

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF SITI SIRI DIGITAL NETWORK PVT. LTD. Report on the Standalone Financial Statements

#### Qualified Opinion

1. We have audited the accompanying standalone financial statements of **SITI SIRI DIGITAL NETWORK PVT. LTD.** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows 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 matters described in Basis of 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 (financial position) of the Company as at 31 March 2023, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

3. The Company's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS 115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related cost' each would have been lower by Rs. 988.95 millions for the year ended 31 March 2023, while there would have been no impact on the net loss for the year ended 31 March 2023.

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 opinion.

#### Material Uncertainty Related to Going Concern

5. We draw attention to the following matter in the Notes to the financial statements:-

- a) Note no. 1.3 -k of the notes to the financial statements which indicates that the Company has accumulated losses and its net worth has been fully / substantially eroded.



However for the reasons stated in the note no. 1.3-k regarding long term corporate strategies and support from the holding company/promoters, the financial statements of the Company have been prepared on a going concern basis.

Our opinion is not modified in respect of the matter.

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

6. 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 financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management for the Standalone Financial Statements**

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. 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.

8. 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.

9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

10. 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.



11. 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 explaining our opinion on whether the company has adequate internal financial controls system 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.

12. 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.

13. 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.

14. 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.

#### **Report on Other Legal and Regulatory Requirements**

15. As required by 'the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order.



16. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and {except for the effects of the matters described in the Basis for Qualified Opinion section} obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) {except for the effects of the matter described in the Basis for Qualified Opinion section} in our opinion, proper books of accounts required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) {except for the effects of the matters described in the Basis for Qualified Opinion section} in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

(e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.

(g) As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at 31<sup>st</sup> March 2023 on its financial position in its standalone financial statements – Refer Note no. 1.3. c – of the notes to the financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(is), including foreign entities ("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 the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("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 the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub clause (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

**For Subhash C. Gupta & Co.**  
**Chartered Accountants**  
**Firm's Registration No.: 004103N**

  
**Lokesh Gupta**  
**(Partner)**  
**Membership No.: 503853**

**Place : New Delhi**

**Date : 19.05.2023**

**UDIN - 23503853BQSDIZ9013**

## Annexure A to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of SITI SIRI DIGITAL NETWORKPVT. LTD.on the standalone financial statements for the year ended 31st March 2023.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed *assets except for Set Top Boxes capitalized/installed at customer premises.*

B) ) The Company has no intangible assets hence the clause is not applicable.

(b)According to the information and explanations given to us the fixed assets (*other than Set top boxes installed at customer premises and those in transit or lying with the distributors/cable operators and distribution equipment comprising overhead and underground cables physical verification of which is infeasible owing to the nature and location of these assets*) have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.

(c) Since the company does not own any immovable properties the provisions of the said clause of the Order are not applicable.

(d) The company has not revalued any of its property, plant and equipment ant intangible assets during the year ended March 31, 2023.

(e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and the rules made there under.

(ii) (a) The company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(b) The Company has been sanctioned overdraft facility secured against term deposits for Rs.11.70 crores from the bank during the year. As informed to us there is no requirement of submission of monthly/quarterly returns/statements to bank therefore we are unable to comment whether the quarterly returns/statements submitted to bank if any are in agreement with the books of accounts of the company or not.

(iii) The Company has granted unsecured loan/advances of Nil ( PY Rs.2.41 crores) to a fellow subsidiary company during the preceeding financial year. The year end balance of the said loan/ advance is Rs. 0.26 crores (PY Rs.5.73 crores).

(b) In our opinion and according to the information given to us the terms and conditions of the such loans are not prima facie prejudicial to the interests of the company.



(c) No repayment schedule have been fixed for the advance given by the company and there has been regular repayment of loan and interest during the year.

(d) Since the repayment of the advance amount given is regular and no material amount is overdue hence no reporting is required under clause 3(iii)(d) and 3(iii)(e).

(e) During the year no fresh loan/advance has been granted to the fellow subsidiary, hence no reporting is required under clause 3(iii)(f).

(iv) In our opinion and according to the information given to us , the company has complied with the provisions of section 185 and 186 of the act with respect to the loans and advance made.

(v) To the best of our knowledge & according to the information and explanations given to us 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 the Section 148 of the Act in respect of 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) To the best of our knowledge and according to the information and explanations given to us the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, GST, duty of customs, duty of excise and other material statutory dues as applicable, with the appropriate authorities. Further according to the information and explanation given to us, 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 become payable.

(b) There are no dues in respect of income-tax, GST, duty of customs, duty of excise, value added tax etc that have not been deposited with the appropriate authorities on account of any dispute except for:-

Name of Statute	Nature of Dues	Amount Involved Rs.	Forum/ period where the dispute is pending
AP-VAT	VAT	4,69,19,520	Tribunal, VAT Department, Vizag, Ap
AP-VAT	VAT Penalty	1,17,29,880	Tribunal, VAT Department, Vizag, Ap
AP-VAT	VAT	31,88,219	Appellate Deputy Commissioner (ADC), Telangana.
AP-VAT	VAT	2,25,80,273	High Court
AP-VAT	VAT Penalty	56,45,068	High Court



- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year. Hence clause 3(viii) of the Order is not applicable to the company.
- (ix) (a) The Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.  
(b) According to the information and explanations provided to us, the company has not been is a declared willful defaulter by any bank or financial institution or government or government authority.  
(c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year hence the reporting under clause 3(ix) c) is not applicable to the company.  
(d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.  
(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 or associate companies. Accordingly, reporting under clause 3(ix)(e) of the order does not arise.  
(f)The company does not hold any investment in any subsidiary, associates or joint venture (as defined under the Companies Act 2013) during the year ended March 31, 2023. Hence clause 3(ix) (f) of the Order is not applicable.
- (x) (a)The company has not raised any funds during the year from initial public offer or further public offer. Accordingly, reporting under clause 3(x)(a) of the order does not arise.  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence the clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statement and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.  
(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
(c) As represented to us by the Management there have been no whistle blower complaints received by the Company during the year.
- (xii) Since the company is not a Nidhi company the provisions of clause 3(xii) of the order are not applicable.
- (xiii) As per the information and explanation provided to us, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.





- (xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system commensurate with the size and nature of its business and is not required to have an internal audit system as per the provisions of section 138 of the Companies Act, 2013.  
(b) Since the company is not required to have the internal audit system hence the clause 3(xiv)(b) is not applicable to the company.
- (xv) According to the information and explanation provided to us the company has not entered into any non-cash transactions with directors or persons connected with him during the year accordingly the provisions of clause 3(xv) of the order are not applicable
- (xvi) (a) In our opinion and according to the information and explanation provided to us the company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.Hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
  
(b) In our opinion, there is no Core Investment Company within the group as defined in the core investment Companies(Reserve Bank ) Directions,2016 and accordingly, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause3(xviii) of the Order is not applicable to the Company.
- (xix) The Company's accumulated losses of Rs.3.06 crores (P.Y. Rs.2.31 crores) as at the end of the current financial year is more than hundred percent of its net worth. The net worth of the Company has been fully eroded. Given the long term corporate strategies and support from the Holding Company/promoters, the Company has followed the fundamental accounting assumption of 'Going concern' for preparation of financials for the year ended 31 March 2023. In the opinion of the Board of Directors of the Company, the Company will meet all its financial obligation as they fall due for payment for at least 12 months from the date of signature of these financial statements.
- (xx) In our opinion and according to the information and explanation provided to us the company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.

**For Subhash C. Gupta & Co.**  
**Chartered Accountants**  
**Firm's Registration No.: 004103N**  
  
**Lokesh Gupta**  
**(Partner)**  
**Membership No.: 503853**  
**Place : New Delhi**  
**Date : 19.05.2023**

## **Annexure B to Independent Auditors' Report**

**Referred to in paragraph 16 (f) of the Independent Auditors' Report of even date to the members of SITI SIRI DIGITAL NETWORK PVT. LTD. on the standalone financial statements for the year ended 31st March 2023.**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of SITI SIRI DIGITAL NETWORK PVT. LTD. ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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 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 its business, including adherence to 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 Companies Act'2013.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial control over financial reporting 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 control over financial reporting includes 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 Over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 31 March 2023:

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 IndAS 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 'Paychannel, carriage sharing and related costs' including the relevant disclosures in the standalone financial statements, while there is no impact on the net profit for the year ended 31 March 2023.

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 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the



essential components of internal control stated in the Guidance Note issued by the ICAI and *except for the effects of the material weakness described above* on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2023.

