

Date: December 13, 2016

The Manager, Listing Department  
The National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E) Mumbai-400 051

The General Manager  
The Bombay Stock Exchange Limited  
Listing Department  
15<sup>th</sup> Floor, P J Towers  
Dalal Street, Mumbai-400 001

**Sub: - Conclusion of Board Meeting dated December 13, 2016**

Dear Sir,

This is to inform you that the Board of Directors of the Company in their meeting held on December 13, 2016 have inter-alia considered and approved:-

1. Standalone and Consolidated Unaudited Financial Results of DEN Networks Limited and Statutory Auditors' Report on Limited Review for the quarter and half year ended September 30, 2016 in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. Appointment of Dr. Archana Hingorani (Woman Director) as Non-Executive Nominee Director in terms of approval of Ministry of Information and Broadcasting which was required under Government of India, Consolidated FDI Policy dated May 12, 2015 (as amended from time to time);
3. Noting of resignation of Mr. Krishna Kumar P.T Gangadharan from directorship of the company;
4. The withdrawal from directorship candidature by Mr. M.G.Azhar and Ms. Nandita Agarwal Parker.

You are requested to take the note of the same in your record.

Thanking you,

Yours faithfully,

For DEN Networks Limited

Jatin Mahajan  
Company Secretary  
Membership No.- F-6887

DEN Networks Limited

CIN: L92490DL2007PLC165673

Registered Office: 211, 1st Floor, Okhla Industrial Estate, Phase III, New Delhi - 110020

Landline: +91 11 011 - 40522100 | Fax: +91 11 40522100 | E-mail: den@online.in | www.dennetworks.com

## **INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF DEN NETWORKS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **DEN NETWORKS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit / (loss) of its jointly controlled entity and associates for the quarter and six months ended 30 September, 2016 and the Consolidated Unaudited Statement of Assets and Liabilities as at 30 September, 2016 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016. We have not performed a review, as stated in Note 3, of the figures relating to the corresponding quarter and six months ended 30 September, 2015, including the reconciliation of net profit for the quarter and six months ended 30 September, 2015 between the previous GAAP and Indian Accounting Standards ("IND AS"), as reported in this statement.

This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 Parent's 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. The Statement includes the results of the entities listed in Annexure A.
4. We did not review the interim financial results of 44 subsidiaries included in the consolidated financial results, whose interim financial information reflect total assets of Rs. 91,048 lakhs as at 30 September, 2016, total revenues of Rs. 5,977 lakhs and Rs. 11,458 lakhs for the quarter and six months ended 30 September, 2016, respectively, and total profit after tax of Rs. 1,533 lakhs and Rs. 3,851 lakhs and total comprehensive income of Rs. 1,534 lakhs and Rs. 3,852 lakhs for the quarter and six months ended 30 September, 2016, respectively, as considered in the consolidated financial results.



These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 4 of the Statement wherein it is stated that the rates/agreements for Digital Addressable System (DAS) subscription fee have not yet been finalised by the holding Company and the revenue on account of the same has been recognised based on estimates which in management's view are reasonable.

Our report is not qualified in respect of this matter.

7. The consolidated financial results includes the interim financial results of 94 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total assets of Rs. 13,476 lakhs as at 30 September, 2016, total revenue of Rs. 1,037 lakhs and Rs. 1,421 lakhs for the quarter and six months ended 30 September, 2016, respectively, and total profit after tax of Rs. 274 lakhs and Rs. 119 lakhs and total comprehensive income of Rs. 274 lakhs and Rs. 119 lakhs for the quarter and six months ended 30 September, 2016, respectively, as considered in the consolidated financial results.

The consolidated financial results also includes the Group's share of loss after tax of Rs. 111 lakhs and Rs. 247 lakhs and total comprehensive loss of Rs. 111 lakhs and Rs. 247 lakhs for the quarter and six months ended 30 September, 2016, respectively, as considered in the consolidated financial results, in respect of 1 jointly controlled entity and 4 associates, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial results / information are not material to the Group.

Our report on the Statement is not modified in respect of our reliance on the financial information / results certified by the management.

**New Delhi**, 13 December, 2016

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)



*Alka Chadha*  
**Alka Chadha**  
Partner  
(Membership No. 93474)

**Annexure A**

**List of entities consolidated**

**a) Subsidiaries held directly**

| <b>S.No.</b> | <b>Name of Company</b>                               |
|--------------|--|
| 1.           | Den Futuristic Cable Networks Private Limited        |
| 2.           | Den Entertainment Network Private Limited            |
| 3.           | DEN Digital Entertainment Gujarat Private Limited    |
| 4.           | Aster Entertainment Private Limited                  |
| 5.           | Shine Cable Network Private Limited                  |
| 6.           | Mahavir Den Entertainment Private Limited            |
| 7.           | DEN BCN Suncity Network Private Limited              |
| 8.           | DEN Crystal Vision Network Private Limited           |
| 9.           | DEN Harsh Mann Cable Network Private Limited         |
| 10.          | Den Kashi Cable Network Private Limited              |
| 11.          | DEN Krishna Cable TV Network Private Limited         |
| 12.          | Den Mahendra Satellite Private Limited               |
| 13.          | Den Mod Max Cable Network Private Limited            |
| 14.          | DEN Pawan Cable Network Private Limited              |
| 15.          | Den Pradeep Cable Network Private Limited            |
| 16.          | Den Prince Network Private Limited                   |
| 17.          | DEN Varun Cable Network Private Limited              |
| 18.          | DEN Patel Entertainment Network Private Limited      |
| 19.          | Mahadev Den Cable Network Private Limited            |
| 20.          | Mahadev Den Network Private Limited                  |
| 21.          | Den-Manoranjan Satellite Private Limited             |
| 22.          | Meerut Cable Network Private Limited                 |
| 23.          | Shree Sidhivinayak Cable Network Private Limited     |
| 24.          | Radiant Satellite (India) Private Limited            |
| 25.          | Den Mewar Rajdev Cable Network Private Limited       |
| 26.          | Den Radiant Satelite Cable Network Private Limited   |
| 27.          | Den Enjoy Cable Networks Private Limited             |
| 28.          | Den Satellite Cable TV Network Private Limited       |
| 29.          | Den Maa Sharda Vision Cable Networks Private Limited |
| 30.          | Den Fateh Marketing Private Limited                  |
| 31.          | Den Jai Ambey Vision Cable Private Limited           |



