



# JATIN AGGARWAL & ASSOCIATES

Chartered Accountants

A-109, Vikas Tower, G-Block, Vikaspuri, New Delhi-110018

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## Independent Auditor's Report

To the Members of Siti Prime Uttaranchal Communication Pvt. Ltd.

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

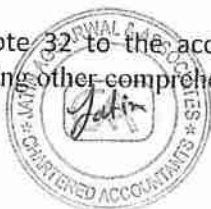
1. We have audited the accompanying standalone financial statements of Siti Prime Uttaranchal Communication Pvt. Ltd. ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matters described in the Basis for Qualified Opinion section of our report**, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (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. 49.72 millions for the year ended 31 March 2023 respectively, 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/qualified opinion.

#### Material Uncertainty Related to Going Concern

5. We draw attention to note 32 to the accompanying Statement, which indicates that the Company has incurred a net loss (including other comprehensive income/loss) of Rs.17.22 millions during the year ended 31



March 2023, and as of that date, the Company's accumulated losses amount to Rs.33.88 millions resulting in a negative net worth of Rs.8.8 millions and its current liabilities exceeded its current assets by Rs.42.26 millions resulting in negative working capital and there are delays/ defaults in payment of statutory dues i.e tds and GST. The above factors along with other matters as set forth in note 32 indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. However, basis the impact of Tariff Order 2017, support from the holding company/promoters and other factors mentioned in aforesaid note to the Statement, the management is of the view that going concern basis of accounting is appropriate for preparation of these results. Our opinion is not modified in respect of this 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
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, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
16. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 not paid any remuneration to its directors during the year.
  - h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company, as detailed to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2023;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
    - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
  - i. 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.

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

**For JATIN AGGARWAL & ASSOCIATES.**

**Chartered Accountants**

**Firm Registration No: 032452N**

  
**Jatin Aggarwal**  
**Partner**

**Membership No. 547093**

**Date: 29.05.2023**

**Place: New Delhi**

**UDIN – 23547093BGYTTY1029**





**JATIN AGGARWAL & ASSOCIATES**  
Chartered Accountants

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**Annexure A to Independent Auditors' Report**

**Independent Auditors' Report of even date to the members of Siti Prime Uttaranchal Communication Private Limited 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 maintained proper records showing full particulars of intangible assets.

(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 and 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 not been sanctioned any working capital limit from banks or financial institutions on the basis of security of current assets at any point of time during the year hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) According to the information and explanations provided to us the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.

(iv) Since the company has not made investments, nor provided any guarantee or security or granted any loans or advances, accordingly the provisions of clause 3(iv) of the Order are not applicable.

(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) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) To the best of our knowledge and according to the information and explanations given to us the Company is *irregular* 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 serious delays has been noticed in payment of GST and TDS during the year. During the year the company has not deposited the sum due in respect of Goods and Services tax amounting to Rs.16.50 lakhs and in respect of TDS the company has not deposited the tds deducted of Rs. 20.94 lacs.***

(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.

(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 (43 of 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 45-1A 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 resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, , we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Since the provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence clause 3(xx) of the Order is not applicable.

**For JATIN AGGARWAL & ASSOCIATES.**

**Chartered Accountants**

**Firm Registration No: 032452N**

**Jatin Aggarwal**

**Partner**

**Membership No. 547093**

**Date: 29.05.2023**

**Place: New Delhi**



# JATIN AGGARWAL & ASSOCIATES

Chartered Accountants

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## 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 Prime Uttaranchal Communication 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 Prime Uttaranchal Communication Pvt Ltd ("the Company") as of 31st 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 JATIN AGGARWAL & ASSOCIATES.  
Chartered Accountants  
Firm Registration No: 032452N



Jatin Aggarwal  
Partner  
Membership No. 547093

Date: 29.05.2023

Place: New Delhi

SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED

Balance sheet as at March 31, 2023

CIN No:U64200DL2014PTC269035

(₹ in Mn)

	Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	4	32.04	50.42
b) Capital work-in-progress		-	-
c) Financial assets			
i) Others	5	1.39	2.45
d) Other non-current assets	6	0.01	-
		<u>33.45</u>	<u>52.88</u>
<b>Current assets</b>			
a) Financial assets			
i) Trade receivables	7	80.33	64.67
ii) Cash and cash equivalents	8	1.89	5.90
iii) Others	9	6.28	5.21
c) Other current assets	10	11.97	4.36
		<u>100.47</u>	<u>80.13</u>
<b>Total assets</b>		<u><u>133.92</u></u>	<u><u>133.01</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	11 (a)	0.20	0.20
b) Other equity	11 (b)	(9.00)	8.22
		<u>(8.80)</u>	<u>8.42</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
a) Deferred tax Liability		-	1.43
		<u>-</u>	<u>1.43</u>
<b>Current liabilities</b>			
a) Financial liabilities			
i) Trade payables	12	132.31	122.36
b) Other current liabilities	13	10.41	0.80
		<u>142.72</u>	<u>123.16</u>
<b>Total equity and liabilities</b>		<u><u>133.92</u></u>	<u><u>133.01</u></u>

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

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

For JATIN AGGARWAL & ASSOCIATES

Chartered Accountants

Firm Regn. No.-032452N



Jatin Aggarwal

Partner

M. No-547093

Place: NEW DELHI

Date: 29 MAY 2023

For and on behalf of the Board of Directors of SITI  
PRIME UTTARANCHAL COMMUNICATION  
PRIVATE LIMITED

Pradeep Aggarwal  
Director  
DIN-7244041

Brijesh Goel  
Director  
DIN-7107357



## SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED

Statement of profit and loss for the period ended March 31, 2023

CIN No:U64200DL2014PTC269035

		(₹ in Mn)	
	Note	As at March 31, 2023	As at March 31, 2022
<b>Income</b>			
Revenue from operations	14	76.00	93.89
Other income	15	2.11	-
<b>Total income</b>		<b>78.11</b>	<b>93.89</b>
<b>Expenses</b>			
Carriage sharing, pay channel and related costs		49.72	55.73
Employee benefits expense	16	-	-
Finance costs	17	0.35	0.01
Depreciation and amortisation of non-financial assets	18	21.04	20.92
Other expenses	19	25.65	22.76
<b>Total expenses</b>		<b>96.76</b>	<b>99.42</b>
<b>Profit before exceptional item and tax</b>		<b>(18.65)</b>	<b>(5.53)</b>
Exceptional item		-	-
<b>Profit/(Loss) before tax</b>		<b>(18.65)</b>	<b>(5.53)</b>
<b>Tax expense</b>			
Current tax		-	0.94
Previous year Tax		-	-
Deffered Tax		(1.43)	-
<b>Profit/(Loss) for the year</b>		<b>(17.22)</b>	<b>(6.48)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement of defined benefit liability		-	-
<b>Total comprehensive income</b>		<b>(17.22)</b>	<b>(6.48)</b>
<b>Earnings (loss) per share</b>			
Basic (loss) per share	20	(861.21)	(323.77)
Diluted (loss) per share	20	(861.21)	(323.77)

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

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

For JATIN AGGARWAL & ASSOCIATES

Chartered Accountants

Firm Regn No.-032452N



Jatin Aggarwal


Partner

M. No-547093

Place : NEW DELHI

Date : 29 MAY 2023

For and on behalf of the Board of Directors of SITI  
PRIME UTTARANCHAL COMMUNICATION  
PRIVATE LIMITED

  
Pradeep Aggarwal  
Director  
DIN-7244041

  
Brijesh Goel  
Director  
DIN-7197357

SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED

Cash flow statement for the period ended March 31, 2023

CIN No:U64200DL2014PTC269035

	in million	
	As at March 31, 2023	As at March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(18.65)	(5.53)
Adjustment for:		
Depreciation and amortisation of non-financial assets	21.04	20.92
Interest on Income Tax Refund	(0.15)	-
Excess provisions written back	(1.96)	-
Excess provision of Income Tax Reversed	-	-
<b>Operating profit before working capital changes</b>	<b>0.28</b>	<b>15.38</b>
Adjustments for changes in:		
(Increase)/ decrease in trade receivables	(15.66)	8.89
(Increase)/decrease in other financial assets	(0.01)	(5.21)
(Increase)/decrease in other current and non-current assets	(10.39)	(2.93)
(Increase)/decrease in inventories	-	0.64
(Decrease)/increase in other financial liabilities	-	-
Increase / (decrease) in other current and non-current liabilities	9.76	(0.77)
Increase/(decrease) in trade payables	11.91	(6.23)
<b>Cash (used in )/generated from operations</b>	<b>(4.11)</b>	<b>9.77</b>
Income taxes refund	2.77	-
<b>Net cash flow (used in)/generated from operating activities</b>	<b>(1.35)</b>	<b>9.77</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangibles assets	(2.66)	(4.74)
<b>Net cash used in investing activities</b>	<b>(2.66)</b>	<b>(4.74)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net cash flow generated from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4.00)</b>	<b>5.04</b>
Cash and cash equivalents at beginning of the period	5.90	0.86
Cash and cash equivalents at close of the year	<b>1.89</b>	<b>5.90</b>
a. Cash and cash equivalents include :		
Cash on hand	0.05	0.08
Balances with banks - current accounts	1.85	5.82
	<b>1.89</b>	<b>5.90</b>