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 31 March 2023, and the material weakness as mentioned in para 8 above, 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 Subhash C. Gupta & Co.**  
**Chartered Accountants**  
**Firm's Registration No.: 004103N**

  
  
**Lokesh Gupta**  
**(Partner)**  
**Membership No.: 503853**

**Place : New Delhi**  
**Date : 19.05.2023**

SITI SIRI DIGITAL NETWORK PVT LTD.  
Balance sheet as on March 31, 2023

	Notes	Rs. in Millions	
		Mar 31, 2023 Rs.	March 31, 2022 Rs.
<b>A. Assets</b>			
<b>1. Non-current assets</b>			
<b>Fixed assets</b>			
(a) Property, plant and equipment	2	431.16	577.40
(b) Capital work-in-progress	2A	54.00	93.11
(c) Deferred Tax Asset	12	75.41	42.81
(d) Intangible assets under development		-	-
(d) Financial assets			
(i) Investments		-	-
(ii) Loans & Advances	3	3.21	0.87
(iii) Others		-	-
(iv) Deferred Tax		-	-
(d) Other non-current assets		-	-
<b>Sub-total of Non-current assets</b>		<b>563.78</b>	<b>714.19</b>
<b>2. Current assets</b>			
(a) Financial assets			
(i) Trade receivables	4	156.18	122.07
(ii) Investments		-	-
(iii) Cash and bank balances	5	86.57	125.46
(iv) Bank Balances other than Cash & Cash equivalents above	5A	179.50	30.00
(v) Others Financial Assets	6	47.83	42.26
(b) Other current assets	7	78.47	131.21
<b>Sub-total of Current assets</b>		<b>548.54</b>	<b>451.00</b>
<b>Total assets</b>		<b>1,112.32</b>	<b>1,165.19</b>
<b>B. Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	8	0.10	0.10
(b) Other equity	9	(30.13)	(22.75)
(c) Non-controlling interests		-	-
<b>Sub-total - Equity</b>		<b>(30.03)</b>	<b>(22.65)</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Financial liabilities			
(i) Long-term borrowings	10	644.90	744.90
(ii) Other financial liabilities		-	-
(b) Provisions	11	1.24	1.20
(c) Deferred tax liability (net)	12	-	-
(d) Other non-current liabilities	13	-	-
<b>Sub-total - Non-current liabilities</b>		<b>646.14</b>	<b>746.10</b>
<b>2. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade payables	14	307.66	365.02
(iii) Other financial liabilities		-	-
(b) Other current liabilities	15	188.30	68.96
(c) Provisions	16	0.25	7.76
<b>Sub-total of current liabilities</b>		<b>496.21</b>	<b>441.74</b>
<b>Total equity and liabilities</b>		<b>1,112.32</b>	<b>1,165.19</b>
		<b>0.00</b>	<b>0.00</b>
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

For Subhash C. Gupta & Co.  
Chartered Accountants  
Firm Regn No.-004103N

Lokesh Gupta  
Partner  
M. No-503853

Place: **NEW DELHI**  
Date: **19 MAY 2023**

For and on behalf of the Board of Directors of  
Siti Siri Digital Network Pvt. Ltd.

Director **D Krishna Mohan Rao**  
DIN **00098362**

Director **Vijay Kalur**  
DIN **08100962**



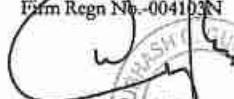
**SITI SIRI DIGITAL NETWORK PVT LTD.**  
Statement of profit and loss for the year ended Mar 31, 2022

	Notes	Rs. in Millions	
		Mar 31, 2023 Rs.	March 31, 2022 Rs.
<b>Revenue</b>			
Revenue from operations	17	1,412.83	1,540.05
Other income	18	118.51	17.86
<b>Total revenue</b>		<b>1,531.34</b>	<b>1,557.91</b>
<b>Expenses</b>			
Cost of materials consumed		-	-
Purchases of traded goods	19	47.15	73.69
Carriage sharing, pay channel and related costs	20	988.95	1,037.60
Employee benefits expense	21	17.96	16.82
Finance costs	22	0.40	4.87
Depreciation and amortisation expenses	23	219.23	212.65
Other expenses	24	295.92	233.09
<b>Total expenses</b>		<b>1,569.62</b>	<b>1,578.72</b>
<b>Profit before Exceptional items expenses</b>		<b>(38.29)</b>	<b>(20.80)</b>
Exceptional items		-	44.87
<b>Profit before tax</b>		<b>(38.29)</b>	<b>(65.68)</b>
<b>Tax Expenses</b>			
Current Tax		-	7.60
Previous Year Tax		1.79	1.00
Deferred Tax		(32.60)	(24.31)
<b>Total Profit/(Loss) for the period</b>		<b>(7.48)</b>	<b>(49.96)</b>
<b>Other Comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit (liabilities) / assets		(0.11)	(0.20)
<b>Total Comprehensive Income/(loss) for the year</b>		<b>(7.37)</b>	<b>(49.76)</b>
Profit/(Loss) per share after tax	25		
Basic		(747.96)	(4,995.92)
Diluted		(747.96)	(4,995.92)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date

For Subhash C. Gupta & Co.  
Chartered Accountants  
Firm Regn No.-004103N


  
Lokesh Gupta  
Partner  
M. No-503853

Place: **NEW DELHI**


Date: **19 MAY 2023**

For and on behalf of the Board of Directors of  
Siti Siri Digital Network Pvt. Ltd.

Director  
DIN

  
D Krishna Mohan Rao  
00098362

Director  
DIN

  
Vijay Kalur  
08100962



**SITI SIRI DIGITAL NETWORK PVT. LTD.**  
**FORMERLY KNOWN AS SIRI DIGITAL NETWORK PVT. LTD.**  
**CASH FLOW STATEMENT**

PARTICULARS	Year ended Mar 31, 2023	Year ended March 31, 2022
	Amount in Rs.	Amount in Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Income / ( Loss ) before Tax	(38.29)	(65.68)
Adjustments for :		
Depreciation	219.23	212.65
Loss(profit) on sale /disposal of assets	-	-
Provision for Doubtful Debts	19.94	-
Interest Expense	0.40	4.87
Profit/Loss on fair valuation of OCD	(100.00)	-
Income Tax paid	(1.79)	(1)
Provision for Taxation including Deferred Tax	32.60	16.71
Transfer from Deferred Activation Revenue to OCI	-	-
comprehensive income recognised directly in retained earnings	0.11	0
<b>Operating Profit before working capital changes</b>	<b>132.20</b>	<b>167.76</b>
Decrease (Increase) In Trade Receivables	(54.05)	47.30
Decrease(Increase) in Long Terms L&A and Other non current assets	(34.94)	(24.31)
Decrease(Increase) in Short Terms L&A and Other current assets	47.17	(5.13)
Increase(Decrease) in Long Terms liabilities and provisions	0.04	0.21
Current Liabilities and Provisions	54.47	(127.07)
<b>Net Cash Flow from Operating Activities</b>	<b>144.89</b>	<b>58.76</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(72.99)	(68.23)
Capital Work in progress	39.12	(31.68)
Sale of Fixed Assets	-	-
<b>Net Cash utilised in Investing Activities</b>	<b>(33.88)</b>	<b>(99.91)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid (Net)	(0.40)	(4.87)
Repayment of Long Term borrowings	-	-
Proceeds from Long term Borrowings	-	-
Proceeds from Share Application Money	-	-
Proceeds from Issue of Share Capital	-	-
<b>Net Cash provided by Financing Activities</b>	<b>(0.40)</b>	<b>(4.87)</b>
Net Increase in cash and cash equivalents during the year	110.61	(46.03)
cash and cash equivalents at beginning of year	155.46	201.49
<b>Cash and Cash Equivalents at end of the Year</b>	<b>266.07</b>	<b>155.46</b>

**Note :**

**1. Component of Cash & cash Equivalents at the end of year**

Cash in hand	0.07	0.01
Balances with Scheduled Banks in Current Accounts	86.50	125.45
FDR's with Bank	179.50	30.00
	<u>266.07</u>	<u>155.46</u>

0.00                      0.00

As per our report of even date  
For Subhash C. Gupta & Co.  
Firm Regn No. 004103N  
Chartered Accountants

Lokesh Gupta  
Partner  
M. No-503853

Place : NEW DELHI  
Date : 19 MAY 2023

For Siti Siri Digital Network Pvt. Ltd.

