenue)	166.50	179.12
	166.50	179.12

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Contract assets*		
Trade receivable	6,308.64	6,296.73
Less: allowance for expected credit loss	(4,286.52)	(4,343.33)
	2,022.12	1,953.40
Unbilled revenue	171.67	203.36

* 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)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	179.12	252.45
Revenue recognised (net of collections)	(12.62)	(73.33)
Closing balance	166.50	179.12

Contract assets

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
(i) Trade receivables		
Opening balance	1,953.40	2,073.25
Amount invoiced, collected and other adjustments (net)	68.72	(119.85)
Closing balance	2,022.12	1,953.40
(ii) Unbilled revenue		
Opening balance	203.36	473.84
Additional revenue booked/ (invoicing) - net	(31.69)	(270.48)
Closing balance	171.67	203.36

24 Other income

Particulars	(₹ in million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on:		
- Bank deposits at amortised cost	3.29	5.38
- Income tax refund	22.94	13.39
Excess provisions written back	0.61	1.16
Other non-operating income	7.38	8.84
	34.22	28.77

25 Cost of materials consumed

Particulars	(₹ in million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock	5.81	4.64
Purchases during the year	12.72	14.86
Closing stock	6.41	5.81
Cost of materials consumed	12.12	13.69

26 Employee benefits expense

Particulars	(₹ in million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, allowances and bonus	311.78	350.58
Contributions to provident and other funds*	16.40	18.83
Staff welfare expenses	13.91	15.86
	342.09	385.27

*Refer note 32 for disclosure on 'Employee benefit obligations'

27 Finance costs

Particulars	(₹ in million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on financial liabilities	1,058.75	1,077.07
Interest on lease liabilities	1.81	1.65
Others	25.19	24.35
	1,085.75	1,103.07

28 Depreciation and amortisation expenses

Particulars	(₹ in million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment (owned assets)	1,467.52	1,538.22
Depreciation on right-of-use assets	4.86	5.35
Amortisation of intangible assets	377.50	510.40
	1,849.88	2,053.97

29 Other expenses

(₹ in million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent (refer note 4B)	75.73	77.45
Rates and taxes	22.59	26.58
Communication expenses	4.48	6.26
Repairs and maintenance	-	-
- Network	31.36	32.33
- Buildings	0.22	1.29
- Others	17.93	16.58
Electricity and water charges	48.27	46.39
Legal, professional and consultancy charges	101.77	57.46
Printing and stationery	1.31	1.18
Contractual service charges	236.54	266.49
Travelling and conveyance expenses	12.39	8.97
Auditor's remuneration	3.65	3.85
Vehicle running expenses	18.55	22.41
Insurance expenses	4.47	2.76
Impairment of trade receivables	45.00	-
Bad debts and amounts written off	48.28	29.76
Provision for doubtful advances	-	1.80
Advertisement and publicity expenses	3.41	5.92
Commission charges and incentives	519.55	651.81
Program production expenses	21.89	21.74
Other operational cost	504.23	561.32
Business and sales promotion	15.12	13.51
Loss on sale of property, plant and equipment (net)	2.73	7.23
Exchange fluctuation loss (net)	6.76	12.98
Miscellaneous expenses	72.28	110.48
	1,818.51	1,986.55

Note: Payment to the auditor's:

(₹ in million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
- As auditors	3.50	3.65
- For other services	0.03	0.07
- For reimbursement of expenses	0.12	0.13
	3.65	3.85

30 Loss per share

(₹ in million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Loss attributable to equity shareholders	(2,553.15)	(2,264.82)
Weighted average number of equity shares outstanding during the year (nos.)*	872,053,848	872,053,848
Nominal value of per equity share (₹)	1	1
Earnings per share (₹)		
Basic and diluted loss per share	(2.93)	(2.60)

* The Employee Stock Options have not been considered, being anti dilutive.

31 Group Composition Structure

(₹ in million)

Name of the subsidiary company	Country of incorporation	Percentage of ownership	
		As at March 31, 2022	As at March 31, 2021
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%	51.00%
Siti Networks India LLP	India	99.90%	99.90%
Meghbela Infotel Cable & Broadband Private Limited (hereinafter referred as "MICBPL") ***	India	76.00%	-

*Include 0.30% held through CBCNL

** Subsidiary of CBCNL

*** Subsidiary of ICNCL

**** Include 6.50% held through SBSL

***** Subsidiary of SBSPL

(₹ in million)

Name of the associates and joint ventures	Country of incorporation	Percentage of ownership	
		As at March 31, 2022	As at March 31, 2021
C&S Medianet Private Limited (hereinafter referred as "CSMPL")	India	48%	48%
Voice Snap Services Private Limited (hereinafter referred as "VSSPL")***** (till February 15, 2021)	India	-	-
Paramount Digital Media Services Private Limited (hereinafter referred as "PDMSPL")*****	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 ₹ 4.81 million (previous year : ₹ 6.15 million).

The weighted average duration of the defined benefit obligation as at March 31, 2022 is 13 years (previous year 13 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.

(₹ in million)

Changes in the present value of the defined benefit obligation are as follows:	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation at the beginning of the year	40.93	31.13
Interest cost	2.97	2.18
Current service cost	3.79	5.02
Benefits paid	(15.04)	(2.36)
Actuarial (gain)/loss on remeasurement of obligation	(0.90)	4.96
Present value of defined benefit obligation at the end of the year *	31.75	40.93

* Includes current portion ₹ 2.14 million (previous year: ₹ 4.22 million)

The gratuity plan of the Company is unfunded.

(₹ in million)

Amount recognised in the standalone statement of profit and loss:	As at March 31, 2022	As at March 31, 2021
Current service cost	3.79	5.02
Interest cost	2.97	2.18
	6.76	7.20

(₹ in million)

Amount recognised in the statement of other comprehensive income:	As at March 31, 2022	As at March 31, 2021
Actuarial (gain)/loss arising from change in financial assumptions	(0.09)	-
Actuarial (gain)/loss arising from experience adjustments	(0.81)	4.96
	(0.90)	4.96

The principal assumptions used in determining present value of defined benefit obligation and long term employee benefit obligation are given below:

(₹ in million)

Actuarial assumptions used	Gratuity		Compensated absences	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount rate (per annum)	7.25%	7.00%	7.25%	7.00%
Rate of escalation in salary (per annum)	5.00%	4.75%	5.00%	4.75%
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Withdrawal rate (per annum)	5.00%	5.00%	5.00%	5.00%
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, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Defined benefit obligations	31.75	40.93	31.13	30.50	25.04
Experience loss/(gain) adjustments on planned liabilities	(0.81)	4.96	5.95	0.45	1.05

Sensitivity analysis of the defined benefit obligation for significant actuarial assumptions

(₹ in million)

	March 31, 2022	March 31, 2021
Impact of the change in discount rate		
Present value of obligation at the end of the year	31.75	40.93
Liability with 1% increase in discount rate	29.31	37.89
Liability with 1% decrease in discount rate	34.52	44.39

	(₹ in million)	
	March 31, 2022	March 31, 2021
Impact of the change in salary growth rate		
Present value of obligation at the end of the year	31.75	40.93
Liability with 1% increase in salary growth rate	34.55	44.40
Liability with 1% decrease in salary growth rate	29.23	37.84
Maturity profile of defined benefit obligation		
- upto 1 year	2.14	4.22
- 2 to 5 years	5.35	8.50
- more than 5 years	24.26	28.21
Defined contribution plans		
Contribution to defined contribution plan, recognised as expense for the year: Employer's contribution to provident fund and other funds	16.40	18.83

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 03, 2015
Date of Board approval	May 28, 2015
Date of shareholders' approval	August 27, 2015
Number of options granted	4,663,500
Method of settlement (cash/equity)	Equity
Vesting period from the date of grant of option	Three years
Exercise period- from end of vesting period	Four years

The details of activity under New Plan have been summarised below:

	(₹ in million)			
	As at March 31, 2022		As at March 31, 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	655,525	30.85	2,852,275	30.85
Lapsed during the year	521,680	-	2,196,750	-
Outstanding at the end of the year	133,845	30.85	655,525	30.85
Exercisable at the end of the year	133,845	30.85	655,525	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)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Options (50%)	Options (35%)	Options (15%)	Options (50%)	Options (35%)	Options (15%)
Number of options	2,331,750	1,632,225	699,525	2,331,750	1,632,225	699,525
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	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Exercise price in ₹	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 in years	3 years	4 years	5 years	3 years	4 years	5 years
Expected dividends	-	-	-	-	-	-
Risk-free interest rate (based on government bonds)	5.69%	6.04%	6.14%	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)

Particulars	Notes	As at March 31, 2022		
		FVTPL	Amortised cost	Total
Financial assets				
Investment	6	976.19	2,526.60	3,502.79
Trade receivables (net)	10	-	2,022.12	2,022.12
Cash and cash equivalents	11	-	97.34	97.34
Other financial assets	7 & 12	-	368.29	368.29
Total financial assets		976.19	5,014.35	5,990.54
Financial liabilities				
Borrowings	15A & 18A	-	9,106.69	9,106.69
Lease liabilities	15B & 18B	-	13.25	13.25
Trade payables	19	-	4,992.62	4,992.62
Other financial liabilities	16 & 20	-	2,717.83	2,717.83
Total financial liabilities		-	16,830.39	16,830.39

(₹ in million)

Particulars	Notes	As at March 31, 2021		
		FVTPL	Amortised cost	Total
Financial assets				
Investment	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
Other financial assets	7 & 12	-	441.93	441.93
Total financial assets		976.19	4,976.24	5,952.43
Financial liabilities				
Borrowings	15A & 18A	-	9,020.66	9,020.66
Lease liabilities	15B & 18B	-	10.01	10.01
Trade payables	19	-	4,508.24	4,508.24
Other financial liabilities	16 & 20	-	2,177.76	2,177.76
Total financial liabilities		-	15,716.67	15,716.67

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, 2022 and March 31, 2021 as follows:

(₹ in million)

Financial assets	As at March 31, 2022			As at March 31, 2021		
	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)

For the year ended March 31, 2022 and March 31, 2021:

The valuation of optionally convertible debentures ('OCD') has been done using the discounted cashflows 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:

- Audited financial Statements of Siti Saistar Digital Media Private Limited and Siti Siri Digital Network Private Limited (together referred to as 'investee companies') for the FY 2021-22 comprising Balance Sheet and Profit and Loss account.
- Projections of the investee companies comprising of Balance Sheet and Profit and Loss account for the FY 2022-23 to FY 2026-27
- Various issues relevant for the valuation including the prospects and outlook of the investee companies / industry etc.

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 6.84% is considered on the 10 year government zero coupon bond yield as on March 31, 2022.

There have been no transfer between level 1, level 2 and level 3 during the year ended March 31, 2022 and March 31, 2021.

The following table presents the changes in level 3 items for the year ended March 31, 2022 and March 31, 2021:

Particulars	(₹ in million)
As at April 01, 2020	976.19
Gain recognised in standalone statement of profit and loss	-
As at March 31, 2021	976.19
Gain recognised in standalone statement of profit and loss	-
As at March 31, 2022	976.19

As at March 31, 2022

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 ₹ 93.17 million and decrease by 20% would decrease fair value by ₹ 93.17 million

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

C. Fair value of financial assets and liabilities measured at amortised cost

(₹ in million)

	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investment (non- current, financial assets)	3,502.79	3,502.79	3,519.62	3,519.62
Trade receivables (net)	2,022.12	2,022.12	1,953.40	1,953.40
Cash and cash equivalents	97.34	97.34	37.48	37.48
Other financial assets	368.29	368.29	441.93	441.93
Total financial assets	5,990.54	5,990.54	5,952.43	5,952.43
Financial liabilities				
Borrowings	9,106.69	9,106.69	9,020.66	9,020.66
Lease liabilities	13.25	13.25	10.01	10.01
Trade payables	4,992.62	4,992.62	4,508.24	4,508.24
Other financial liabilities	2,717.83	2,717.83	2,177.76	2,177.76
Total financial liabilities	16,830.39	16,830.39	15,716.67	15,716.67

35 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, 2022	March 31, 2021
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)	293.96	276.06
B: High credit risk	Investment, trade receivables, amount recoverable (net) and unbilled revenue	5,696.58	5,676.38

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.

Expected credit loss for trade receivables under simplified approach

As at March 31, 2022

Particulars	(₹ in million)		
	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment
Trade receivables	6,308.64	(4,286.52)	2,022.12
Security deposits	32.74	-	32.74
Amounts recoverable	478.56	(457.82)	20.74
Investment	3,519.62	(16.83)	3,502.79
Unbilled revenues	171.67	-	171.67

As at March 31, 2021

Particulars	(₹ in million)		
	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment
Trade receivables	6,296.73	(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	203.36	-	203.36

Reconciliation of loss allowance provision – Trade receivable

Particulars	(₹ in million)	
	Amounts	
Loss allowance on April 01, 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	
Changes in loss allowance (refer note 29 and note 44)	(56.81)	
Loss allowance on March 31, 2022	4,286.52	

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

As at March 31, 2022

(₹ in million)

Particulars	As at March 31, 2022		
	Less than one year	One to two years	More than two years
Non-derivatives			
Borrowings	8,251.46	478.85	376.38
Trade payables	4,992.62	-	-
Lease liabilities	4.86	3.82	5.55
Other financial liabilities	2,717.83	-	-
Total non-derivative liabilities	15,966.77	482.67	381.93

As at March 31, 2021

(₹ in million)

Particulars	As at March 31, 2021		
	Less than one year	One to two years	More than two years
Non-derivatives			
Borrowings	7,531.57	747.67	741.42
Trade payables	4,508.24	-	-
Lease liabilities and interest on lease liabilities	4.16	3.76	4.76
Other financial liabilities	2,177.76	-	-
Total non-derivative liabilities	14,221.73	751.43	746.18

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)

Particulars	March 31, 2022	March 31, 2021
Financial assets (A)	-	-
Trade receivables	-	-
Financial liabilities (B)	24.80	159.20
Payable to capital creditors	24.80	159.20
Net exposure (B-A)	24.80	159.20

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	(₹ in million)	
	Impact on loss after tax	
	March 31, 2022	March 31, 2021
(₹)/USD and (₹)/EURO increased by 5% (previous year (₹)/USD and (₹)/EURO increased by 5%)	(1.24)	(7.96)
(₹)/USD and (₹)/EURO decreased by 5% (previous year (₹)/USD and (₹)/EURO decreased by 5%)	1.24	7.96

(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.

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Variable rate borrowings	8,994.17	9,020.64
Total borrowings	8,994.17	9,020.64

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	(₹ in million)	
	Impact on loss after tax	
	March 31, 2022	March 31, 2021
Interest rates – increase by 100 basis points (previous year 100 bps)	89.94	90.21
Interest rates – decrease by 100 basis points (previous year 100 bps)	(89.94)	(90.21)

36 Related party transactions

In accordance with the requirements of Ind AS 24, 'Related Party Disclosures', the names of the related party where control exists/able to exercise significant influence along with the transactions and year-end balances with them as identified and certified by the management are given below:

(i) Promoter and Promoter Group**

Direct Media Solutions LLP
 Digital Satellite Holdings Private Limited
 Manaaska Fashions LLP
 Digital Satellite Media And Broadband Private Limited
 Bioscope Cinemas Pvt. Ltd
 Direct Media And Cable Private Limited
 Arrow Media & Broadband Private Limited
 Essel Media Ventures Limited

(ii) Enterprises owned or significantly influenced by Promoter/Promoter Group

Zee Entertainment Enterprises Limited*

Zee Media Corporation Limited**

* As per internal assessment performed by Company of related parties in accordance with IND AS 24, Zee Entertainment Enterprises Limited is no longer a related party of the Company.