| <b>S.No.</b> | <b>Name of Company</b>                            |
|--------------|---|
| 32.          | Den Classic Cable TV Services Private Limited     |
| 33.          | Den Digital Cable Network Private Limited         |
| 34.          | Den F K Cable Tv Network Private Limited          |
| 35.          | Den Shiva Cable Network Private Limited           |
| 36.          | Den Montooshah Network Private Limited            |
| 37.          | Den RIS Cable Network Private Limited             |
| 38.          | Den Sky Media Network Private Limited             |
| 39.          | Den Bindra Network Private Limited                |
| 40.          | Den Nashik City Cable Network Private Limited     |
| 41.          | Den Supreme Satellite Vision Private Limited      |
| 42.          | Den MCN Cable Network Private Limited             |
| 43.          | Drashti Cable Network Private Limited             |
| 44.          | Den Ashu Cable Private Limited                    |
| 45.          | DEN Ambey Cable Networks Private Limited          |
| 46.          | Den Aman Entertainment Private Limited            |
| 47.          | Den Budaun Cable Network Private Limited          |
| 48.          | Den Narmada Network Private Limited               |
| 49.          | Den Bellary City Cable Private Limited            |
| 50.          | DEN Malayalam Telenet Private Limited             |
| 51.          | Den Elgee Cable Vision Private Limited            |
| 52.          | Den Rajkot City Communication Private Limited     |
| 53.          | Den Malabar Cable Vision Private Limited          |
| 54.          | Den Infoking Channel Entertainers Private Limited |
| 55.          | Den Ucn Network India Private Limited             |
| 56.          | Galaxy Den Media & Entertainment Private Limited  |
| 57.          | Fortune (Baroda) Network Private Limited          |
| 58.          | Bali Den Cable Network Private Limited            |
| 59.          | Den Citi Channel Private Limited                  |
| 60.          | Amogh Broad Band Services Private Limited         |
| 61.          | Fab Den Network Private Limited                   |
| 62.          | Desire Cable Network Private Limited              |
| 63.          | United Cable Network (Digital) Private Limited    |
| 64.          | Shri Ram Den Network Private Limited              |



| <b>S.No.</b> | <b>Name of Company</b>                                       |
|--------------|--|
| 65.          | Den Krishna Vision Private Limited                           |
| 66.          | Cab-i-Net Communications Private Limited                     |
| 67.          | Den Sariga Communications Private Limited                    |
| 68.          | Den Sahyog Cable Network Private Limited                     |
| 69.          | Den Kattakada Telecasting and Cable Services Private Limited |
| 70.          | Den A.F. Communication Private Limited                       |
| 71.          | Sree Gokulam Starnet Communication Private Limited           |
| 72.          | Big Den Entertainment Private Limited                        |
| 73.          | Sanmati DEN Cable TV Network Private Limited                 |
| 74.          | Sanmati Entertainment Private Limited                        |
| 75.          | Crystal Vision Media Private Limited                         |
| 76.          | Den Steel City Cable Network Private Limited                 |
| 77.          | Multi Channel Cable Network Private Limited                  |
| 78.          | Victor Cable Tv Network Private Limited                      |
| 79.          | Gemini Cable Network Private Limited                         |
| 80.          | Matrix Cable Network Private Limited                         |
| 81.          | Ambika DEN Cable Network Private Limited                     |
| 82.          | Multi Star Cable Network Private Limited                     |
| 83.          | DEN VM Magic Entertainment Private Limited                   |
| 84.          | Antique Communications Private Limited                       |
| 85.          | Disk Cable Network Private Limited                           |
| 86.          | Shaakumbari Den Media Private Limited                        |
| 87.          | Eminent Cable Network Private Limited                        |
| 88.          | Silverline Television Network Private Limited                |
| 89.          | Ekta Entertainment Network Private Limited                   |
| 90.          | Devine Cable Network Private Limited                         |
| 91.          | Nectar Entertainment Private Limited                         |
| 92.          | Trident Entertainment Private Limited                        |
| 93.          | Augment Cable Network Private Limited                        |
| 94.          | Marble Cable Network Private Limited                         |
| 95.          | Rose Entertainment Private Limited                           |
| 96.          | Multitrack Cable Network Private Limited                     |
| 97.          | Blossom Entertainment Private Limited                        |



| <b>S.No.</b> | <b>Name of Company</b>                                |
|--------------|---|
| 98.          | Glimpse Communications Private Limited                |
| 99.          | Indradhanush Cable Network Private Limited            |
| 100.         | Adhunik Cable Network Private Limited                 |
| 101.         | Pee Cee Cable Network Private Limited                 |
| 102.         | Libra Cable Network Private Limited                   |
| 103.         | Mansion Cable Network Private Limited                 |
| 104.         | Den Discovery Digital Network Private Limited         |
| 105.         | Jhankar Cable Network Private Limited                 |
| 106.         | Den Premium Multilink Cable Network Private Limited   |
| 107.         | Scorpio Cable Network Private Limited                 |
| 108.         | Macro Commerce Private Limited (w.e.f. 16 July, 2016) |

**b) Subsidiaries held indirectly**

| <b>S.No.</b> | <b>Name of Company</b>                              |
|--------------|---|
| 1.           | DEN Prayag Cable Networks Private Limited           |
| 2.           | Den Ambey Citi Cable Network Private Limited        |
| 3.           | Den Deva Cable Network Private Limited              |
| 4.           | Den Ambey Jhansi Cable Network Private Limited      |
| 5.           | Den Ambey Farukabad Cable Network Private Limited   |
| 6.           | Star Channel Den Network Private Limited            |
| 7.           | Den Nanak Communication Private Limited             |
| 8.           | Den Saya Channel Network Private Limited            |
| 9.           | Den Faction Communication System Private Limited    |
| 10.          | Fun Cable Network Private Limited                   |
| 11.          | Den Enjoy Navaratan Network Private Limited         |
| 12.          | Kishna DEN Cable Networks Private Limited           |
| 13.          | Divya Drishti Den Cable Network Private Limited     |
| 14.          | Angel Cable Network Private Limited                 |
| 15.          | Kerela Entertainment Private Limited                |
| 16.          | Rajasthan Entertainment Private Limited             |
| 17.          | Uttar Pradesh Digital Cable Network Private Limited |
| 18.          | DEN Enjoy SBNM Cable Network Private Limited        |
| 19.          | Saturn Digital Cable Private Limited                |



| <b>S.No.</b> | <b>Name of Company</b>                       |
|--------------|--|
| 20.          | Bhadohi DEN Entertainment Private Limited    |
| 21.          | Capital Entertainment Private Limited        |
| 22.          | DEN STN Television Network Private Limited   |
| 23.          | Srishti DEN Networks Private Limited         |
| 24.          | Maitri Cable Network Private Limited         |
| 25.          | Melody Cable Network Private Limited         |
| 26.          | Mountain Cable Network Private Limited       |
| 27.          | Portrait Cable Network Private Limited       |
| 28.          | Skynet Cable Network Private Limited         |
| 29.          | ABC Cable Network Private Limited            |
| 30.          | DEN MTN Star Vision Networks Private Limited |

