



November 09, 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 half year ended Sep 30, 2012**

Dear Sir,

Please find enclosed Unaudited Financial Results and Statutory Auditors' Report of DEN Networks Limited on Limited Review for the quarter and half year ended Sep 30, 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

A handwritten signature in black ink, appearing to read 'Jatin Mahajan', written over a horizontal line.

**Jatin Mahajan**  
Company Secretary

**DEN Networks Limited**

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**DEN Networks Limited**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE HALF YEAR AND QUARTER ENDED 30 SEPTEMBER, 2012**

(Rs. In Lakhs except per share data)

Part-I	Particulars	2012											
		Quarter ended 30.09.2012 (Unaudited)	Quarter ended 30.06.2012 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Half year ended 30.09.2012 (Unaudited)	Half year ended 30.09.2011 (Unaudited)	Year ended 31.03.2012 (Audited)	Quarter ended 30.09.2012 (Unaudited)	Quarter ended 30.06.2012 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Half year ended 30.09.2012 (Unaudited)	Half year ended 30.09.2011 (Unaudited)	Year ended 31.03.2012 (Audited)
1.	Revenue	21,050	19,489	25,656	40,549	53,948	114,171	14,673	13,111	10,209	27,676	20,386	43,435
	(a) Income from operations (see note 4)	20,274	19,435	25,520	39,709	53,383	112,952	13,349	12,998	10,150	26,195	19,978	42,230
	(b) Other operating income	786	54	136	840	565	1,219	1,324	113	59	1,481	408	1,205
2.	Expenditure	18,466	17,191	24,498	35,657	52,226	110,110	12,974	11,109	9,797	24,083	19,814	41,762
	(a) Content cost	7,659	6,751	14,643	14,410	30,621	66,188	2,148	1,732	1,966	3,880	3,878	7,754
	(b) Operational, administrative and other costs	4,700	4,302	4,294	9,002	8,510	18,870	2,316	2,107	2,107	4,417	4,027	8,834
	(c) Placement cost	1,378	1,671	1,670	3,049	5,049	7,879	5,166	4,899	3,648	10,066	7,311	15,973
	(d) Personnel cost	2,187	2,202	1,926	4,389	3,705	7,708	981	1,041	932	2,021	1,809	3,630
	(e) Cost of traded items	16	10	0	26	201	291	995	142	7	1,137	331	405
	(f) Provision for doubtful debts/ advances (including write offs)	715	618	349	1,333	628	2,194	237	189	80	426	116	505
	(g) Depreciation and amortisation expense	1,729	1,556	1,286	3,285	2,512	5,381	1,050	923	727	1,973	1,422	3,054
	(h) Employees stock compensation expenses	82	81	330	163	920	1,607	81	81	330	163	920	1,607
3.	Profit / (loss) from operations before other income, interest and exceptional items (1-2)	2,584	2,298	1,158	4,892	1,722	4,061	1,699	2,002	412	3,593	572	1,673
4.	Other Income	551	571	340	1,122	725	1,489	1,144	505	463	1,756	914	1,799
5.	Profit / (loss) before interest and exceptional items (3+4)	3,135	2,869	1,498	6,014	2,447	5,550	2,843	2,507	875	5,349	1,486	3,472
6.	Interest and other financial charges	906	997	681	1,903	1,193	2,691	869	991	674	1,860	1,177	2,613
7.	Profit / (loss) after interest but before exceptional items (5-6)	2,229	1,872	817	4,111	1,254	2,859	1,974	1,516	201	3,489	309	859
8.	Exceptional expense - Provision for diminution in value of Investment	-	-	-	-	-	2	-	-	-	-	-	-
9.	Profit / (loss) from Ordinary activities before tax (7-8)	2,229	1,872	817	4,111	1,254	2,857	1,974	1,516	201	3,489	309	859
10.	Provision for tax	440	447	274	887	422	1,002	525	327	-	852	-	72
11.	Net profit / (loss) from ordinary activities after tax (9-10)	1,789	1,425	543	3,224	832	1,855	1,449	1,189	201	2,637	309	787
12.	Share of minority interest	241	202	100	443	244	454	-	-	-	-	-	-
13.	Share in (loss)/ profit of associates	-	-	-	-	40	25	-	-	-	-	-	-
14.	Net profit / (loss) (11-12+13)	1,558	1,223	443	2,781	628	1,426	1,449	1,189	201	2,637	309	787

**DEN Networks Limited**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE HALF YEAR AND QUARTER ENDED 30 SEPTEMBER, 2012**

(Rs. In Lakhs except per share data)