** Company is in process of evaluating the related party status of Zee Media Corporation 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
 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
 Meghbela Infitel Cable & Broadband Private Limited (hereinafter referred as "MICBPL") *** (w.e.f. June 08, 2021)

(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 (till December 31, 2021)
 Mr. Sanjay Berry, Chief Financial Officer (till June 30, 2021)
 Ms. Kavita Kapahi, Independent Director
 Prof. Sunil Kumar Maheshwari, Independent Director
 Mr. Suresh Arora (Whole Time Director)
 Mr. Bhanu Pratap Singh, Independent Director
 Mr. Amitabh Kumar, Additional Director
 Mr. Raj Kumar Gupta (Independent Director till September 28, 2021)
 Ms. Shilpi Asthana, Independent Director (w.e.f. December 27, 2021)
 Mr. Yogesh Sharma Chief Executive Officer (w.e.f. January 01, 2022)
 Mr. Vikash Khanna, Chief Financial Officer (w.e.f. October 08, 2021)
 Mr. Suresh Kumar, Company Secretary

(vii) Enterprises owned or significantly influenced by KMP or their relatives**

Essel Realty Developers Private Limited

** 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, 2022	March 31, 2021
Indian Cable Net Company Limited	125.71	106.64
Master Channel Community Network Private Limited	4.30	60.53
Siti Vision Digital Media Private Limited	43.15	81.37
Siti Jind Digital Media Communications Private Limited	4.79	5.10
Siti Jony Digital Cable Network Private Limited	0.03	0.17
Siti Maurya Cable Net Private Limited	1.53	1.95
Siti Faction Digital Private Limited	1.10	1.93
Siti Karnal Digital Media Network Private Limited	0.16	0.27
Siti Siri Digital Network Private Limited	14.64	94.34
Siti Global Private Limited	-	0.17
Siti Prime Uttaranchal Communication Private Limited	0.38	0.44
Siti Broadband Services Private Limited	87.72	65.03
Siti Sagar Digital Cable Network Private Limited	-	-
Siti Saistar Digital Media Private Limited	16.28	3.58
Variety Entertainment Private Limited	33.27	45.75
Enterprises owned or significantly influenced by Promoter/Promoter Group		
Zee Entertainment Enterprises Limited	-	168.68
Zee Media Corporation Limited	8.45	0.22

b) Purchase of goods and services during the year

	(₹ in million)	
Subsidiary companies	March 31, 2022	March 31, 2021
Indian Cable Net Company Limited	33.14	83.28
Master Channel Community Network Private Limited	9.66	1.23
Siti Vision Digital Media Private Limited	2.80	3.59
Siti Broadband Services Private Limited	0.33	0.22
Siti Global Private Limited	8.40	11.06
Siti Sagar Digital Cable Network Private Limited	3.47	4.51
Siti Jind Digital Media Communications Private Limited	6.39	5.75
Siti Jony Digital Cable Network Private Limited	1.11	2.13
Siti Faction Digital Private Limited	-	2.43
Siti Siri Digital Network Private Limited	47.56	21.03
Siti Karnal Digital Media Network Private Limited	4.87	10.68
Siti Saistar Digital Media Private Limited	14.45	-
Enterprises owned or significantly influenced by Promoter/Promoter Group		
Zee Entertainment Enterprises Limited	-	925.02
Enterprises owned or significantly influenced by KMP or their relatives		
EsseL Realty Developers Private Limited	0.32	0.54

c) Balance (payable)/receivable (net of provision created) at the end of the year

(₹ in million)

Subsidiary companies	March 31, 2022	March 31, 2021
Indian Cable Net Company Limited	(120.23)	(65.07)
Master Channel Community Network Private Limited	92.71	280.27
Siti Vision Digital Media Private Limited	55.23	92.20
Siti Jind Digital Media Communications Private Limited	6.18	7.90
Central Bombay Cable Network Limited	0.40	0.25
Siti Krishna Digital Media Private Limited	0.33	-
Siti Jony Digital Cable Network Private Limited	0.24	-
Siti Maurya Cable Net Private Limited	-	23.56
Siti Faction Digital Private Limited	1.30	-
Siti Siri Digital Network Private Limited	8.97	64.96
Siti Global Private Limited	-	-
Siti Networks India LLP	(240.33)	(240.39)
Siticable Broadband South Limited	(3.20)	(3.34)
Siti Broadband Services Private Limited	157.12	64.36
Siti Sagar Digital Cable Network Private Limited	0.45	-
Siti Saistar Digital Media Private Limited	20.31	40.97
Variety Entertainment Private Limited	132.87	131.31
Indinet Service Private Limited	0.40	0.09
Joint ventures/Associate companies		
Wire and Wireless Tisai Satellite Limited	0.06	-
Enterprises owned or significantly influenced by Promoter/Promoter Group		
Trade receivables		
Zee Entertainment Enterprises Limited	-	4.61
Zee Media Corporation Limited	-	18.37
Trade payables		
Zee Entertainment Enterprises Limited	-	1,970.54
Zee Media Corporation Limited	(0.12)	4.05
Enterprises owned or significantly influenced by KMP or their relatives		
Trade payables		
Essel Realty Developers Private Limited	6.24	5.89
Security deposit given including prepaid expense		
Essel Realty Developers Private Limited	6.24	34.99

d) 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 during the year ended		Expenditure paid by others on behalf of the Company during the year ended	
	As at	As at	As at	As at
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Siti Vision Digital Media Private Limited	-	0.01	-	-
Siticable Broadband South Limited	-	0.10	-	-
Central Bombay Cable Network Limited	0.03	0.08	-	-
Master Channel Community Network Private Limited	-	0.00	-	-
Siti Jai Maa Durgee Communications Private Limited	-	0.13	-	-
Siti Faction Digital Private Limited	-	0.11	-	-
Indian Cable Net Company Limited	3.72	2.96	68.48	27.95
Siti Jind Digital Media Communications Private Limited	-	0.02	-	-
Siti Krishna Digital Media Private Limited	-	0.30	-	-
Siti Karnal Digital Media Network Private Limited	-	0.53	-	-
Siti Guntur Digital Network Private Limited	-	0.00	-	-
Siti Global Private Limited	-	0.00	-	-
Siti Prime Uttaranchal Communication Private Limited	-	0.01	-	-
Siti Siri Digital Network Private Limited	-	0.01	0.20	5.89
Siti Broadband Services Private Limited	-	0.02	-	-
Siti Sagar Digital Cable Network Private Limited	-	0.27	-	-
Siti Saistar Digital Media Private Limited	-	0.00	-	-
Siti Jony Digital Cable Network Private Limited	-	0.36	-	-
Indinet Service Private Limited	-	0.64	-	-
Variety Entertainment Private Limited	-	0.01	-	-
Siti Networks India LLP	-	0.03	-	-
Joint ventures				
Wire and Wireless Tisai Satellite Limited	-	0.06	-	-
Enterprises owned or significantly influenced by Promoter/Promoter Group				
Zee Entertainment Enterprises Limited	-	0.18	-	11.84

e) Advances given and repayment thereof

(₹ in million)

Subsidiary companies		Advances given	Repayment/ Adjustments	Balance owed by related parties
Siti Vision Digital Media Private Limited	March 31, 2022	-	11.84	19.98
	March 31, 2021	-	-	31.82
Master Channel Community Network Private Limited	March 31, 2022	-	1.43	-
	March 31, 2021	-	1.45	1.43
Variety Entertainment Private Limited	March 31, 2022	-	-	-
	March 31, 2021	124.33	124.33	-
Siti Broadband Services Private Limited	March 31, 2022	-	-	-
	March 31, 2021	96.68	96.68	-

f) Investment in Optionally Convertible Debenture

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Siti Siri Digital Network Private Limited	744.89	744.89
Siti Saistar Digital Media Private Limited	231.30	231.30

g) Remuneration to KMP

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Mr. Anil Kumar Malhotra	12.64	8.13
Mr. Sanjay Berry	4.80	7.57
Mr. Yogesh Sharma	1.89	-
Mr. Vikash Khanna	2.92	-
Mr. Suresh Kumar	3.40	3.18

h) Compensated absences

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Mr. Anil Kumar Malhotra	1.55	1.20
Mr. Sanjay Berry	0.34	0.24
Mr. Suresh Kumar	0.27	0.28
Mr. Vikash Khanna	0.10	-
Mr. Yogesh Sharma	0.61	-

i) Gratuity paid

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Mr. Anil Kumar Malhotra	2.95	2.82
Mr. Suresh Kumar	1.36	1.29

j) Director sitting fees

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Ms. Kavita Kapahi	0.40	0.30
Mr. Bhanu Pratap Singh	0.42	0.26
Prof. Sunil Kumar Maheshwari	0.38	0.28
Mr. Deepak Mittal	-	0.12
Ms. Shilpi Asthana	0.10	-
Mr. Raj Kumar Gupta	0.12	0.04

k) Corporate guarantee given by

(₹ in million)		
Particulars	March 31, 2022	March 31, 2021
Zee Entertainment Enterprises Limited	-	1,001.00

- 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.

37 Capital and other commitments

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	67.84	85.89

38 Contingent liabilities and litigations

Particulars	(₹ in million)	
	March 31, 2022	March 31, 2021
i) Claims against the Company not acknowledged as debts*	376.23	75.90
ii) Demands raised by the statutory authorities being contested by the Company:		
Service tax matters**	80.90	94.18
VAT/ Sales tax matters**	78.03	77.96

* comprise of ₹ 347.40 million claimed by HDFC Limited in excess of ₹ 2613.25 million already recognised by the Company in books of accounts in respect to the borrowings taken by the Company from HDFC Limited.

** 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 gross of amounts deposited under protest amounting to ₹ 45.61 million (previous year: ₹ 36.61 million).

iii) 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 ₹ 20.00 million (previous year ₹ 20.00 million) under protest and had received a show cause notice with a demand for ₹ 1,011.22 million (previous year ₹ 1,011.22 million). The matter is adjourned to August 24, 2022. 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.

iv) 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 (previous year ₹ 17.84 million) and (b) assessment years 2007-08 and 2008-09 on account of non-withholding of taxes amounting to ₹ 26.17 million (previous year ₹ 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.

v) The Company has deposited entertainment tax amounting of ₹ 10.00 million under protest in respect to various orders received from various districts of Uttar Pradesh as per the directions of Supreme court as an interim measure. Entertainment tax department of various districts of Uttar Pradesh has raised demand of entertainment tax on activation fees charged from the subscribers. The Company had filed Special Leave Petition before Supreme court for stay of such demand. Supreme court had granted stay vide order dated May 25, 2018.

39 Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at reporting date:

Particulars	(₹ in million)					
	March 31, 2022			March 31, 2021		
	EURO million	USD million	₹ in million	EURO million	USD million	₹ in million
Payables for capital creditors	0.30	-	24.80	1.85	-	159.20

* Closing rate as at March 31, 2022: 1 EURO = ₹ 83.92 (previous year: 1 EURO = ₹ 85.88)

40 The breakup of year end deferred tax assets and liabilities into major components of the respective balance is as under:

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
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.

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, 2022		March 31, 2021	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences	16,141.70	5,036.21	15,407.17	4,807.04
Brought forward losses	881.40	275.00	1,438.95	448.95

The tax losses expire in assessment year 2023-2024 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.

41 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)

Particulars	March 31, 2022	March 31, 2021
Cash and cash equivalents (refer note 11)	97.34	37.48
Margin money deposit (refer note 7)	124.31	124.31
Total cash (A)	221.65	161.79
Borrowings (including current maturities of long-term borrowings) (refer note 15A & 18A)	9,106.69	9,020.66
Lease liabilities (refer note 15B and 18B)	13.25	10.01
Total borrowing (B)	9,119.94	9,030.67
Net debt (C=B-A)	8,898.29	8,868.88
Total equity (refer note 14(a) and 14(b))	(6,500.84)	(3,948.59)
Total capital (equity + net debts) (D)	2,397.45	4,920.29
Gearing ratio (C/D)	3.71	1.80

42 Assets pledged as security

The carrying amount of assets pledged as security are:

(₹ in million)			
	Note	March 31, 2022	March 31, 2021
Current assets			
a) Inventories	9	6.41	5.81
b) Financial assets			
i) Trade receivables	10	2,022.12	1,953.40
ii) Cash and cash equivalents	11	97.34	37.48
iii) Other financial assets	12	368.29	441.93
c) Other current assets	13	382.60	460.53
		2,876.76	2,899.15
Non-current assets			
a) Property, plant and equipment	4	3,358.25	4,593.21
b) Capital work-in-progress	4	265.20	152.69
c) Other intangible assets	5A	626.30	944.05
d) Intangible assets under development	5B	4.28	4.18
e) Financial assets			
f) Other financial assets [Margin money deposit (pledged)]	7	124.31	124.31
		4,378.34	5,818.44
Total assets		7,255.10	8,717.59

43 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 in these standalone financial statements, which have been made predominantly for the purpose of business.

44 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).

45 Exceptional items in the standalone financial statements include the following:

During the year ended March 31, 2022:

- Exceptional items for the year ended March 31, 2022 for ₹ 12.80 million (net of reversal of ₹ 4.42 million in quarter ended March 31, 2022) pertains to the write off of old indirect tax balances.
- During the year ended March 31, 2022, in view of prevailing COVID-19 situation and considering other factors, management assessed the likelihood of recovery of certain balances from a customer and has provided for an amount of ₹ 208.33 million respectively which is doubtful for recovery.
- During the quarter and year ended March 31, 2022, diminution in value of investment in Siti Jai Maa Durgee Communications Private Limited amounting to ₹ 16.83 million was booked.

The total impact of (a), (b) and (c) above on the standalone financial results for the year ended March 31, 2022 amounts to ₹ 237.96 million.

During the year ended March 31, 2021:

- 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 recognised.
- 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.

- 46** For the year ended March 31, 2022, 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 ₹ 3,369.65 million for the year ended March 31, 2022 (previous year: ₹ 3,752.55) in the standalone financial statements.

Had these expenses been disclosed on net basis, the 'Revenue from operations' and the 'Pay channel costs' each would have been lower by ₹ 3,369.65 million for the year ended March 31, 2022 (previous year: ₹ 3,752.55) 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.

