

**DEN**

May 15, 2012

1. **Bombay Stock Exchange Ltd.**  
Phiroze Jeejeebhoy Towers,  
25th Floor, Dalal Street,  
MUMBAI – 400 001
2. **National Stock Exchange of India Ltd.**  
Exchange Plaza, 5th Floor,  
Plot No. C1, G Block,  
Bandra – Kurla Complex,  
Bandra (East)  
MUMBAI- 400 051

**Sub: - Unaudited Financial Results and Limited Review Report for the quarter and financial year ended on 31, March, 2012**

Dear Sir,

Please find enclosed Unaudited Financial Results and Statutory Auditors' Report of DEN Networks Limited on Limited Review for the quarter and financial year ended on 31, March, 2012 in compliance with clause 41 of the listing agreement.

You are requested to take the above in your record.

Thanking you,

Yours faithfully

For DEN Networks Limited



**Jatin Mahajan**  
Company Secretary

**DEN Networks Limited**

236, Okhla Industrial Estate, Phase-III, New Delhi - 110 020  
T: +91 11 40522200, F: +91 11 40522203, W: www.dennetworks.com

# Deloitte Haskins & Sells

Chartered Accountants  
7th Floor, Building 10, Tower B  
DLF Cyber City Complex  
DLF City Phase-II  
Gurgaon - 122 002, Haryana  
India

Tel : + 91 (124) 679 2000  
Fax : + 91 (124) 679 2012

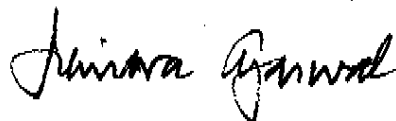
## AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF DEN NETWORKS LIMITED

1. We have reviewed the accompanying statement of Unaudited Financial Results for the Quarter and Year ended 31 March, 2012 of **DEN Networks Limited** ("the Company") (herein referred to as "Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Our review has been restricted to the figures shown in the columns headed "Quarter ended 31 March, 2012, 31 December 2011 and 31 March 2011" and "Year ended 31 March, 2012" for the Company and the applicable notes. The figures stated in the columns headed "Year ended 31 March, 2011" for the Company and "Year ended 31 March, 2011" for consolidated financial results have been traced from the audited financial statements as at and for the year ended 31 March, 2011 for the Company and the Group respectively. We have not performed any review in respect of the figures shown in columns headed "Quarter ended 31 March, 2012, 31 December 2011 and 31 March, 2011" and "Year ended 31 March, 2012" for the consolidated financial results included in the Statement, or the notes applicable thereto and accordingly, do not express any opinion thereon.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Haskins & Sells**

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements from the details furnished by the management and the particulars relating to the undisputed investor complaints from the details furnished by the Registrar.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Registration No. 015125N)



**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

New Delhi  
15 May, 2012

**DEN Networks Limited**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED 31 MARCH 2012**

(Rs. In Lakhs except per share data)

Part-I	Particulars	Consolidated				Standalone					
		Quarter ended 31.03.2012 (Unaudited)	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 31.03.2011 (Unaudited)	Year ended 31.03.2012 (Unaudited)	Year ended 31.03.2011 (Audited)	Quarter ended 31.03.2012 (Unaudited)	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 31.03.2011 (Unaudited)	Year ended 31.03.2012 (Unaudited)	Year ended 31.03.2011 (Audited)
1.	Revenue	32,160	27,822	28,214	113,930	104,185	12,330	10,727	9,824	43,443	33,837
	(a) Income from operations	31,660	27,806	27,778	112,849	102,211	11,979	10,704	9,578	42,662	32,920
	(b) Other operating income	500	16	436	1,081	1,974	351	23	246	781	1,017
2.	Expenditure	30,580	26,871	27,032	109,677	97,665	11,708	10,210	8,761	41,762	32,941
	(a) Content cost	18,759	16,693	15,358	65,534	58,390	1,931	1,945	1,661	7,754	6,013
	(b) Operational, administrative and other costs	5,936	4,706	4,461	19,432	15,859	2,568	2,311	2,415	9,239	8,717
	(c) Placement cost	776	1,631	3,943	7,996	10,869	4,807	3,856	3,211	15,973	12,110
	(d) Personnel cost	2,111	1,874	1,690	7,690	6,342	957	864	776	3,630	3,221
	(e) Provision for doubtful debts/ advances (Incl. W/off)	1,182	228	434	2,038	1,628	256	134	21	505	249
	(f) Depreciation and amortisation expense	1,472	1,395	1,127	5,379	4,558	845	786	658	3,054	2,612
	(g) Employees stock compensation expenses	344	344	19	1,608	19	344	344	19	1,607	19
3.	Profit / (loss) from operations before other income, interest and exceptional items (1-2)	1,580	951	1,182	4,253	6,520	622	487	1,063	1,681	896
4.	Other income	364	394	485	1,483	1,621	452	410	413	1,776	1,616
5.	Profit / (loss) before interest and exceptional items (3+4)	1,944	1,345	1,667	5,736	8,141	1,074	897	1,476	3,457	2,512
6.	Interest and other financial charges	828	678	505	2,699	1,919	761	676	491	2,613	1,863
7.	Profit / (loss) after interest but before exceptional items (5-6)	1,116	667	1,162	3,037	6,222	313	221	985	844	649
8.	Exceptional expense - Provision for diminution in value of investment	-	-	50	-	50	-	-	50	-	50
9.	Profit / (loss) from Ordinary activities before tax (7-8)	1,116	667	1,112	3,037	6,172	313	221	935	844	599
10.	Provision for tax	503	153	1,095	1,078	1,739	71	-	-	72	(96)
11.	Net profit / (loss) from ordinary activities after tax (9-10)	613	514	17	1,959	4,433	242	221	935	772	695
12.	Share of minority interest	137	161	(776)	542	682	-	-	-	-	-
13.	Share in (loss)/ profit of associates	-	-	18	40	2	-	-	-	-	-
14.	Net profit / (loss) (11-12+13)	476	353	811	1,457	3,753	242	221	935	772	695