**c) Jointly controlled entity**

| <b>S.No.</b> | <b>Name of Company</b>                              |
|--------------|---|
| 1.           | Macro Commerce Private Limited (upto 15 July, 2016) |

**d) Associate entities**

| <b>S.No.</b> | <b>Name of Company</b>   |
|--------------|--|
| 1.           | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (Formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) |
| 2.           | DEN ADN Network Private Limited  |
| 3.           | CCN DEN Network Private Limited  |
| 4.           | Den Satellite Network Private Limited  |



**DEN NETWORKS LIMITED**

CIN: I97490DI2007PC165673

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi - 110020

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER, 2016**

(Rs in Lakhs)

| Particulars   | 3 months ended<br>30.09.2016<br>(See Note - 3) | Preceding 3 months ended<br>30.06.2016<br>(See Note - 3) | Corresponding 3 months ended in the previous year<br>30.09.2015<br>(See Note - 3) | Year to date figures for current period ended 30.09.2016<br>(See Note - 3) | Year to date figures for previous year ended 30.09.2015<br>(See Note - 3) |
|---|--|--|---|--|---|
|   | (Unaudited)                                    | (Unaudited)  | (Unaudited)   | (Unaudited)  | (Unaudited)   |
| <b>1. Income from Operations</b>  |  |  |   |  |   |
| (a) Sale of services  | 25,730   | 26,424   | 21,291  | 52,154   | 44,759  |
| (b) Other operating income  | 1,514  | 467  | 208   | 1,981  | 310   |
| <b>Total income from operations</b>   | <b>27,244</b>                                  | <b>26,891</b>  | <b>21,499</b>   | <b>54,135</b>  | <b>45,069</b>   |
| <b>2. Expenses</b>  |  |  |   |  |   |
| (a) Content cost  | 11,825   | 11,247   | 12,813  | 23,072   | 24,879  |
| (b) Placement fees  | 1,380  | 1,076  | 867   | 2,456  | 1,972   |
| (c) Employee benefits expense   | 3,302  | 2,530  | 3,253   | 5,832  | 6,283   |
| (d) Depreciation and amortisation expenses  | 6,797  | 6,610  | 4,688   | 13,407   | 9,105   |
| (e) Other expenses  | 7,862  | 7,712  | 8,546   | 15,574   | 16,206  |
| <b>Total Expenses</b>   | <b>31,166</b>                                  | <b>29,175</b>  | <b>30,167</b>   | <b>60,341</b>  | <b>58,445</b>   |
| <b>3. Profit / (Loss) from operations before other income and finance costs (1-2)</b>                     | <b>(3,922)</b>                                 | <b>(2,284)</b>   | <b>(8,668)</b>  | <b>(6,206)</b>   | <b>(13,376)</b>   |
| 4. Other income   | 749  | 964  | 1,806   | 1,713  | 3,545   |
| <b>5. Profit / (Loss) before finance costs (3+4)</b>  | <b>(3,173)</b>                                 | <b>(1,320)</b>   | <b>(6,862)</b>  | <b>(4,493)</b>   | <b>(9,831)</b>  |
| 6. Finance costs  | 1,292  | 2,248  | 2,025   | 3,540  | 3,747   |
| <b>7. Profit / (Loss) before tax (5-6)</b>  | <b>(4,465)</b>                                 | <b>(3,568)</b>   | <b>(8,887)</b>  | <b>(8,033)</b>   | <b>(13,578)</b>   |
| 8. Tax expense  | (114)  | 847  | (576)   | 733  | (474)   |
| <b>9. Net profit / (loss) from ordinary activities after tax (7-8)</b>                                    | <b>(4,351)</b>                                 | <b>(4,415)</b>   | <b>(8,311)</b>  | <b>(8,766)</b>   | <b>(13,104)</b>   |
| 10. Share of Profit/(loss) of associates and jointly controlled entity                                    | (111)  | (136)  | (1,061)   | (247)  | (1,107)   |
| 11. Share of minority interest  | 325  | 663  | 404   | 988  | 510   |
| <b>12. Profit / (Loss) after tax, minority interest and share of profit/(loss) of associate (9+10-11)</b> | <b>(4,787)</b>                                 | <b>(5,214)</b>   | <b>(9,776)</b>  | <b>(10,001)</b>  | <b>(14,721)</b>   |
| 13. Other comprehensive income  | (56)   | 38   | (24)  | (18)   | (123)   |
| <b>14. Total comprehensive income/ (loss) [after tax and minority interest] (12+13)</b>                   | <b>(4,843)</b>                                 | <b>(5,176)</b>   | <b>(9,800)</b>  | <b>(10,019)</b>  | <b>(14,844)</b>   |
| 15. Paid-up equity share capital<br>(Face value Rs. 10/-)   | 17,820   | 17,820   | 17,820  | 17,820   | 17,820  |
| 16. Earning per share (EPS) (Face value Rs. 10/-) (not annualised)  |  |  |   |  |   |
| (a) Basic EPS   | (2.72)   | (2.90)   | (5.50)  | (5.62)   | (8.33)  |
| (b) Diluted EPS   | (2.72)   | (2.90)   | (5.50)  | (5.62)   | (8.33)  |
| See accompanying notes to the consolidated unaudited financial results                                    |  |  |   |  |   |

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**DEN NETWORKS LIMITED**

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi - 110020

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER, 2016**

Segment wise Revenue, Results, Assets and Liabilities for the quarter and six months ended 30 September, 2016.