- 47** The Company continued to incur losses during the year ended March 31, 2022 and had negative working capital as at March 31, 2022. The Company also has negative net worth as at March 31, 2022. As at March 31, 2022, there are instances of delays in payments of obligations and borrowings, but in view of the management, the expected revenue growth and expected improvement in operating margins under the Tariff Order 2017, and other likely mitigating factors such as, continued endeavor 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. Further, the Company is under discussion with its partners for consolidation of operations in East India to attain the benefits of economies of scale and operational efficiencies, accordingly, these standalone financial statements for the year ended March 31, 2022 continue to be prepared on a going concern basis in view of the above.
- 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 Financials ratios

(₹ in million)

Sr. No.	Particulars	March 31, 2022	March 31, 2021	Change
i)	Current Ratio (A/B)	0.17	0.19	-11%
	Current assets (A)	2,725.95	2,745.16	
	Current liabilities (B)	16,312.28	14,587.63	
ii)	Debt-equity ratio (A/B)	(1.40)	(2.28)	-39%
	Total debt (A) [refer note 4 below]	9,106.69	9,020.66	refer note 7 (a)
	Total equity (B)	(6,500.84)	(3,948.59)	
iii)	Debt-service coverage ratio (A/B)	0.06	0.12	-48%
	Earnings available for debt services (i.e EBID)- (A)	620.44	1,189.10	refer note 7 (b)
	Borrowings including finance cost (B)	10,192.44	10,123.73	
iv)	Return on equity ratio (A/B)	0.39	0.57	-32%
	Net loss after tax (A) [refer note 2 below]	(2,553.15)	(2,264.82)	refer note 7 (c)
	Total equity (B)	(6,500.84)	(3,948.59)	
v)	Inventory turnover ratio (A/B)	4.55	3.85	18%
	Cost of goods sold (A)	27.82	20.15	
	Average inventory (B)	6.11	5.23	
vi)	Trade receivables turnover ratio (A/B)	3.09	3.63	-15%
	Revenue from operations (A)	6,144.29	7,304.84	
	Average trade receivables (B)	1,987.76	2,013.32	

(₹ in million)

Sr. No.	Particulars	March 31, 2022	March 31, 2021	Change
vii)	Trade payables turnover ratio (A/B)	1.10	1.23	-11%
	Credit purchases (A) [refer note 5 below]	5,215.99	5,759.24	
	Average trade payables (B)	4,750.43	4,675.24	
viii)	Net capital turnover ratio (A/B)	(0.95)	(1.85)	-49%
	Revenue from operations (A)	6,144.29	7,304.84	refer note 7 (d)
	Capital employed or net assets (B) [refer note 3 below]	(6,500.84)	(3,948.59)	
ix)	Net loss ratio (A/B)	(0.42)	(0.31)	34%
	Net loss after tax (A) [refer note 2 below]	(2,553.15)	(2,264.82)	refer note 7 (e)
	Revenue from operations (B)	6,144.29	7,304.84	
x)	Return on capital employed (A/B)	0.23	0.29	-23%
	Earning before interest but after taxes (A)	(1,467.40)	(1,161.75)	refer note 7 (f)
	Capital employed or net assets (B) [refer note 3 below]	(6,500.84)	(3,948.59)	
xi)	Return on investment (A/B)	0.39	0.57	-32%
	Net loss after tax (A)	(2,553.15)	(2,264.82)	refer note 7 (g)
	Capital employed or net assets (B) [refer note 3 below]	(6,500.84)	(3,948.59)	

Notes:

- 1 Ratios relating to balance sheet items have been presented as at March 31, 2022 and March 31, 2021. Whereas, ratios relating to items of statement of profit and loss account has been presented for financial year ended March 31, 2022 and March 31, 2021.
- 2 Net loss after tax excludes other comprehensive income
- 3 Net assets is the total of equity share capital and other equity.
- 4 Total debt comprise of borrowings from external lenders.
- 5 Credit purchases comprise of purchases during the year, pay channel & other expenses
- 6 Earnings available for debt services comprise of earning before interest and depreciation.
- 7 Reason for change by more than 25%
 - a) Declined due to higher accumulated losses due to current year loss due to which total equity has declined whereas there is no major movement in total debt.
 - b) Declined due to lower earning before interest and depreciation as compared to previous year
 - c) Declined due to increase in loss for the year
 - d) Decrease due to lower revenue and higher accumulated losses in comparison to previous year
 - e) Increase due to higher loss after tax and lower revenue from operations in comparison to previous year.
 - f) Decrease due to higher loss before interest but after taxes in comparison to previous year.
 - g) Decrease due to higher loss after tax and higher accumulated losses in comparison to previous year.

50 Trade payable ageing schedule

As at March 31, 2022

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	6.23	66.27	87.53	132.15	40.19	332.37
ii) Others	774.31	273.22	700.95	583.93	413.33	1,914.51	4,660.25
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
Total	774.31	279.45	767.22	671.46	545.48	1,954.70	4,992.62

As at March 31, 2021

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	13.56	127.71	132.15	39.24	0.95	313.61
ii) Others	908.83	-	705.50	957.89	890.93	731.48	4,194.63
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
Total	908.83	13.56	833.21	1,090.04	930.17	732.43	4,508.24

51 Trade receivable ageing schedule

As at March 31, 2022

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
(i) Considered good	-	573.72	632.81	241.01	517.54	26.67	30.38	2,022.13
(ii) Significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	19.85	9.33	120.92	172.50	3,963.91	4,286.51
Disputed								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	171.67	-	-	-	-	-	-	171.67
Total	171.67	573.72	652.66	250.34	638.46	199.17	3,994.29	6,480.31

As at March 31, 2021

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
(i) Considered good	-	391.98	699.99	174.04	206.04	104.95	376.40	1,953.40
(ii) Significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	33.98	13.03	110.14	690.15	3,496.02	4,343.33
Disputed								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	203.36	-	-	-	-	-	-	203.36
Total	203.36	391.98	733.97	187.07	316.18	795.10	3,872.42	6,500.09

- 52** No dividend was paid during the current year as well as in preceding financial year. Further no dividend is proposed for the current financial year.
- 53** The Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity has received presidential assent on September 28, 2020. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.
- 54** (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 55** There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- 56** HDFC Limited has filed application against the Company under section 7 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal ('NCLT'), Mumbai for initiation of Corporate insolvency resolution process on the ground that the Company has defaulted in making repayment of ₹ 2,960.6 million as on January 31, 2022. NCLT in its hearing dated 30 March 2022, has fixed next hearing on July 22, 2022.
- 57** IDBI Bank Limited had filed an application under section 19 of the Recovery of Debts dues to Banks and Financial Institutions and Bankruptcy Act, 1993 ('RDB Act') against the Company ("Defendants") before the Mumbai Debt Recovery Tribunal, for recovery of ₹ 1,489.00 million as on August 05, 2021 along with current and future interest alleging that the Company has committed default in repayment / discharge of its obligations under the various loan facilities availed by it.
- 58** The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- 59** Company has borrowing from banks and financial institutions (FIs) secured by current assets as mentioned in note 40. These borrowings are declared as non-performing assets (NPAs) by the respective banks and FIs. Due to this, company is under discussion with the banks for re-structuring of its loans. As a result, Company has not been filing any quarterly returns or statements of current assets with the banks or FIs.
- 60** There is a commercial building appearing in the capital work-in-progress amounting to ₹ 93.88 million as on March 31, 2022 (previous year: Nil), the title deed of the property is yet to be transferred in the name of the Company, however the company has already taken possession of the same. The same was received by the Company during the year as a consideration against the amount receivable from a customer.

- 61** There are no proceeding that has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 62** The company is not declared willful defaulter by any bank or financial Institution or other lender.
- 63** Previous period figures have been re-grouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III of the Companies Act, 2013 effective from April 01, 2021.

64 Post reporting date events

No adjusting or significant non-adjusting events have occurred between March 31, 2022 and the date of authorisation of these standalone financial statements.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Ankit Marwaha
Partner
Membership No.: 518749

Place : Noida
Date : May 28, 2022

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Yogesh Sharma
Chief Executive Officer

Vikash Khanna
Chief Financial Officer

Place : Noida
Date : May 28, 2022

Amitabh Kumar
Non-Executive Director
DIN: 00222260

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 Network 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 March 31, 2022, 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 2022, 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 54 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 costs' each would have been lower by 7,529.25 million for the year ended 31 March 2022, while

there would have been no impact on the net loss for the year ended March 31, 2022.

Further, with respect to the above matter, qualifications have been given by other firms of Chartered Accountants vide their audit reports dated 20 May 2022, 24 May 2022, 27 May 2022, 19 May 2022, 13 May 2022, 23 May 2022 and 20 May 2022 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 costs' each would have been lower by 7,529.25 million for the year ended March 31, 2022, while there would have been no impact on the net loss for the year ended March 31, 2022.

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 2,604.19 million during the year ended 31 March 2022, and as of that date, the Group's accumulated losses amount to 21,900.53 million and its current liabilities exceeded its current assets by 13,906.03 million resulting in negative working capital. As at March 31, 2022, 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 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 with 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.

Key Audit Matters

6. 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.
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
<p>Impairment assessment of investment in associates, joint ventures and net assets of subsidiaries</p> <p>As described in Note 7A to the consolidated financial statements, the Group has investments amounting to ₹ 26.35 million in its associates and joint venture entities and carries net assets amounting to ₹ 3,136.01 million in respect to its subsidiaries as at March 31, 2022 (hereinafter together referred to as ‘Component entities’).</p> <p>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.</p> <p>In view of the above, management during the year ended March 31, 2022, 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.</p> <p>Based on the result of the aforesaid impairment tests, no impairment has been noted.</p> <p>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.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • 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. • 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 consolidated financial statements in accordance with the applicable accounting standards.
<p>Provision for expected credit losses (ECL)</p> <p>Refer note 3(m) for significant accounting policy and note 40 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 March 31, 2022, trade receivables aggregate to 2,553.60 million (net of allowance for expected credit losses of 3,257.57 million).</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • 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 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 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 recognised in accordance with applicable accounting standards.

Emphasis of Matter

- We draw attention to note 64 which indicates HDFC Limited has filed an application against the Company under section 7 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal ('NCLT'), Mumbai for initiation of Corporate Insolvency Resolution Process on the ground that the Company has defaulted in making repayment of borrowings taken from lender amounting to ₹ 2,960.60 million (including principal, interest and additional interest) as on January 31, 2022. NCLT in its hearing on March 30, 2022, has fixed next hearing on July 22, 2022.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

- 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

- 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.

- 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.
- 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

- 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 Group'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 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;

- 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 ₹ 11,678.95 million, total revenues of ₹ 9,035.61 million, total net loss after tax ₹ 290.83 million, total comprehensive loss ₹ 248.26 million and net cash inflows amounting to ₹ 1,452.40 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 ₹ 3.83 million for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of one associate 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.

Report on Other Legal and Regulatory Requirements

19. 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 March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- g. In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding company / Subsidiary company	Clause number of the CARO report
1.	Siti Jind Digital Media Communications Private Limited	U72200DL2010PTC210107	Subsidiary	Clause 3(ii)(b), (ix)(a) & (xix)
2.	Siti Broadband Services Private Limited	U64100DL2014PTC267911	Subsidiary	Clause 3(ii)(b)
3.	Siti Saistar Digital Media Private Limited	U64204GJ2013PTC073773	Subsidiary	Clause 3(vii)(a)

- h. 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;
- i. 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
- j. 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 43 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 2022; 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 March 31, 2022.
- iv. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **DNS & Associates**
Chartered Accountants
Firm's Registration No.: 006956C

Ankit Marwaha
Partner

Place: Noida
Date: 28 May 2022

Membership No.: 518749
UDIN: 22518749AKQPP18205

Annexure I

List of entities included in the Statement

Name of Related Party	Relation
Central Bombay Cable Network Limited	Subsidiary Company
Indian Cable Net Company Limited	Subsidiary Company
Siti Broadband Services Private Limited	Subsidiary Company
Siti Cable Broadband South Limited	Subsidiary Company
Siti Faction Digital Private Limited	Subsidiary Company
Siti Global Private Limited	Subsidiary Company
Siti Guntur Digital Network Private Limited	Subsidiary Company
Siti Jai Maa Durgee Communications Private Limited	Subsidiary Company
Siti Jind Digital Media Communications Private Limited	Subsidiary Company
Siti Jony Digital Cable Network Private Limited	Subsidiary Company
Siti Karnal Digital Media Network Private Limited	Subsidiary Company
Siti Krishna Digital Media Private Limited	Subsidiary Company
Siti Networks India Llp	Subsidiary Company
Siti Prime Uttaranchal Communication Private Limited	Subsidiary Company
Siti Sagar Digital Cable Network Private Limited	Subsidiary Company
Siti Saistar Digital Media Private Limited	Subsidiary Company
Siti Siri Digital Network Private Limited	Subsidiary Company
Siti Vision Digital Media Private Limited	Subsidiary Company
Variety Entertainment Private Limited	Subsidiary Company
E-Net Entertainment Private Limited	Step Subsidiary Company
Indinet Service Private Limited	Step Subsidiary Company
Master Channel Community Network Private Limited	Subsidiary Company
Meghbela Infotel Cable & Boardband Private Limited	Step Subsidiary Company
Siti Maurya Cable Net Private Limited	Step Subsidiary Company
Paramount Digital Media Services Private Limited	Joint Venture
Wire And Wireless Tisai Satellite Limited	Joint Venture
C&S Medianet Private Limited	Associate Company

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the 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 March 31, 2022, 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.
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.

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.
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.

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 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.
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 subsidiary 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 March 31, 2022:
 - 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 costs' including the relevant disclosures in the consolidated financial statements, while there is no impact on the net loss for the year ended March 31, 2022.
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 March 31, 2022, 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 March 31, 2022.

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 March 31, 2022, 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 in so far as it related to twenty subsidiaries, which are companies covered under the Act, whose financial statements reflect total assets ₹ 11,678.95 million and net assets of ₹ 3,136.01 million as at March 31, 2022, total revenues of ₹ 9,035.61 million and net cash inflows amounting to ₹ 1,452.40 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 loss (including other comprehensive income) of ₹ 3.83 million for the year ended March 31, 2022 in respect of one associate companies and two joint ventures, 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

Place: Noida
Date: 28 May 2022

Ankit Marwaha
Partner
Membership No.: 518749
UDIN: 22518749AKQPPI8205

Consolidated Balance Sheet

as at March 31, 2022

(₹ in million)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	7,777.24	9,707.84
b) Capital work-in-progress	4	860.74	547.84
c) Investment property	5	700.88	649.85
d) Goodwill	6	491.74	486.38
e) Other intangible assets	6	1,099.19	1,518.60
f) Intangible assets under development	6	4.28	4.18
g) Investments in joint ventures and associates	7A	26.35	30.18
h) Financial assets			
i) Investments	7B	-	84.37
ii) Other financial assets	8	238.34	238.13
i) Deferred tax asset (net)	21	199.05	118.97
j) Other non-current assets	9	178.87	191.08
Total non-current assets		11,576.68	13,577.42
Current assets			
a) Inventories	10	21.98	20.80
b) Financial assets			
i) Trade receivables	11	2,553.60	2,328.78
ii) Investments	12	114.87	-
iii) Cash and cash equivalents	13	563.21	1,114.03
iv) Bank balances other than (iii) above	14	308.60	36.61
v) Other financial assets	15	391.31	380.46
c) Current tax assets (net)	16	124.77	106.62
d) Other current assets	17	846.30	1,027.32
Total current assets		4,924.64	5,014.62
Total assets		16,501.32	18,592.04
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	17 (a)	872.67	872.67
b) Other equity	17 (b)	(5,837.89)	(3,318.31)
Equity attributable to owners of the parent		(4,965.22)	(2,445.64)
c) Non-controlling interest		824.48	911.21
Total equity		(4,140.74)	(1,534.43)
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	18 A	1,053.94	2,144.26
ii) Lease liabilities	18 B	9.89	9.34
iii) Other financial liabilities	19	499.40	520.78
b) Provisions	20	167.00	118.69
c) Deferred tax liabilities (net)	21	9.64	9.02
d) Other non-current liabilities	22	71.55	35.00
Total non-current liabilities		1,811.42	2,837.09
Current liabilities			
a) Financial liabilities			
i) Borrowings	23 A	8,760.60	8,016.46
ii) Lease liabilities	23 B	10.28	7.65
iii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	24	334.81	314.75
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	24	6,501.94	6,119.35
iii) Other financial liabilities	25	2,330.15	1,927.28
b) Other current liabilities	27	867.41	878.87
c) Provisions	26	25.45	24.92
Total current liabilities		18,830.64	17,289.08
Total equity and liabilities		16,501.32	18,592.04

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

Ankit Marwaha
Partner
Membership No.: 518749

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232
Yogesh Sharma
Chief Executive Officer

Vikash Khanna
Chief Financial Officer

Amitabh Kumar
Non-Executive Director
DIN: 00222260
Suresh Kumar
Company Secretary
M. No: ACS 14390