Director  
DIN  
Name

00098362  
D Krishna Mohan Rao



Director  
DIN-'08100962  
Name-Vijay Kalur

**SITI SIRI DIGITAL NETWORK PVT LTD.**

	As at March 31, 2023		As at March 31, 2022		Amount in Millions
	No. of Shares	Amount	No. of Shares	Amount	
<b>(a) Equity share capital</b>					
Balance at the beginning of the reporting period	10,000	100,000	10,000	100,000	
Changes in equity share capital during the year	-	-	-	-	
Balance at the end of the reporting period	10,000	100,000	10,000	100,000	

Particulars	Attributable to the equity holders of the parent					Non-Controlling Interests	Total Equity
	Reserves & Surplus	Other items of other comprehensive income	Equity portion of OCD conversion	Total			
<b>(b) Other equity</b>							
Retained earnings	26.83	0.18	-	27.01	-	27.01	27.01
Profit/(Loss) for the year	(49.96)	-	-	(49.96)	-	(49.96)	(49.96)
Previous Year Mat Credit adjustments	-	-	-	-	-	-	-
Other comprehensive income for the year	-	0.20	-	0.20	-	0.20	0.20
Transfer from Deferred Activation Revenue to OCI	-	-	-	-	-	-	-
Total comprehensive income for the year	(49.96)	0.20	-	(49.76)	-	(49.76)	(49.76)
Add : Equity portion of OCD conversion	-	-	-	-	-	-	-
Balance at March 31, 2022	(23.13)	0.38	-	(22.75)	-	(22.75)	(22.75)
Profit/(Loss) for the year	(7.48)	-	-	(7.48)	-	(7.48)	(7.48)
Previous Year Mat Credit adjustments	-	-	-	-	-	-	-
Other comprehensive income for the year	-	0.11	-	0.11	-	0.11	0.11
Transfer from Deferred Activation Revenue to OCI	-	-	-	-	-	-	-
Total comprehensive income for the year	(7.48)	0.11	-	(7.37)	-	(7.37)	(7.37)
Add : Equity portion of OCD conversion	-	-	-	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>(30.61)</b>	<b>0.48</b>	<b>-</b>	<b>(30.13)</b>	<b>-</b>	<b>(30.13)</b>	<b>(30.13)</b>



# **SITI SIRI DIGITAL NETWORK PVT. LTD.**

## **Note: 1 Company Overview and Significant Accounting Policies**

### **1.1 Company Overview**

a. Siti Siri Digital Network Pvt. Ltd. (hereinafter referred to as the 'Company' or 'SSDN') was incorporated in the state of Andhra Pradesh, India. The Company is engaged in distribution of television channels through analogue and digital cable distribution network and allied services.

### **b. Basis of preparation**

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values as per the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2023 together with the comparative period as at and for the year ended 31 March 2022. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires

### **1.2 Summary of Accounting Policies**

#### **a. Use of estimate**

The preparation of Company's standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

#### **b. Foreign Currency Translation**

Functional and presentation currency

The standalone financial statements are presented in currency INR, which is also the functional currency of the Company.

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.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

#### **c. Revenue recognition**

i.) Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured.

ii.) 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 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 over 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.

Activation and set top boxes pairing charges are recognised as revenue to the extent it relates to pairing and transfer of the related boxes and when no significant uncertainty exists regarding the amount of consideration that will be derived and the upfront obligation is discharged. Where part of the revenues collected at the time of activation relates to future services to be provided by the Company, a part of activation revenue is deferred and recognized over the associated service contract period or customer life.

#### **d. Borrowing Costs**

Borrowing cost includes interest, amortization 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 capitalized 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. Capitalization of borrowing costs 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.

#### e. Property, Plant and Equipment

##### Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price (net of CENVAT Credit availed), borrowing cost if capitalization 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 in arriving at the purchase price.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Set top boxes are treated as part of capital work in progress till at the end of the month of activation thereof.

#### f. Subsequent measurement (depreciation and useful lives)

i.) Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013.

Type of assets	Useful Life (Years)
Computer	3.00
Office Equipments	5.00
Digital Equipment	8.00
Furniture & Fixtures	10.00
Set Top Boxes	8.00
Vehicles	8 to 10

ii.) Leasehold Improvements is amortised over the effective period of lease.

iii.) 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 derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

#### g. Intangible Assets

Intangible assets acquired separately are stated at their cost of acquisition.

##### Subsequent measurement (Amortisation)

Cost of Intangible Assets are amortised under straight line method over the period of life.

#### h. 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 recognized 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.

#### i. Investments and Other Financial Assets

##### Financial assets

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

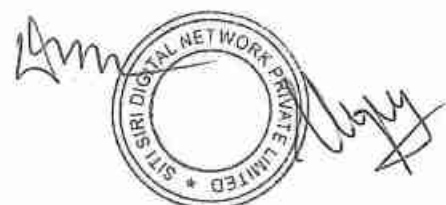
Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

##### 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 the statement of profit or loss.



### 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.

### j. 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 no further payment obligations 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. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### Gratuity (Funded)

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 reporting 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.

### k. Taxation on Income

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 period. 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 Company'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 IAS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Company does not recognise deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

### l. Provisions, contingent assets and contingent liabilities

Provisions are recognized 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.

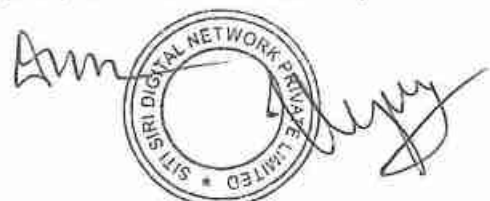
Contingent liability is disclosed for:

- 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 realization of income is virtually certain.

### m. Earning 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.



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.

#### n. Leases

Lease liability associated with assets taken on lease (except short-term and low value assets) is measured at the present value of lease payments to be made. Lease payments are discounted using the interest rate implicit in the lease. Lease payments comprise fixed payments in relation to the lease (less lease incentives receivable), variable lease payments, if any and other amounts (residual value guarantees, penalties, etc.) to be payable

in future in relation to the lease arrangement. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

#### o. Significant management judgement in applying accounting policies and estimation uncertainty

Financial Statements are prepared in accordance with GAAP 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 & 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 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 recognized 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 on the Financial Statements.

**Recognition of Deferred Tax Assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for Impairment of 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.

### 1.3 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

#### a. Earning per share:

	31.03.2023	31.03.2022
a) Profit/(Loss) after Tax	(7.48)	(49.96)
b) Weighted average No. of Ordinary Shares		
Basic	10,000.00	10,000.00
Diluted	10,000.00	10,000.00
c) Nominal Value of Ordinary Share	10	10
d) Earning per Ordinary share considering:		
Basic	(747.96)	(4,995.92)
Diluted	(747.96)	(4,995.92)

#### b. Auditor's Remuneration (Including Legal & professional Charges)

Particulars	2022-23	2021-22
Audit fees Rs.	0.09	0.09
Tax Audit Fees	0.04	0.04
Other Matter	0.04	0.06

#### c. Additional information

Contingent Liabilities not provided for on account of:

	2022-23	2021-22
VAT department	90.06	90.06
Director Remuneration	6.00	6.00
Earning in Foreign Currency	-	-
Expenditure in Foreign Currency	28.73	28.26
CIF Value of Import	-	-



**d. Commitments**

Future commitments towards capital contributions - NIL

**e. Segment Reporting**

Segment Reporting as required by Indian Accounting Standard -108 issued by the Institute of Chartered Accountant of India is not applicable since the Company is in the business of providing Cable TV Services in one segment and there is no Geographical Segment.

**f. Related Parties Disclosure:****List of Parties where control exists****i Ultimate Holding Company**

Siti Networks Limited (Formerly known as Siti Cable Networks Limited)

**ii Fellow Subsidiary Companies**

Indinet Service Pvt. Ltd. (100% Subsidiary of ICNCL)  
SITI KARNAL DIGITAL MEDIA NETWORK PRIVATE LIMITED  
Siti Prime Uttaranchal Communication Pvt. Ltd.  
Central Bombay Cable Network Limited,  
Panchsheel Digital Communication Network Pvt. Ltd.  
Bargachhi Digital Communication Network Pvt. Ltd.  
Siti Jal Maa Durga Communications Pvt. Ltd.  
Siti Bhatia Network Entertainment Private Limited  
Siti Krishna Digital Media Private Limited  
Siti Jony Digital Cable Network Private Limited  
Master Channel Community N/w Pvt. Ltd.  
Siti Maurya Cable Net Pvt. Ltd. (Subsidiary of ICNCL)

SITI GLOBAL PVT. LTD.  
Indian Cable Net Company Ltd.  
Siti Jind Digital Network Pvt. Ltd.  
Siti Vroadband Services Pvt. Ltd.  
Sai Star Digital Media Pvt. Ltd.  
Siti Vision Digital Media Pvt. Ltd.  
Variety Entertainment Pvt. Ltd.  
Siti Guntur Digital Network P. Limited  
Siti Faction Digital Private Limited  
Siticable Broadband South Ltd.  
Wire & Wireless Tisai Satellite Ltd.  
Central Bombay Cable Network Ltd

**iii Key Managerial Personnel**

KRISHAN MOHAN RAO DANDAMUDI-MANAGING DIRECTOR  
SAI BABU POTLURI  
POTLURI JAYANTH  
SURYANARAYANA GUDURU  
SHILPI ASTHANA  
VIKRAM SINGH PANWAR

SURESH KUMAR  
MANOJ PHOOLCHAND AGARWAL  
BRIJESH GOEL  
Johnson John Plavilayil  
Vjay Kalur

**iv Other Related Parties**

Mega Satellite Services Private Limited  
3 Way Cable Communication Pvt. Ltd.  
Singareni Home Entertainment Pvt. Ltd.