| Particulars   | (Rs In Lakhs)                                  |   |   |  |  |
|---|--|---|---|--|--|
|   | 3 months ended<br>30.09.2016<br>(See Note - 3) | Preceding 3<br>months ended<br>30.06.2016<br>(See Note - 3) | Corresponding 3<br>months ended in<br>the previous<br>year 30.09.2015<br>(See Note - 3) | Year to date<br>figures for<br>current period<br>ended<br>30.09.2016<br>(See Note - 3) | Year to date<br>figures for<br>previous year<br>ended 30.09.2015<br>(See Note - 3) |
|   | (Unaudited)                                    | (Unaudited)   | (Unaudited)   | (Unaudited)  | (Unaudited)  |
| <b>Segment Revenue (a to c)</b>                               |  |   |   |  |  |
| (a) Cable distribution network                                | 25,174   | 25,112  | 20,692  | 50,286   | 43,666   |
| (b) Broadband   | 2,070  | 1,779   | 807   | 3,849  | 1,310  |
| (c) Soccer  | -  | -   | -   | -  | 93   |
| <b>Total</b>  | <b>27,244</b>                                  | <b>26,891</b>   | <b>21,499</b>   | <b>54,135</b>  | <b>45,069</b>  |
| <b>Segment Results (a to c)</b>                               |  |   |   |  |  |
| Profit/ (Loss) before tax and finance cost from each segment  |  |   |   |  |  |
| (a) Cable distribution network                                | (3,122)  | (858)   | (5,488)   | (3,980)  | (8,258)  |
| (b) Broadband   | (800)  | (1,426)   | (2,323)   | (2,226)  | (4,247)  |
| (c) Soccer  | -  | -   | (857)   | -  | (871)  |
| <b>Total</b>  | <b>(3,922)</b>                                 | <b>(2,284)</b>  | <b>(8,668)</b>  | <b>(6,206)</b>   | <b>(13,376)</b>  |
| Less:   |  |   |   |  |  |
| i. Finance costs  | 1,292  | 2,248   | 2,025   | 3,540  | 3,747  |
| ii. Other unallocable expenditure (net of unallocable income) | (749)  | (964)   | (1,806)   | (1,713)  | (3,545)  |
| <b>Profit / (Loss) before tax</b>                             | <b>(4,465)</b>                                 | <b>(3,568)</b>  | <b>(8,887)</b>  | <b>(8,033)</b>   | <b>(13,578)</b>  |
| Less: Tax expense   | (114)  | 847   | (576)   | 733  | (474)  |
| <b>Profit / (Loss) after tax</b>                              | <b>(4,351)</b>                                 | <b>(4,415)</b>  | <b>(8,311)</b>  | <b>(8,766)</b>   | <b>(13,104)</b>  |
| <b>Segment Assets</b>   |  |   |   |  |  |
| (a) Cable distribution network                                | 188,367  | 187,742   | 203,456   | 188,367  | 203,456  |
| (b) Broadband   | 12,821   | 12,657  | 10,381  | 12,821   | 10,381   |
| (c) Soccer  | -  | -   | 4,080   | -  | 4,080  |
| (d) Unallocated   | 126,718  | 123,667   | 132,457   | 126,718  | 132,457  |
| <b>Total</b>  | <b>327,906</b>                                 | <b>324,066</b>  | <b>350,374</b>  | <b>327,906</b>   | <b>350,374</b>   |
| Less: Inter-segment elimination                               | 22,630   | 21,074  | 15,484  | 22,630   | 15,484   |
|   | <b>305,276</b>                                 | <b>302,992</b>  | <b>334,890</b>  | <b>305,276</b>   | <b>334,890</b>   |
| <b>Segment Liabilities</b>                                    |  |   |   |  |  |
| (a) Cable distribution network                                | 97,744   | 82,413  | 89,592  | 97,744   | 89,592   |
| (b) Broadband   | 27,171   | 25,310  | 18,667  | 27,171   | 18,667   |
| (c) Soccer  | -  | -   | 5,689   | -  | 5,689  |
| (d) Unallocated   | 91,496   | 92,727  | 94,578  | 91,496   | 94,578   |
| <b>Total</b>  | <b>216,411</b>                                 | <b>200,450</b>  | <b>208,526</b>  | <b>216,411</b>   | <b>208,526</b>   |
| Less: Inter-segment elimination                               | 22,630   | 21,074  | 15,484  | 22,630   | 15,484   |
|   | <b>193,781</b>                                 | <b>179,376</b>  | <b>193,042</b>  | <b>193,781</b>   | <b>193,042</b>   |

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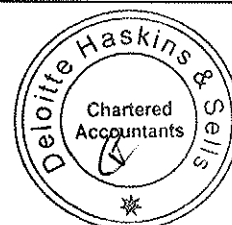


**DEN NETWORKS LIMITED**  
**CONSOLIDATED UNAUDITED STATEMENT OF ASSETS AND LIABILITIES**

(Rs in lakhs)

| Particulars  | As at<br>30.09.2016 |
|--|---------------------|
| <b>A. Assets</b>   |                     |
| <b>1. Non-current assets</b>   |                     |
| (a) Property, plant and equipment  | 117,821             |
| (b) Capital work in progress   | 5,635               |
| (c) Goodwill on consolidation  | 26,577              |
| (d) Other intangible assets  | 2,043               |
| (e) Financial assets   |                     |
| (i) Investments in associates  | 8,849               |
| (ii) Loans and advances  | 5,372               |
| (f) Current tax assets (net)   | 15,320              |
| (g) Deferred tax assets (net)  | 20,113              |
| (h) Other non-current assets   | 41                  |
|  | <b>201,771</b>      |
| <b>2. Current assets</b>   |                     |
| (a) Financial assets   |                     |
| (i) Investments  | 59                  |
| (ii) Trade receivables   | 43,202              |
| (iii) Cash and cash equivalents  | 12,343              |
| (iv) Other balances with banks   | 29,361              |
| (v) Loans and advances   | 14,055              |
| (b) Other current assets   | 4,485               |
|  | <b>103,505</b>      |
| <b>Total assets</b>  | <b>305,276</b>      |
| <b>B. Equity and liabilities</b>   |                     |
| <b>1. Equity</b>   |                     |
| (a) Equity Share capital   | 17,774              |
| (b) Other Equity   | 93,721              |
| <b>Equity attributable to owners of the Company</b>  | <b>111,495</b>      |
| Non-controlling interests  | 9,609               |
|  | <b>121,104</b>      |
| <b>2. Non-current liabilities</b>  |                     |
| (a) Financial Liabilities  |                     |
| (i) Borrowings   | 22,757              |
| (b) Provisions   | 1,391               |
| (c) Deferred tax liabilities (net)   | 52                  |
| (d) Other non-current liabilities  | 39,784              |
|  | <b>63,984</b>       |
| <b>3. Current liabilities</b>  |                     |
| (a) Financial Liabilities  |                     |
| (i) Borrowings   | 6,680               |
| (ii) Trade payables  |                     |
| i. total outstanding dues to micro enterprises and small enterprises                       | -                   |
| ii. total outstanding dues to creditors other than micro enterprises and small enterprises | 36,253              |
| (b) Provisions   | 1,598               |
| (c) Other current liabilities  | 75,657              |
|  | <b>120,188</b>      |
| <b>Total equity and liabilities</b>  | <b>305,276</b>      |