This is the cash flow statement referred to in our report of even date.

For JATIN AGGARWAL & ASSOCIATES  
Chartered Accountants  
Firm Regn No. 032452N



Jatin Aggarwal  
Partner

M. No-547093

Place : NEW DELHI

Date : 29 MAY 2023

For and on behalf of the Board of Directors of SITI Prime Uttaranchal Communication Pvt. Ltd.

Pradeep Aggarwal  
Director  
DIN - 07244041

Brijesh Goel  
Director  
DIN-7197357

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED**  
 Standalone statement of changes in equity for the period ended March 31, 2023

		Notes	Amount (₹ in Mn)
<b>A</b>	Balance as at April 01, 2022		0.20
	Balance as at March 31, 2023		0.20

		Reserves and surplus				Other Components of Equity			
		Securities premium reserve (refer note 15(c))	Retained earnings (refer note 15(c))	General reserve (refer note 15(c))	Other comprehensive Income (refer note 15(c))	Foreign currency monetary item translation difference account (FCMITDA) (refer note 15(c))	Employee shares based reserve (refer note 15(c))	Total other equity	
<b>B</b>	Balance as at April 01, 2022	24.87	(16.65)	-	-	-	-	8.22	
	Loss for the year	-	(17.22)	-	-	-	-	(17.22)	
	Remeasurement of defined benefit liability	-	-	-	-	-	-	-	
	<b>Total comprehensive income for the year</b>	-	(17.22)	-	-	-	-	(17.22)	
	Balance as at March 31, 2023	24.87	(33.88)	-	-	-	-	(9.00)	

\*\* Transaction with owner in capacity as owners

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

This is the statement of changes in equity referred to in our report of even date

For **JATIN AGGARWAL & ASSOCIATES**  
 Chartered Accountants  
 Firm Regn No.-032452N



Jatin Aggarwal  
 Partner  
 M. No-547093  
 Place: **NEW DELHI**  
 Date: \_\_\_\_\_

20 MAY 2023

For and on behalf of the Board of Directors of SITI PRIME  
 UTTARANCHAL COMMUNICATION PRIVATE LIMITED

  
 Pradeep Aggarwal  
 Director  
 DIN - 07244041

  
 Bijesh Goel  
 Director  
 DIN-7197357

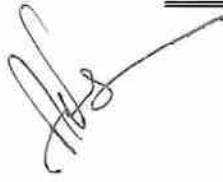
SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED

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

4 Property, plant and equipment

(₹ in Mn)

	Computers	Office equipment	Furniture and fixtures	Vehicles	Set top boxes	Total
<b>Gross carrying amount</b>						
Balance as at March 31, 2022	0.18	9.17	2.18	0.07	153.07	164.67
Additions	-	-	0.12	-	2.53	2.66
<b>Balance as at March 31, 2023</b>	<b>0.18</b>	<b>9.17</b>	<b>2.31</b>	<b>0.07</b>	<b>155.60</b>	<b>167.33</b>
<b>Accumulated depreciation</b>						
Balance as at March 31, 2022	0.17	5.54	1.97	0.05	106.50	114.24
Charge for the year		0.76	0.09	0.01	20.18	21.04
<b>Balance as at March 31, 2023</b>	<b>0.17</b>	<b>6.30</b>	<b>2.06</b>	<b>0.06</b>	<b>126.68</b>	<b>135.28</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>0.00</b>	<b>3.63</b>	<b>0.21</b>	<b>0.01</b>	<b>46.56</b>	<b>50.42</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>0.00</b>	<b>2.87</b>	<b>0.25</b>	<b>0.00</b>	<b>28.92</b>	<b>32.04</b>