Place : Noida
Date : May 28, 2022

Place : Noida
Date : May 28, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

Particulars	Note	(₹ in million)	
		Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	28	14,458.53	15,369.20
Other income	29	150.17	173.10
Total income		14,608.70	15,542.30
Expenses			
Cost of materials consumed	30	26.33	18.97
Purchase of stock-in-trade		4.97	8.35
Pay channel costs		7,529.25	7,858.96
Employee benefits expense	31	696.95	696.39
Finance costs	32	1,203.98	1,262.96
Depreciation and amortisation expenses	33	3,307.09	3,490.38
Other expenses	34	4,340.30	4,363.85
Total expenses		17,108.87	17,699.86
Loss before share of (loss)/profit of associates and joint ventures, exceptional items and tax		(2,500.17)	(2,157.56)
Share of (loss)/profit of associates and joint ventures		(3.83)	21.42
Loss before exceptional items and tax		(2,504.00)	(2,136.14)
Exceptional items	53	85.90	296.87
Loss before tax		(2,589.90)	(2,433.01)
Tax expense	21		
Current tax		100.51	84.56
Deferred tax		(80.70)	(103.38)
Loss for the year		(2,609.71)	(2,414.19)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	37	5.52	(0.99)
Income-tax relating to items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the period (including non-controlling interest)		(2,604.19)	(2,415.18)
Net loss attributable to:			
A Owners of the parent		(2,523.44)	(2,396.11)
B Non-controlling interest		(86.27)	(18.08)
Other comprehensive income attributable to:			
A Owners of the parent		3.76	(2.67)
B Non-controlling interest		1.75	1.68
Total comprehensive income attributable to:			
A Owners of the parent		(2,519.68)	(2,398.78)
B Non-controlling interest		(84.52)	(16.40)
Loss per share (Nominal value of equity share ₹ 1 each)			
Basic and diluted loss per share	35	(2.89)	(2.75)

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

Ankit Marwaha
Partner
Membership No.: 518749

Place : Noida
Date : May 28, 2022

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Yogesh Sharma
Chief Executive Officer

Vikash Khanna
Chief Financial Officer

Place : Noida
Date : May 28, 2022

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Suresh Kumar
Company Secretary
M. No: ACS 14390

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(2,589.90)	(2,433.01)
Adjustment for:		
Depreciation and amortisation expenses	3,307.09	3,490.35
Interest income on bank deposits	(32.06)	(38.43)
Excess provisions written back	(44.29)	(87.47)
Share of loss/(profit) of associates and joint ventures	3.83	(21.42)
Loss on sale of property, plant and equipment, and other intangible assets (net)	63.34	8.52
Profit on sale of investments	(15.63)	-
Interest expense for borrowings at amortised cost	1,104.85	1,225.19
Interest expense on lease liabilities	2.88	2.71
Bad debts written off	53.42	48.72
Unrealised foreign exchange (gain)/ loss	(0.76)	24.23
Provision for doubtful debts	67.77	83.91
Provision for doubtful advances	-	1.81
Effect of recognising other expense on security deposit as per effective interest method	-	(0.83)
Exceptional items	85.90	296.87
Operating profit before working capital changes	2,006.46	2,601.15
Adjustments for changes in:		
(Increase)/decrease in trade receivables	(512.94)	550.99
(Increase)/decrease in other financial assets	(3.39)	538.63
Decrease in other current and non-current assets	54.18	96.46
(Increase)/decrease in inventories	(1.18)	(7.31)
(Decrease)/increase in other financial liabilities	(295.11)	128.69
Increase in provisions	54.26	31.02
Increase/(decrease) in other current and non-current liabilities	25.09	(200.96)
Increase/(decrease) in trade payables	447.01	(932.06)
Cash generated from operations	1,774.38	2,806.61
Income taxes refund (net of taxes paid)	7.48	186.65
Net cash flows from operating activities	1,781.86	2,993.26
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, and intangibles assets	(1,558.91)	(1,493.04)
Proceeds from sale of property, plant and equipment, and intangible assets	5.52	3.37
Purchase of investments (non-current, financial assets)	(114.87)	-
Sale of investment (current and non-current, financial assets)	100.00	97.56
Interest received	24.36	38.02
Margin money deposits and bank deposits made and matured (net)	(274.11)	(37.30)
Net cash flow used in investing activities	(1,818.01)	(1,391.29)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Movement in borrowings	(346.18)	(1,633.03)
Movement in lease liabilities	0.25	(9.50)
Interest paid	(168.74)	(603.05)
Net cash flow used in financing activities	(514.67)	(2,245.58)
Net decrease in cash and cash equivalents	(550.82)	(643.61)
Cash and cash equivalents at the beginning of the year	1,114.03	1,757.64
Cash and cash equivalents at the end of the year	563.21	1,114.03

Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2022

Notes :

	(₹ in million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Cash and cash equivalents include (refer note 13):		
Cash on hand	22.97	25.97
Balances with banks on current accounts	371.29	555.82
Cheques and drafts on hand	70.39	138.34
Deposits with maturity of upto three months	98.56	393.90
	563.21	1,114.03

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 consolidated cash flow statement referred to in our report of even date.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Ankit Marwaha
Partner
Membership No.: 518749

Place : Noida
Date : May 28, 2022

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Yogesh Sharma
Chief Executive Officer

Vikash Khanna
Chief Financial Officer

Place : Noida
Date : May 28, 2022

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Suresh Kumar
Company Secretary
M. No: ACS 14390

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

A Equity share capital (including forfeited equity shares)*

Particulars	Amount
Balance as at April 01, 2020	872.67
Issued during the year	-
Balance as at March 31, 2021	872.67
Issued during the year	-
Balance as at March 31 2022	872.67

(₹ in million)

B Other equity**

	Reserves and surplus			Other components of equity		Total other equity	Non controlling-interest	Total equity
	Securities premium	Retained earnings	General reserve	Other comprehensive Income	Employee share based payments reserve			
Balance as at April 01, 2020	16,017.37	(16,975.88)	3.23	(7.39)	42.03	(920.63)	927.89	7.26
Loss for the year	-	(2,396.11)	-	-	-	(2,396.11)	(18.08)	(2,414.19)
Remeasurement of defined benefit liability	-	-	-	(2.67)	-	(2.67)	1.68	(0.99)
Other adjustment	-	1.10	-	-	-	1.10	(0.27)	0.82
Balance as at March 31, 2021	16,017.37	(19,370.89)	3.23	(10.06)	42.03	(3,318.31)	911.21	(2,407.10)
Loss for the year	-	(2,523.44)	-	-	-	(2,523.44)	(86.27)	(2,609.71)
Remeasurement of defined benefit liability	-	-	-	3.76	-	3.76	1.75	5.51
Other adjustment	-	0.10	-	-	-	0.10	(2.21)	(2.11)
Balance as at March 31, 2022	16,017.37	(21,894.23)	3.23	(6.30)	42.03	(5,837.89)	824.48	(5,013.41)

* Refer note 17 (a) for details of Equity

** Refer note 17 (b) for details of Other Equity

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

Ankit Marwaha
Partner
Membership No.: 518749

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

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Chief Financial Officer

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Suresh Kumar
Company Secretary
M. No: ACS 14390

Place : Noida
Date : May 28, 2022

Place : Noida
Date : May 28, 2022

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2022

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.

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 28 May 2022.

The Group continued to incur losses during the year ended March 31, 2022 and had negative working capital as at March 31, 2022. As at March 31, 2022, 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, 2022 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 acquisition 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. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Zero '0.00' denotes amount less than ₹ 5,000

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.

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.

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

	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

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 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.

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 amortised 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 derecognised 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 recognised 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 Compensation

The Group operates equity-settled share-based compensation 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 compensation 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

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.

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 39(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 37)

Retained earnings includes all current and prior period retained profits and share-based employee compensation (refer note 17)

All transactions with owners of the parent are recorded separately within equity.

y) Recent accounting pronouncements

Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statements

4 Property, Plant and Equipment

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Owned assets	7,336.83	9,260.08
Right-of-use assets	440.41	447.76
Total	7,777.24	9,707.84

A. Owned assets

Particulars	(₹ in million)										IRD boxes	Total	
	Buildings	Plant and equipment	Computers	Office equipments	Furniture and fixtures	Air conditioners	Studio equipments	Vehicles	Leasehold improvements	Set top boxes			
Gross carrying amount													
Balance as at April 01, 2020	404.44	6,949.77	333.10	92.04	220.54	16.34	59.12	28.93	57.31	17,665.26	1.26	25,828.11	
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	7,062.56	321.61	94.33	220.98	16.37	59.90	32.83	58.48	18,009.80	1.26	26,282.56	
Additions	-	246.77	6.03	2.28	5.71	0.05	0.64	3.55	-	623.42	-	888.45	
Disposals	-	(149.07)	-	-	(4.57)	-	-	-	-	(893.16)	-	(1,046.80)	
Transfer to investment property (refer note 5)	(66.08)	-	-	-	-	-	-	-	-	-	-	(66.08)	
Other adjustments	(39.29)	(313.03)	(140.17)	20.44	(6.01)	(14.76)	(23.57)	(1.26)	(3.69)	540.34	(1.26)	17.74	
Balance as at March 31, 2022	299.07	6,847.23	187.47	117.05	216.11	1.66	36.97	35.12	54.79	18,280.40	-	26,075.87	
Accumulated depreciation													
Balance as at April 01, 2020	30.70	4,262.78	183.85	81.50	72.96	13.80	27.13	13.70	51.59	9,723.54	0.66	14,462.21	
Charge for the year	15.66	549.58	10.79	7.01	18.75	0.05	2.00	3.15	2.87	2,137.72	-	2,747.58	
Disposals	-	(74.29)	(17.32)	(0.15)	-	-	-	(0.59)	-	(94.96)	-	(187.31)	
Balance as at March 31, 2021	46.36	4,738.07	177.32	88.36	91.71	13.85	29.13	16.26	54.46	11,766.30	0.66	17,022.48	
Charge for the year	5.57	505.41	12.48	7.79	19.12	0.04	1.28	3.86	0.48	2,124.07	-	2,680.10	
Disposals	-	(135.35)	-	(0.02)	(3.37)	-	-	-	-	(836.20)	-	(974.94)	
Transfer to investment property (refer note 5)	(4.16)	-	-	-	-	-	-	-	-	-	-	(4.16)	
Other adjustment	(7.35)	(14.80)	(15.09)	5.67	(2.46)	(12.30)	(1.04)	(0.95)	(0.29)	64.84	(0.66)	15.57	
Balance as at March 31, 2022	40.42	5,093.33	174.71	101.80	105.00	1.59	29.37	19.17	54.65	13,119.01	0.00	18,739.05	
Net carrying amount as at March 31, 2021	358.08	2,324.49	144.29	5.97	129.27	2.52	30.77	16.57	4.02	6,243.50	0.60	9,260.08	
Net carrying amount as at March 31, 2022	258.65	1,753.90	12.76	15.25	111.11	0.07	7.60	15.95	0.14	5,161.39	(0.00)	7,336.83	

a) Capital work-in-progress and intangible assets under development include set top boxes, viewing cards (softwares) and plant and equipment amounting to ₹ 546.56 million, ₹ 4.28 million and ₹ 314.19 million respectively (March 31, 2021 ₹ 290.95 million, ₹ 4.18 million and ₹ 256.89 million) which are yet to be installed.

b) For details related to assets pledged as security, refer note 46.

c) Capital work in progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022	525.32	127.30	22.81	185.31	860.74
As at March 31, 2021	292.74	29.37	44.81	180.91	547.84

4B Right-of-use assets

(₹ in million)

Particulars	Buildings	Leasehold Land	Total
Gross carrying amount			
Balance as at April 01, 2020	35.15	469.02	504.17
Additions	0.79	-	0.79
Disposals	-	-	-
Balance as at March 31 2021	35.94	469.02	504.96
Additions	13.32	-	13.32
Disposals	-	-	-
Other adjustments	-	0.71	0.71
Balance as at March 31, 2022	49.25	469.73	518.98
Accumulated depreciation			
Balance as at April 01, 2020	9.00	29.95	38.95
Charge for the year	11.29	6.96	18.25
Disposals	-	-	-
Balance as at March 31, 2021	20.29	36.91	57.20
Charge for the year	10.60	6.78	17.38
Disposals	-	-	-
Other adjustments	-	3.99	3.99
Balance as at March 31, 2022	30.89	47.68	78.57
Net carrying amount as at March 31, 2021	15.65	432.11	447.76
Net carrying amount as at March 31, 2022	18.36	422.05	440.41

Disclosures on lease pursuant to Ind AS 116 - Leases

- 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.
- 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.
- 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
Land	1	55	-	-
Buildings	23	1 - 5	-	-

- Maturity profile of lease liabilities**

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
0-1 year	10.28	7.65
1 to 5 years	9.89	6.99

- 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:

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Short-term and leases of low value assets	105.83	125.34
Variable lease payments	-	-

- f) Total cash outflow against the lease liabilities for the year ended March 31, 2021 is ₹ 11.71 million (previous year: ₹ 9.50 million). Interest on lease for the year ended March 31, 2022 liabilities is ₹ 2.88 million (previous year ₹ 2.71 million).

- g) Refer note 40 for contractual maturity of lease liabilities.

5 Investment property

(₹ in million)

Particulars	Total
Gross carrying amount	
Balance as at April 01, 2022	687.71
Additions	-
Disposals	-
Balance as at March 31, 2021	687.71
Additions	-
Transfer from property, plant & equipment	66.08
Balance as at March 31, 2022	753.79
Accumulated depreciation	
Balance as at April 01, 2020	26.97
Charge for the year	10.89
Disposals	-
Balance as at March 31, 2021	37.86
Charge for the year	10.89
Transfer from property, plant & equipment	4.16
Balance as at March 31, 2022	52.91
Net carrying amount as at March 31, 2021	649.85
Net carrying amount as at March 31, 2022	700.88

- a) Amount recognised in profit and loss for investment property

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Rental income derived from investment property	67.90	45.58

- b) Refer note no. 46 for information on investment property pledged as securities by the Group.

- c) The fair value of investment property as on March 31, 2022 and March 31, 2021 amounted to ₹ 1,869.40 million and ₹ 1,604.50 million respectively, as assessed by an independent valuer.