*(Handwritten signatures)*



**Notes to the consolidated unaudited financial results:**

- 1 The above consolidated unaudited financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on 13 December, 2016. The statutory auditors of the Company have carried out a limited review of the results for quarter and six months ended 30 September, 2016.
- 2 The consolidated unaudited financial results relate to DEN NETWORKS LIMITED ('the Company'), its subsidiary companies, its jointly controlled entity and its associates.
- 3 The Company adopted Indian Accounting Standards ("IND AS") from 1 April, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND AS 34. The Company has elected not to present the IND AS compiled financial results and statement of assets and liabilities for the previous year ended 31 March, 2016. The statutory auditors of the Company have carried out a limited review of the results for the current quarter and six months ended 30 September, 2016 and the preceding quarter ended 30 June, 2016. The IND AS results for the quarter and six months ended 30 September, 2015 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the consolidated financial results provide a true and fair view of its affairs.
- 4 Pursuant to TRAI notification, Digital Addressable System (DAS) was implemented in the metropolitan cities of the country in Phase 1, Phase 2 and Phase 3 cities effective 1 November, 2012, 1 April, 2013 and 1 January, 2016 respectively. The Company has not been able to finalise subscription rates / agreements with Distributors / Local Cable Operators (LCOs) in notified cities. Pending finalisation of agreements, the Company has recognised subscription income on estimates based on market trends and negotiations with LCOs/Distributors. 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.
- 5 The Company has consolidated the unaudited financial results of 94 of its subsidiaries based on the financial results as certified by the Company's management and which have not been reviewed by the statutory auditors of these entities. These financial results reflects total assets of Rs. 13,476 lakhs as at 30 September, 2016, total revenues of Rs. 1,037 lakhs and Rs. 1,421 lakhs for the quarter and six months ended 30 September, 2016 respectively, and total profit after tax amounting to Rs. 274 lakhs and Rs. 119 lakhs and total comprehensive income of Rs. 274 lakhs and Rs. 119 lakhs for the quarter and six months ended 30 September, 2016 respectively, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of loss after tax of Rs. 111 lakhs and Rs. 247 lakhs and total comprehensive loss of Rs. 111 lakhs and Rs. 247 lakhs for the quarter and six months ended 30 September, 2016, respectively, as considered in the consolidated financial results. In respect of 1 jointly controlled entity and 4 associates, based on their interim financial results which have not been reviewed by their auditors. The management is of the view that the adjustments, if any, arising out of the review of the financial results of the subsidiaries, jointly controlled entity and associates will not have a material impact on the consolidated financial results.
- 6 The Company has consolidated the unaudited financial results of 44 of its subsidiaries based on the financial results which have been reviewed by the statutory auditors of these entities. These financial results reflects total assets of Rs. 91,048 lakhs as at 30 September, 2016, total revenues of Rs. 5,977 lakhs and Rs. 11,458 lakhs for the quarter and six months ended 30 September, 2016 respectively, and total profit after tax amounting to Rs. 1,533 lakhs and Rs. 3,851 lakhs and total comprehensive income of Rs. 1,534 lakhs and Rs. 3,852 lakhs for the quarter and six months ended 30 September, 2016 respectively, as considered in the consolidated financial results.
- 7 The Board of Directors of the Company in its meeting held on 5 September, 2016 considered and approved a Scheme of Arrangement ("the Scheme") amongst DEN NETWORKS LIMITED ('Company') and SKYNET CABLE NETWORK PRIVATE LIMITED ('SKYNET'), a wholly owned subsidiary, in terms of provisions of sections 391 to 394 of the Companies Act, 1956. With effect from the Appointed date i.e. 1 April, 2016, the Internet Service Provider business ("Broadband") of the Company will be demerged into SKYNET. The Scheme is subject to the approval of shareholders, sanction of the Scheme by the High Court and all other statutory approvals.
- 8 During the quarter and six months ended 30 September, 2016, the nomination and Remuneration/Compensation committee has granted 1,750,000 options under Employee Stock Option Plan - 2014 to eligible employee of the Company.
- 9 Subsequent to the quarter end, the Securities Issue Committee of the Board of Directors at its meeting held on 27 October, 2016 has issued and allotted 15,826,039 equity shares of Rs. 10 each at a premium of Rs. 80 per share to the affiliates of Goldman Sachs Group, Inc. who form part of the persons belonging to Non Promoter category on a preferential basis. With the aforesaid allotment, the holding of affiliates of the Goldman Sachs Group, Inc. has increased from 17.79% to 24.49%. The Company has received total allotment consideration of Rs. 14,243 lakhs.
- 10 Subsequent to the quarter ended 30 September, 2016, the Company has decreased its investment stake in DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED), from 45% to 20% by way of sale of 21,052,789 equity shares for a sale consideration of Rs. 800 lakhs.
- 11 During the quarter ended 30 September, 2016 the Company has increased its investment stake in Macro Commerce Private Limited ('MCPL'), erstwhile joint venture, from 50% to 82.87% by fresh investment of 5,000,000 equity shares at face value of MCPL equity shares and acquiring 2,722,222 equity shares at fair market value of Rs 3.70 per share.
- 12 During the financial year 2013-14, the Company had raised funds of Rs. 96,082 lakhs by way of Qualified Institutional Placement (QIP) and Preferential Issue of Equity Shares.

The utilisation of the above proceeds are as follows:

| Particulars   | Amount<br>(Rs. in lakhs) |
|---|--------------------------|
| a. Utilisation for implementation of DAS, broadband and other infrastructure and services | 77,815                   |
| b. Issue expenses incurred  | 2,795                    |
| c. Balance amount invested in fixed deposits*   | 15,472                   |
| <b>Total</b>  | <b>96,082</b>            |

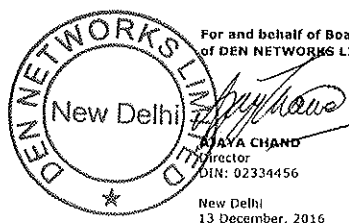
\* Includes Rs. 15,472 lakhs under lien as margin money with banks/ financial institution against letters of credit/ bank guarantees/ term loans.

- 13 **Transition to IND- AS:**  
The Company has transitioned to IND-AS with effect from 1 April, 2016 with comparatives being restated. Accordingly, the impact of transition has been provided in the opening reserves as at 1 April, 2015 and figures for the quarter and six months ended 30 September, 2015 have been restated accordingly.