**DEN Networks Limited**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED 31 MARCH 2012**

(Rs. In Lakhs except per share data)

Part-I	Particulars	Consolidated				Standalone					
		Quarter ended 31.03.2012 (Unaudited)	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 31.03.2011 (Unaudited)	Year ended 31.03.2012 (Unaudited)	Year ended 31.03.2011 (Audited)	Quarter ended 31.03.2012 (Unaudited)	Quarter ended 31.12.2011 (Unaudited)	Quarter ended 31.03.2011 (Unaudited)	Year ended 31.03.2012 (Unaudited)	Year ended 31.03.2011 (Audited)
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
16.	Reserves (Net of accumulated losses)	-	-	-	-	64.143	-	-	-	60.999	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)	0.36	0.27	0.62	1.12	2.88	0.19	0.17	0.75	0.59	0.53
	(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)	0.36	0.26	0.62	1.09	2.88	0.18	0.16	0.75	0.58	0.53
<b>Part-II</b>											
A	Particulars of shareholding										
1.	Aggregate of Public shareholding										
	(a) Number of Shares	59,125,455	59,125,455	60,373,255	59,125,455	60,373,255	59,125,455	59,125,455	60,373,255	59,125,455	60,373,255
	(b) Percentage of Shareholding	45.31	45.31	46.27	45.31	46.27	45.31	45.31	46.27	45.31	46.27
	(c) Face Value per share (Rs.)	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-
2.	Promoters and promoter group Shareholding										
	a) Pledged/Encumbered										
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered										
	- Number of shares	71,364,520	71,364,520	70,116,720	71,364,520	70,116,720	71,364,520	71,364,520	70,116,720	71,364,520	70,116,720
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	54.69	54.69	53.73	54.69	53.73	54.69	54.69	53.73	54.69	53.73
B	Investor complaints										
	Pending at the beginning of the quarter	Nil					Nil				
	Received during the quarter	2					2				
	Disposed of during the quarter	1					1				
	Remaining unresolved at the end of the quarter	1					1				

**Notes to the Financial Results:**


1. The consolidated financial results and the standalone financial results of the Company for the quarter and year ended March 31, 2012 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 May 15, 2012.
2. The Statutory Auditors of the Company have carried out the Limited Review of the standalone financial results of the Company for the quarter and year ended March 31, 2012.
3. 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.
4. 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	17,058
Investment in the development of cable broadband infrastructure and services	2,500	102
Investment in acquisition of content and broadcasting rights	1,000	389
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>29,440</b>

The unutilised balance of Rs. 7,006 lakhs has been retained as bank balance and investment in mutual funds.

5. The Company has not consolidated the results of a subsidiary company due to non availability of the management certified accounts. In the opinion of the management, the results are not significant to the Consolidated results.
6. The Company has total investments of Rs. 39,313.02 lakhs in subsidiary companies and a joint venture company. Of these, the Company has investment of Rs. 1,857.43 lakhs and has balances of loans/advances of Rs. 877.61 lakhs in various subsidiary companies whose Net Worth as at March 31, 2012 (as per management certified accounts) has fully/substantially eroded. The management of the Company expects that these subsidiary companies will have positive cash flows to adequately sustain its operations in the foreseeable future. Some of these companies with investment of Rs. 840.52 lakhs and balances of loans/advances of Rs. 13.18 lakhs, whose net worth is fully/substantially eroded have (as per management certified accounts), earned profits for the year ended March 31, 2012. Having regard to the long term investment and strategic involvement no provision for diminution of these investments has been considered necessary.
7. 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.
8. 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  
May 15, 2012

For **DEN Networks Limited**

  
**SAMEER MANCHANDA**  
Chairman & Managing Director

New Delhi  
May 15, 2012