**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED**

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

	(₹ in Mn)	
	As at 31-Mar-23	As at 31-Mar-22
<b>5 Others (non-current, financial assets)</b>		
Unsecured, considered good unless otherwise stated		
Security deposits (considered good)	1.39	2.45
	<u>1.39</u>	<u>2.45</u>
	(₹ in Mn)	
	As at	As at
	31-Mar-23	31-Mar-22
<b>6 Others (non-current, non-financial assets)</b>		
Unsecured, considered good		
Prepaid expenses	0.01	-
	<u>0.01</u>	<u>-</u>
	(₹ in Mn)	
	As at	As at
	31-Mar-23	31-Mar-22
<b>7 Trade receivables</b>		
Unsecured, considered good		
	80.33	64.67
	<u>80.33</u>	<u>64.67</u>

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	
Undisputed								
(i) Considered good	-	-	10.84	4.01	-	-	-	14.85
(ii) Significant increase in credit risk	-	-	-	-	-	-	65.47	65.47
(iii) Credit impaired	-	-	-	-	-	-	-	-
Disputed								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	6.28	-	-	-	-	-	-	6.28
Total	6.28	-	10.84	4.01	-	-	65.47	86.60



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**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED**

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

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	
Undisputed								
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Significant increase in credit risk	-	-	-	-	-	-	64.67	64.67
(iii) Credit impaired	-	-	-	-	-	-	-	-
Disputed								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	5.21	-	-	-	-	-	-	5.21
Total	5.21	-	-	-	-	-	64.67	69.88

**8 Cash and cash equivalents**

Cash on hand  
Balances with banks  
on current accounts

	As at 31-Mar-23	As at 31-Mar-22
Cash on hand	0.05	0.08
Balances with banks on current accounts	1.85	5.82
	1.89	5.90

**9 Others (current, financial assets)**

Unsecured, considered good  
Unbilled revenues

	As at 31-Mar-23	As at 31-Mar-22
Unsecured, considered good	6.28	5.21
Unbilled revenues	6.28	5.21

**10 Other current assets**

Unsecured, considered good unless otherwise stated  
Balances with Government authorities  
Other Advances  
Taxes paid

	As at 31-Mar-23	As at 31-Mar-22
Unsecured, considered good unless otherwise stated	9.90	3.23
Balances with Government authorities	2.07	-
Other Advances	-	1.13
Taxes paid	11.97	4.36



**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED**

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

	( ₹ in Mn)	
	As at 31-Mar-23	As at 31-Mar-22
<b>11 (a) Equity share capital</b>		
<b>Authorised share capital</b>		
20,000 (Previous year: 20,000) equity shares of ₹ 10 each	0.20	0.20
<b>Total authorised capital</b>	<b>0.20</b>	<b>0.20</b>
<b>Issued share capital</b>		
20,000 (Previous year: 20,000) equity shares of ₹ 10 each	0.20	0.20
<b>Total issued capital</b>	<b>0.20</b>	<b>0.19</b>
<b>Subscribed and fully paid up capital</b>		
20,000 (Previous year: 20,000) equity shares of ₹ 10 each	0.20	0.20
<b>Total paid up capital</b>	<b>0.20</b>	<b>0.20</b>

**(A) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	( ₹ in Mn)			
	March 31, 2023		March 31, 2022	
Balance at the beginning of the year	20,000	0.20	20,000	0.20
<b>Balance at the end of the year</b>	<b>20,000</b>	<b>0.20</b>	<b>20,000</b>	<b>0.20</b>

**Preference shares**

There is no movement in preference share capital.