**Reconciliation of consolidated unaudited financial results reported to those under previous Generally accepted accounting principles (GAAP):**

| Nature of Adjustments   | (Rs. in lakhs)  |  |
|---|---|--|
|   | Year to date figures for previous year ended 30.09.2015 | Corresponding 3 months ended in the previous year 30.09.2015 |
| Net profit/ (loss) after tax and minority interest as reported under previous GAAP            | (12,712)  | (7,523)  |
| - Effect of activation revenue being deferred and amortised over customer relationship period | (1,693)   | (2,396)  |
| - Effect of employee stock option plan charged at fair value                                  | (288)   | (149)  |
| - Effect of measuring financial instruments at fair value                                     | (1,058)   | (86)   |
| - Effect of actuarial loss on defined benefits plans  | 123   | 24   |
| - Change in classification of subsidiaries/jointly controlled entities/associates             | 66  | (300)  |
| - Deferred tax adjustment on above items  | 842   | 554  |
| Net profit / (loss) after tax as per IND-AS   | <b>(14,721)</b>   | <b>(9,776)</b>   |
| Other comprehensive income/ (loss)  | (123)   | (24)   |
| <b>Total comprehensive income/ (loss) (after tax and minority interest) as per IND-AS</b>     | <b>(14,844)</b>   | <b>(9,800)</b>   |

- 14 Previous period figures have been reclassified/ regrouped to conform to the classifications adopted in the current period, where necessary.



For and behalf of Board of Directors  
of DEN NETWORKS LIMITED

MAYA CHAND  
Director  
DIN: 02334456

New Delhi  
13 December, 2016

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### 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 and six months ended 30 September, 2016 and the Standalone Unaudited Statement of Assets and Liabilities as at 30 September, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to note 4 of the Statement wherein it is stated that the rates/agreements for Digital Addressable System (DAS) subscription fee have not yet been finalised and the revenue on account of the same has been recognised based on estimates which in management's view are reasonable.

Our report is not qualified in respect of this matter.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)



*Alka Chadha*

**Alka Chadha**  
Partner  
(Membership No. 93474)

New Delhi, 13 December, 2016

**DEN NETWORKS LIMITED**

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi - 110020

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER, 2016**

| Particulars   | (Rs. in Lakhs)                                 |   |   |   |  |
|---|--|---|---|---|--|
|   | 3 months ended<br>30.09.2016<br>(See Note - 2) | Preceding 3<br>months ended<br>30.06.2016<br>(See Note - 2) | Corresponding 3<br>months ended in<br>the previous year<br>30.09.2015<br>(See Note - 2) | Year to date<br>figures for current<br>period ended<br>30.09.2016<br>(See Note - 2) | Year to date<br>figures for<br>previous year<br>ended 30.09.2015<br>(See Note - 2) |
|   | (Unaudited)                                    | (Unaudited)   | (Unaudited)   | (Unaudited)   | (Unaudited)  |
| <b>1. Income from Operations</b>  |  |   |   |   |  |
| (a) Sale of services  | 23,719   | 23,697  | 19,236  | 46,416  | 36,354   |
| (b) Other operating income  | 442  | 170   | 748   | 612   | 1,319  |
| <b>Total income from operations</b>   | <b>23,161</b>                                  | <b>23,867</b>   | <b>19,984</b>   | <b>47,028</b>   | <b>39,673</b>  |
| <b>2. Expenses</b>  |  |   |   |   |  |
| (a) Content cost  | 10,635   | 10,728  | 9,151   | 21,363  | 17,098   |
| (b) Placement fees  | 4,660  | 4,369   | 6,913   | 9,029   | 12,502   |
| (c) Employee benefits expense   | 2,353  | 1,957   | 2,453   | 4,310   | 4,736  |
| (d) Cost of traded items  | 9  | 155   | 760   | 164   | 1,390  |
| (e) Depreciation and amortisation expenses  | 5,170  | 5,003   | 3,264   | 10,173  | 6,273  |
| (f) Other expenses  | 5,678  | 6,200   | 6,160   | 11,878  | 12,044   |
| <b>Total expenses</b>   | <b>28,505</b>                                  | <b>28,412</b>   | <b>28,701</b>   | <b>56,917</b>   | <b>54,043</b>  |
| <b>3. Profit / (Loss) from operations before other income and finance costs (1-2)</b>                   | <b>(5,344)</b>                                 | <b>(4,545)</b>  | <b>(8,717)</b>  | <b>(9,889)</b>  | <b>(14,370)</b>  |
| 4. Other income   | 787  | 1,087   | 2,613   | 1,874   | 4,656  |
| <b>5. Profit / (Loss) from ordinary activities before finance costs (3+4)</b>                           | <b>(4,557)</b>                                 | <b>(3,458)</b>  | <b>(6,104)</b>  | <b>(8,015)</b>  | <b>(9,714)</b>   |
| 6. Finance costs  | 1,260  | 2,282   | 2,022   | 3,542   | 3,761  |
| <b>7. Profit / (Loss) from ordinary activities after finance cost but before exceptional item (5-6)</b> | <b>(5,817)</b>                                 | <b>(5,740)</b>  | <b>(8,126)</b>  | <b>(11,557)</b>   | <b>(13,475)</b>  |
| 8. Exceptional item (see note 6)  | 1,613  | -   | -   | 1,613   | -  |
| <b>9. Profit/ (Loss) before tax (7-8)</b>   | <b>(7,430)</b>                                 | <b>(5,740)</b>  | <b>(8,126)</b>  | <b>(13,170)</b>   | <b>(13,475)</b>  |
| 10. Tax expense   | (896)  | (9)   | (652)   | (905)   | (926)  |
| <b>11. Profit / (Loss) after tax (9-10)</b>   | <b>(6,534)</b>                                 | <b>(5,731)</b>  | <b>(7,474)</b>  | <b>(12,265)</b>   | <b>(12,549)</b>  |
| 12. Other comprehensive income/ (loss)  | (57)   | 38  | (24)  | (19)  | (123)  |
| <b>13. Total comprehensive income/ (loss) [after tax] (11+12)</b>                                       | <b>(6,591)</b>                                 | <b>(5,693)</b>  | <b>(7,498)</b>  | <b>(12,284)</b>   | <b>(12,672)</b>  |
| 14. Paid-up equity share capital<br>(Face value Rs. 10/-)   | 17,820   | 17,820  | 17,820  | 17,820  | 17,820   |
| 15. Earning per share (EPS) (Face value Rs. 10/-) (not annualised)                                      |  |   |   |   |  |
| (a) Basic EPS   | (3.70)   | (3.19)  | (4.21)  | (6.89)  | (7.11)   |
| (b) Diluted EPS   | (3.70)   | (3.19)  | (4.21)  | (6.89)  | (7.11)   |
| See accompanying notes to the standalone unaudited financial results                                    |  |   |   |   |  |