6 Other intangible assets

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Goodwill	491.74	486.38
Other intangible assets	1,099.19	1,518.60
Total	1,590.93	2,004.98

(₹ in million)

Particulars	Goodwill	Program, film and cable rights	Distribution network rights	Software	Non compete agreement	Customer relationships	Total
Gross carrying amount							
Balance as at April 01, 2020	737.67	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	738.53	50.33	1,550.00	3,431.29	5.50	25.30	5,800.95
Additions	5.35	-	-	180.86	-	-	186.21
Disposals	-	-	-	(79.68)	-	-	(79.68)
Other adjustment	-	2.31	-	(2.68)	-	-	(0.37)
Balance as at March 31, 2022	743.89	48.02	1,550.00	3,535.14	5.50	25.30	5,907.84
Accumulated depreciation							
Balance as at April 01, 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	-	-	713.65
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	3,795.96
Charge for the year	-	-	153.71	445.02	-	-	598.73
Disposals	-	-	-	(77.78)	-	-	(77.78)
Balance as at March 31, 2022	252.15	47.18	1,242.59	2,744.19	5.50	25.30	4,316.91
Net carrying amount as at March 31, 2021	486.38	3.15	461.11	1,054.34	-	-	2,004.98
Net carrying amount as at March 31, 2022	491.74	0.84	307.41	790.95	-	-	1,590.93

c) Intangible under development ageing schedule

Particulars	Amount in intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022	4.28	-	-	-	4.28
As at March 31, 2021	4.18	-	-	-	4.18

7A Investments in joint ventures and associates

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Investment in equity shares (trade, unquoted)		
Investment in associates		
4,800 (March 31, 2021: 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
Add: share in loss	(0.05)	(0.05)
Investment in Joint ventures		
4,800 (previous year: 4,800) equity shares of ₹ 10 each fully paid up of C&S Medianet Private Limited		
Add: share in loss		
25,500 (March 31, 2021: 25,500) equity shares of ₹ 10 each fully paid up of Wire and Wireless Tisai Satellite Limited	0.26	0.26
Add: share in loss	(0.26)	(0.26)
10,000 (March 31, 2021: 10,000) equity shares of ₹ 10 each fully paid up of Paramount Digital Media Services Private Limited	35.27	35.27
Add: share in loss	(10.32)	(6.49)
Investment in Mutual Funds (2752.62 units of ABSL -Low duration fund- growth)	1.40	1.40
	26.35	30.18

7B Investment other than investment in joint ventures entities and associates

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Investment in equity shares (trade, unquoted)		
480 (March 31, 2021: 480) equity shares of ₹ 100 each fully paid up of Master Ads Private Limited	0.05	0.05
9,500 (March 31, 2021: 9,500) equity shares of ₹10 each fully paid up of Dakshin Communications Private Limited	1.77	1.77
3,000 (March 31, 2021: 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)
Nil (March 31, 2021: 1,25,000) equity shares of ₹ 10 each fully paid up of Axom Communications & Cable Private Limited	-	84.37
	-	84.37
	26.35	114.55
Aggregate amount of unquoted investments	28.40	116.60
Aggregate amount of impairment in value of investments	2.05	2.05

8 Other financial assets (non-current)

(Unsecured, considered good unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money deposit	190.67	188.56
Security deposits	47.67	49.57
	238.34	238.13

- (i) Refer note 40 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

9 Other non-current assets (non-financial)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	4.68	6.10
Capital advances	23.54	24.90
Other advances to vendors	25.32	26.62
Balance with Government authorities (paid under protest)	125.33	133.46
	178.87	191.08

10 Inventories

(valued at cost unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Stores and spares	21.98	20.80
	21.98	20.80

11 Trade receivables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivable - considered good unsecured	2,553.60	2,328.78
Trade receivable - credit impaired	3,257.57	3,789.36
	5,811.17	6,118.14
Less: Allowance for expected credit loss	(3,257.57)	(3,789.36)
	2,553.60	2,328.78

- (i) Refer note 41 for related parties disclosures
- (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.
- (iii) Refer note 40 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.
- (iv) Refer note 59 for disclosure of trade receivable ageing schedule.

12 Investments (current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in mutual funds		
Investments in mutual funds (valued at FVTPL)		
2,618,698 units (March 31, 2021: nil units) in Tata Arbitrage Fund Growth Regular fund	30.61	-
13,489 units (March 31, 2021: nil units) in Tata Money Market Fund Regular Plan Growth	51.07	-
1,098,681 units (March 31, 2021: nil units) in Tata Arbitrage Fund Growth Regular fund	33.19	-
	114.87	-

- (i) Refer note 39 for disclosure of fair values in respect of financial assets measured at amortised cost.

13 Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	22.97	25.97
Balances with banks on current accounts	371.29	555.82
Cheques and drafts on hand	70.39	138.34
Deposits with maturity of upto three months	98.56	393.90
	563.21	1,114.03

- (i) Refer note 40 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

14 Bank balances other than cash and cash equivalents above

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
- Deposits with original maturity of more than 3 but less than 12 months	308.60	36.61
	308.60	36.61

- (i) Refer note 40 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

15 Other financial assets (current)

(Unsecured, considered good unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued and not due on fixed deposits	29.06	21.36
Unbilled revenues	256.87	227.28
Amounts recoverable	99.01	96.82
Security deposits	6.37	35.00
Total	391.31	380.46

- (i) Refer note 40 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

16 Current tax assets (net)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax assets (net of provisions)	124.77	106.62
	124.77	106.62

17 Other current assets

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with government authorities	580.92	608.34
Prepaid expenses	63.96	68.94
Advances to supplier		
- considered good	201.42	350.04
- considered doubtful	584.66	611.80
Less: impairment allowance	(584.66)	(611.80)
Total	846.30	1,027.32

17 (a) Equity share capital

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Authorised share capital		
1,290,000,000 (March 31, 2021: 1,290,000,000) equity shares of ₹ 1 each	1,290.00	1,290.00
10,000,000 (March 31, 2021: 10,000,000) preference shares of ₹ 1 each	10.00	10.00
Total authorised capital	1,300.00	1,300.00
Issued share capital		
873,280,971 (March 31, 2021: 873,280,971) equity shares of ₹ 1 each	873.28	873.28
Less: Forfeited shares 1,227,123 (March 31, 2021: 1,227,123) equity shares of ₹ 1 each	(1.23)	(1.23)
23,436 (March 31, 2021: 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 (March 31, 2021: 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 (March 31, 2021: 1,227,123) equity shares of ₹ 1 each	0.62	0.62
	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:

I. 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.

II. 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 06, 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, 2026. 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, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Housing Development Finance Corporation Limited	9,43,86,000	10.82%	9,43,86,000	10.82%
L & T Finance Limited	5,73,83,732.00	6.58%	5,73,83,732.00	6.58%
Morgan Stanley Asia (Singapore) Pte.	3,86,42,668	4.43%	5,63,93,310	6.47%

Preference shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Churu Enterprises LLP	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 38.

- (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.

(F) Promoters shareholding*

Name of promoter	As at March 31, 2022			As at March 31, 2021		
	Number of Shares	% of total shareholding	% change during the year	Number of Shares	% of total shareholding	% change during the year
Direct Media Solutions LLP	99,00,000	1.14%	-	99,00,000	1.14%	-
Digital Satellite Holdings Private Limited	93,816	0.01%	-	93,816	0.01%	-
Manaaska Fashions LLP	36,000	0.00%	-	36,000	0.00%	-
Digital Satellite Media and Broadband Private Limited	15,273	0.00%	-	15,273	0.00%	-
Bioscope Cinemas Private Limited	10,611	0.00%	-	10,611	0.00%	-
Essel Media Ventures Limited	4,31,66,665	4.95%	-	4,31,66,665	4.95%	-

* The details of promoter shareholding are as per the information available with the Company.

17 (b) Other equity

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Securities premium	16,017.37	16,017.37
Retained earnings	(21,894.24)	(19,370.90)
General reserve	3.23	3.23
Other comprehensive Income	(6.30)	(10.06)
Employee share based payment reserve	42.03	42.03
	(5,837.89)	(3,318.31)

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
A Notes:		
Particulars		
1 Securities premium		
Opening and closing balance	16,017.37	16,017.37
Addition during the year	-	-
Closing balance	16,017.37	16,017.37
2 Retained earnings		
Opening balance	(19,370.90)	(16,975.88)
Addition during the year	(2,523.44)	(2,396.11)
Other adjustment	0.10	1.10
Closing balance	(21,894.23)	(19,370.89)
3 General reserve		
Opening and closing balance	3.23	3.23
Addition during the year	-	-
Closing balance	3.23	3.23
4 Other comprehensive income		
Opening balance	(10.06)	(7.39)
Addition during the year	3.76	(2.67)
Closing balance	(6.30)	(10.06)
5 Employee shares based payments reserve		
Opening balance	42.03	42.03
Reversal 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 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 actuarial gain/(loss) on remeasurement of defined benefit liability over the years.

5 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.

18A Borrowings (non-current, financial liabilities)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured loans from banks [refer note (i)]	833.71	1,939.07
7.25% non-cumulative redeemable preference shares [refer note 17 (a) (B) II]	0.02	0.02
Unsecured loan [refer note (i)]	220.21	205.17
	1,053.94	2,144.26

- (i) For details of terms of repayment, nature of security & interest rate of borrowings and delays/default in repayment of borrowings (current and non-current), refer note 18.1 and note 18.2 respectively.
- (ii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 39 & 40 respectively.

18B Lease liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities	9.89	9.34
	9.89	9.34

- (i) Refer note 4 for disclosure on IND AS-116, "Leases"
- (ii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 39 & 40 respectively.

18.1 Details of repayment, nature of security and interest rate of borrowings

(Refer note 18A and 23A)

Nature of loan	As at March 31, 2022		As at March 31, 2021		Nature of securities	Interest rate	Tenure of repayment*
	Non-current	Current	Non-current	Current			
	₹ in million)						
1	-	468.15	-	468.15	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.	Six (previous year: six) quarterly instalments payable as per the terms of underlying agreement.
2	-	1,260.53	-	1,287.13		Base rate + 1.20% p.a.	Seven (previous year: Seven) quarterly instalments payable as per the terms of underlying agreement.
3	-	149.55	-	151.30	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.
4	638.88	701.04	973.88	361.63	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) quarterly instalments payable as per the terms of underlying agreement.
5	-	1,985.00	-	1,980.95	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.
6	-	478.50	-	492.50	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.
7	-	6.89	-	16.21	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) half yearly instalments payable as per the terms of underlying agreement.

Nature of loan	As at March 31, 2022		As at March 31, 2021		Nature of securities	Interest rate	Tenure of repayment*
	Non-current	Current	Non-current	Current			
8	-	421.50	-	421.50	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.
9	-	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.
10	-	554.48	-	549.95	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.
11	103.83	726.98	515.19	304.12	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.
12	-	350.00	350.00	300.00	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.	Two (previous year: Four) half yearly instalments payable as per the terms of underlying agreement.
13	47.00	-	50.00	-	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	Seventeen (previous year: Nineteen) quarterly instalments payable as per the terms of underlying agreement.
14	44.00	-	50.00	-	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	Fifteen (previous year: Nineteen) quarterly instalments payable as per the terms of underlying agreement.
Sub total	833.71	7,352.02	1,939.07	6,582.84			

* 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.

Nature of loan	As at March 31, 2022		As at March 31, 2021		Nature of securities	Interest rate	Tenure of repayment
	Non-current	Current	Non-current	Current			
Unsecured loan	220.21	-	205.17	-	Repayable at the end of tenure.	Interest free	Repayable on demand
Sub total	220.21	-	205.17	-			

18.2 Details of delays/default 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 balance sheet date: (₹ in million)

Name of the bank	Amount of default as on March 31, 2022		Period of default upto the date of balance sheet (maximum days)		Amount of default as on March 31, 2021		Period of default upto the date of balance sheet (maximum days)	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Terms loans								
Axis Bank	1,728.67	568.34	975	1,006	1,474.02	371.47	610	641
IndusInd Bank	866.03	86.00	460	336	146.08	-	95	0
IDBI Bank	149.55	54.86	914	914	152.00	36.42	549	549
HDFC Limited	1,985.00	628.25	975	822	1,635.00	397.80	610	549
RBL Bank Limited	478.50	136.48	944	914	492.50	89.02	579	579
Standard Chartered Bank	677.79	236.05	910	853	687.11	148.68	545	488
Aditya Birla Finance Ltd	365.04	152.01	487	366	101.04	-	122	60
Loans repayable on demand from banks								
Axis Bank	248.73	72.20	-	More than one year	248.73	45.33	-	More than one year
IDBI Bank	1,000.00	219.55	-	More than one year	1,000.00	96.55	-	More than one year
RBL Bank Limited	0.71	11.00	-	More than one year	-	10.92	-	More than one year
Total	7,500.02	2,164.74			5,936.48	1,196.19		

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: (₹ in million)

Name of the bank	Amount of default during the year ended March 31, 2022		Period of default (maximum days)		Amount of default during the year ended March 31, 2021		Period of default (maximum days)	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Axis Bank	26.60	-	676	-	140.00	13.20	603	385
IndusInd Bank	-	56.83	0	91	-	6.67	-	50
Kotak Mahindra Bank	-	-	0	-	-	-	-	-
IDBI Bank	2.45	-	608	-	52.00	-	260	-
HDFC Limited	-	26.60	0	610	-	77.50	-	548
RBL Bank Limited	14.00	3.86	613	-	32.50	-	550	-
Aditya Birla Finance Limited	-	21.56	-	33	37.50	14.60	115	73
Standard Chartered Bank	9.32	-	564	-	286.58	11.92	482	261
Total	52.37	108.85			548.58	123.89		

18.3 Reconciliation of liabilities arising from financing activities

(₹ in million)

Particulars	Long term borrowings (including current maturities)	Lease liabilities	Short term borrowings	Total
As at April 2020	10,490.13	21.65	1,290.71	11,802.49
Cash flows:				
Proceeds from borrowings	-	4.84	134.52	139.36
Repayment of borrowings	(1,757.95)	(9.50)	-	(1,767.45)
Non cash:				
Impact of amortised cost adjustment for borrowings	3.31	-	-	3.31
Right-of-use assets recognised during the year	-	-	-	-
As at March 2021	8,735.49	16.99	1,425.23	10,177.71
Cash flows:				
Proceeds from borrowings	-	1.36	-	1.36
Repayment of borrowings	(354.74)	-	(16.64)	(371.38)
Non cash:				
Impact of amortised cost adjustment for borrowings	25.19	-	-	25.19
Right-of-use assets recognised during the year	-	1.81	-	1.81
As at March 2022	8,405.94	20.16	1,408.59	9,834.69

19 Other financial liabilities (non-current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits received from customers	58.00	79.38
Capital creditors	441.40	441.40
	499.40	520.78

- (i) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 39 & 40 respectively.

20 Provisions (non-current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity [refer note (i)]	53.13	60.25
Provision for compensated absences [refer note (i)]	28.79	36.04
Others [refer note (ii)]	85.08	22.40
	167.00	118.69

- (i) Refer note 37 for disclosure on 'Employee benefit obligations'

- (ii) Movement of other provisions:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	22.40	15.40
Additions	62.68	7.00
Closing balance	85.08	22.40

21 The breakup of year end deferred tax assets and liabilities into major components of the respective balance is as under

A. Deferred tax assets (net)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
Property, plant and equipment and intangibles	7.44	86.64
	7.44	86.64
Property, plant and equipment and intangibles		
Provision for doubtful debts	25.06	82.50
Expenditure debited to consolidated statement of Profit and Loss in the current year but allowed for tax purposes in following years	181.43	123.11
	206.49	205.61
Deferred tax assets (net)	199.05	118.97

B. Deferred tax liabilities (net)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
	-	-
	-	-
Deferred tax liability		
Property, plant and equipment and intangibles	9.64	9.02
	9.64	9.02
Deferred tax liability (net)	9.64	9.02

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, 2022 amounts to ₹ 80.70 million (Net deferred tax asset recognised in consolidated statement of profit and loss during year ended March 31, 2021 amounts to ₹ 103.38 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)

Particulars	March 31, 2022		March 31, 2021	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences	16,141.70	5,036.21	15,407.17	4,807.04
Brought forward losses	881.40	275.00	1,438.95	448.95

The tax losses expire in assessment year 2023-2024 to 2024-2025. The deductible temporary differences which includes unabsorbed depreciation and provision for doubtful debts do not expire under current tax legislation.

22 Other non-current liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred revenue	29.72	29.08
Interest free deposits from customers	41.35	5.44
Others	0.48	0.48
	71.55	35.00

23A Borrowings (current, financial liabilities)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand from		
- banks (secured)	1,384.80	1,419.03
- others (unsecured)	23.80	6.20
Current maturities of long-term borrowings	7,352.00	6,591.23
	8,760.60	8,016.46

- i) As at March 31, 2022 and March 31, 2021 the cash credit facilities of Holding Company 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, 2022 and March 31, 2021 the cash credit facilities of a Subsidiary Company secured by first charge on entire current assets of the company, both present and future and also 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 the company and personal guarantee of the directors and carries interest rate of @ 10.05 % (being 1.25 % over MCLR + SP)
- iii) As at March 31, 2022 and March 31, 2021, the loan from others are repayable on demand carrying interest rate of @ 10.50%.