	( ₹ in Mn)	
	As at 31-Mar-23	As at 31-Mar-22
<b>11 (b) Other reserve</b>		
Securities premium reserve	24.87	24.87
Retained earnings	(33.88)	(16.65)
<b>A Notes:</b>		
<b>Particulars</b>	( ₹ in Mn)	
	31-Mar-23	31-Mar-22
<b>1 Securities premium reserve</b>		
Opening balance	24.87	24.87
Addition during the year		
<b>Closing balance</b>	<b>24.87</b>	<b>24.87</b>
<b>2 Retained earnings</b>		
Opening balance	(16.65)	(10.18)
Addition during the year	(17.22)	(6.48)
<b>Closing balance</b>	<b>(33.88)</b>	<b>(16.65)</b>



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**SITI PRIME UTTARANCHAL COMMUNICATION**  
**Summary of significant accounting policies and other explanatory information for the period ended March 31, 2023**

**12 Trade payables**  
 (₹ in Mn)  
 As at 31-Mar-23 As at 31-Mar-22

- Total outstanding dues of micro enterprises and small enterprises; ₹	132.31	122.36
- Total outstanding dues of creditors other than micro enterprises and small enterprises	132.31	122.36

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	More than 3 years	
i) MSME	-	-	0	-	-	-	-
ii) Others	10.68	-	7.77	5.62	-	108.24	132.31
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>10.68</b>	<b>-</b>	<b>7.77</b>	<b>5.62</b>	<b>-</b>	<b>108.24</b>	<b>132.31</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	More than 3 years	
i) MSME	-	-	-	-	-	-	-
ii) Others	15.62	-	-	-	-	106.75	122.36
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>15.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106.75</b>	<b>122.36</b>

**13 Other (current, non-financial liabilities)**

Others  
 Advance From Parties  
 Statutory dues payable



		(₹ in Mn)	
		As at 31-Mar-23	As at 31-Mar-22
Others	2.33	-	-
Advance From Parties	2.22	-	-
Statutory dues payable	5.86	0.80	-
<b>Total</b>	<b>10.41</b>	<b>0.80</b>	<b>-</b>

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED**

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

		(₹ in Mn)	
		31-Mar-23	31-Mar-22
<b>14</b>	<b>Revenue from operations</b>		
	<b>Sale of services</b>		
	Subscription income	52.87	69.73
	Carriage income	13.47	13.04
	Marketing Incentive	9.15	10.68
	Activation and Set top boxes pairing charges	0.50	0.44
		<b>76.00</b>	<b>93.89</b>
<b>15</b>	<b>Other income</b>		
	Interest income on		
	Bank deposits	-	-
	Other	2.11	-
		<b>2.11</b>	<b>-</b>
<b>16</b>	<b>Employee benefits expense</b>		
	Staff welfare expenses	-	-
		<b>-</b>	<b>-</b>
<b>17</b>	<b>Finance costs</b>		
	Bank charges	0.01	0.01
	Interest	0.34	-
		<b>0.35</b>	<b>0.01</b>
<b>18</b>	<b>Depreciation and amortisation of non-financial assets</b>		
	Depreciation of property, plant and equipment	21.04	20.92
		<b>21.04</b>	<b>20.92</b>
<b>19</b>	<b>Other expenses</b>		
	Rent	0.61	0.85
	Rates and taxes	0.01	0.93
	Office Exps.	0.58	-
	Repairs and maintenance		
	- Network & Others	0.78	2.01
	Electricity and water charges	1.70	0.95
	Legal, professional and consultancy charges	0.12	0.19
	Printing and stationery	0.21	0.23
	Service charges	5.21	5.22
	Auditors' remuneration*	0.04	0.02
	Commission charges and incentives	0.22	0.25
	Other operational cost	8.82	8.17
	Miscellaneous expenses	7.35	3.95
		<b>25.65</b>	<b>22.76</b>
		<b>25.65</b>	<b>22.76</b>
	<b>*Auditors' remuneration</b>		
	as an auditor	0.04	0.02
	for other services (certifications)	-	-
	for reimbursement of expenses	0.04	0.02
		<b>0.04</b>	<b>0.02</b>

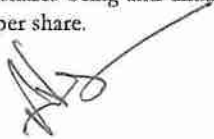


**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED**

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

20 Earnings (loss) per share	(₹ in Mn)	
	31-Mar-23	31-Mar-22
Loss attributable to equity shareholders	(17.22)	(6.48)
Weighted average number of equity shares outstanding during the year (nos.)	20,000	20,000
<b>Weighted average number of equity shares outstanding during the year for calculating basic and diluted earnings per share (nos.)</b>	<b>20,000</b>	<b>20,000</b>
Nominal value of per equity share (₹)	10	10
<b>Profit / (Loss) per share (₹)</b>		
Basic	(861.21)	(323.77)
Diluted	(861.21)	(323.77)

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





**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023***(All amounts in ₹ million, unless stated otherwise)***21 Promoters Shareholding in Share Capital Note**