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**DEN NETWORKS LIMITED**

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi - 110020

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER, 2016**

**Segment Revenue, Results, Assets and Liabilities for the quarter and six months ended 30 September, 2016.**

(Rs. in Lakhs)

| Particulars   | 3 months ended<br>30.09.2016<br>(See Note - 2) | Preceding 3<br>months ended<br>30.06.2016<br>(See Note - 2) | Corresponding 3<br>months ended in<br>the previous<br>year 30.09.2015<br>(See Note - 2) | Year to date<br>figures for<br>current period<br>ended<br>30.09.2016<br>(See Note - 2) | Year to date<br>figures for<br>previous year<br>ended 30.09.2015<br>(See Note - 2) |
|---|--|---|---|--|--|
|   | (Unaudited)                                    | (Unaudited)   | (Unaudited)   | (Unaudited)  | (Unaudited)  |
| <b>Segment Revenue (a to b)</b>                                       |  |   |   |  |  |
| (a) Cable distribution network  | 21,091   | 22,088  | 19,177  | 43,179   | 38,363   |
| (b) Broadband   | 2,070  | 1,779   | 807   | 3,849  | 1,310  |
| <b>Total</b>  | <b>23,161</b>                                  | <b>23,867</b>   | <b>19,984</b>   | <b>47,028</b>  | <b>39,673</b>  |
| <b>Segment Results (a to b)</b>                                       |  |   |   |  |  |
| <b>Profit / (Loss) before finance costs and tax from each segment</b> |  |   |   |  |  |
| (a) Cable distribution network  | (4,544)  | (3,119)   | (6,394)   | (7,663)  | (10,123)   |
| (b) Broadband   | (800)  | (1,426)   | (2,323)   | (2,226)  | (4,247)  |
| <b>Total</b>  | <b>(5,344)</b>                                 | <b>(4,545)</b>  | <b>(8,717)</b>  | <b>(9,889)</b>   | <b>(14,370)</b>  |
| Less:   |  |   |   |  |  |
| i. Finance costs  | 1,260  | 2,282   | 2,022   | 3,542  | 3,761  |
| ii. Other unallocable expenditure (net of unallocable income)         | (787)  | (1,087)   | (2,613)   | (1,874)  | (4,656)  |
| <b>Profit / (Loss) before exceptional item and tax</b>                | <b>(5,817)</b>                                 | <b>(5,740)</b>  | <b>(8,126)</b>  | <b>(11,557)</b>  | <b>(13,475)</b>  |
| Exceptional item (see note 6)   | 1,613  | -   | -   | 1,613  | -  |
| <b>Profit / (Loss) before tax</b>                                     | <b>(7,430)</b>                                 | <b>(5,740)</b>  | <b>(8,126)</b>  | <b>(13,170)</b>  | <b>(13,475)</b>  |
| Less: Tax expense   | (896)  | (9)   | (652)   | (905)  | (926)  |
| <b>Profit / (Loss) after tax</b>                                      | <b>(6,534)</b>                                 | <b>(5,731)</b>  | <b>(7,474)</b>  | <b>(12,265)</b>  | <b>(12,549)</b>  |
| <b>Segment Assets</b>   |  |   |   |  |  |
| (a) Cable distribution network  | 158,263  | 167,363   | 141,063   | 158,263  | 141,063  |
| (b) Broadband   | 12,821   | 12,657  | 10,381  | 12,821   | 10,381   |
| (c) Unallocated   | 131,934  | 128,865   | 169,289   | 131,934  | 169,289  |
|   | <b>303,018</b>                                 | <b>308,885</b>  | <b>320,733</b>  | <b>303,018</b>   | <b>320,733</b>   |
| Less: Inter-segment elimination                                       | 22,630   | 21,074  | 15,484  | 22,630   | 15,484   |
|   | <b>280,388</b>                                 | <b>287,811</b>  | <b>305,249</b>  | <b>280,388</b>   | <b>305,249</b>   |
| <b>Segment Liabilities</b>  |  |   |   |  |  |
| (a) Cable distribution network  | 89,112   | 76,246  | 56,249  | 89,112   | 56,249   |
| (b) Broadband   | 27,171   | 25,310  | 18,667  | 27,171   | 18,667   |
| (c) Unallocated   | 76,879   | 84,127  | 106,952   | 76,879   | 106,952  |
|   | <b>193,162</b>                                 | <b>185,683</b>  | <b>181,868</b>  | <b>193,162</b>   | <b>181,868</b>   |
| Less: Inter-segment elimination                                       | 22,630   | 21,074  | 15,484  | 22,630   | 15,484   |
|   | <b>170,532</b>                                 | <b>164,609</b>  | <b>166,384</b>  | <b>170,532</b>   | <b>166,384</b>   |

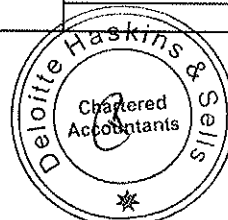
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**DEN NETWORKS LIMITED**  
**STANDALONE UNAUDITED STATEMENT OF ASSETS AND LIABILITIES**

|  | (Rs in lakhs)       |
|--|---------------------|
| Particulars  | As at<br>30.09.2016 |
| <b>A. Assets</b>   |                     |
| <b>1. Non-current assets</b>   |                     |
| (a) Property, plant and equipment  | 86,199              |
| (b) Capital work in progress   | 5,057               |
| (c) Other intangible assets  | 785                 |
| (d) Financial assets   |                     |
| (i) Investments in subsidiaries and associates   | 56,404              |
| (ii) Loans and advances  | 4,039               |
| (e) Current tax assets   | 13,863              |
| (f) Deferred tax assets (net)  | 14,993              |
| (g) Other non-current assets   | 40                  |
|  | <b>181,380</b>      |
| <b>2. Current assets</b>   |                     |
| (a) Financial assets   |                     |
| (i) Trade receivables  | 43,560              |
| (ii) Cash and cash equivalents   | 6,676               |
| (iii) Other balances with banks  | 29,232              |
| (iv) Loans and advances  | 12,339              |
| (b) Other current assets   | 7,201               |
|  | <b>99,008</b>       |
| <b>Total assets</b>  | <b>280,388</b>      |
| <b>B. Equity and liabilities</b>   |                     |
| <b>1. Equity</b>   |                     |
| (a) Equity share capital   | 17,774              |
| (b) Other equity   | 92,082              |
|  | <b>109,856</b>      |
| <b>2. Non-current liabilities</b>  |                     |
| (a) Financial liabilities  |                     |
| (i) Borrowings   | 22,710              |
| (b) Provisions   | 1,068               |
| (c) Other non-current liabilities  | 30,508              |
|  | <b>54,286</b>       |
| <b>3. Current liabilities</b>  |                     |
| (a) Financial liabilities  |                     |
| (i) Borrowings   | 6,022               |
| (ii) Trade payables  |                     |
| i. total outstanding dues to micro enterprises and small enterprises                       | -                   |
| ii. total outstanding dues to creditors other than micro enterprises and small enterprises | 44,284              |
| (b) Provisions   | 26                  |
| (c) Other current liabilities  | 65,914              |
|  | <b>116,246</b>      |
| <b>Total equity and liabilities</b>  | <b>280,388</b>      |



