



SITI CABLE NETWORK LIMITED

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UNAUDITED FINANCIAL RESULTS (Consolidated)

(₹ in Lacs)

Part - I

UNAUDITED FINANCIAL RESULTS (Standalone)

(₹ in Lacs)

Statement of consolidated unaudited results for the quarter and six months ended September 30, 2014

Statement of standalone unaudited results for the quarter and six months ended September 30, 2014

Particulars	(Unaudited)					(Audited)
	Quarter ended Sept. 30,	Quarter ended June. 30,	Quarter ended Sept. 30,	Half Year ended Sept. 30,	Year ended March 31,	
	2014	2014	2013	2014	2013	2014
1. Income from Operations						
a) Net Sales/Income from Operations	21,695.3	20,439.0	15,328.7	42,134.3	28,973.3	67,577.3
b) Other operating Income	229.4	463.2	702.5	692.6	1,102.2	2,146.4
Total Income from Operations (net)	21,924.7	20,902.2	16,031.2	42,826.9	30,075.5	69,723.7
2. Expenses						
a) Cost of materials consumed	6.2	2.5	31.1	8.7	38.1	234.7
b) Purchase of Stock-in-trade	11.0	5.5	(114.1)	16.4	112.8	722.1
c) Changes in inventories of traded stock-in-trade	-	-	0.3	-	4.8	5.6
d) Carriage sharing, pay channel and related costs	11,722.6	12,554.5	6,546.2	24,277.1	12,726.3	33,395.3
e) Employee benefits exp.	1,283.8	1,109.9	939.2	2,393.7	1,841.1	3,819.3
f) Depreciation and amortization expense	3,087.7	2,898.1	2,691.4	5,985.7	5,169.9	8,379.0
g) Other Expenses	4,777.4	3,805.2	5,593.3	8,582.6	9,584.0	20,263.5
Total Expenses	20,888.7	20,375.7	15,687.4	41,264.2	29,477.0	66,819.5
3. Profit from Operations before Other Income, Finance cost and exceptional Items (1-2)	1,036.0	526.6	343.8	1,562.7	598.5	2,904.2
4. Other Income	454.9	201.8	262.6	656.7	517.3	1,310.4
5. Profit before finance costs and exceptional Items (3+4)	1,490.9	728.4	606.4	2,219.4	1,115.8	4,214.6
6. Finance cost	2,958.1	3,037.3	3,052.4	5,995.3	5,666.0	11,911.3
7. (Loss)/profit after finance costs but before exceptional Items (5-6)	(1,467.2)	(2,309.0)	(2,446.0)	(3,775.9)	(4,550.2)	(7,696.7)
8. Exceptional Items	-	-	-	-	-	(3.3)
9. (Loss)/profit before tax (7-8)	(1,467.2)	(2,309.0)	(2,446.0)	(3,775.9)	(4,550.2)	(7,693.4)
10. Tax expense	(28.6)	702.5	(260.2)	673.9	472.8	640.8
11. Loss after tax and before prior period item (9-10)	(1,438.6)	(3,011.5)	(2,185.8)	(4,449.8)	(5,023.0)	(8,334.2)
12. Prior period item	-	-	130.0	-	-	-
13. Loss after tax and prior period item but before minority interest (11-12)	(1,438.6)	(3,011.5)	(2,315.8)	(4,449.8)	(5,023.0)	(8,334.2)
14. Minority Interest	848.0	155.8	330.4	1,003.8	500.3	1,071.8
15. Loss after tax and prior period item and after minority interest (13-14)	(2,286.6)	(3,167.3)	(2,646.2)	(5,453.6)	(5,523.3)	(9,406.1)
16. Paid-up Equity Share Capital (Face value ₹ 1/- per share)	6,142.1	6,142.1	4,522.1	6,142.1	4,522.1	5,207.1
17. Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	(15,829.9)
18. Earning per share (before extraordinary items) (of ₹ 1/-) (not annualized)						
a) Basic	(0.4)	(0.5)	(0.6)	(0.9)	(1.2)	(2.1)
b) Diluted	(0.4)	(0.5)	(0.6)	(0.9)	(1.2)	(2.1)

Consolidated and Standalone statement of assets and Liabilities

(₹ in Lacs)

