

**DEN Networks Limited**  
UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND YEAR ENDED 30 JUNE 2014

Part-I	Particulars	Consolidated				Stand-alone			
		Quarter ended 30.06.2014 (Unaudited)	Quarter ended 31.03.2014 (Audited)	Quarter ended 30.06.2013 (Unaudited)	Year ended 31.03.2014 (Audited)	Quarter ended 30.06.2014 (Unaudited)	Quarter ended 31.03.2014 (Audited)	Quarter ended 30.06.2013 (Unaudited)	Year ended 31.03.2014 (Audited)
1.	<b>Total Revenue</b>	29,881	30,186	26,870	111,669	22,471	24,050	24,122	86,674
	(a) Income from operations	29,838	29,678	26,562	109,803	21,390	22,711	16,171	73,887
	(b) Other operating income	43	508	308	1,866	1,081	1,339	7,951	12,787
2.	<b>Expenses</b>	28,493	26,918	22,969	96,192	23,885	21,932	25,579	85,798
	(a) Content cost	10,642	10,085	8,501	37,173	5,522	5,224	4,365	18,375
	(b) Operational, administrative and other costs	10,677	10,188	8,441	33,678	14,428	12,984	17,941	53,893
	(c) Personnel cost	2,846	2,595	2,704	10,601	1,429	1,324	1,251	5,009
	(d) Depreciation and amortisation expense	4,328	4,050	3,323	14,740	2,506	2,400	2,022	8,521
3.	<b>Profit / (loss) from operations before other income, interest and exceptional items (1-2)</b>	1,388	3,268	3,901	15,477	(1,414)	2,118	(1,457)	876
4.	Other income	1,865	2,382	673	5,824	2,099	2,594	980	6,988
5.	<b>Profit / (loss) before interest and exceptional items (3+4)</b>	3,253	5,650	4,574	21,301	685	4,712	(477)	7,864
6.	Interest and other financial charges	1,982	1,903	2,126	8,897	1,867	1,939	1,918	8,280
7.	<b>Profit / (loss) after interest but before exceptional items (5-6)</b>	1,271	3,747	2,448	12,404	(1,182)	2,773	(2,395)	(416)
8.	Exceptional expense - Provision for impairment of non current investment / Loss on sale of investment	-	175	-	1,101	-	-	-	-
9.	<b>Profit / (loss) from ordinary activities before tax (7-8)</b>	1,271	3,572	2,448	11,303	(1,182)	2,773	(2,395)	(416)
10.	Provision for tax	429	2,051	313	3,789	(166)	768	(1,136)	(933)
11.	<b>Net profit / (loss) from ordinary activities after tax (9-10)</b>	842	1,521	2,135	7,514	(1,016)	2,005	(1,259)	517
12.	Share of minority interest	730	516	1,120	3,674	-	-	-	-
13.	<b>Net profit / (loss) (11-12+13)</b>	112	1,005	1,015	3,840	(1,016)	2,005	(1,259)	517
14.	Paid-up Equity Share Capital (Face value Rs. 10/-)	17,820	17,820	14,649	17,820	17,820	17,820	14,649	17,820
15.	Reserves (Net of accumulated losses)	-	-	-	167,793	-	-	-	158,287
16.	EPS (Not annualised)	0.04	0.62	0.72	2.38	(0.57)	1.24	(0.89)	0.32
	(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)	0.04	0.62	0.72	2.38	(0.57)	1.24	(0.89)	0.32
	(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)	0.04	0.62	0.72	2.38	(0.57)	1.24	(0.89)	0.32

**DEN Networks Limited**  
**UNAUDITED FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED 30 JUNE 2014**

(Rs. In Lakhs except per share data)

Part-I	Particulars	Consolidated			Standalone			
		Quarter ended 30.06.2014 (Unaudited)	Quarter ended 31.03.2014 (Audited)	Quarter ended 30.06.2013 (Unaudited)	Year ended 31.03.2014 (Audited)	Quarter ended 30.06.2014 (Unaudited)	Quarter ended 31.03.2014 (Audited)	Year ended 31.03.2014 (Audited)
Part-II								
<b>A</b>	<b>Particulars of shareholding</b>							
1.	Aggregate of Public shareholding							
	(a) Number of Shares	106,839,386	106,839,386	75,130,002	106,839,386	106,839,386	75,130,002	106,839,386
	(b) Percentage of Shareholding	59.95	59.95	51.29	59.95	59.95	51.29	59.95
	(c) Face Value per share (Rs.)	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
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	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
	b) Non-encumbered							
	- Number of shares	71,360,420	71,360,420	71,360,420	71,360,420	71,360,420	71,360,420	71,360,420
	- 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
	- Percentage of shares (as a % of the total share capital of the company)	40.05	40.05	48.71	40.05	40.05	48.71	40.05

**B INVESTOR COMPLAINTS**

	Quarter ended 30.06.2014 (Unaudited)
Pending at the beginning of the quarter	Nil
Received during the quarter	-
Disposed of during the quarter	-
Remaining unresolved at the end of the quarter	Nil

**Notes to the unaudited financial results:**

- 1 The Consolidated and Standalone unaudited financial results of the Company for the quarter ended June 30, 2014 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 13, 2014.
- 2 The Statutory Auditors of the Company have carried out the Limited Review of the standalone financial results of the Company for the quarter ended 30 June, 2014 in accordance with Clause 41 of the Listing Agreement.
- 3 During previous year, the Company has raised funds of Rs. 96,082.16 lakhs by way of Qualified Institutional Placement (QIP) and Preferential Issue.

