DEN Networks Limited

UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 DECEMBER, 2010

(Rs. In Lakhs except per share data)

	Particulars	Consolidated					Standalone				
		Quarter ended 31.12.2010 (Unaudited)	Quarter ended 31.12.2009 (Unaudited)	Nine Months ended 31.12.2010 (Unaudited)	Nine Months ended 31.12.2009 (Unaudited)	Year Ended 31.03.2010 (Audited)	Quarter ended 31.12.2010 (Unaudited)	Quarter ended 31.12.2009 (Unaudited)	Nine Months ended 31.12.2010 (Unaudited)	Nine Months ended 31.12.2009 (Unaudited)	Year Ended 31.03.2010 (Audited)
1.	**Revenue**	26,444	23,524	76,406	67,279	91,909	8,489	8,378	24,014	23,974	32,826
	(a) Income from operations	26,198	23,278	74,619	66,534	91,034	8,386	8,202	23,236	23,308	32,196
	(b) Other operating income	246	246	1,787	745	875	103	176	778	666	630
2.	**Expenditure**	24,933	21,992	70,909	63,266	86,232	8,564	7,587	24,180	22,338	29,538
	(a) Operational, administrative and other costs	22,168	19,578	62,844	58,795	77,292	7,115	6,646	19,781	18,182	24,078
	(b) Personnel cost	1,595	1,956	4,643	4,281	5,652	766	950	2,445	2,975	3,274
	(c) Depreciation	1,170	863	3,422	2,250	3,288	653	591	1,954	1,591	2,186
3.	**Profit / (loss) from operations before other income, interest and exceptional items (1-2)**	1,511	1,532	5,497	4,013	5,677	(75)	791	(166)	1,536	3,288
4.	Other income	380	225	994	295	650	520	240	1,159	318	652
5.	**Profit / (loss) before interest and exceptional items (3+4)**	1,891	1,757	6,491	4,308	6,327	445	1,031	993	1,854	3,940
6.	Interest and other financial charges	471	504	1,413	1,469	1,944	466	504	1,372	1,463	1,930
7.	**Profit / (loss) from Ordinary activities before tax (5-6)**	1,420	1,253	5,078	2,839	4,383	(21)	527	(379)	391	2,010
8.	Provision for tax	380	287	648	1,020	741	1	47	(96)	66	(72)
	(c) Other taxes	-	-	-	-	-	-	-	-	-	-
9.	**Net profit / (loss) from ordinary activities after tax (7-8)**	1,040	966	4,430	1,819	3,642	(22)	480	(283)	325	2,082
10.	Share of Minority Interest	140	194	1,477	510	631	-	-	-	-	-
11.	Share in (loss)/ profit of associates	17	-	17	-	-	-	-	-	-	-
12.	**Net profit / (loss) (9-10+11)**	917	772	2,970	1,309	3,011	(22)	480	(283)	325	2,082

DEN Networks Limited
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(Rs. In Lakhs except per share data)

	Particulars	Consolidated					Standalone				
		Quarter ended 31.12.2010 (Unaudited)	Quarter ended 31.12.2009 (Unaudited)	Nine Months ended 31.12.2010 (Unaudited)	Nine Months ended 31.12.2009 (Unaudited)	Year Ended 31.03.2010 (Audited)	Quarter ended 31.12.2010 (Unaudited)	Quarter ended 31.12.2009 (Unaudited)	Nine Months ended 31.12.2010 (Unaudited)	Nine Months ended 31.12.2009 (Unaudited)	Year Ended 31.03.2010 (Audited)
13.	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
14.	Reserves (net of accumulated losses)	-	-	-	-	60,390	-	-	-	-	59,553
15.	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 annualized)	0.70	0.73	2.28	1.21	2.69	(0.02)	0.45	(0.22)	0.31	1.86
	(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)	0.70	0.69	2.28	1.17	2.59	(0.02)	0.43	(0.22)	0.29	1.79
16.	Aggregate of Public shareholding										
	(a) Number of Shares	60,373,255	60,373,255	60,373,255	60,373,255	60,373,255	60,373,255	60,373,255	60,373,255	60,373,255	60,373,255
	(b) Percentage of Shareholding	46.27	46.27	46.27	46.27	46.27	46.27	46.27	46.27	46.27	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/-
17.	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	70,116,720	70,116,720	70,116,720	70,116,720	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	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	53.73	53.73	53.73	53.73
18.	Item exceeding 10% of Total Expenditure										
	-Content Cost	14,399	14,095	42,643	40,676	55,109	1,569	1,219	4,352	3,787	5,033
	-Placement Cost	2,817	1,958	6,858	6,108	8,670	3,083	2,954	8,899	8,441	11,003

Notes to the Financial Results:

1. The standalone and consolidated financial results of the Company for the quarter and nine months period ended December 31, 2010 have been reveiwed by the Audit Committee of the Board and have been approved by the Board of Directors at their respective meetings held on February 11, 2011.

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 nine months period ended December 31, 2010 and December 31, 2009.

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 31 March, 2010.

4. The Initial Public Offer (IPO) proceeds have been utilised as per objects as stated in the Prospectus dated November 5, 2009 as under :-

(Rs. In lacs)

Objects of the Issue	Proposed Utilisation of Issue Proceeds	Actual Utilisation of Issue Proceeds
Investment in the development of cable television infrastructure and services	21,000.00	3,977.79
Investment in the development of cable broadband infrastructure and services	2,500.00	97.99
Investment in acquisition of content and broadcasting rights	1,000.00	180.70
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
	36,445.60	16,147.00

The unutilised balance of Rs. 20,298.60 lacs has been retained as Bank Balance and Investment in Mutual Funds.

5. There were no investor grievances pending as on 1 October, 2010. The Company has received 5 complaints from Equity Shareholders during the quarter ended 31st December, 2010. All complaints were resolved during the quarter.

6. The Company has not consolidated the results of one 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.

7. The Company has total investments of Rs. 32,022.09 lakhs in subsidiaries and Joint Venture. The Company has investment of Rs. 654.60 lakhs and has balances of loans/advances of Rs. Nil lakhs in various subsidiary companies whose Net Worth as at 31 December, 2010 (as per management certified accounts) has been substantially eroded. The Company has made investments of Rs. 1,340.95 lakhs and has balances of loans/advances of Rs. 190.01 lakhs in various subsidiary companies whose Net Worth as at 31 December, 2010 (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 nine months ended 31 December, 2010. 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.

8. 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.

9. 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
11th February, 2011

For DEN Networks Limited

Sameer Manchanda
Chairman & Managing Director

New Delhi
11th February, 2011