

**DEN Networks Limited**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2011**

(Rs. In Lakhs except per share data)

Particulars	2011		2010		2011		2010		2011		2010	
	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 31.12.2010 (Unaudited)	Quarter ended 30.09.2010 (Unaudited)	Quarter ended 31.12.2010 (Unaudited)	Quarter ended 30.09.2010 (Unaudited)	Year ended 31.03.2011 (Audited)	Year ended 31.03.2010 (Audited)
1. Revenue	27,822	25,656	26,444	81,770	76,406	104,185	10,727	10,209	8,489	31,114	24,914	33,637
(a) Income from operations	27,806	25,520	26,198	81,189	74,619	102,211	10,704	10,150	8,386	30,683	23,236	32,820
(b) Other operating income	16	136	246	581	1,787	1,974	23	59	103	431	778	1,017
2. Expenditure	26,871	24,498	24,933	79,997	70,909	97,665	10,240	9,797	8,594	30,055	24,180	32,941
(a) Operational, administrative and other costs (see item no. 20 below)	23,030	20,606	21,898	67,491	61,668	85,118	8,112	7,728	7,115	23,659	19,553	26,840
(b) Personal cost	1,874	1,926	1,595	5,579	4,643	6,342	864	932	796	2,674	2,445	3,221
(c) Provision for doubtful debts/ advances (including write off)	228	349	270	856	1,176	1,628	134	80	-	250	228	249
(d) Depreciation	1,395	1,287	1,170	3,907	3,422	4,588	786	737	653	2,209	1,954	2,612
(e) Employees stock compensation expenses	344	330	-	1,264	-	19	344	330	-	1,263	-	19
3. Profit / (loss) from operations before other Income, interest and exceptional items (1-2)	951	1,158	1,511	2,673	5,497	6,520	487	412	(75)	1,059	(166)	896
4. Other Income	384	340	380	1,119	994	1,621	410	463	520	1,323	1,159	1,616
5. Profit / (loss) before interest and exceptional items (3+4)	1,345	1,498	1,891	3,792	6,491	8,141	897	875	445	2,382	993	2,512
6. Interest and other financial charges	678	681	471	1,871	1,413	1,919	676	674	466	1,652	1,372	1,863
7. Profit / (loss) after interest but before exceptional items (5-6)	667	817	1,420	1,921	5,078	6,222	221	201	(21)	530	(379)	649
8. Exceptional expense - Provision for diminution in value of investment	-	-	-	-	50	50	-	-	-	-	-	50
9. Profit / (loss) from Ordinary activities before tax (7-8)	667	817	1,420	1,921	5,078	6,172	221	201	(21)	530	(379)	599
10. Provision for tax	153	274	380	575	648	1,739	-	-	1	-	(96)	(96)
11. Net profit / (loss) from ordinary activities after tax (9-10)	514	543	1,040	1,346	4,430	4,433	221	201	(22)	530	(283)	595
12. Share of minority interest	161	100	140	405	1,477	682	-	-	-	-	-	-
13. Share in (loss)/ profit of associates	-	-	17	40	17	2	-	-	-	-	-	-
14. Net profit / (loss) (11-12+13)	353	443	917	981	2,970	3,753	221	201	(22)	530	(283)	695

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**FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER 2011**