Sr. No.	Promoter's Name	No. of Shares	% of Total Shares	% Change during the year
1	Siti Networks Limited	10200	51	-
2	Mr. Parish Aggarwal	2940	15	-
3	Mr. Rajesh Negi	1960	10	-
4	Mr. Pradeep Aggarwal	4900	25	-

**22 Financials Ratios**

Sr. No.	Particulars	31 March 2023	31 March 2022	Change
i)	<b>Current Ratio (A/B)</b>	<b>0.70</b>	<b>0.65</b>	<b>8%</b>
	Current assets (A)	100.47	80.13	
	Current liabilities (B)	142.72	123.16	
ii)	<b>Debt-equity ratio (A/B)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	Total Debt (A)	-	-	
	Total equity (B)	(8.80)	8.42	
iii)	<b>Debt-service coverage ratio (A/B)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	Earnings available for debt services (i.e EBID)- (A)			
	Borrowings including finance cost (B)			
iv)	<b>Return on equity ratio (A/B)</b>	<b>NA</b>	<b>(0.77)</b>	<b>NA</b>
	Net profit for the year (A)	-17.22	-6.48	
	Total equity (B)	-8.80	8.42	
v)	<b>Inventory turnover ratio (A/B)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	Cost of goods sold (A)	-	-	
	Average inventory (B)	-	-	
vi)	<b>Trade receivables turnover ratio (A/B)</b>	<b>1.05</b>	<b>1.36</b>	<b>-23%</b>
	Revenue from operations (A)	76.00	93.89	
	Average trade receivables (B)	72.50	69.11	
vii)	<b>Trade payables turnover ratio (A/B)</b>	<b>0.59</b>	<b>0.63</b>	<b>-5%</b>
	Credit purchases (A)	75.37	78.49	
	Average trade payables (B)	127.34	125.48	
viii)	<b>Net capital turnover ratio (A/B)</b>	<b>NA</b>	<b>11.15</b>	<b>NA</b>
	Revenue from operations (A)	76.00	93.89	
	Capital employed or net assets (B)	-8.80	8.42	
ix)	<b>Net profit ratio (A/B)</b>	<b>(0.23)</b>	<b>(0.07)</b>	<b>229%</b>
	Net profit after tax	(17.22)	(6.48)	refer note 6 (a)
	Revenue from operations	76.00	93.89	
x)	<b>Return on capital employed (A/B)</b>	<b>NA</b>	<b>(0.77)</b>	<b>NA</b>
	Earning before interest but after taxes (A)	-16.87	-6.47	
	Capital employed or net assets (B)	-8.80	8.42	
xi)	<b>Return on investment</b>	<b>NA</b>	<b>(0.77)</b>	<b>NA</b>
	Net profit after tax (A)	-17.22	-6.48	
	Capital employed or net assets (B)	-8.80	8.42	



**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%  
Due to increase in net loss during the year.



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

(All amounts in ₹ million, unless stated otherwise)

23 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.

**24 GST Reconciliation**

GST output liabilities and GST input credits are subject to reconciliation.

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

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

**27 Segment Reporting**

The Company operates in single business segment of cable distribution in India only. Hence there are no separate reportable business or geographical segments as per Indian Accounting Standard (Ind AS-108) on Segment Reporting.

29 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

30 The Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity has received presidential assent on 28 September 2020. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

31 (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.

31 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.

32 The Company has incurred losses during the year ended 31.3.2023 and has negative working capital as at 31.3.2023. The Company has negative net worth as at 31.3.2023. Given the expected revenue growth/cost cutting measures and improvement in operating margins under the Tariff Order, 2017 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.

33 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

34 Previous period figures have been re-grouped / reclassified wherever necessary.

35 Trade receivables, Trade payables, Current liabilities, Expenses Recoverable/payable & other loans & Advances are subject to confirmation and reconciliation

For JATIN AGGARWAL & ASSOCIATES

Chartered Accountants

Firm Regn. No. 032452N



Jatin Aggarwal  
Partner

M. No-547093

Place:

Date: 29 MAY 2023

For & on Behalf of the Board of Directors

SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED

Pradeep Aggarwal  
Director

DIN - 07244041

Brijesh Goel  
Director

DIN-7197357

**NOTES : SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31<sup>st</sup> MARCH, 2023**

**1 CORPORATE INFORMATION:**

SITI Prime Uttaranchal Communication Private Limited (Formerly known as Capital Digital Multimedia Private Limited) (hereinafter referred to as 'the Company') was incorporated in the state of Delhi on 18th July, 2014 and is a subsidiary of SITI Networks Limited (hereinafter referred to as the 'Parent Company'). The Company is in the business of providing cable TV services to the end consumers.