23B Lease liabilities

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
Lease liabilities	10.28	7.65
	10.28	7.65

- (i) Refer note 4B for disclosure on IND AS-116, "Leases"
- (ii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 39 & 40 respectively.

24 Trade payables

Particulars	(₹ in million)	
	As at March 31, 2022	As at March 31, 2021
- Dues of micro enterprises and small enterprises (refer note below)	334.81	314.75
- Dues of creditors other than micro enterprises and small enterprises	6,501.94	6,119.35
	6,836.75	6,434.10
Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006	334.81	314.75
Principle amount remaining unpaid	334.81	314.75
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	-	-
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	-	-

The details of amounts outstanding to micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act (MSMED), 2006 are as per available information with the Company.

- (i) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 39 & 40 respectively.
- (ii) Refer note 41 for related party disclosures
- (iii) Refer note 58 for aging schedule of trade payables

25 Other financial liabilities (current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued and due on borrowings [refer note (i)]	2,168.77	1,196.19
Interest accrued and not due on borrowings [refer note (i)]	-	36.47
Capital creditors	38.93	298.45
Book overdraft	28.21	316.64
Employee related payables and others	88.90	76.41
Other	5.34	3.12
	2,330.15	1,927.28

- (i) For details of terms of repayment, nature of security & interest rate of borrowings and delays/default in repayment of borrowings (current and non-current), refer note 18.1 and note 18.2 respectively.
- (ii) For disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles, refer note 39 & 40 respectively.

26 Provisions (current)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity*	7.77	6.51
Provision for compensated absences*	17.68	18.51
	25.45	25.02

Refer note 37 for disclosure on 'Employee benefit obligations'

27 Other current liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred revenue	267.02	270.54
Statutory dues payable	318.35	319.01
Advance from customers	282.04	289.32
	867.41	878.87

28 Revenue from operations

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of services		
Subscription income	10,290.32	11,714.96
Advertisement income	1,327.32	1,055.59
Carriage and placement income	2,554.74	2,333.83
Activation and set top boxes pairing charges	50.42	27.40
Other operating revenue		
Sale of traded goods*	14.89	16.09
Management charges and other networking income	174.31	160.23
Support and service charges	46.51	61.10
Scrap sales	0.02	-
	14,458.53	15,369.20
* Details of sale of traded goods		
Set top box (STB) and viewing cards (VC)	6.39	1.72
Stores and spares	8.50	14.37
	14.89	16.09

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, 2022	For the year ended March 31, 2021
Contracted price	14,458.53	15,369.20
Less: rebate and discounts	-	-
Revenue recognised in the statement of profit and loss	14,458.53	15,369.20

B Disaggregation of revenue

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations		
Sale of services		
Subscription income	10,290.32	11,714.96
Advertisement income	1,327.32	1,055.59
Carriage income	2,554.74	2,333.83
Activation and set top boxes pairing charges	50.42	27.40
Other operating revenue		
Sale of traded goods	14.89	16.09
Management charges and other networking income	174.31	160.23
Support and service charges	46.51	61.10
Scrap sales	0.02	-
	14,458.53	15,369.20

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 uncertainty of revenue and cash flows.

C Contract balances

The following table provides information about contract assets and liabilities from contract with customers:

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract liabilities*		
Advance from customers (including deferred revenue)	549.06	559.86
	549.06	559.86
Contract assets*		
Trade receivable	5,811.16	6,118.14
Less: allowance for expected credit loss	(3,257.57)	(3,789.36)
	2,553.60	2,328.78
Unbilled revenue	256.87	227.28

* 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:

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Contract liabilities		
Advances from customers (including deferred revenue)		
Opening balance	559.86	665.32
Revenue recognised (net of collections)	(10.80)	(105.46)
Closing balance	549.06	559.86
Contract assets		
(i) Trade receivables		
Opening balance	2,328.78	2,073.25
Amount invoiced, collected and other adjustments (net)	224.82	255.53
Closing balance	2,553.60	2,328.78
(ii) Unbilled revenue		
Opening balance	227.28	467.06
Additional revenue booked/(invoicing) - net	29.59	(239.78)
Closing balance	256.87	227.28

29 Other income

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on		
-bank deposits at amortised cost	32.06	38.43
-income tax refund	26.51	13.57
Excess provisions written back	44.29	87.47
Other non operating income	47.31	33.63
	150.17	173.10

30 Cost of materials consumed

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	20.80	13.49
Purchases during the year	27.51	26.28
Closing stock	21.98	20.80
Cost of materials consumed	26.33	18.97

31 Employee benefits expense

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, allowances and bonus	625.73	619.71
Contributions to provident and other funds*	42.11	42.95
Staff welfare expenses	29.11	33.73
	696.95	696.39

*Refer note 37 for disclosure on 'Employee benefit obligations'

32 Finance costs

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense for borrowings at amortised cost	1,164.85	1,225.19
Interest on lease liabilities	2.88	2.71
Others	36.25	35.06
	1,203.98	1,262.96

33 Depreciation and amortisation expenses

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment (owned assets) (refer note 4A)	2,680.09	2,754.54
Depreciation of property, plant and equipment (right-of-use assets) (refer note 4B)	17.38	11.29
Depreciation of investment property (refer note 5)	10.89	10.89
Amortisation of intangible assets (refer note 6)	598.73	713.66
	3,307.09	3,490.38

34 Other expenses

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent (refer note 4B)	105.83	125.34
Rates and taxes	45.79	53.71
Communication expenses	13.59	15.11
Repairs and maintenance		
- Network	100.74	118.42
- Buildings	2.55	2.67
- Others	68.00	51.11
Electricity and water charges	124.00	118.33
Legal, professional and consultancy charges (refer note below)	190.56	145.69
Printing and stationery	4.25	2.93
Contractual service charges	402.45	417.00
Travelling and conveyance expenses	43.47	34.60
Vehicle running expenses	45.76	46.90
Insurance expenses	6.25	4.45
Allowance for expected credit losses	67.77	83.91
Provision for doubtful advances	-	1.81
Advertisement and publicity expenses	24.42	11.98
Commission charges and incentives	1,426.85	1,595.04
Bad debts written off	53.42	48.72
Program production expenses	42.10	42.04
Other operational cost	1,280.99	1,193.94
Business and sales promotion	20.93	16.92
Loss on sale of property, plant and equipment (net)	63.34	8.52
Exchange fluctuation loss (net)	6.88	17.44
Miscellaneous expenses	200.36	207.27
	4,340.30	4,363.85
Note: Payment to the auditor's (including auditors remuneration of subsidiary companies):		
- As auditors	7.08	6.76
- For other services	0.71	0.68
- For reimbursement of expenses	0.15	0.13
	7.94	7.57

35 Loss per share

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss attributable to owners of the parent	(2,523.44)	(2,396.11)
Weighted average number of equity shares outstanding during the year (nos.)	87,20,53,848	87,20,53,848
Nominal value of per equity share (₹)	1	1
Loss per share (₹)		
Basic and diluted loss per share	(2.89)	(2.75)

* The employee stock option have not been considered, being anti-dilutive.

36 Group composition structure

Name of the subsidiaries	Country of incorporation	Percentage of ownership	
		As at March 31, 2022	As at March 31, 2021
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 "SVDMPPL")	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%

Name of the subsidiaries	Country of incorporation	Percentage of ownership	
		As at March 31, 2022	As at March 31, 2021
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%	51.00%
Siti Networks India LLP	India	99.90%	99.90%

* Include 0.30% held through CBNCL

*** Subsidiary of ICNCL

**** Include 6.50% held through SBSL

***** Subsidiary of SBSPL

Name of the associate and joint venture	Country of incorporation	Percentage of ownership	
		As at March 31, 2022	As at March 31, 2021
C&S Medianet Private Limited (hereinafter referred as "CSMPL")	India	48.00%	48.00%
Paramount Digital Media Services Private Limited (hereinafter referred as "PDMSPL")*****	India	50.00%	50.00%
Wire and Wireless Tisai Satellite Limited (hereinafter referred as "WWTSL")	India	51.00%	51.00%

***** Joint Venture of VEPL

37 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 ₹ 10.96 million (previous year: ₹ 12.16 million).

The weighted average duration of the defined benefit obligation as at March 31, 2022 is 15 years (March 31, 2021: 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.

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)

	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation at the beginning of the year	83.18	69.69
Interest cost	5.99	4.88
Current service cost	10.57	13.41
Benefits paid	(15.47)	(5.89)
Actuarial (gain)/loss on remeasurement of obligation	(3.32)	1.09
Present value of defined benefit obligation at the end of the year	80.95	83.18

Reconciliation of present value of plan assets

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Planned assets at the beginning of the year	16.42	13.96
Return on plan assets	0.97	1.08
Contribution	3.01	1.94
Benefits paid	(0.35)	(0.56)
Planned assets at the end of the year	20.05	16.42
Amount recognised in the balance sheet		
Present value of defined benefit obligation at the end of the year	80.95	83.17
Fair value of the planned assets at the end of the year	20.05	16.42
Net liability recognised in the balance sheet*	60.90	66.75

* Includes current portion ₹ 7.77 million (March 31, 2021 ₹ 6.51 million)

Amount recognised in the consolidated statement of profit and loss:

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	10.57	13.41
Interest cost	5.99	4.88
	16.56	18.29
Amount recognised in the statement of other comprehensive income		
Actuarial loss on arising from change in financial assumptions	(0.21)	-
Actuarial loss on arising from experience adjustments	(3.11)	1.09
	(3.32)	1.09

The principal assumptions used in determining present value of defined benefit obligation and long term employee benefit obligation are given below:

(₹ in million)

Actuarial assumptions used	Gratuity		Compensated absences	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount rate (per annum)	7.25%	7.00%	7.00%	7.00%
Rate of escalation in salary (per annum)	5%-8%	4.75%-8%	5%-8%	4.75%-8%
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 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, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Defined benefit obligations	60.90	66.76	55.73	46.60	39.49
Experience loss/(gain) adjustments on planned liabilities	(3.11)	1.09	16.22	(3.41)	0.96

Sensitivity analysis of the defined benefit obligation for significant actuarial assumptions

(₹ in million)

	March 31, 2022	March 31, 2021
Impact of the change in discount rate		
Present value of obligation at the end of the year	80.95	83.18
Liability with 1%- 2% increase in discount rate	74.44	76.38
Liability with 1%- 2% decrease in discount rate	88.32	90.84
Impact of the change in salary growth rate		
Present value of obligation at the end of the year	80.95	83.18
Liability with 1% -2% increase in salary growth rate	88.26	90.73
Liability with 1%-2% decrease in salary growth rate	74.38	76.37
Maturity profile of defined benefit obligation		
-upto 1 year	9.45	6.30
-2 to 5 years	12.03	23.96
-more than 5 years	59.46	52.91
Defined contribution plans		
Contribution to defined contribution plan, recognised as expense for the year:	42.11	42.95
Employer's contribution to provident fund and other funds		

38 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.

Employee Stock Option Plan –ESOP-2015	
Date of grant	September 03, 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 from the date of grant of option	Three years
Exercise period- from end of vesting period	Four years

The details of activity under New Plan have been summarised below:

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	6,55,525	30.85	28,52,275	30.85
Lapsed during the year	5,21,680	-	21,96,750	-
Outstanding at the end of the year	1,33,845	30.85	6,55,525	30.85
Exercisable at the end of the year	1,33,845	30.85	6,55,525	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:

Particulars	As at March 31, 2022			As at March 31, 2021		
	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	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
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	3 years	4 years	5 years	3 years	4 years	5 years
Expected dividends	-	-	-	-	-	-
Risk-free interest rate (based on government bonds)	5.69%	6.04%	6.14%	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.

39 Fair value measurements

A. Financial instruments by category

(₹ in million)

	Note	As at March 31, 2022		
		FVTPL	Amortised cost	Total
Financial assets				
Investments	7B	114.87	-	114.87
Trade receivables (net)	11	-	2,553.60	2,553.60
Cash and cash equivalents	13	-	563.21	563.21
Bank balances other than cash and cash equivalents	14	-	308.60	308.60
Other financial assets	8 and 15	-	629.65	629.65
Total financial assets		114.87	4,055.06	4,169.93
Financial liabilities				
Borrowings	18A and 23A	-	9,814.54	9,814.54
Lease liabilities	18B and 23B	-	20.16	20.16
Trade payables	24	-	6,836.75	6,836.75
Other financial liabilities	19 and 25	-	2,829.56	2,829.56
Total financial liabilities		-	19,501.01	19,501.01

(₹ in million)

	Note	As at March 31, 2021		
		FVTPL	Amortised cost	Total
Financial assets				
Investment	7B	-	84.37	84.37
Trade receivables (net)	11	-	2,328.78	2,328.78
Cash and cash equivalents	13	-	1,114.03	1,114.03
Bank balances other than cash and cash equivalents	14	-	36.61	36.61
Other financial assets	8 and 15	-	618.58	618.58
Total financial assets		-	4,182.37	4,182.37
Financial liabilities				
Borrowings	18A and 23A	-	10,160.72	10,160.72
Lease liabilities	18B and 23B		16.99	16.99
Trade payables	24	-	6,434.10	6,434.10
Other financial liabilities	19 and 25	-	2,448.06	2,448.06
Total financial liabilities		-	19,059.87	19,059.87

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.