Lotus Broadband Private Limited  
Divya Cable Network

**Transactions with:****Holding Company- Siti Network Ltd.**

	<b>2022-23</b>	<b>2021-22</b>
Operational Expenses Paid	35.17	4.60
Digital Income	2.20	-
Purchase of STB	-	0.02
Reimbursement of expenses	-	0.20
Feed Charges Received	-	10.03
Sale of STB	28.51	47.54
Carriage and incentive income	1.30	-

**Fellow Subsidiary Companies****Master Channel Community N/w Pvt. Ltd.**

Sale of STB	-	4.79
Purchase of STB	-	1.61
Feed Charges Received	2.98	4.28
Other services provided	0.06	

**Siti Vision Digital Media Private Limited**

Sale of STB	15.88	18.86
-------------	-------	-------

**E-Net Entertainment Private Limited**

Interest Income	2.78	3.46
Advance Given	-	24.00
Internet charges paid	0.01	



	<u>2022-23</u>	<u>2021-22</u>
<b>Transaction with - ZEEL, ZMCL</b>		
Carriage fee / LCN incentive income during the year - ZEEL	22.60	26.11
Paychannel expense during the year - ZEEL	131.07	139.27
<b>Variety Entertainment Pvt. Ltd.</b>		
Repayment of <del>to</del> <sup>to</sup> balance	80.50	7.517114
<b>With Key Managerial Personnel</b>		
Remuneration Paid	6.00	6.00
<b>With other related parties</b>		
Commission Paid	56.71	61.16
<b>Outstanding as on 31.3.2022</b>		
Siti Networks Limited	9.49	8.97
Variety Entertainment Pvt. Ltd.	68.53	149.03
<b>Advance receivable :-</b>		
E-Net Entertainment Pvt Ltd	2.63	57.33
<b>Sundry Creditors</b>		
OCD amount payable to SCNL	644.90	744.90
Master Channel Community N/w Pvt. Ltd.	-	-
JV Commission Creditors	9.77	3.41
<b>Trade Receivables</b>		
Zee Entertainment Enterprises Limited	1.81	1.29
Zee Media Corporation Limited	-	-
Master Channel Community Network Pvt Ltd	0.86	1.33
Siti Vision Digital Media Private Limited	6.72	
<b>Amount Payable to</b>		
POTLURI JAYANTH	-	-
D.K. Mohan	3.76	0.01

g. Optionally Convertible Debentures (OCD) has been fair valued as on 31st March, 2023 by the management and there is a diminution in the value of OCD compared to PY of Rs. 10,00,00,000.

h. Pursuant to the Indian Accounting Standard for 'Taxes on Income' (Ind AS-12), deferred tax liability/assets at the balance sheet date is:

	<u>2022-23</u>	<u>2021-22</u>
Deferred tax liability / (Asset) on account of difference between book value of depreciable assets as per books of account and written down value as per Income Tax	(70.04)	(41.66)
Deferred tax assets on account of disallowance under section 43 B or allowed on payment basis.	5.37	1.15
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>75.41</b>	<b>42.81</b>

**i. Financial risk management objectives and policies**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors is responsible for overseeing the Company's risk assessment and management policies and processes

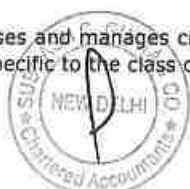
**a. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

**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:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Investment, Cash and cash equivalents and other financial assets	12 month expected credit loss
High credit risk	Trade receivables, security deposits and amount recoverable	Based on estimates

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.

Credit rating	Particulars	Rs. in million	
		31-Mar-23	31-Mar-22
A: Low credit risk	Investment, Cash and cash equivalents and other financial assets except security deposits and amount recoverable	0.00	197.72
B: High credit risk	Trade receivables, security deposits and amount recoverable	0.00	163.07

as at March 31, 2023

Particular	Estimated gross carrying amount at default	Rs. in million	
		Expected credit losses	Carrying amount net of impairment provision
Trade receivables	0.00	0.00	0.00
Security deposits	0.00	-	0.00
Advances recoverable	0.00	-	0.00

as at March 31, 2022

Particular	Estimated gross carrying amount at default	Rs. in million	
		Expected credit losses	Carrying amount net of impairment provision
Trade receivables	124.19	2.12	122.07
Security deposits	0.87	-	0.87
Advances recoverable	42.26	-	42.26

Reconciliation of loss allowance provision – Trade receivable, security deposit and accounts receivable

Loss allowance on March 31, 2021	2.12
Changes in loss allowance	-
Loss allowance on March 31, 2022	2.12
Changes in loss allowance	17.88
Loss allowance on March 31, 2023	20.00

#### (i) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. An impairment analysis is performed at each reporting date on an individual basis for major customers.

#### (ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's assessment of credit risk about particular financial institution. None of the Company's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at 31 March 2023.

#### b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.



as at March 31, 2023

Amounts in Rs

Particulars	Less than 1 year	1-5 year	Total
Borrowings	-	644.90	644.90
Trade payables	238.44	69.22	307.66

as at March 31, 2022

Amounts in Rs

Particulars	Less than 1 year	1-5 year	Total
Borrowings	-	744.90	744.90
Trade payables	213.75	151.28	365.02

### c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

### d. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Long-term borrowings do not expose the company to risk of changes in interest rates as the Company had issued the same at 0%

j. In view of the nature of business, where the necessary documentary evidence does not support the payment made/expenses incurred, the same are accounted for on the basis of certification of the Management.

k. **Going Concern** :- The Company's accumulated losses of Rs. 30609321/- as at the end of the current financial year is more than hundred percent of its net worth. The net worth of the Company has been fully eroded. Given the long term corporate strategies and support from the Holding Company/promoters, the Company has followed the fundamental accounting assumption of 'Going concern' for preparation of financials for the year ended 31 March 2023. In the opinion of the Board of Directors of the Company, the Company will meet all its financial obligation as they fall due for payment for at least 12 months from the date of signature of these financial statements.

l. Trade receivables, Trade payables, Current liabilities, Expenses Recoverable/payable & other loans & Advances are subject to confirmation and reconciliation from the parties.

m. Information required as per the Micro, Small and Medium Enterprises Development Act, 2006 small Scale Industries.

The Company has identified Micro, Small and Medium Enterprises on the basis of information available. As at March 31, 2023 there are no dues to Micro, Small and Medium Enterprises that are reportable under the MSMED Act, 2006.

n. Siti Siri Digital Networks Pvt. Ltd. (hereinafter referred to as the 'Company') was incorporated in the state of Andhra Pradesh, India. The Company is engaged in distribution of television channels through digital cable distribution network and allied services. Effective February 01, 2019, the revised regulatory framework (hereinafter referred to as "Tariff Order 2017") released in March 2017 by the Telecom Regulatory Authority of India 'TRAI' for digital television services is applicable on the Company.

o. The company has calculated the benefits provided to employees as per Indian accounting standards 19, are as under

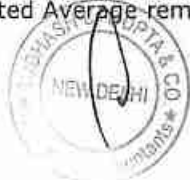
### Defined Benefit Plans

- Gratuity Plan
- Leave Encashment

In accordance with Indian Accounting Standard-19, the actuarial valuation carried out in respect of the aforesaid defined benefit plans is based on the following assumption.