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**Notes to the standalone unaudited financial results:**

- The above standalone unaudited financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on 13 December, 2016. The statutory auditors of the Company have carried out a limited review of the results for quarter and six months ended 30 September, 2016.
- The Company adopted Indian Accounting Standards ("IND AS") from 1 April, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND AS 34. The Company has elected not to present the IND AS complied financial results and statement of assets and liabilities for the previous year ended 31 March, 2016.
- The Company has investments of Rs. 56,404 lakhs (net of provision for impairment of Rs. 4,393 lakhs) in subsidiary companies, joint venture and associate companies as on 30 September, 2016. Of these, the Company has investment of Rs. 8,930 lakhs (net of provision for impairment of Rs. 4,393 lakhs) and has balances of loans/advances of Rs. 84 lakhs in various subsidiary companies whose net worth as at 30 September, 2016 has fully/substantially eroded. Of these, investments aggregating to Rs. 5,145 lakhs (net of provision for impairment of Rs. 1,613 lakhs) in companies whose net worth is fully/substantially eroded have earned profits for the six months ended 30 September, 2016. The management of the Company expects that these 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 further provision for impairment is considered necessary in the value of these investments.
- Pursuant to TRAI notification, Digital Addressable System (DAS) was implemented in the metropolitan cities of the country in Phase 1, Phase 2 and Phase 3 cities effective 1 November, 2012, 1 April, 2013 and 1 January, 2016 respectively. The Company has not been able to finalise subscription rates / agreements with Distributors / Local Cable Operators (LCOs) in notified cities. Pending finalisation of agreements, the Company has recognised subscription income on estimates based on market trends and negotiations with LCOs/Distributors. 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.
- The Board of Directors of the Company in its meeting held on 5 September, 2016 considered and approved a Scheme of Arrangement ("the Scheme") amongst DEN NETWORKS LIMITED ("Company") and SKYNET CABLE NETWORK PRIVATE LIMITED ("SKYNET"), a wholly owned subsidiary, in terms of provisions of sections 391 to 394 of the Companies Act, 1956. With effect from the Appointed date i.e. 1 April, 2016, the Internet Service Provider business ("Broadband") of the Company will be demerged into SKYNET. The Scheme is subject to the approval of shareholders, sanction of the Scheme by the High Court and all other statutory approvals.
- During the quarter ended 30 September, 2016 the Company has increased its investment stake in Macro Commerce Private Limited ("MCPL"), erstwhile joint venture, from 50% to 82.87% by fresh investment of 5,000,000 equity shares at face value of MCPL equity shares and acquiring 2,722,222 equity shares at fair market value of Rs 3.70 per share. Further, the fair valuation of investment in MCPL has resulted in provision for impairment of Rs 1,613 lakhs and the same is disclosed as an exceptional item in the standalone unaudited financial results.
- During the quarter and six months ended 30 September, 2016, the nomination and Remuneration/Compensation committee has granted 1,750,000 options under Employee Stock Option Plan - 2014 to eligible employee of the Company.
- Subsequent to the quarter end, the Securities Issue Committee of the Board of Directors at its meeting held on 27 October, 2016 has issued and allotted 15,826,039 equity shares of Rs. 10 each at a premium of Rs. 80 per share to the affiliates of Goldman Sachs Group, Inc. who form part of the persons belonging to Non Promoter category on a preferential basis. With the aforesaid allotment, the holding of affiliates of the Goldman Sachs Group, Inc. has increased from 17.79% to 24.49%. The Company has received total allotment consideration of Rs. 14,243 lakhs.
- Subsequent to the quarter ended 30 September, 2016, the Company has decreased its investment stake in DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED), from 45% to 20% by way of sale of 21,052,789 equity shares for a sale consideration of Rs. 800 lakhs.
- During the financial year 2013-14, the Company had raised funds of Rs. 96,082 lakhs by way of Qualified Institutional Placement (QIP) and Preferential Issue of Equity Shares.

The utilisation of the above proceeds are as follows:

| Particulars   | Amount<br>(Rs. in lakhs) |
|---|--------------------------|
| a. Utilisation for implementation of DAS, broadband and other infrastructure and services | 77,815                   |
| b. Issue expenses incurred  | 2,795                    |
| c. Balance amount invested in fixed deposits*   | 15,472                   |
| <b>Total</b>  | <b>96,082</b>            |

\* Includes Rs. 15,472 lakhs under lien as margin money with banks/ financial institution against letters of credit/ bank guarantees/ term loans.

- Transition to IND- AS:**  
The Company has transitioned to IND-AS with effect from 1 April, 2016 with comparatives being restated. Accordingly, the impact of transition has been provided in the opening reserves as at 1 April, 2015 and figures for the quarter and six months ended 30 September, 2015 have been restated accordingly.

**Reconciliation of standalone unaudited financial results reported to those under previous Generally accepted accounting principles (GAAP):**

| Nature of Adjustments   | (Rs. in lakhs)  |  |
|---|---|--|
|   | Year to date figures for previous year ended 30.09.2015 | Corresponding 3 months ended in the previous year 30.09.2015 |
| Net profit/ (loss) after tax as reported under previous GAAP                                  | (10,890)  | (6,128)  |
| - Effect of activation revenue being deferred and amortised over customer relationship period | (1,219)   | (1,782)  |
| - Effect of employee stock option plan charged at fair value                                  | (288)   | (149)  |
| - Effect of measuring financial instruments at fair value                                     | (1,070)   | (91)   |
| - Effect of actuarial loss on defined benefits plans  | 123   | 24   |
| - Deferred tax adjustment on above items  | 795   | 652  |
| Net profit / (loss) after tax as per IND-AS   | <b>(12,549)</b>   | <b>(7,474)</b>   |
| Other comprehensive income/ (loss)  | (123)   | (24)   |
| <b>Total comprehensive income/ (loss) [after tax] as per IND-AS</b>                           | <b>(12,672)</b>   | <b>(7,498)</b>   |

- Previous period figures have been reclassified/ regrouped to conform to the classifications adopted in the current period, where necessary.



For and behalf of Board of Directors  
of DEN NETWORKS LIMITED

AJAY CHAND  
Director  
DIN: 02334456

New Delhi  
13 December, 2016