The 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, 2022 and March 31, 2021

March 31, 2022

(₹ in million)

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investment in equity shares	As at March 31, 2022	-	-	-
Investment in mutual funds	As at March 31, 2022	114.87	-	-

March 31, 2021

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investment in equity shares	As at March 31, 2021	-	-	84.37
Investment in mutual funds	As at March 31, 2021	-	-	-

Valuation technique to determine fair value

Investment in equity shares (Level 1)

For the year ended March 31, 2022 and March 31, 2021:

The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

C. Fair value of financial assets and liabilities measured at amortised cost

(₹ in million)

	March 31, 2022		March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments	114.87	114.87	84.37	84.37
Trade receivables (net)	2,553.60	2,553.60	2,328.78	2,328.78
Cash and cash equivalents	563.21	563.21	1,114.03	1,114.03
Bank balances other than cash and cash equivalents	308.60	308.60	36.61	36.61
Other financial assets	629.65	629.65	618.58	618.58
Total financial assets	4,169.93	4,169.93	4,182.37	4,182.37
Financial liabilities				
Borrowings	9,814.54	9,814.54	10,160.72	10,160.72
Lease liabilities	20.16	20.16	16.99	16.99
Trade payables	6,836.75	6,836.75	6,434.10	6,434.10
Other financial liabilities	2,829.56	2,829.56	2,448.06	2,448.06
Total financial liabilities	19,501.01	19,501.01	19,059.87	19,059.87

40 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 Group 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	Particulars	March 31, 2022	March 31, 2021
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)	1,145.59	1,445.13
B: High credit risk	Investment, trade receivables, amount recoverable (net) and unbilled revenue	2,935.83	2,767.42

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, 2022

(₹ in million)

Particular	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment provision
Trade receivables	5,811.17	(3,257.57)	2,553.60
Security deposits	54.04	-	54.04
Amounts recoverable	99.01	-	99.01
Investment	26.35	-	26.35
Unbilled revenues	256.87	-	256.87

As at March 31, 2021

(₹ in million)

Particular	Estimated gross carrying amount at default	Expected credit impaired	Carrying amount net of impairment provision
Trade receivables	6,118.14	(3,789.36)	2,328.78
Security deposits	84.57	-	84.57
Amounts recoverable	96.82	-	96.82
Investment	30.18	-	30.18
Unbilled revenues	227.28	-	227.28

Reconciliation of loss allowance provision – Trade receivable

(₹ in million)

Particulars	Amounts
Loss allowance on April 01, 2020	3,860.78
Changes in loss allowance	(71.42)
Loss allowance on March 31, 2021	3,789.36
Changes in loss allowance	(531.79)
Loss allowance on March 31, 2022	3,257.57

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)

	Less than one year	One to two years	More than two years
March 31, 2022			
Non-derivatives			
Borrowings	8,788.04	496.35	557.58
Trade payables	6,836.75	-	-
Lease liabilities and interest on lease liabilities	9.01	6.29	5.86
Other financial liabilities	2,330.15	-	499.40
Total non-derivative liabilities	17,963.95	502.64	1,062.84
March 31, 2021			
Non-derivatives			
Borrowings	8,016.46	1,106.67	1,037.59
Trade payables	6,434.10	-	-
Lease liabilities and interest on lease liabilities	8.76	5.36	5.54
Other financial liabilities	1,927.28	520.78	-
Total non-derivative liabilities	16,386.60	1,632.81	1,043.13

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)	
	As at March 31, 2022	As at March 31, 2021
Financial assets (A)	-	-
Financial liabilities (B)	48.23	185.78
Payable to capital creditors	48.23	185.78
Net exposure (B-A)	48.23	185.78

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, 2022	March 31, 2022
(₹)/USD and (₹)/EURO increased by 5% (previous year (₹)/USD and (₹)/EURO increased by 5%)	(2.41)	(9.29)
(₹)/USD and (₹)/EURO decreased by 5% (previous year (₹)/USD and (₹)/EURO decreased by 5%)	2.41	9.29

(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)	
	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings (including accrued interest)	10,905.57	11,145.52
Total borrowings	10,905.57	11,145.52

(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, 2022	March 31, 2022
Interest rates – increase by 100 basis points (March 31, 2021: 1%)	109.06	111.46
Interest rates – decrease by 100 basis points (March 31, 2021: 1%)	(109.06)	(111.46)

41 Related party transactions

In accordance with the requirements of Ind AS 24, 'Related Party Disclosures', the names of the related party where control exists/able to exercise significant influence along with the transactions and year-end balances with them as identified and certified by the management are given below:

(i) Promoter and Promoter Group**

Direct Media Solutions LLP
Digital Satellite Holdings Private Limited
Manaaska Fashions LLP
Digital Satellite Media And Broadband Private Limited
Bioscope Cinemas Pvt. Ltd
Direct Media And Cable Private Limited
Arrow Media & Broadband Private Limited
Essel Media Ventures Limited

(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)

* As per internal assessment performed by Company of related parties in accordance with IND AS 24, Zee Entertainment Enterprises Limited is no longer a related party of the Company.

** Company is in process of evaluating the related party status of Zee Media Corporation 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)

(v) Key Management Personnel (KMP)***

Mr. Anil Kumar Malhotra Chief Executive Officer (till December 31, 2021)
Mr. Sanjay Berry, Chief Financial Officer (till June 30, 2021)
Ms. Kavita Kapahi, Independent Director
Prof. Sunil Kumar Maheshwari, Independent Director
Mr. Deepak Mittal, Independent Director (till February 03, 2021)
Mr. Suresh Arora, Whole Time Director
Mr. Bhanu Pratap Singh, Independent Director
Mr. Amitabh Kumar, Additional Director
Mr. Raj Kumar Gupta, Independent Director (till September 28, 2021)
Ms. Shilpi Asthana, Independent Director (w.e.f. December 27, 2021)
Mr. Yogesh Sharma Chief Executive Officer (w.e.f. January 01, 2022)
Mr. Vikash Khanna, Chief Financial Officer (w.e.f. October 08, 2021)
Mr. Suresh Kumar, Company Secretary

*** The KMP's of the Holding Company are KMP of the group.

(vi) Enterprises owned or significantly influenced by KMP or their relatives****

Essel Realty Developers Private Limited

**** 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

Enterprises owned or significantly influenced by Promoter/Promoter Group

(₹ in million)

	March 31, 2022	March 31, 2021
Zee Entertainment Enterprises Limited	-	384.15
Zee Media Corporation Limited	8.82	4.54

(b) Purchase of goods and services during the year

Enterprises owned or significantly influenced by Promoter/Promoter Group

(₹ in million)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Zee Entertainment Enterprises Limited	-	1,853.38
Enterprises owned or significantly influenced by KMP or their relatives		
EsseL Realty Developers Private Limited	-	0.54

(c) Balance (payable)/receivable (net of provision created) at the end of the year

(₹ in million)

Jointly ventures/Associate companies	As at March 31, 2022	As at March 31, 2021
Wire and Wireless Tisai Satellite Limited	0.06	0.11
Enterprises owned or significantly influenced by Promoter/Promoter Group		
Trade receivables		
Zee Entertainment Enterprises Limited	-	66.34
Zee Media Corporation Limited	2.95	27.33
Trade payables		
Zee Entertainment Enterprises Limited	-	2,197.08
Zee Network Distribution Limited	-	-
Zee Media Corporation Limited	0.12	4.84
Enterprises owned or significantly influenced by KMP or their relatives		
Trade payables		
EsseL Realty Developers Private Limited	6.24	5.89
Security deposit given including prepaid expense		
EsseL Realty Developers Private Limited	6.24	34.99

(d) Expenditure paid by the Company on behalf of others and expenditure paid by others on behalf of the Group:

(₹ in million)

	Expenditure paid by the Company on behalf of the others during the year ended		Expenditure paid by others on behalf of the Company during the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Jointly ventures				
Wire and Wireless Tisai Satellite Limited	-	0.06	-	-
Enterprises owned or significantly influenced by Promoter/Promoter Group				
Zee Entertainment Enterprises Limited	-	0.18	-	11.84

(e) Remuneration to KMP

(₹ in million)

	March 31, 2022	March 31, 2021
Mr. Anil Kumar Malhotra	12.64	8.13
Mr. Sanjay Berry	4.80	-
Mr. Yogesh Sharma	1.89	7.57
Mr. Vikash Khanna	2.92	-
Mr. Suresh Kumar	3.40	3.18

(f) Compensated absences

(₹ in million)

	March 31, 2022	March 31, 2021
Mr. Anil Kumar Malhotra	1.55	1.20
Mr. Sanjay Berry	0.34	0.24
Mr. Suresh Kumar	0.27	0.28
Mr. Vikash Khanna	0.10	-
Mr. Yogesh Sharma	0.61	-

(g) Gratuity paid

(₹ in million)

	March 31, 2022	March 31, 2021
Mr. Anil Kumar Malhotra	2.95	2.82
Mr. Suresh Kumar	1.36	1.29

(h) Director sitting fees

(₹ in million)

	March 31, 2022	March 31, 2021
Ms. Kavita Kapahi	0.40	0.30
Mr. Bhanu Pratap Singh	0.42	0.26
Mr. Deepak Mittal	-	0.12
Prof. Sunil Kumar Maheshwari	0.38	0.28
Ms. Shilpi Asthana	0.10	-
Mr. Raj Kumar Gupta	0.12	0.04

(i) Corporate guarantee given by

(₹ in million)

	March 31, 2022	March 31, 2021
Zee Entertainment Enterprises Limited	-	1,001.00

- j) 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.

42 Capital and other commitments

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	71.86	273.37

43 Contingent liabilities and litigations

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
i) Claims against the Group not acknowledged as debts*	490.53	180.58
ii) Demands raised by the statutory authorities being contested by the Group:		
Service tax matters**	96.84	110.12
VAT/ Sales tax matters**	294.02	292.00
Other statutory matters**	336.95	272.49
	727.81	674.61

* comprise of ₹ 347.40 million claimed by HDFC Limited in excess of ₹ 2613.25 million already recognised by the Company in books of accounts in respect to the borrowings taken by the Company from HDFC Limited.

* 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. These are gross of amounts deposited under protest amounting to ₹ 81.23 million (previous year: ₹ 72.23 million).

iii) 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 adjourned to August 24, 2022. 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.

iv) In case of ICNCL, counter bank guarantees in respect of outstanding bank guarantees and fixed deposit pledged ₹ 32.45 million (Previous year ₹ 32.71 million).

v) 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.

vi) 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.

vii) The Holding Company has deposited entertainment tax amounting of ₹ 10.00 million under protest in respect to various orders received from various districts of Uttar Pradesh as per the directions of Supreme court as a interim measure. Entertainment tax department of various districts of UP has raised demand of entertainment tax on activation fees charged from the subscribers. The Company had filed Special Leave Petition before Supreme court for stay of such demand. Supreme court had granted stay vide order dated 25 May 2018.

44 Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at reporting date:

(₹ in million)

	As at March 31, 2022				As at March 31, 2021			
	EURO million	₹ in million	USD million	₹ in million	EURO million	₹ in million	USD million	₹ in million
Payables for capital creditors	0.52	43.41	0.06	4.82	2.09	179.34	0.09	6.44

Closing rate as at March 31, 2022: 1 EURO = ₹ 83.92 (previous year: 1 EURO = ₹ 85.88)

Closing rate as at March 31, 2022: 1 USD = ₹ 75.81 (previous year: 1 USD = ₹ 73.50)

45 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)

Particular	As at March 31, 2022	As at 1 March 2021
Current investments (refer note 12)	114.87	-
Cash and cash equivalents (refer note 13)	563.21	1,114.03
Bank balances other than cash and cash equivalents above (refer note 14)	308.60	36.61
Margin money deposit (refer note 8)	190.67	188.56
Total cash (A)	1,177.35	1,339.20
Borrowings (refer note 18A and 23A)	9,814.54	10,160.72
Lease liabilities (refer note 18B and 23B)	20.16	17.53
Total borrowing (B)	9,834.70	10,178.25
Net debt (C=B-A)	8,657.35	8,839.05
Total equity [refer note 17 (a) and 17 (b)]	(4,965.22)	(2,445.64)
Total capital (equity + net debts) (D)	3,692.13	6,393.41
Gearing ratio (C/D)	2.34	1.38

46 Assets pledged as security

The carrying amount of assets pledged as security are:

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
Current assets		
a) Inventories	18.29	16.05
b) Financial assets		
i) Trade receivables	2,455.25	2,362.71

(₹ in million)

	As at March 31, 2022	As at March 31, 2021
ii) Cash and cash equivalents	236.97	105.95
iii) Bank balances other than cash and cash equivalents above	-	-
iv) Other financial assets	372.31	447.68
c) Other current assets	420.81	498.79
	3,503.63	3,431.18
Non-current assets		
a) Property, plant and equipment	6,029.43	7,709.84
b) Capital work-in-progress	266.73	153.34
c) Investment property	700.88	649.85
d) Other intangible assets	627.58	946.66
e) Intangible assets under development	4.28	4.18
f) Other financial assets [Margin money deposit (pledged)]	190.86	188.70
	7,819.76	9,652.57
Total assets	11,323.39	13,083.75

47 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.

48 Additional information, as required to Consolidated Financial Statements pursuant to Schedule III to the Companies Act, 2013.

For the financial year ended March 31, 2022

(₹ in million)

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	157.31%	(6,513.85)	101.18%	(2,553.16)	24.02%	0.90	101.29%	(2,552.25)
Subsidiaries								
Indian Cable Net Company Limited (consolidated)	-107.91%	4,468.39	-4.79%	120.81	36.64%	1.38	-4.85%	122.19
Central Bombay Cable Network Limited (consolidated)	-0.86%	35.61	0.48%	(12.17)	35.06%	1.32	0.43%	(10.85)
Siticable Broadband South Limited	0.75%	(31.08)	0.26%	(6.51)	0.00%		0.26%	(6.51)
Siti Vision Digital Media Private Limited	6.44%	(266.48)	1.01%	(25.45)	1.54%	0.06	1.01%	(25.39)
Siti Jind Digital Media Communications Private Limited	0.48%	(20.02)	0.54%	(13.65)	0.11%	0.00	0.54%	(13.64)

(₹ in million)

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 Jai Maa Durgee Communications Private Limited	1.80%	(74.52)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Siti Jony Digital Cable Network Private Limited	0.17%	(7.11)	0.03%	(0.82)	0.00%	-	0.03%	(0.82)
Siti Krishna Digital Media Private Limited	0.33%	(13.68)	0.13%	(3.31)	0.00%	-	0.13%	(3.31)
Siti Faction Digital Private Limited	1.22%	(50.46)	0.34%	(8.60)	0.00%	-	0.34%	(8.60)
Siti Guntur Digital Network Private Limited	-0.37%	15.48	0.01%	(0.33)	0.00%	-	0.01%	(0.33)
Siti Karnal Digital Media Network Private Limited	1.98%	(81.98)	0.79%	(19.81)	0.00%	-	0.79%	(19.81)
Siti Global Private Limited	0.78%	(32.45)	0.41%	(10.45)	0.00%	-	0.41%	(10.45)
Siti Siri Digital Network Private Limited	0.55%	(22.66)	1.98%	(49.96)	2.63%	0.10	1.98%	(49.86)
Siti Broadband Services Private Limited	14.31%	(592.47)	5.35%	(135.01)	0.00%	-	5.36%	(135.01)
Siti Prime Uttaranchal Communication Private Limited	-0.20%	8.42	0.26%	(6.48)	0.00%	-	0.26%	(6.48)
Siti Sagar Digital Cable Network Private Limited	0.49%	(20.35)	0.19%	(4.79)	0.00%	-	0.19%	(4.79)
Siti Saistar Digital Media Private Limited	3.32%	(137.57)	2.28%	(57.61)	0.00%	-	2.29%	(57.61)
Variety Entertainment Private Limited	0.99%	(40.99)	0.74%	(18.64)	0.00%	-	0.74%	(18.64)
SITI Networks India LLP	0.00%	(0.08)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Minority interest in all subsidiaries	-19.91%	824.31	-1.91%	48.31	0.00%	-	-1.92%	48.31
Intra-group eliminations	38.33%	(1,587.21)	-9.28%	234.27	0.00%	-	-9.30%	234.27
Total	100%	(4,140.75)	100%	(2,523.44)	100%	3.76	100%	(2,519.68)

For the financial year ended March 31, 2021

(₹ in million)

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	258.18%	(3,961.61)	94.52%	(2,264.80)	185.80%	(4.96)	94.62%	(2,269.76)
Subsidiaries							0.00%	
Indian Cable Net Company Limited (consolidated)	-283.25%	4,346.19	-3.75%	89.90	-68.69%	1.83	-3.82%	91.73
Central Bombay Cable Network Limited (consolidated)	-3.03%	46.46	0.21%	(4.95)	-24.61%	0.66	0.18%	(4.30)
Siticable Broadband South Limited	1.46%	(22.34)	0.18%	(4.24)	0.00%	-	0.18%	(4.24)
Siti Vision Digital Media Private Limited	15.72%	(241.15)	1.94%	(46.50)	-45.94%	1.23	1.89%	(45.27)
Siti Jind Digital Media Communications Private Limited	0.42%	(6.37)	0.43%	(10.24)	-0.74%	0.02	0.43%	(10.22)
Siti Jai Maa Durgee Communications Private Limited	4.85%	(74.46)	0.02%	(0.55)	0.00%	-	0.02%	(0.55)
Siti Jony Digital Cable Network Private Limited	0.41%	(6.29)	0.01%	(0.34)	0.00%	-	0.01%	(0.34)
Siti Krishna Digital Media Private Limited	0.68%	(10.37)	0.16%	(3.83)	0.00%	-	0.16%	(3.83)
Siti Faction Digital Private Limited	2.73%	(41.86)	0.35%	(8.29)	0.00%	-	0.35%	(8.29)
Siti Guntur Digital Network Private Limited	-1.03%	15.82	0.01%	(0.14)	0.00%	-	0.01%	(0.14)
Siti Karnal Digital Media Network Private Limited	4.05%	(62.17)	0.07%	(1.61)	0.00%	-	0.07%	(1.61)
Siti Global Private Limited	1.43%	(22.00)	0.16%	(3.83)	0.00%	-	0.16%	(3.83)
Siti Siri Digital Network Private Limited	-1.77%	27.11	0.46%	(11.08)	-8.77%	0.23	0.45%	(10.85)
Siti Broadband Services Private Limited	29.81%	(457.46)	4.83%	(115.71)	0.00%	-	4.82%	(115.71)
Siti Prime Uttaranchal Communication Private Limited	-0.97%	14.90	0.17%	(3.95)	0.00%	-	0.16%	(3.95)
Siti Sagar Digital Cable Network Private Limited	1.01%	(15.57)	0.21%	(4.98)	0.00%	-	0.21%	(4.98)