Particulars	2011				2010				(Rs. in Lakhs except per share data)					
	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 31.12.2010 (Unaudited)	9 Month ended 31.12.2011 (Unaudited)	Year ended 31.03.2011 (Audited)	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 31.12.2010 (Unaudited)	9 Month ended 31.12.2010 (Unaudited)	Year ended 31.03.2011 (Audited)	Quarter ended 31.12.2010 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Quarter ended 31.12.2010 (Unaudited)	9 Month ended 31.12.2010 (Unaudited)
15. Paid-up Equity Share Capital (Face value Rs. 10/-)	13,049	13,049	13,049	13,049	13,049	13,049	13,049	13,049	13,049	13,049	13,049	13,049	13,049	13,049
16. Reserves (Net of accumulated losses)					64,143									60,249
17. EPS (Not annualised) (a) Basic EPS before and after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised) (b) Diluted EPS before and after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	0.27	0.34	0.70	0.75	2.88	0.17	0.15	(0.02)	0.41	(0.22)	(0.22)	0.53	(0.22)	0.53
18. Aggregate of Public Shareholding (a) Number of Shares (b) Percentage of Shareholding (c) Face Value per share (Rs.)	59,125,455 45,31 Rs. 10/-	59,125,455 45,31 Rs. 10/-	60,373,255 46,27 Rs. 10/-	59,125,455 45,31 Rs. 10/-	60,373,255 46,27 Rs. 10/-	59,125,455 45,31 Rs. 10/-	59,125,455 45,31 Rs. 10/-	60,373,255 46,27 Rs. 10/-	59,125,455 45,31 Rs. 10/-	60,373,255 46,27 Rs. 10/-	60,373,255 46,27 Rs. 10/-	60,373,255 46,27 Rs. 10/-	60,373,255 46,27 Rs. 10/-	60,373,255 46,27 Rs. 10/-
19. Promoters and promoter group Shareholding (a) Pledged/Encumbered - Number of shares - Percentage of shares (as a % of the total shareholding of promoter and promoter group) - Percentage of shares (as a % of the total share capital of the company) (b) Non-pledged - Number of shares - Percentage of shares (as a % of the total shareholding of promoter and promoter group) - Percentage of shares (as a % of the total share capital of the company)	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII	NII NII NII NII
20. Item exceeding 10% of total expenditure (included in 2 (a) above): - Content cost - Placement cost	16,693 1,631	14,104 2,210	14,399 2,817	46,775 7,220	58,390 10,969	1,945 3,856	1,966 3,648	1,569 3,083	5,823 11,166	4,352 8,999	4,352 8,999	5,823 11,166	4,352 8,999	6,013 12,410

**Notes to the Financial Results:**

- The Company had granted stock options during the quarter ended March 31, 2011. There are no comparatives for stock options in the quarter and nine months ended December 31, 2010.
- The consolidated financial results and the standalone financial results of the Company for the quarter and nine months ended December 31, 2011 have been reviewed by the Audit Committee of the Board and have been approved by the Board of Directors at their respective meetings held on February 13, 2012.
- The Statutory Auditors of the Company have carried out the Limited Review of the standalone financial results of the Company for the quarter and nine months ended December 31, 2011.
- This statement of financial results has been prepared by applying the accounting policies as adopted in the last audited annual financial statements for the year ended March 31, 2011.
- The Initial Public Offer (IPO) proceeds have been utilised as per objects as stated in the Prospectus dated November 5, 2009 as under :-

Objects of the Issue	(Rs. In lakhs)	
	Proposed	Actual
Investment in the development of cable television infrastructure and services	21,000	14,778
Investment in the development of cable broadband Infrastructure and services	2,500	102
Investment in acquisition of content and broadcasting rights	1,000	348
Repayment of loans	4,000	4,000
Fund expenditure for general corporate purposes	5,258	5,203
Share Issue Expenses	2,688	2,688
	<b>36,446</b>	<b>27,118</b>

- The unutilised balance of Rs. 9,327.44 lakhs has been retained as Bank Balance and Investment in Mutual Funds.
- There were no investor grievances pending as on October 1, 2011. The Company received 1 complaint from Equity Shareholders during the quarter ended December 31, 2011. All complaints were resolved during the quarter.
  - The Company has not consolidated the results of two subsidiary companies due to non availability of the management certified accounts. In the opinion of the management, the results are not significant to the Consolidated results.
  - The Company has total investments of Rs. 38,641.25 lakhs in subsidiaries and a joint venture. Of these, the Company has investment of Rs. 536.12 lakhs and has balances of loans/advances of Rs. 710.73 lakhs in various subsidiary companies whose Net Worth as at December 31, 2011 (as per management certified accounts) has been substantially eroded. The Company has investments of Rs. 921.61 lakhs and has balances of loans/advances of Rs. 46.56 lakhs in various subsidiary companies whose net worth as at December 31, 2011 (as per management certified accounts) has been completely eroded. Some of these Companies whose net worth is substantially or completely eroded have (as per management certified accounts), earned profits for the quarter ended December 31, 2011. The management of the Company expects that these subsidiary Companies will have positive cash flows to adequately sustain its operations in the foreseeable future. Having regard to the long term investment and strategic involvement no provision for diminution of these investments has been considered necessary.
  - The Company is engaged in the distribution of cable television and related services which is considered as the only reportable business segment. The Company's operations are based in India.
  - The amounts for the previous periods have been reclassified/ regrouped to conform to the classifications adopted in the current quarter.

In terms of our report attached  
For DELOITTE HASKINS & SELLS  
Chartered Accountants

  
JITENDRA AGARWAL  
Partner

New Delhi  
February 13, 2012

  
For DEN Networks Limited

**SAMEER MANCHANDA**  
Chairman Managing Director

New Delhi  
February 13, 2012