The utilization details of the above proceeds are as follows:-

Particulars	Amount (Rs. in lacs)
a. Invest in capex for digitization, broadband and other infrastructure and services	3,949.01
b. Amount utilized towards issuance of shares	2,794.88
c. Balance amount invested in fixed deposits and mutual funds	89,338.27
<b>Total</b>	<b>96,082.16</b>

- 4 The Company has total investments of Rs. 54,622.40 lakhs in subsidiary companies and a joint venture company. Of these, the Company has investment of Rs. 6,105.36 lakhs and has balances of loans/advances of Rs. 427.58 lakhs in various subsidiary companies whose Net Worth as at June 30, 2014 has fully/substantially eroded. Of these, companies with investments aggregating to Rs. 3,541.74 lakhs and with balances of loans/advances of Rs. 52.61 lakhs, whose net worth is fully/substantially eroded have earned profits for the quarter ended June 30, 2014. 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.
- 5 Pursuant to TRAI notification, Digital Addressable System (DAS) was implemented in metropolitan cities of the country in phase I with effect from 1 November, 2012 and in 38 other cities in phase II with effect from 1 April, 2013. The Company has recognised subscription income for Delhi and Kolkata on the basis of package-wise billing. However, since the Company is in the process of finalising the subscription fee for some other states, it has recognized subscription income for these states on best estimates based on market trends and negotiations with distributors/ local cable operators. Based on its review of such estimates on a regular basis, management is of the view that any change arising in the subscription fee once finalised will not have significant impact on the revenue of the Company for the current period.
- 6 Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing after 1 April, 2014, the Company has reassessed the useful life of its fixed assets and has computed depreciation with reference to the useful life of assets as recommended in Schedule II to the Act. Consequently depreciation for the quarter ended 30 June 2014 is higher by Rs. 27.36 lakhs and depreciation related to the assets whose life had expired as on 1 April, 2014 is Rs. 120.34 lakhs which has been adjusted with the opening reserves.
- 7 The Company, engaged in the distribution of cable television services has during the current quarter, launched Broadband business in the city of Delhi NCR and Kanpur. In accordance with AS-17 "Segment Reporting", both cable and broadband services are considered as one reportable business segment. The Company, has incurred losses of approx Rs. 850 lakhs on account of rolling out broadband services during the current quarter. The Company, through one of its wholly owned subsidiary, has participated in Indian Super League (ISL) of Soccer and has been awarded the rights for the home town, Delhi. The initiative gives unparalleled opportunity to establish the "DEN Brand" and pave the way in expanding its presence in digital cable and broadband. The same has been considered as separate reportable business segment. The Company has incurred expenses of approx Rs. 416 lakhs on account of these activities. The Company's operations are based in India.

**Notes to the unaudited financial results:**

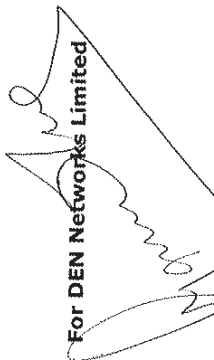
8 The segment information for the quarter ended June 30, 2014, March 31, 2014, June 30, 2013 and year ended March 31, 2014 is as follows:  
The Company is organized by business which primarily includes two strategic business segments viz. Cable & Broadband Business and Soccer Business segment. The Company's operations are based in India.

Information on reportable segments on the new basis of segmentation for the quarter ended June 30, 2014, March 31, 2014, June 30, 2013 and year ended March 31, 2014 is given below :

<b>Particulars</b>	<b>Quarter ended 30.06.2014</b>	<b>Quarter ended 31.03.2014</b>	<b>Quarter ended 30.06.2013</b>	<b>Year ended 31.03.2014</b>
<b>Segment Revenue</b>				
Cable & Broadband	29,881	30,186	26,870	111,669
Soccer	-	-	-	-
<b>Total</b>	<b>29,881</b>	<b>30,186</b>	<b>26,870</b>	<b>111,669</b>
<b>Segment Results Profit/ (Loss) before tax and interest from each segment</b>				
Cable & Broadband	3,656	5,650	4,574	21,301
Soccer	(403)	-	-	-
<b>Total</b>	<b>3,253</b>	<b>5,650</b>	<b>4,574</b>	<b>21,301</b>

9 The figures of the quarter ended 31 March, 2014 are the balancing figures between the audited figures in respect of the full financial year and the published year to date unaudited figures upto the third quarter of the year ended 31 March, 2014.


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 and Managing Director  
New Delhi  
August 13, 2014

**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE BOARD OF DIRECTORS OF  
DEN NETWORKS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **DEN Networks Limited** ("the Company") for the Quarter ended 30 June, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. 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 misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. 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 specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to note 5 of the Statement wherein it is stated that the Digital Addressable System (DAS) subscription fee has not yet been finalised and the revenue on account of the same has been recognised based on certain estimates which in the management's view are reasonable.
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 with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter ended 30 June, 2014 of the Statement, from the details furnished by the Registrars.

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

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

Place: New Delhi  
Date: 13 August, 2014