(₹ in million)

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 Saistar Digital Media Private Limited	5.21%	(79.96)	0.64%	(15.35)	0.00%	-	0.64%	(15.35)
Variety Entertainment Private Limited	1.46%	(22.35)	0.40%	(9.49)	0.00%	-	0.40%	(9.49)
SITI Networks India LLP	0.00%	(0.05)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Minority interest in all subsidiaries	-59.38%	911.21	-0.67%	16.14	62.95%	(1.68)	-0.60%	14.46
Intra-group eliminations	122.01%	(1,872.10)	-0.32%	7.77	0.00%	-	-0.32%	7.77
Total	100%	(1,534.43)	100%	(2,396.11)	100%	(2.67)	100%	(2,398.78)

49 Investment in joint venture and associate

(₹ in million)

Particulars	March 31, 2022			March 31, 2021		
	PDMS	WWTSL*	C&S Medianet Private Limited*	PDMS	WWTSL*	C&S Medianet Private Limited*
Summarised balance sheet						
Current assets						
Cash and cash equivalents	8.07	-	3.41	7.15	-	7.20
Other assets	11.35	-	5.75	12.97	-	8.70
Total current assets (A)	19.42	-	9.16	20.12	-	15.91
Non-current assets (B)	78.82	3.36	-	80.67	3.36	-
Current liabilities						
Other liabilities	3.89	-	10.24	4.68	-	17.17
Total current liabilities (C)	3.89	-	10.24	4.68	-	17.17
Non-Current liabilities						
Other liabilities	21.43	-	-	21.43	-	-
Total non-current liabilities (D)	21.43	-	-	21.43	-	-
Net assets (A+B-C-D)	72.92	3.36	(1.08)	74.67	3.36	(1.26)
Ownership interest	50.00%	51.00%	48.00%	50.00%	51.00%	48.00%
Carrying amount of interest	36.46	1.71	-	37.34	1.71	-

*The carrying amount of interest has been restricted to ₹ Nil million on account of losses.

(₹ in million)

Particulars	March 31, 2022			March 31, 2021		
	PDMS	WWTSL*	C&S Medianet Private Limited*	PDMS	WWTSL*	C&S Medianet Private Limited*
Summarised statement of profit and loss						
Revenue	58.40	-	-	70.05	-	-
Other income	0.03	-	0.34	0.10	-	0.60
Depreciation and amortisation	4.80	-	-	5.00	-	-
Finance cost		-	-	-	-	-
Other expenses	57.12	0.06	0.11	71.17	0.06	0.17
Loss from operations	(3.48)	(0.06)	0.23	(6.03)	(0.06)	0.43
Tax expense	-	-	-	-	-	-
Loss from operations after tax	(3.48)	(0.06)	0.23	(6.03)	(0.06)	0.43
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(3.48)	(0.06)	0.23	(6.03)	(0.06)	0.43
Ownership interest	50.00%	51.00%	48.00%	50.00%	51.00%	48.00%

* The carrying amount of interest has been restricted to ₹ Nil million on account of losses.

50 Tax Expense

The major components of income tax for the year are as under:

(₹ in million)

	March 31, 2022	March 31, 2021
Income tax related to items recognised directly in the statement of profit and loss		
Current tax - current year	100.51	84.56
Deferred tax charge	(80.70)	(103.38)
Total	19.81	(18.82)
Effective tax rate	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 March 31, 2022 and March 31, 2021 is as follows:

(₹ in million)

	March 31, 2022	March 31, 2021
Loss before tax	(2,589.90)	(2,433.01)
Effective tax rate	34.61%	34.61%
Tax at statutory income tax rate	(896.36)	(842.08)
Tax effect on non-deductible expenses	258.40	257.57
Additional allowances for tax purposes	(242.73)	(227.63)
Effect of tax on group companies incurring losses	(897.84)	(792.35)
Effect of tax rate difference of subsidiaries	(7.35)	(5.33)
Other permanent difference	10.02	6.29
Tax expense recognised in the statement of profit and loss	19.82	(18.82)

- 51** 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).
- 52** 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)

Particulars	March 31, 2022	March 31, 2021
a) Amount required to be spent during the year	0.04	2.71
b) Amount of expenditure incurred	0.69	2.71
- Excess amount spent brought forward from last year	-	-
c) Shortfall at the end of the year	-	-
d) Amount to be transferred to Fund specified in Schedule VII	-	-
Balance amount to be spent	-	-

(₹ in million)

Name of Project	Item from the list of activities in schedule VII to the Act	Local Area and Location of Project	Amount spent for the project	Duration of Project	Mode of Implementation	Mode of Implementation through implementation agency
Matri Mangal Pratisthan (Charitable hospital)	Services to women, children and other socially and economically backward people	Kolkatta	0.69	2021-22	Direct	Not Applicable

- 53** Exceptional items in the consolidated financial statements include the following:

During the year ended March 31, 2022:

- a) Exceptional items for the year ended March 31, 2022 for ₹ 12.80 million (net of reversal of ₹ 4.42 million in quarter ended March 31, 2022) pertains to the write off of old indirect tax balances not utilised by the company.
- b) During the year ended March 31, 2022, in view of prevailing COVID-19 situation and considering other factors, few subsidiary companies management assessed the likelihood of recovery of certain balances from a party and has provided for an amount of ₹ 73.10 million which is doubtful for recovery.

The total impact of a and b above on the consolidated financial results for the year ended March 31, 2022 amounts to ₹ 85.90 million.

During the year ended March 31, 2021

- a. Exceptional items for the year ended March 31, 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 recognised.
- 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 consolidated financial statements for the year ended March 31, 2021 amounts to ₹ 296.87 million.

54 For the year ended March 31, 2022, 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 ₹ 7,529.25 million for the year ended March 31, 2022 in the consolidated financial statements.

Had these expenses been disclosed on net basis, the 'Revenue from operations' and the 'Pay channel costs' each would have been lower by ₹ 7,529.25 million for the year ended March 31, 2022 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.

55 The Group continued to incur losses during the year ended March 31, 2022 and had negative working capital as at March 31, 2022. As at March 31, 2022, 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, 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, 2022 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 Financials ratios

(₹ in million)

Sr. No.	Particulars	March 31, 2022	March 31, 2021	Change
i)	Current Ratio (A/B)	0.26	0.29	-10%
	Current assets (A)	4,924.64	5,014.62	
	Current liabilities (B)	18,830.64	17,289.08	
ii)	Debt-equity ratio (A/B)	(1.98)	(4.15)	-52%
	Total debt (A) [refer note 4 below]	9,814.54	10,160.72	refer note 7 (a)
	Total equity (B)	(4,965.22)	(2,445.64)	
iii)	Debt-service coverage ratio (A/B)	0.18	0.23	-20%
	Earnings available for debt services (i.e EBID)- (A) [refer note 6 below]	2,010.90	2,595.79	
	Borrowings including finance cost (B)	11,018.52	11,423.68	
iv)	Return on equity ratio (A/B)	0.53	0.99	-47%
	Net loss after tax (A) [refer note 2 below]	(2,609.71)	(2,414.19)	refer note 7 (b)
	Total equity (B)	(4,965.22)	(2,445.64)	
v)	Inventory turnover ratio (A/B)	1.46	1.59	-8%
	Cost of goods sold (A)	31.29	27.32	
	Average inventory (B)	21.39	17.14	
vi)	Trade receivables turnover ratio (A/B)	5.92	5.77	3%
	Revenue from operations (A)	14,458.53	15,369.20	
	Average trade receivables (B)	2,441.19	2,665.38	
vii)	Trade payables turnover ratio (A/B)	1.79	1.77	1%
	Credit purchases (A) [refer note 5 below]	11,900.84	12,250.12	
	Average trade payables (B)	6,635.42	6,906.23	

(₹ in million)

Sr. No.	Particulars	March 31, 2022	March 31, 2021	Change
viii)	Net capital turnover ratio (A/B)	(2.91)	(6.28)	-54%
	Revenue from operations (A)	14,458.53	15,369.20	refer note 7 (c)
	Capital employed or net assets (B) [refer note 3 below]	(4,965.22)	(2,445.64)	
ix)	Net loss ratio (A/B)	(0.18)	(0.16)	15%
	Net loss after tax (A) [refer note 2 below]	(2,609.71)	(2,414.19)	
	Revenue from operations (B)	14,458.53	15,369.20	
x)	Return on capital employed (A/B)	0.28	0.47	-40%
	Earning before interest but after taxes (A)	(1,405.73)	(1,151.22)	refer note 7 (d)
	Capital employed or net assets (B) [refer note 3 below]	(4,965.23)	(2,445.64)	
xi)	Return on investment (A/B)	0.53	0.99	-47%
	Net loss after tax (A)	(2,609.71)	(2,414.19)	refer note 7 (e)
	Capital employed or net assets (B) [refer note 3 below]	(4,965.22)	(2,445.64)	

Notes:

- Ratios relating to balance sheet items have been presented as at March 31, 2022 and March 31, 2021. Whereas, ratios relating to items of statement of profit and loss account has been presented for financial year ended March 31, 2022 and March 31, 2021.
- Net loss after tax excludes other comprehensive income
- Net assets is the total of equity share capital and other equity.
- Total debt comprise of borrowings from external lenders.
- Credit purchases comprise of purchases during the year, pay channel costs & other expenses
- Earnings available for debt services comprise of earning before interest and depreciation.
- Reason for change by more than 25%
 - Declined due to higher accumulated losses due to current year loss due to which total equity has declined whereas there is no major movement in total debt.
 - Declined due to increase in loss for the year
 - Decrease due to lower revenue and higher accumulated losses in comparison to previous year
 - Decrease due to higher loss before interest but after taxes in comparison to previous year.
 - Decrease due to higher loss after tax and higher accumulated losses in comparison to previous year.

58 Trade payable ageing schedule

As at March 31, 2022

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	6.23	68.71	87.53	132.15	40.19	334.81
ii) Others	1,330.29	245.31	1,528.97	612.90	431.72	2,347.21	6,496.39
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	0.88	0.80	0.80	3.06	5.55
Total	1,330.29	251.54	1,598.56	701.23	564.68	2,390.46	6,836.75

As at March 31, 2021

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	13.56	128.84	132.15	39.24	0.95	314.75
ii) Others	1,392.57	-	1,678.04	970.18	1,140.67	931.87	6,113.33
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	0.80	0.80	0.80	3.62	6.03
Total	1,392.57	13.56	1,807.69	1,103.13	1,180.71	936.45	6,434.10

59 Trade receivable ageing schedule

As at March 31, 2022

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
(i) Considered good	-	574.82	493.72	355.41	167.17	48.16	583.21	2,222.49
(ii) Significant increase in credit risk	-	-	-	-	8.38	21.50	202.11	232.00
(iii) Credit impaired	-	-	13.94	25.82	3.29	143.79	3,070.39	3,257.23
Disputed								
(iv) Considered good	-	-	44.20	54.91	-	-	-	99.11
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	0.34	0.34
Unbilled	256.87	-	-	-	-	-	-	256.87
Total	256.87	574.82	551.87	436.14	178.84	213.46	3,856.05	6,068.04

As at March 31, 2021

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
(i) Considered good	-	392.99	536.98	163.22	292.43	150.88	621.03	2,157.53
(ii) Significant increase in credit risk	-	-	-	-	25.65	58.36	84.90	168.91
(iii) Credit impaired	-	-	59.63	33.36	141.90	748.13	2,787.95	3,770.97
Disputed								
(iv) Considered good	-	-	1.03	1.17	0.05	0.08	-	2.34
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	3.91	3.69	6.26	0.22	4.30	18.39
Unbilled	227.28	-	-	-	-	-	-	227.28
Total	227.28	392.99	601.54	201.44	466.30	957.67	3,498.19	6,345.42

- 60** No dividend was paid during the current year as well as in preceding financial year by Holding Company and its subsidiaries. Further no dividend is proposed for the current financial year.
- 61** The Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity has received presidential assent on September 28, 2020. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Group will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.
- 62** (a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The Group has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 63** There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account by the Group.
- 64** HDFC Limited one of the lenders of the Holding Company has filed application against the Holding Company under section 7 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal ('NCLT'), Mumbai for initiation of Corporate insolvency resolution process on the ground that the Holding Company has defaulted in making repayment of ₹ 2,960.60 million as on January 31, 2022. NCLT in its hearing dated March 30, 2022, has fixed next hearing on July 22, 2022.
- 65** IDBI Bank Limited had filed an application under section 19 of the Recovery of Debts dues to Banks and Financial Institutions and Bankruptcy Act, 1993 ('RDB Act') against the Holding Company ("Defendants") before the Mumbai Debt Recovery Tribunal, for recovery of ₹ 1,489.00 million as on August 05, 2021 along with current and future interest alleging that the Holding Company has committed default in repayment / discharge of its obligations under the various loan facilities availed by it.
- 66** The Group does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- 67** Holding Company has borrowing from banks and financial institutions (FIs) secured by current assets as mentioned in note 44. These borrowings are declared as non-performing assets (NPAs) by the respective banks and FIs. Due to this, Holding Company is under discussion with the banks for re-structuring of its loans. As a result, Company has not been filing any quarterly returns or statements of current assets with the banks or FIs. Whereas, there are no requirement of such quarterly returns or statements in case of subsidiary companies.
- 68** There is a commercial building appearing in the capital work-in-progress amounting to ₹ 93.88 million as on March 31, 2022 (previous year: nil), the title deed of the property is yet to be transferred in the name of the Holding Company, however the Holding Company has already taken possession of the same. The same was received by the Holding Company during the year as a consideration against the amount receivable from a customer.
- 69** There are no proceeding that has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

- 70** The Group is not declared willful defaulter by any bank or financial Institution or other lender.
- 71** Previous period figures have been re-grouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III of the Companies Act, 2013 effective from April 01, 2021.
- 72** The consolidated financial statements were approved for issue by the board of directors on May 28, 2022.

73 Post reporting date events

No adjusting or significant non-adjusting events have occurred between March 31, 2022 and the date of authorisation of these consolidated financial statements.

For **DNS & Associates**
Chartered Accountants
Firm Registration No.: 006956C

Ankit Marwaha
Partner
Membership No.: 518749

Place : Noida
Date : May 28, 2022

For and on behalf of the Board of Directors of
SITI Networks Limited

Suresh Arora
Whole Time Director
DIN: 00299232

Yogesh Sharma
Chief Executive Officer

Vikash Khanna
Chief Financial Officer

Place : Noida
Date : May 28, 2022

Amitabh Kumar
Non-Executive Director
DIN: 00222260

Suresh Kumar
Company Secretary
M. No: ACS 14390



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