Particulars	Consolidated		Standalone	
	Half year ended Sept. 30, (Unaudited) 2014	Year ended Mar. 31, (Audited) 2014	Half year ended Sept. 30, (Unaudited) 2014	Year ended Mar. 31, (Audited) 2014
	A. Equity and Liabilities			
1. Shareholders' Funds				
a) Share Capital		6,148.5	6,148.5	5,213.6
b) Share suspense		3,146.3	-	-
c) Reserves & Surplus		(4,927.0)	(5,939.5)	(15,875.3)
d) Money received against share warrants		-	18,700.0	-
Sub-total of Shareholder's funds		4,367.8	1,230.0	209.0
2) Shares application money pending allotment		104.1	104.1	-
3) Minority Interest		3,612.3	2,607.5	-
4 Non-current liabilities				
Long-term borrowings		85,289.1	1,04,839.0	84,184.8
Deferred tax Liability (net)		217.5	233.9	-
Other long term liabilities		5,476.1	3,732.8	4,583.9
Long-term provisions		323.5	318.8	255.7
Sub-total of Non-current liabilities		91,306.2	1,09,124.5	89,024.4
5. Current liabilities				
Short Term borrowings		2,311.9	4,738.7	2,017.4
Trade Payables		28,115.4	24,485.7	18,533.4
Other current liabilities		50,214.0	29,360.5	43,686.5
Short-term provisions		822.6	649.7	11.0
Sub-total of current liabilities		81,463.9	59,234.6	64,248.3
Total Equity and liabilities		1,80,854.3	1,82,300.7	1,53,481.7
B. Assets				
1 Non-current assets				
Fixed assets				
Fixed assets		91,798.6	92,895.8	45,229.2
Goodwill on consolidation		917.9	917.9	-
Non-current investment		84.3	84.2	2,307.2
Long term loans and advances		5,932.3	6,323.1	28,287.9
Other non-current assets		5,831.7	4,792.5	5,794.6
Sub-total of Non-current assets		1,04,566.8	1,05,013.4	81,618.9
2. Current assets				
Current investments		80.4	80.4	80.4
Inventories		1,022.5	969.8	804.5
Trade Receivables		26,197.6	19,535.7	33,808.7
Cast and bank balance		23,036.5	35,287.2	20,660.0
Short-term loans and advances		22,139.5	19,256.1	14,246.8
Other current assets		3,813.0	2,158.1	2,262.4
Sub-total of current assets		76,289.5	77,287.3	71,862.8
Total Assets		1,80,854.3	1,82,300.7	1,53,481.7

NOTES :

- SITI Cable Network Limited (the "Company") operates in single business segment of cable distribution in India only. Hence there is no separate reportable business or geographical segments as per Accounting Standard on Segment Reporting (AS-17).
- The above unaudited financial results for the quarter and six months ended September 30, 2014 have been reviewed by the Audit Committee and were approved by the Board of Directors in their meeting held on November 11, 2014.
- The Statutory Auditors have carried out a "Limited review" of the Standalone financial results for the quarter and six months ended September 30, 2014.
- This statement of financial results has been prepared by applying accounting policies as adopted in the last audited annual financial statements for the year ended March 31, 2014.

Particulars	(Unaudited)					(Audited)
	Quarter ended Sept. 30,	Quarter ended June. 30,	Quarter ended Sept. 30,	Half Year ended Sept. 30,	Year ended March 31,	
	2014	2014	2013	2014	2013	2014
1. Income from Operations						
a) Net Sales/Income from Operations	13,732.5	12,587.0	12,198.1	26,319.5	23,888.2	48,501.9
b) Other operating income	26.7	229.8	462.1	256.5	736.8	1,987.6
Total Income from Operations (net)	13,759.2	12,816.8	12,660.2	26,576.0	24,625.0	50,489.5
2. Expenses						
a) Cost of materials consumed	2.0	19.8	201.6	21.8	209.5	234.6
b) Purchase of Stock-in-trade	776.5	58.2	1,660.8	834.7	4,851.0	6,655.8
c) Changes in inventories of stock-in-trade	-	-	-	-	-	-
d) Carriage sharing, pay channel and related costs	7,975.5	8,010.0	4,736.7	15,985.5	8,698.2	21,333.8
e) Employee benefits exp.	939.5	814.2	706.2	1,753.7	1,354.5	2,727.9
f) Depreciation and amortization expense	1,896.1	1,908.8	1,927.8	3,804.9	3,640.4	5,784.9
g) Other Expenses	3,517.0	2,662.0	4,059.1	6,179.0	6,997.0	13,353.8
Total Expenses	15,106.6	13,473.0	13,292.2	28,579.6	25,750.6	50,090.8
3. (Loss)/Profit from Operations before Other Income, Finance cost and tax (1-2)	(1,347.4)	(656.2)	(632.0)	(2,003.6)	(1,125.6)	398.7
4. Other Income	433.1	197.9	83.3	631.0	485.3	1,169.7
5. (Loss)/Profit before finance costs and tax (3+4)	(914.3)	(458.3)	(548.7)	(1,372.6)	(640.3)	1,568.4
6. Finance cost	2,931.9	3,016.3	3,033.2	5,948.2	5,620.3	11,799.2
7. Loss before tax (5-6)	(3,846.2)	(3,474.6)	(3,581.9)	(7,320.8)	(6,260.6)	(10,230.8)
8. Tax expense	-	-	-	-	-	-
9. Loss after tax and before prior period exp. (7-8)	(3,846.2)	(3,474.6)	(3,581.9)	(7,320.8)	(6,260.6)	(10,230.8)
10. Prior period expenses	-	-	130.0	-	-	-
11. Loss after tax (9-10)	(3,846.2)	(3,474.6)	(3,711.9)	(7,320.8)	(6,260.6)	(10,230.8)
12. Paid-up equity share capital (Face value Re. 1/- per share)	6,142.1	6,142.1	4,522.1	6,142.1	4,522.1	5,207.1
13. Reserve excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	(15,875.3)
14. Earnings per share (before extraordinary items) (of Re 1/-) (not annualized)						
a) Basic	(0.6)	(0.6)	(0.8)	(1.2)	(1.4)	(2.3)
b) Diluted	(0.6)	(0.6)	(0.8)	(1.2)	(1.4)	(2.3)