### Actuarial Assumption

	Leave Encashment	Employee Gratuity Fund
Discount Rate (Per annum)	7.50%	7.50%
Rate of Increase in compensation levels	5.00%	5.00%
Expected Rate of return on plan assets	-	-
Expected Average remaining working lives of employees	<b>23.30</b>	<b>23.30</b>





### Change in obligation during the year ended 31st March, 2023

Present Value of obligation as at 1st April, 2022	0.52	0.84
Acquisition adjustment	-	-
Interest cost	0.04	0.06
Past service cost	-	-
Current service cost	0.12	0.18
Curtailment cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(0.06)	(0.11)
Actuarial (gain)/loss on obligation	(0.08)	(0.02)
Present value of obligation as at the end of period (31st March, 2023)	0.54	0.95
Change in fair value plan Assets	Nil	Nil

### Movement in the liability recognized in the Balance

Opening net liability (01.04.2023)	0.52	0.84
Expense as above	0.07	0.21
Benefits paid	(0.06)	(0.11)
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Net assets/(Liability) recognised in Balance Sheet as provision (31.03.2023)	0.54	0.95

### Expenses recognised in Profit and Loss Account

Current service cost	0.12	0.18
Past service cost	-	-
Interest cost	0.04	0.06
Expected return on plan assets	-	-
Curtailment cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Expenses recognized in the statement of profit & losses	0.16	0.24

### Other comprehensive (income) / expenses (Remeasurement)

Actuarial (gain)/loss - obligation	(0.08)	(0.02)
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	(0.08)	(0.02)

### Sensitivity Analysis

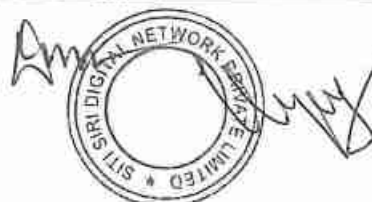
Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

#### Sensitivity Analysis for Gratuity

Period	As on: 31/03/2023
Defined Benefit Obligation (Base)	9,48,241 @ Salary Increase Rate : 5%, and discount rate :7.50%
Liability with x% increase in Discount Rate	8,63,180; x=1.00% [Change (9)%]
Liability with x% decrease in Discount Rate	10,49,775; x=1.00% [Change 11%]
Liability with x% increase in Salary Growth Rate	10,51,311; x=1.00% [Change 11%]
Liability with x% decrease in Salary Growth Rate	8,60,564; x=1.00% [Change (9)%]
Liability with x% increase in Withdrawal Rate	9,67,695; x=1.00% [Change 2%]
Liability with x% decrease in Withdrawal Rate	9,25,291; x=1.00% [Change (2)%]

#### Sensitivity Analysis for Leave Encashment

Period	As on: 31/03/2023
Defined Benefit Obligation (Base)	538,894
Liability with x% increase in Discount Rate	4,89,347; x=1.00% [Change (9)%]
Liability with x% decrease in Discount Rate	5,98,001; x=1.00% [Change 11%]
Liability with x% increase in Salary Growth Rate	5,98,897; x=1.00% [Change 11%]
Liability with x% decrease in Salary Growth Rate	4,87,819; x=1.00% [Change (9)%]
Liability with x% increase in Withdrawal Rate	5,52,518; x=1.00% [Change 3%]
Liability with x% decrease in Withdrawal Rate	5,23,324; x=1.00% [Change (3)%]



**p. Tax Expense**

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

	Rs. in million	
	Mar 31,2023	Mar 31,2022
<b>Income tax related to items recognised directly in the</b>		
Current tax - current year	-	7.60
Current tax - Previous year	1.79	1.00
Deferred tax charge / (benefit)	(32.60)	(24.31)
Total	<b>-30.81</b>	<b>-15.72</b>
Effective tax rate	80.46%	23.93%

**A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the Company's effective income tax rate for the year ended 31 March, 2023 and 31 March, 2022 is as follows:**

Profit before tax	-38.29	-65.68
Effective tax rate	27.82%	27.82%
Tax at statutory income tax rate	-	7.60
Tax effect on non-deductible expenses	-	-
Additional allowances for tax purposes	-	-
Effect of tax on group companies incurring losses	-	-
Effect of tax rate difference of subsidiaries	-	-
Other differences	-30.81	-15.72
<b>Tax expense recognised in the statement of profit and loss</b>	<b>-30.81</b>	<b>-8.12</b>

**q. Fair value measurements**

**A. Financial instruments by category**

NOTES

**Financial assets**

Bank deposits	-	-
Amount recoverable	-	-
Interest accrued and not due on fixed deposits	-	-
Security deposits	-	3.21
Unbilled revenues	-	47.83
Trade receivables	-	156.18
Investments (Current, financial assets)	-	179.50
Cash and cash equivalents	-	86.57

**Total financial assets**

**Financial liabilities**

Borrowings (Non-current, financial liabilities)	644.90	-
Borrowings (Current, financial liabilities)	-	-
Payables for purchase of property, plant and equipment	-	-
Security deposits received from customer	-	-
Trade payables	-	307.66
Other financial liabilities (current)	-	-

**Total financial liabilities**

**Financial assets**

Bank deposits	-	-
Amount recoverable	-	-
Interest accrued and not due on fixed deposits	-	-
Security deposits	-	0.87
Unbilled revenues	-	42.26
Trade receivables	-	122.07
Investment (Current, financial assets)	-	30.00
Cash and cash equivalents	-	125.46
Other bank balances	-	-

**Total financial assets**

**Financial liabilities**

Borrowings (non-current, financial liabilities)	744.90	-
Borrowings (Current, financial liabilities)	-	-
Payables for purchase of property, plant and equipment	-	-
Security deposits	-	-
Trade payables	-	365.02
Other financial liabilities (current)	-	-

**Total financial liabilities**



Rs. millions

31-Mar-23

FVTPL	Amortised cost
-------	----------------

-	-
-	-
-	-
-	3.21
-	47.83
-	156.18
-	179.50
-	86.57
<b>-</b>	<b>473.29</b>

644.90	-
-	-
-	-
-	-
-	307.66
-	-
<b>644.90</b>	<b>307.66</b>

Rs. millions

31-Mar-22

FVTPL	Amortised cost
-------	----------------

-	-
-	-
-	-
-	0.87
-	42.26
-	122.07
-	30.00
-	125.46
<b>-</b>	<b>320.65</b>

744.90	-
-	-
-	-
-	-
-	365.02
-	-
<b>744.90</b>	<b>365.02</b>



#### 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 liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2023 and 31 March 2022 as follows:

Financial Liabilities	As at 31 March 2023			As at 31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Optionally convertible debentures issued to holding company	-	-	644.90	-	-	744.90

#### Valuation technique to determine fair value Optionally convertible debentures (Level 3)

##### For the year ended 31 March 2023 and 31 March 2022:

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:

- Unaudited Financial Statements of Siti Siri Digital Network Private Limited for the FY 2022-23 comprising Balance Sheet and Profit and Loss account.
- Projections of the companies comprising of Balance Sheet and Profit and Loss account for the FY 2023-24 to FY 2027-28
- 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 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 7.32% is considered on the 10 year government zero coupon bond yield as on 31 March 2023.

There have been no transfer between level 1, level 2 and level 3 during the year ended 31 March 2023 and 31 March 2022.

The following table presents the changes in level 3 items for the year ended 31 March 2023 and 31 March 2022:

Particulars	
As at April 01, 2020	744.90
Optionally convertible debentures redeemed during the year	-
Gain recognised in standalone statement of profit and loss	-
As at 01 April 2021	744.90
Gain recognised in standalone statement of profit and loss	-
As at 31 March 2022	744.90
Impairment Gain recognised in standalone statement of profit and loss	100.00
As at 31 March 2023	644.90

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

	March 31, 2023	
	Carrying amount	Fair value
<b>Financial assets</b>		
Bank deposits	-	-
Amount recoverable	-	-
Interest accrued and not due on fixed deposits	-	-
Security deposits	3.21	3.21
Unbilled revenue	47.83	47.83
Trade receivables	176.18	156.18
Investments (Current, financial assets)	30.00	30.00
Cash and cash equivalents	86.57	86.57
Other bank balances	-	-
<b>Total financial assets</b>	<b>343.79</b>	<b>323.79</b>
<b>Financial liabilities</b>		
Borrowings (non-current, financial liabilities)	644.90	644.90
Borrowings (current, financial liabilities)	-	-
Payables for purchase of property, plant and equipment	-	-
Security deposits	-	-
Trade payables	307.66	307.66
Other financial liabilities (current)	-	-
<b>Total financial liabilities</b>	<b>952.56</b>	<b>952.56</b>