**2 BASIS OF PREPARATION:**

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with relevant rules of the Companies (Accounts) Rules, 2014 read with companies (Indian Accounting Standard) Rules, 2015 and the provisions of the Act (to the extent notified).

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of business and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

**3.1 USE OF ESTIMATES:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

**3.2 RECOGNITION OF REVENUE:**

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction.

**Income from Services**

Subscription revenue and other Services revenue are recognized on completion of services. Carriage fees are recognized on accrual basis over the terms of related agreements.

Activation and set top box pairing charges are recognized 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. The deferred activation revenue for last year is adjusted against the other Equity under Equity and liabilities during the year.



A handwritten signature in black ink, appearing to be "Jatin Aggarwal".

### **3.3 RECOGNITION OF INCOME AND EXPENSE:**

Items of income and expenditure are recognized on accrual basis.

### **3.4 Cash & Cash Equivalents**

Cash & Cash equivalents comprise of cash at bank and in hand, cheques in hand and short term investments with an original maturity of three months or less.

### **3.5 TRADE RECEIVABLES:**

Trade Receivable are recognized initially at fair value and subsequently at amortized cost using the effective intent method, loss promise for impairment

### **3.6 PLANT, PROPERTY AND EQUIPMENT**

Plant, properties and equipments are carried at the cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives.

<b>Assets</b>	<b>Life in Years</b>
Buildings	60
Plant & Equipment	8
Computers	3
Office Equipment	5
Furniture & Fixtures	10
Air Conditioners	5
Studio Equipment	13
Vehicles	8
Set Top Boxes	8
Integrated receiver and decoder (IRD) boxes	10

Leasehold improvements over the lease term or estimated useful life, whichever is less.

Leasehold land is amortized over the effective period of lease.

Plant and equipment taken over under scheme of arrangement in the earlier years are depreciated over the management's estimate of remaining useful life, a period of 5 years.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

Assets costing less than Rs 5,000 each, are depreciated in full excluding residual value as per Schedule II, in year of purchase.

Intangible assets are mortised using straight line method over the estimated useful life.





No depreciation has been provided on tangible assets where the remaining carrying amount is equal to the 5% of the original cost.

### **3.7 INVESTMENTS:**

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

However, the company does not have any investments during the current year.

### **3.8 INVENTORIES:**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

However, the company does not have any inventory during the current year.

### **3.9 INCOME TAXES:**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

During the current year, the company has incurred Profit and hence tax liability has been recognized in P&L statement.

### **3.10 EVENTS OCCURRING AFTER BALANCE SHEET DATE:**

Events occurring after balance sheet date which affect the financial position to a material extent are taken into cognizance, if any.

### **3.11 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 Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Liabilities are generally not provided for in the accounts are shown separately under notes to the accounts if any.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.



**3.12 FOREIGN CURRENCY TRANSACTIONS:**

**Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:** On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

**3.13 REVENUE FROM CONTRACTS:**

**Ind AS 115- Revenue from Contract with Customers:** On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors;
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.



**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

**CIN: U64200DL2014PTC269035**

**Notes to the financial statement for the year ended March 31, 2023**

- A. No dividend has been proposed by the Directors of the Company due to nominal loss of the company.
- B. Balances of sundry creditors and debtors are subject to confirmation from the respective parties.
- C. In the opinion of the Board, current assets, loans & advances have a value in the ordinary course of business at least equal to that stated in Balance Sheet.