Part-I		Quarter ended 30.09.2012 (Unaudited)	Quarter ended 30.06.2012 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Half year ended 30.09.2012 (Unaudited)	Half year ended 30.09.2011 (Unaudited)	Year ended 31.03.2012 (Audited)	Quarter ended 30.09.2012 (Unaudited)	Quarter ended 30.06.2012 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Half year ended 30.09.2012 (Unaudited)	Half year ended 30.09.2011 (Unaudited)	Year ended 31.03.2012 (Audited)
15.	Paid-up Equity Share Capital (Face value Rs. 10/-)	13.273	13.273	13.049	13.273	13.049	13.049	13.273	13.273	13.049	13.273	13.049	13.049
16.	Reserves (Net of accumulated losses)						67.155						62.662
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)	1.19	0.92	0.34	2.13	0.48	1.09	1.09	0.90	0.15	1.99	0.24	0.60
	(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)	1.18	0.91	0.33	2.11	0.47	1.06	1.08	0.89	0.15	1.97	0.23	0.59
<b>Part-II</b>													
<b>A Particulars of shareholding</b>													
1.	Aggregates of Public shareholding												
	(a) Number of Shares	61,369,555	61,365,455	59,125,455	61,369,555	59,125,455	59,125,455	61,369,555	61,365,455	59,125,455	61,369,555	59,125,455	59,125,455
	(b) Percentage of Shareholding	46.24	46.23	45.31	46.24	45.31	45.31	46.24	46.23	45.31	46.24	45.31	45.31
	(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/-	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	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	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	Nil	Nil
	b) Non-encumbered												
	- Number of shares	71,360,420	71,364,520	71,364,520	71,360,420	71,364,520	71,364,520	71,360,420	71,364,520	71,364,520	71,360,420	71,364,520	71,364,520
	- 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	100.00	100.00
	- Percentage of shares (as a% of the total share capital of the company)	53.76	53.77	54.69	53.76	54.69	54.69	53.76	53.77	54.69	53.76	54.69	54.69
<b>B Investor complaints</b>													
	Pending at the beginning of the quarter							Nil	1	Nil			Nil
	Received during the quarter							1	Nil	2			6
	Disposed during the quarter							1	1	2			5
	Remaining unresolved at the end of the quarter							Nil	Nil	Nil			1

**Notes to the Financial Results:**

- 1 The consolidated financial results and the standalone financial results of the Company for the half year and quarter ended September 30, 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 November 9, 2012.
- 2 The Statutory Auditors of the Company have carried out the Limited Review of the standalone financial results of the Company for the half year and quarter ended September 30, 2012.
- 3 With effect from April 1, 2012, Media Pro Enterprise India Private Limited [Media Pro] (a joint venture company of Star Den Media Services Private Limited which in turn is a joint venture company of Den Networks Limited) in its standalone financial results has started reporting Net Revenues (Gross Revenues less cost of distribution rights) as against reporting revenues on a gross basis in previous quarters and years. This regrouping has resulted in revenue and distribution cost being reflected by lesser amount i.e. Rs. 24,415.37 lakhs and Rs. 12,370.65 lakhs in the half year and quarter ended September 30, 2012 respectively. However, this regrouping does not have any impact on the net consolidated results of the Company.  
Hence, the corresponding figures in the consolidated financial results pertaining to income from operations in previous periods are not strictly comparable.
- 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	21,000
Investment in the development of cable broadband infrastructure and services	2,500	102
Investment in acquisition of content and broadcasting rights	1,000	473
Repayment of loans	4,000	4,000
Fund expenditure for general corporate purposes	5,258	5,258
Share Issue Expenses	2,688	2,688
	<b>36,446</b>	<b>33,521</b>

The unutilised balance of Rs. 2,925 lakhs has been retained as fixed deposits with banks.

- 5 The Company has total Investments of Rs. 39,765.40 lakhs in subsidiary companies and a joint venture company. Of these, the Company has investment of Rs. 10,549.99 lakhs and has balances of loans/advances of Rs. 1,883.32 lakhs in various subsidiary companies whose net worth as at September 30, 2012 (as per management certified accounts) has fully/substantially eroded. Of these, Companies with investments aggregating to Rs. 542.37 lakhs and with balances of loans/advances of Rs. 71.11 lakhs, whose net worth is fully/substantially eroded have (as per management certified accounts), earned profits for the period ended September 30, 2012. 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.
- 6 During the half year September 30, 2012, the Company has allotted 2,240,000 Equity Shares to DNL Employees Welfare Trust for transfer to eligible employees as and when the stock options are exercised by them.
- 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 statement of assets and liabilities is as follows :