	March 31, 2022	
	Carrying amount	Fair value
<b>Financial assets</b>		
Bank deposits	-	-
Amount recoverable	-	-
Interest accrued and not due on fixed deposits	-	-
Security deposits	0.87	0.87
Unbilled revenue	42.26	42.26
Trade receivables	124.19	122.07
Cash and cash equivalents	30.00	30.00
Other bank balances	125.46	125.46
<b>Total financial assets</b>	<b>322.78</b>	<b>320.65</b>
<b>Financial liabilities</b>		
Borrowings (non-current, financial liabilities)	744.90	744.90
Borrowings (current, financial liabilities)	-	-
Payables for purchase of property, plant and equipment	-	-
Security deposits	-	-
Trade payables	365.02	365.02
Other financial liabilities (current)	-	-
<b>Total financial liabilities</b>	<b>1,109.92</b>	<b>1,109.92</b>



	March 31, 2016	
	Carrying amount	Fair value
<b>Financial assets</b>		
Bank deposits	-	-
Amount recoverable	15.98	15.98
Interest accrued and not due on fixed deposits	-	-
Security deposits	0.46	0.46
Unbilled revenue	7.24	7.24
Trade receivables	3.90	3.90
Cash and cash equivalents	13.59	13.59
Other bank balances	-	-
<b>Total financial assets</b>	<b>41.17</b>	<b>41.17</b>
<b>Financial liabilities</b>		
Borrowings (non-current, financial liabilities)	764.36	764.36
Borrowings (current, financial liabilities)	-	-
Payables for purchase of property, plant and equipment	-	-
Security deposits	-	-
Trade payables	222.11	222.11
Other financial liabilities (current)	-	-
<b>Total financial liabilities</b>	<b>986.47</b>	<b>986.47</b>

r. 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 01 April 2021.

s. Note 1 to 25 form an integral part of the accounts and have been duly authenticated.

**t. Leases**

**Company as a lessee**

The Company has taken various commercial premises under lease. These leases have varying terms, escalation clauses and renewal rights. On renewal the terms of the leases are renegotiated. Rent amounting to Rs.1580550 (March 31, 2022- Rs.1462125) has been debited to standalone statement of profit and loss during the year.

**u. Capital management**

**Risk 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 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.

Particular	March 31, 2023	March 31, 2022
Cash and cash equivalents (refer note 5)	87	125
Current investments in deposits	180	30
Margin money	-	-
<b>Total cash (A)</b>	<b>266</b>	<b>155</b>
Borrowings (non-current, financial liabilities) (refer note 10)	645	745
Borrowings (current, financial liabilities) (refer note 15)	-	-
Current maturities of long-term borrowings (refer note 22)	-	-
Current maturities of finance lease obligations (refer note 22)	-	-
<b>Total borrowing (B)</b>	<b>645</b>	<b>745</b>
<b>Net debt (C=B-A)</b>	<b>379</b>	<b>589</b>
Total equity		
<b>Total capital (equity + net debts) (D)</b>	<b>349</b>	<b>567</b>
<b>Gearing ratio (C/D)</b>	<b>1.09</b>	<b>1.04</b>

v. **Exceptional items:** Pursuant to implementation of the Tariff Order 2017 and upon changes in agreements with customers & due to COVID-19 pandemic situation management has assessed the likelihood of recovery of trade receivables and has accordingly written off trade receivables amounting to Rs. 44.87 millions during the preceding financial year.

w. The GST liabilities and Input credit of GST are subject to reconciliation.



**x. Additional disclosures:-**

i The new tariff order of Telecom Regulatory Authority of India (TRAI) was implemented from 1, 2019, as per the extended timelines. TRAI had further extended the timeline for subscribers to select channels. Owing to the initial delays in implementation of new tariff order, all the distribution platform operators (DPO) are in transition from previous regime to new regime and are in the process of implementation of contracts with the broadcasters and customers.

ii 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

iii The company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

iv The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

v 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.

vi (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.

**As per our Report of even date  
For Subhash C. Gupta & Co.  
Chartered Accountants  
Firm Regn. No. 004103N**

**Lokesh Gupta  
Partner  
M. No. 503853**

**Place: New Delhi**

**Date:**

19 MAY 2023

**For and on behalf of the Board  
For Siti Siri Digital Network  
Pvt. Ltd.**



**Director  
D Krishna Mohan Rao  
DIN:00098362**

**Director  
Vijay Kalur  
DIN:08100962**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

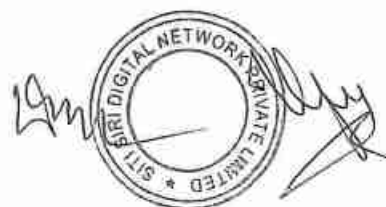
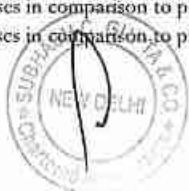
(All amounts in Rs. million, unless stated otherwise)

y. Financials Ratios

Sr. No.	Particulars	31 March 2023	31 March 2022	Change
i)	<b>Current Ratio (A/B)</b>	1.11	1.02	8%
	Current assets (A)	548.54	451.00	
	Current liabilities (B)	496.21	441.74	
ii)	<b>Debt-equity ratio (A/B)</b>	(21.48)	(32.88)	-35%
	Total Debt (A)	644.90	744.90	refer note 6(a)
	Total equity (B)	(30.03)	(22.65)	
iii)	<b>Debt-service coverage ratio (A/B)</b>	0.28	0.26	6%
	Earnings available for debt services (i.e EBID)- (A)	181.35	196.72	
	Borrowings including finance cost (B)	644.90	744.90	
iv)	<b>Return on equity ratio (A/B)</b>	0.25	2.21	-89%
	Net profit for the year (A)	(7.48)	(49.96)	refer note 6(b)
	Total equity (B)	(30.03)	(22.65)	
v)	<b>Inventory turnover ratio (A/B)</b>	NA	NA	NA
	Cost of goods sold (A)	-	-	
	Average inventory (B)	-	-	
vi)	<b>Trade receivables turnover ratio (A/B)</b>	10.16	10.57	-4%
	Revenue from operations (A)	1,412.83	1,540.05	
	Average trade receivables (B)	139.12	145.72	
vii)	<b>Trade payables turnover ratio (A/B)</b>	3.08	2.60	18%
	Credit purchases (A)	1,036.11	1,111.28	
	Average trade payables (B)	336.34	426.99	
viii)	<b>Net capital turnover ratio (A/B)</b>	(47.05)	(67.99)	-31%
	Revenue from operations (A)	1,412.83	1,540.05	refer note 6'(c)
	Capital employed or net assets (B) (refer note 3)	(30.03)	(22.65)	
ix)	<b>Net profit ratio (A/B)</b>	(0.01)	(0.03)	-84%
	Net profit after tax	(7.48)	(49.96)	refer note 6'(d)
	Revenue from operations	1,412.83	1,540.05	
x)	<b>Return on capital employed (A/B)</b>	0.24	1.99	-88%
	Earning before interest but after taxes (A)	(7.08)	(45.09)	refer note 6'(e)
	Capital employed or net assets (B) (refer note 3)	(30.03)	(22.65)	
xi)	<b>Return on investment</b>	0.25	2.21	-89%
	Net profit after tax (A)	(7.48)	(49.96)	refer note 6'(f)
	Capital employed or net assets (B) (refer note 3)	(30.03)	(22.65)	

Notes:

- 1 Ratios relating to balance sheet items have been presented as at 31 March 2023 and 31 March 2022. Whereas, ratios relating to items of statement of profit and loss account has been presented for financial year ended 31 March 2023 and 31 March 2022.
- 2 Net profit 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 and other expenses
- 6 Reason for change by more than 25%
  - a) Due in reduction in total debt for the year.
  - b) Due to decline in net losses as compared to previous year
  - c) Due to decline in turnover during the year
  - d) Due to lower net losses and lower revenue from operations in comparison to previous year.
  - e) Due to lower net losses in comparison to previous year.
  - f) Due to lower net losses in comparison to previous year.