**D. Auditors Remuneration:2022-23**

<u>SL. NO.</u>	<u>PARTICULARS</u>	<u>F/Y 2022-23</u>	<u>F/Y 2021-22</u>
1.	AUDIT FEES	Rs. 40,000/-	Rs. 20,000/-

**E. RELATED PARTY DISCLOSURES:-**

**Names of related parties:**

<u>S. No.</u>	<u>Names of the entities</u>	<u>Nature</u>
1	Siti Networks Limited	Holding Company
2	Indian Cable Net Company Limited	Fellow Subsidiary
3	Siti Maurya Cable Net Private Limited	Fellow Subsidiary
4	Indinet Service Private Limited	Fellow Subsidiary
5	Master Channel Community Network Private Limited	Fellow Subsidiary
6	Siti Vision Digital Media Private Limited	Fellow Subsidiary
7	Siti Guntur Digital Network Private Limited	Fellow Subsidiary
8	Siti Siri Digital Network Private Limited	Fellow Subsidiary
9	SITI Godaari Digital Services Private Limited	Fellow Subsidiary
10	Siti Sagar Digital Cable Network Private Limited	Fellow Subsidiary
11	Siti Global Private Limited	Fellow Subsidiary
12	Siti Broadband Services Private Limited	Fellow Subsidiary
13	Siti Saistar Digital Media Private Limited	Fellow Subsidiary
14	Variety Entertainment Private Limited	Fellow Subsidiary
15	Central Bombay Cable Network Limited	Fellow Subsidiary
16	Siti Cable Broadband South Limited	Fellow Subsidiary
17	Wire and Wireless Tisai Satellite Limited	Joint Venture of Siti Networks Limited
18	Siti Jind Digital Media Communications Private Limited	Fellow Subsidiary
19	Siti Jai Maa Durgee Communications Private Limited	Fellow Subsidiary



**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

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20	Siti Karnal Digital Media Network Private Limited	Fellow Subsidiary
21	Siti Krishna Digital Media Private Limited	Fellow Subsidiary
22	Siti Jony Digital Cable Network Private Limited	Fellow Subsidiary
23	Siti Faction Digital Private Limited	Fellow Subsidiary
24	Voice Snap Services Private Limited	Associate Company of Siti Networks Limited
25	C&S Medianet Private Limited	Associate Company of Siti Networks Limited
26	Siti Networks India LLP	Fellow Subsidiary
27	Paramount Digital Media Services Private Limited	Joint Venture (Joint Venture of Variety Entertainment Private Limited)(w.e.f. 30/01/2020)

**Other Related Parties:**

Mr. Brijesh Goel	Director
Mr. Parish Aggrawal	Director
Mr Pradeep Aggarwal	Director
Mr. Johnson John Plavilayil	Director
Mr. Shilpi Asthana	Director
Mr. Sandeep	Director

**F. Transactions entered into by the Company with its holding company during the relevant Financial Year are as under:**

	<u>2022-23</u>	<u>2021-22</u>
<b>Rs. In Millions</b>		
<b>Transactions with:</b>		
<b>Holding Company - Siti Networks limited</b>		
Purchase of STB	2.62	0.45
<b>Fellow subsidiary - Zee Entertainment Enterprise ltd</b>		
Pay channel, carriage charges and related costs	10.01	12.51
Marketing Incentives	1.88	2.75

**Outstanding as on 31.03.2023**

Creditors

**Holding Company -**

Siti Networks limited

67.12

67.05



*(Handwritten Signature)*

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
CIN: U64200DL2014PTC269035

**Fellow subsidiaries**

Zee Entertainment Enterprise Ltd 1.81 3.83

**Debtors**

**Fellow subsidiaries**

Zee Media Corporation Limited 1.63 1.63

- G. The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

Particulars	31-March-2023	31-March-2022
Profit/(Loss) after Tax (Mn)	(17.22)	(6.48)
Number of Equity Shares	20,000	20,000
Nominal Value of Equity Shares	10	10
<b>Basics Earnings per Share</b>	<b>(861.21)</b>	<b>(323.77)</b>

- H. Other disclosures are made as under:

i. Value of Import on CIF Basis	-	NIL
ii. Expenses in Foreign Currency	-	NIL
iii. Amount remitted in Foreign Currency	-	NIL
iv. Earnings in Foreign Currency	-	NIL

For JATIN AGGARWAL & ASSOCIATES  
Chartered Accountants  
Firm Regn No. 032452N



Jatin Aggarwal  
Partner  
M. No-547093

Place : NEW DELHI

Date : 29 MAY 2023

For and on behalf of the Board of Directors of  
SITI PRIME UTTARANCHAL  
COMMUNICATION PRIVATE LIMITED

Pradeep Aggarwal  
Director  
DIN-7244041

Brijesh Goel  
Director  
DIN-7197357