

DEN Networks to add 10% market share in Gujarat

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Banking on the growing cable television market in Gujarat, DEN Networks Limited is planning to add another 10 per cent to its existing 35 per cent market share in the state. The company intends to utilise funds raised from its upcoming initial public offering (IPO), bids of which open on October 28, 2009 and end on October 30, 2009.

"We are expanding our presence in key markets like Gujarat, Maharashtra, Delhi, Uttar Pradesh and Rajasthan, among others. We are expecting to raise between Rs 390 crore and Rs 410 crore from the issue, about half of which will be spent on expansion of cable television infrastructure," said Anuj Gand-

hi, chief executive officer, DEN Networks Limited. The company is issuing 20 million equity shares at a price band between Rs 195 per share and Rs 205 per share.

In Gujarat, DEN Networks holds 35 per cent share in the two million cable television households market. Post IPO, the company expects to add another 10 per cent to the existing market share. Nationally, the company holds 12-13 per cent market share in terms of cable television households.

DEN Networks also in-

tends to increase its geographical presence in Gujarat. Currently, the company is present in cities like Surat, Vadodara, Rajkot, Jamnagar, Junagadh, Veraval and Kutch in the state.

Last year, DEN Networks pegged a turnover of Rs 720 crore, of which Rs 350 crore came from its joint venture with Star while Rs 370 crore came from its cable services, said Gandhi. For the first quarter of financial year 2009-10, the company registered revenue worth Rs 215 crore.