

**DEN Networks Limited**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER ENDED 30 June 2011**

Particulars	Consolidated			(Rs. In Lakhs except per share data)		
	Quarter ended 30.06.2011 (Unaudited)	Quarter ended 30.06.2010 (Unaudited)	Year ended 31.03.2011 (Unaudited)	Quarter ended 30.06.2011 (Unaudited)	Quarter ended 30.06.2010 (Audited)	Year ended 31.03.2011 (Audited)
<b>1. Revenue</b>	<b>28,292</b>	<b>24,598</b>	<b>104,620</b>	<b>10,177</b>	<b>7,523</b>	<b>33,837</b>
(a) Income from operations	27,863	23,651	102,397	9,828	7,226	32,820
(b) Other operating income	429	947	2,223	349	297	1,017
<b>2. Expenditure</b>	<b>27,729</b>	<b>22,636</b>	<b>97,941</b>	<b>10,017</b>	<b>7,675</b>	<b>32,941</b>
(a) Operational, administrative and other costs	23,855	19,656	85,431	7,819	6,053	26,840
(b) Personnel cost	1,779	1,559	6,333	877	883	3,221
(c) Provision for doubtful debts/ advances (Incl. W/off)	279	328	1,609	36	100	249
(d) Depreciation	1,226	1,093	4,549	695	639	2,612
(e) Employee stock compensation expenses	590	-	19	590	-	19
<b>3. Profit / (loss) from operations before other income, interest and exceptional items (1-2)</b>	<b>563</b>	<b>1,962</b>	<b>6,679</b>	<b>160</b>	<b>(152)</b>	<b>896</b>
4. Other income	384	329	1,479	451	326	1,616
<b>5. Profit / (loss) before interest and exceptional items (3+4)</b>	<b>947</b>	<b>2,291</b>	<b>8,158</b>	<b>611</b>	<b>174</b>	<b>2,512</b>
6. Interest and other financial charges	512	495	1,918	503	468	1,863
<b>7. Profit / (loss) after interest but before exceptional items (5-6)</b>	<b>435</b>	<b>1,796</b>	<b>6,240</b>	<b>108</b>	<b>(294)</b>	<b>649</b>
8. Exceptional expense - Provision for diminution in value of investment (see note 8)	-	-	50	-	-	50
<b>9. Profit / (loss) from Ordinary activities before tax (7-8)</b>	<b>435</b>	<b>1,796</b>	<b>6,190</b>	<b>108</b>	<b>(294)</b>	<b>599</b>
10. Provision for tax	148	101	1,743	-	(97)	(96)
<b>11. Net profit / (loss) from ordinary activities after tax (9-10)</b>	<b>287</b>	<b>1,695</b>	<b>4,447</b>	<b>108</b>	<b>(197)</b>	<b>695</b>
12. Share of minority interest	144	693	701	-	-	-
13. Share in (loss)/ profit of associates	40	-	35	-	-	-
<b>14. Net profit / (loss) (11-12+13)</b>	<b>183</b>	<b>1,002</b>	<b>3,781</b>	<b>108</b>	<b>(197)</b>	<b>695</b>

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15. Paid-up Equity Share Capital (Face value Rs. 10/-)	13,049	13,049	13,049	13,049	13,049	13,049
16. Reserves (Net of accumulated losses)	64,356	61,429	64,172	60,358	59,356	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)	0.14	0.77	2.90	0.08	(0.15)	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)	0.14	0.77	2.90	0.08	(0.15)	0.53
18. Aggregate of Public shareholding (a) Number of Shares (b) Percentage of Shareholding (c) Face Value per share (Rs.)	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/-	60,373,255 46.27 Rs. 10/-
19. Promoters and promoter group Shareholding						
a) Pledged/Encumbered						
- Number of shares	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
b) Non-encumbered						
- Percentage of shares (as a% of the total share capital of the company)						
- Number of shares	70,116,720	70,116,720	70,116,720	70,116,720	70,116,720	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
- Percentage of shares (as a% of the total share capital of the company)	53.73	53.73	53.73	53.73	53.73	53.73
20. Item exceeding 10% of total expenditure						
-Content cost	15,978	14,261	58,201	1,912	1,395	6,013
-Placement cost	3,379	1,838	10,811	3,662	2,856	12,110

**Notes to the Financial Results:**

1. The Company has granted stock options during the quarter ended March 2011. Therefore, there is no such comparative cost of stock options in quarter ended June 2010.
2. The consolidated financial results of the Company for the quarter ended June 30, 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 August 12, 2011.
3. The Statutory Auditors of the Company have carried out the Limited Review of the standalone financial results of the Company for the quarter ended June 30, 2011.
4. 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 31 March, 2011.
5. 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 Utilisation of Issue Proceeds	Actual Utilisation of Issue Proceeds
Investment in the development of cable television infrastructure and services	21,000.00	10,483.97
Investment in the development of cable broadband infrastructure and services	2,500.00	102.30
Investment in acquisition of content and broadcasting rights	1,000.00	264.10
Repayment of loans	4,000.00	4,000.00
Fund expenditure for general corporate purposes	5,258.10	5,203.02
Share Issue Expenses	2,687.50	2,687.50
	<b>36,445.60</b>	<b>22,740.89</b>

The unutilised balance of Rs. 13,704.71 lakhs has been retained as Bank Balance and Investment in Mutual Funds.

6. There were no investor grievances pending as on 1 April, 2011. The Company received 1 complaints from Equity Shareholders during the quarter ended 30th June, 2011. All complaints were resolved during the quarter.
7. 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.
8. The Company has total investments of Rs. 35,777.15 lakhs in subsidiaries and a Joint Venture. Of these, the Company has investment of Rs. 722.53 lakhs and has balances of loans/advances of Rs. 140.00 lakhs in various subsidiary companies whose Net Worth as at 30 June, 2011 (as per management certified accounts) has been substantially eroded. The Company has investments of Rs. 1,379.47 lakhs and has balances of loans/advances of Rs. 989.99 lakhs in various subsidiary companies whose Net Worth as at 30 June, 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 30 June, 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.
9. 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.
10. The amounts for the previous periods have been reclassified/ regrouped to conform to the classifications adopted in the current quarter.

For DEN Networks Limited

**SAMEER MANCHANDA**  
Chairman Managing Director

New Delhi  
12th August, 2011