**SITI SIRI DIGITAL NETWORK PVT LTD.**

Summary of significant accounting policies and other explanatory information for the year ended Mar 31, 2023

**Note - 2 : Property Plant and Equipment**

(Amounts in Rupees)

Tangible Assets	Vehicle	Computer	Digital Equipment	Office Equipment	EPABX and PRI for Call Center Asset	Furniture and Fixtures	Set Top Boxes	Leasehold Improvement	Total
<b>Gross carrying amount</b>									
Gross carrying amount as at 1 April 2021	2.75	0.51	33.01	2.08	0.26	0.31	1,028.88	1.70	1,669.5
Additions during the year	-	0.13	5.21	0.09	-	0.01	62.78	-	68.1
Disposals	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at Mar 31, 2022</b>	<b>2.75</b>	<b>0.64</b>	<b>38.22</b>	<b>2.17</b>	<b>0.26</b>	<b>0.32</b>	<b>1,091.66</b>	<b>1.70</b>	<b>1,737.7</b>
<b>Accumulated depreciation</b>									
Gross carrying amount as at 1 April 2021	0.15	0.40	24.49	1.64	0.15	0.12	919.39	1.33	947.6
Depreciation charge during the year	0.34	0.08	4.35	0.27	0.09	0.03	207.15	0.34	212.6
Disposals	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at March 31, 2022</b>	<b>0.49</b>	<b>0.48</b>	<b>28.84</b>	<b>1.91</b>	<b>0.24</b>	<b>0.15</b>	<b>1,126.54</b>	<b>1.67</b>	<b>1,160.3</b>
<b>Net carrying amount</b>	<b>2.26</b>	<b>0.16</b>	<b>9.39</b>	<b>0.26</b>	<b>0.02</b>	<b>0.16</b>	<b>565.12</b>	<b>0.04</b>	<b>577.4</b>
<b>Gross carrying amount</b>									
Gross carrying amount as at 1 April 2022	2.75	0.64	38.22	2.17	0.26	0.32	1,691.66	1.70	1,737.7
Additions during the year	-	0.06	5.87	0.32	-	0.02	66.73	-	72.9
Deferred Government Grant	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at Mar 31, 2023</b>	<b>2.75</b>	<b>0.70</b>	<b>44.09</b>	<b>2.49</b>	<b>0.26</b>	<b>0.34</b>	<b>1,758.39</b>	<b>1.70</b>	<b>1,810.7</b>
<b>Accumulated depreciation</b>									
Gross carrying amount as at 1 April 2022	0.49	0.48	28.84	1.91	0.24	0.15	1,126.54	1.67	1,160.3
Depreciation charge during the year	-	-	-	-	-	-	219.23	-	219.2
Deferred Government Grant	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at March 31, 2023</b>	<b>0.49</b>	<b>0.48</b>	<b>28.84</b>	<b>1.91</b>	<b>0.24</b>	<b>0.15</b>	<b>1,345.77</b>	<b>1.67</b>	<b>1,379.56</b>
<b>Net carrying amount</b>	<b>2.26</b>	<b>0.21</b>	<b>15.26</b>	<b>0.58</b>	<b>0.02</b>	<b>0.18</b>	<b>412.62</b>	<b>0.04</b>	<b>431.16</b>

**Note - 2A : Capital Work in Progress**

**FY 22-23**

CWIP	Amount in CWIP (Amount in Rupees) for a period of				Total (Amount in Rs.)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	19.16	11.12	14.43	9.28	54.00
Projects temporarily suspended					

**FY 21-22**

CWIP	Amount in CWIP (Amount in Rupees) for a period of				Total (Amount in Rs.)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	34.87	14.44	10.04	33.77	93.11
Projects temporarily suspended					



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**SITI SIRI DIGITAL NETWORK PVT LTD.**

Summary of significant accounting policies and other explanatory information for the year ended Mar 31, 2023

**3 Loans & Advances**

	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
<b>Security deposits</b>		
Unsecured, considered good	3.21	0.87
Doubtful		
	3.21	0.87
<b>Less: Provision for doubtful security deposits</b>		
	3.21	0.87
<b>Trade receivables</b>		
<b>Particulars</b>	<b>Mar 31, 2023 Rs.</b>	<b>Mar 31, 2022 Rs.</b>
Trade Receivable - others	141.69	124.19
Trade Receivable - Related parties	34.49	-
Less: Expected Credit Loss Allowance	20.00	2.12
<b>Total</b>	<b>156.18</b>	<b>122.07</b>

**4**

**As at 31 March 2023**

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	
<b>Undisputed</b>								
(i) Considered good	-	-	105.59	13.22	-	-	-	118.81
(ii) Significant increase in credit risk	-	-	-	-	7.17	0.40	29.81	37.37
(iii) Credit impaired	-	-	-	-	-	-	20.00	20.00
<b>Disputed</b>								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	47.83	-	-	-	-	-	-	47.83
<b>Total</b>	<b>47.83</b>	<b>-</b>	<b>105.59</b>	<b>13.22</b>	<b>7.17</b>	<b>0.40</b>	<b>49.81</b>	<b>224.01</b>

**As at 31 March 2022**

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	
<b>Undisputed</b>								
(i) Considered good	-	-	75.36	1.22	-	-	-	76.58
(ii) Significant increase in credit risk	-	-	-	-	0.72	0.64	44.13	45.49
(iii) Credit impaired	-	-	-	-	-	-	2.12	2.12
<b>Disputed</b>								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	42.26	-	-	-	-	-	-	42.26
<b>Total</b>	<b>42.26</b>	<b>-</b>	<b>75.36</b>	<b>1.22</b>	<b>0.72</b>	<b>0.64</b>	<b>46.25</b>	<b>156.45</b>



*[Handwritten signature]*

5	Cash and bank balances	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
	<b>Cash and cash equivalents</b>		
	Cash on hand	0.07	0.01
	Balances with banks	-	-
	On current accounts	86.50	125.45
	In deposit account (with maturity less than three months)	-	-
		<b>86.57</b>	<b>125.46</b>
5A	Bank Balances other than Cash & Cash equivalents a	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
	In deposit account (with maturity (Charged with Bank against OD Facility)	179.50	30.00
		<b>179.50</b>	<b>30.00</b>
6	Other Financial Assets	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
	<b>Unsecured, considered good</b>		
	Unbilled Revenue	47.83	42.26
	Expenses Recoverable	-	-
		<b>47.83</b>	<b>42.26</b>
		Mar 31, 2023	Mar 31, 2022
7	Other Current Assets (Unsecured, considered good)	Rs.	Rs.
	Advance to suppliers/others	8.15	6.43
	Advance to others	2.53	57.33
	TDS Receivable	17.60	20.39
	Deposit against VAT demand	39.13	41.47
	Prepaid Expenses	2.63	2.78
	MAT Credit Entitlement	0.05	0.05
	Accrued Interest on FDR's	5.15	0.11
			2.64
	Balances with statutory authorities	3.22	
		<b>78.47</b>	<b>131.21</b>
8	Share capital	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
	<b>Authorised share capital</b>		
	10,000 (Previous year: 10,000) equity shares of ` 10 each	0.10	0.10
	<b>Total authorised capital</b>	<b>0.10</b>	<b>0.10</b>
	<b>Issued, Subscribed and Paid up</b>		
	10,000 (Previous year: 10,000) equity shares of ` 10 each	0.10	0.10
	<b>Total paid up capital</b>	<b>0.10</b>	<b>0.10</b>



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(i) **Reconciliation of number of shares outstanding as on 31.03.2018**

Particulars	Mar 31, 2023	Mar 31, 2022
Balance at the beginning of the year Nos.	10,000	10,000
Issued during the year Nos.	-	-
<b>Balance at the end of the year Nos.</b>	<b>10,000</b>	<b>10,000</b>

(ii) **Rights, Preferences and Restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(iii) **Shares held by Holding Company:**

The details of equity shares held by holding company are as under :

Particulars		Mar 31, 2023	Mar 31, 2022
Siti Networks Limited	Nos	5,100	5,100
	%	51.00	51.00

(iv) **Shareholders holding more than 5% of total equity shares**

Particulars		Mar 31, 2023	Mar 31, 2022
Siti Networks Limited	Nos.	5,100	5,100
% of total Shares	%	51.00	51.00
% change during the year		Nil	Nil
Krishan Mohan Rao Dandamudi	Nos.	2,450	2,450
% of total Shares	%	24.50	24.50
% change during the year		Nil	Nil
Poduri Sai Babu	Nos.	2,450	2,450
% of total Shares	%	24.50	24.50
% change during the year		Nil	Nil

9 **Other Equity**

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
<b>Retained Earnings</b>		
Balance at the beginning of the year	(23.13)	26.83
Previous year MAT Credit Entitlement	-	-
Change in Equity	-	-
Add: Profit/(Loss) for the year	(7.48)	(49.96)
<b>Balances as at the end of the year (A)</b>	<b>(30.61)</b>	<b>(23.13)</b>
<b>Others</b>		
Transfer from Deferred Activation Revenue	-	-
<b>Balances as at the end of the year (B)</b>	<b>-</b>	<b>-</b>
<b>Other Comprehensive income</b>		
Balance at the beginning of the year	0.38	0.18
Other comprehensive income -Gratuity/Leave Encashment	0.11	0.20
<b>Balances as at the end of the year (C)</b>	<b>0.48</b>	<b>0.38</b>
<b>Balances as at the end of the year (A+B+C)</b>	<b>(30.13)</b>	<b>(22.75)</b>



*[Handwritten signatures]*

10 Long-term borrowings

	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
<b>(a) Term loans from banks (Secured)</b>		
IIDFC Bank Car Loan	-	-
*Terms of Repayment: 36 Monthly Installments	-	-
*Rate of Interest: 9.50%	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>(b) Unsecured Optionally Convertible Debentures (OCD) issued to holding company</b>		
744900000 (744900000) No. of OCDs of Rs.1/- each	744.90	744.90
Less: Decrease oin liability on account of fair valuation	100.00	-
Add: Interest Accrued for the year	-	-
<b>At the end of the year</b>	<b>644.90</b>	<b>744.90</b>

**Terms & Conditions:**

The term of OCD shall be 20 years from the date or option excersised by company /Debenture Holders ,whichever is earlier.