Part - II Select information for the quarter and six months ended September 30, 2014

A. Particulars of shareholding	Quarter ended Sept. 30, 2014	Quarter ended June. 30, 2014	Quarter ended Sept. 30, 2013	Half Year ended Sept. 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013
1 Public shareholding						
- Number of Shares (in lacs)	1,669.7	1,669.7	1,669.7	1,669.7	1,669.7	1,669.7
- Percentage of Shareholding	27.2	27.2	36.9	27.2	36.9	32.1
2. Promoters and Promoter Group Shareholding						
a) Pledged/Encumbered						
- Number of Shares (in lacs)	2,107.0	1,971.8	1,736.7	2,107.0	1,736.7	1,865.8
- Percentage of Shares (as a % of the total shareholding of promoters & promoter group)	47.1	44.1	60.9	47.1	60.9	52.7
- Percentage of Shares (as a % of the total share capital of the Company)	34.3	32.1	38.4	34.3	38.4	35.8
b) Non - Encumbered						
- Number of Shares (in lacs)	2,365.4	2,500.7	1,115.6	2,365.4	1,115.6	1,671.7
- Percentage of Shares (as a % of the total shareholding of promoters & promoter Group)	52.9	55.9	39.1	52.9	39.1	47.3
- Percentage of Shares (as a % of the total share capital of the Company)	38.5	40.7	24.7	38.5	24.7	32.1

Particulars	Quarter Ended Sept. 30, 2014
B. INVESTORS COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	0
Disposed off during the quarter	0
Remaining unresolved at the end of quarter	-

- The Company had given business advances to its subsidiaries for acquisition of MSOs/ direct points, technological up gradation etc. to the extent of ₹ 11,629 lacs. The Company firmly believes that these advances would further enhance its operations over near future and in view of the guarantee from the companies who together hold a majority stake in the Company, these advances are considered good and recoverable.
- In view of the mandatory digital addressable system ('DAS') regulation announced by the Ministry of Information and Broadcasting, Government of India, digitization of cable networks has been implemented in the cities notified for Phase 1 and Phase 2 effective November 1, 2012 and April 1, 2013 respectively. Owing to the initial delays in implementation of DAS in phase 1 cities and challenges faced by all the Multi-System Operators (MSOs) during transition from analogue business to DAS, the Company is in the process of executing contracts with the subscribers and implementation of revenue sharing contracts entered into with the local cable operators (LCOs). Accordingly, the Company has recognized subscription revenue net of sharing of revenue with the LCOs under the new DAS regime amounting to ₹ 1,071.63 lacs (standalone ₹ 838.79 lacs) and ₹ 2,084.76 lacs (standalone ₹ 1,688.66 lacs) for the quarter and six months ended September 30, 2014 respectively based on certain estimates derived from market trends and ongoing discussion with the LCOs. Management is of the view that the execution/ implementation of such contracts will not have a significant impact on the subscription revenue for the current period.
- With effect from April 1, 2014, the Company has revised the useful lives of its fixed assets to comply with the requirements as mentioned under Schedule II of the Companies Act, 2013. Accordingly, the depreciation expense for the quarter and six months ended September 30, 2014 is higher by ₹ 369.30 lacs (standalone financial ₹ 324.02 lacs) and ₹ 827.48 lacs (standalone financial ₹ 730.57 lacs) respectively. Similarly, in case of fixed assets whose life has been completed as on March 31, 2014, the carrying value (net of residual value) of those assets accounting to ₹ 1,068.84 lacs (amounting of ₹ 167.44 lacs in standalone financial results) has been adjusted with the opening balances of retained earnings i.e. deficit in statement of profit and loss.
- The Audit Committee and Board of Directors noted the utilization of the proceeds of Rights Issue and warrants for the half year ended September 30, 2014 which is in line with utilization schedule as approved by the Board of Directors. The unutilised amount from the proceeds of Rights Issue and warrants as on September 30, 2014 is ₹ 759 lacs and ₹ 5,233 lacs respectively.
- Though the Company has continued to incur cash losses during the quarter and six months ended September 30, 2014, but in view of the present positive networth, mandatory digitization which will yield substantial subscription revenue and continued financial support from the companies which together hold a majority stake in the Company for next twelve months ending September 30, 2015, the financial results continue to be prepared on a going concern basis.
- As approved by the Shareholders, on the basis of recommendation of Nomination and Remuneration Committee duly approved by the Board, the remuneration hitherto paid to CEO of the Company remains same after his appointment as Executive Director for which necessary application is being filed with the Central Government for the approval.
- Prior period item in quarter ended September 30, 2013, relates to revenue recognised in quarter ended June 30, 2013.
- Previous period's figures have been regrouped and rearranged, wherever necessary.

Siti Cable Network Limited

sd/-

Place : Noida
Date : November 11, 2014

Subodh Kumar
Director