**Consolidated**

Particulars		(Rs. in lakhs)	
		As at 30.09.2012 (Unaudited)	As at 31.03.2012 (Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholder's fund</b>		
	(a) Share capital	13,523	13,298
	(b) Reserves and surplus	70,629	67,156
	<b>Sub-total-Shareholder's fund</b>	<b>84,152</b>	<b>80,454</b>
<b>2</b>	<b>Share application money pending allotment</b>	<b>632</b>	<b>325</b>
<b>3</b>	<b>Minority Interest</b>	<b>7,111</b>	<b>6,160</b>
<b>4</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	17,433	19,018
	(b) Deferred tax liabilities	564	262
	(c) Other long-term liabilities	49	151
	(d) Long-term provisions	1,717	524
	<b>Sub-total-Non-current liabilities</b>	<b>19,763</b>	<b>19,955</b>
<b>5</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	16,852	1,930
	(b) Trade payables	30,538	25,926
	(c) Other current liabilities	17,887	17,560
	(d) Short-term provisions	130	77
	<b>Sub-total-Current liabilities</b>	<b>65,407</b>	<b>45,493</b>
	<b>TOTAL-EQUITY AND LIABILITIES</b>	<b>177,065</b>	<b>152,387</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed assets		
	i Tangible assets	36,691	25,660
	ii Intangible assets	2,101	2,674
	iii Capital work in progress	13,780	7,548
	(b) Goodwill on consolidation	29,034	29,316
	(c) Non-current investments	312	0
	(d) Deferred tax assets	3,209	2,279
	(e) Long-term loans and advances	11,977	8,971
	(f) Other non current assets	976	1,028
	<b>Sub-total-Non current assets</b>	<b>98,080</b>	<b>77,476</b>
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	4,370	2,233
	(b) Trade receivables	30,567	28,195
	(c) Cash and cash equivalents	24,552	30,063
	(d) Short-term loans and advances	12,009	11,149
	(e) Other current assets	7,487	3,271
	<b>Sub-total-Current assets</b>	<b>78,985</b>	<b>74,911</b>
	<b>TOTAL-ASSETS</b>	<b>177,065</b>	<b>152,387</b>

## Standalone

Particulars		(Rs. in lakhs)	
		As at 30.09.2012 (Unaudited)	As at 31.03.2012 (Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholder's fund</b>		
	(a) Share capital	13,273	13,049
	(b) Reserves and surplus	65,911	62,662
	<b>Sub-total-Shareholder's fund</b>	<b>79,184</b>	<b>75,711</b>
<b>2</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	17,217	18,946
	(b) Deferred tax liabilities (net)	211	-
	(c) Other long-term liabilities	43	43
	(d) Long-term provisions	428	389
	<b>Sub-total-Non-current liabilities</b>	<b>17,899</b>	<b>19,378</b>
<b>3</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	14,743	1,884
	(b) Trade payables	15,127	8,877
	(c) Other current liabilities	10,226	9,240
	(d) Short-term provisions	18	6
	<b>Sub-total-Current liabilities</b>	<b>40,114</b>	<b>20,007</b>
	<b>TOTAL-EQUITY AND LIABILITIES</b>	<b>137,197</b>	<b>115,096</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed assets		
	i Tangible assets	27,675	19,166
	ii Intangible assets	1,028	1,247
	iii Capital work in progress	11,466	7,403
	(b) Non-current investments	39,765	39,313
	(c) Long-term loans and advances	4,401	3,342
	(d) Other non-current assets	973	975
	<b>Sub-total-Non-current assets</b>	<b>85,308</b>	<b>71,446</b>
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	2,947	2,233
	(b) Trade receivables	17,054	11,946
	(c) Cash and cash equivalents	15,997	19,803
	(d) Short-term loans and advances	11,231	7,947
	(e) Other current assets	4,660	1,721
	<b>Sub-total-Current assets</b>	<b>51,889</b>	<b>43,650</b>
	<b>TOTAL-ASSETS</b>	<b>137,197</b>	<b>115,096</b>

9 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  
November 9, 2012

# Deloitte Haskins & Sells

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## 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 ended 30 September, 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 30 September, 2012, 30 June, 2012 and 30 September, 2011" and "Half year ended 30 September, 2012 and 2011" for the Company and the applicable notes. The figures stated in the columns headed "Year ended 31 March, 2012" for the Company and "Year ended 31 March, 2012" for consolidated financial results have been traced from the audited financial statements as at and for the year ended 31 March, 2012 for the Company and the Group respectively. We have not performed any review in respect of the figures shown in columns headed "Quarter and Half year ended 30 September, 2012, Quarter and Half year ended 30 September, 2011 and Quarter ended 30 June, 2012" for the consolidated financial results included in the statement of "Unaudited Financial Results for the Quarter and Half year ended 30 September, 2012", 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.

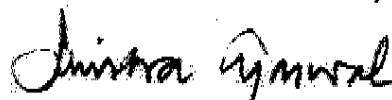




**Deloitte  
Haskins & Sells**

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  
9 November, 2012