- The Company or the Debenture holder have an option either to redeem or to convert the one OCD into Equity shares of such no. within a period of 20 Years.

Each OCD shall be converted into such number of equity shares/preference shares of the face value of Rs.10 each calculated at fair market value as on the date of issue of OCDs.

-The OCDs issued are Unsecured Debentures and are non marketable.

The OCDs would carry an interest @0.01% p.a. Which shall be cumulative and payable only at the time of conversion and/or redemption.

**(c) Loans and advances from  
Directors/Related parties-  
Unsecured**

\*Terms of Repayment: Not  
Specified

\* Rate of interest: Nil

	-	-
<b>Total Long term Loan (A+B+C)</b>	<b>644.90</b>	<b>744.90</b>

11 Provisions

	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
<b>Provision for employee benefits (Refer Note 31)</b>		
Provision for gratuity	0.78	0.75
Provision for compensated absences	0.45	0.45
	<b>1.24</b>	<b>1.20</b>



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12	Deferred tax Asset (net)	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
	<b>Deferred tax liability</b>		
	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting		
	Others	-	-
	Gross deferred tax liability	-	-
	<b>Deferred tax asset</b>		
	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	70.04	41.66
	Impact of expenditure charged to Others	5.37	1.15
	Gross deferred tax Assets	75.41	42.81
	<b>Net deferred tax Assets</b>	<b>(75.41)</b>	<b>(42.81)</b>

13 **Other Non-Cutrrrent Liabilities**

	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
Deferred Activation Revenue	-	-
	-	-

14 **Trade payables**

	Mar 31, 2023 Rs.	Mar 31, 2022 Rs.
Trade Payables - others	307.66	207.02
Trade payables - related parties	-	158.01
	<b>307.66</b>	<b>365.02</b>



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As at 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment			Total
			Less than 1 year	1-2 years	2-3 years	
i) MSME	-	-	-	-	-	-
ii) Others	115.35	-	123.09	0.01	-	307.66
iii) Dispute dues - MSME	-	-	-	-	69.21	-
iv) Dispute dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>115.35</b>	<b>-</b>	<b>123.09</b>	<b>0.01</b>	<b>69.21</b>	<b>307.66</b>

As at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment			Total
			Less than 1 year	1-2 years	2-3 years	
i) MSME	-	-	-	-	-	-
ii) Others	85.92	-	127.83	0.01	-	365.02
iii) Dispute dues - MSME	-	-	-	-	151.26	-
iv) Dispute dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>85.92</b>	<b>-</b>	<b>127.83</b>	<b>0.01</b>	<b>151.26</b>	<b>365.02</b>

15 Other Current Liabilities

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Advances from customers	10.00	8.34
Payable for statutory liabilities	20.20	21.27
ESIC/PF/PT Payable	0.16	0.17
Bonus Payable	0.64	0.65
Others - Employer dues	5.44	0.71
Income billed in advance	36.70	37.66
Bank OD A/c	115.00	-
Deferred Activation Revenue	-	-
Interest free Deposit received against STB	0.15	0.15
	<b>188.30</b>	<b>68.96</b>

16 Provisions

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Liability for expenses	-	-
Provision for gratuity	0.16	0.10
Provision for compensated absences	0.09	0.07
Provision for Taxation A/c	-	7.60
	<b>0.25</b>	<b>7.76</b>



Signature of the authorized signatory, Sri Sri Digital Network Private Limited.

SITI SIRI DIGITAL NETWORK PVT LTD.

Summary of significant accounting policies and other explanatory information for the year ended Mar 31, 2023

17 Revenue from operations

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Sale of services		
Digital income	975.61	1,063.39
Advertisement income	8.39	0.54
Carriage income	379.90	399.30
Activation and Set top boxes pairing charges	-	-
Sale of STB	48.93	76.81
	<u>1,412.83</u>	<u>1,540.05</u>

18 Other income

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Interest income on Bank deposits and other	12.22	13.08
Excess provisions written back	2.91	0.00
STB Repairing Charges Income AP	0.38	0.51
Digital Feed & Installation Charges	2.98	4.28
Other non-operating income	0.00	0.00
Gain/Loss on Fair Valuation of OCD	100.00	-
	<u>118.51</u>	<u>17.86</u>

19 Purchases of Traded Goods

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Purchase of STB	47.15	73.69
	<u>47.15</u>	<u>73.69</u>

20 Carriage Sharing, Pay Channel and Related Cost

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Pay Channel Expenses	988.95	1,037.60
	<u>988.95</u>	<u>1,037.60</u>

21 Employee benefits expense

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Salaries and allowances	16.78	15.58
Contributions to provident and other funds	1.02	1.10
Employee benefits expenses	-	-
Bonus	-	-
Staff welfare expenses	0.16	0.13
	<u>17.96</u>	<u>16.82</u>



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**SITI SIRI DIGITAL NETWORK PVT LTD.**

**Summary of significant accounting policies and other explanatory information for the year ended Mar 31, 2023**

**22 Finance costs**

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Interest on late deposit of TDS/Service Tax/GST	0.35	4.80
Bank charges	0.05	0.06
	-	-
Profit/Loss on fair valuation of OCD	-	-
Interest on secured/unsecured Loan	-	-
	<b>0.40</b>	<b>4.87</b>

**23 Depreciation and amortisation expenses**

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Depreciation of tangible assets (Refer note 12)	219.23	212.65
Amortisation of intangible assets (Refer note 13)	-	-
	<b>219.23</b>	<b>212.65</b>

**24 Other expenses**

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Rent	1.58	1.46
Rates and taxes	0.14	0.12
Communication expenses	0.50	0.64
Repairs and maintenance		
- Network	25.47	1.29
- Others	1.25	0.43
Bandwidth Charges	34.77	37.56
Other Operational Expenses	27.38	32.26
Service Tax demand	0.08	-
Bad Debts	-	-
Set top box written off	7.49	-
Electricity and water charges	2.00	1.41
Legal, professional and consultancy charges	0.55	0.49
Printing and stationery	-	0.04
Travelling and conveyance expenses	0.43	0.61
Auditors' remuneration*	0.09	0.09
Commission on Collection	111.56	136.03
Commission to payment gateways	6.44	7.16
Office Expenses	0.39	0.28
Other operational cost	55.81	13.19
Exchange fluctuation loss (net)	0.05	0.02
Provision for Doubtful debts	19.94	-
Miscellaneous expenses	(0.00)	0.02
Excess Provision-written off	-	-
	<b>295.92</b>	<b>233.09</b>



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**SITI SIRI DIGITAL NETWORK PVT LTD.**

**Summary of significant accounting policies and other explanatory information for the year ended Mar 31, 2023**

*Auditors' remuneration		
as an auditor	0.09	0.09
Limited review fees	0.04	0.04
for other services (certifications)	0.04	0.06
for reimbursement of expenses		
	<b>0.17</b>	<b>0.19</b>

**25 Earnings per share**

	Mar 31, 2023	Mar 31, 2022
	Rs.	Rs.
Loss attributable to equity shareholders	(7.48)	(49.96)
Number of weighted average equity shares		
Basic	10,000	10,000
Diluted	10,000	10,000
Effect of dilutive potential equity shares~		
Employee stock options	0	-
Warrants	0	-
Optionally fully convertible debentures	0	-
Nominal value of per equity share (₹)	10	10
Profit/Loss per share after tax (₹)		
Basic	(747.96)	(4,995.92)
Diluted	(747.96)	(4,995.92)

~Effect of potential equity shares being anti-dilutive has not been considered while calculating diluted weighted average equity shares and earnings per share.



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