



**DQ ENTERTAINMENT (INTERNATIONAL) LIMITED**  
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

**Unaudited Consolidated Financial Results for the quarter and nine months ended 31 December 2010**

Sl. No	Particulars	(Rs in million)		
		For Quarter ended 31 December 2010	For Nine months ended 31 December 2010	For Year ended 31 March 2010
		(Unaudited)	(Unaudited)	(Audited)
1	Net Income from Operations	432.42	1,297.81	1,754.74
2	Expenditure			
a.	Production Expenses	43.34	119.87	241.31
b.	Employees Cost	208.52	607.85	635.13
c.	Other Expenditure	145.05	242.19	322.82
d.	Depreciation and Amortisation	85.73	234.50	273.78
e.	Less: Expenditure transferred to Capital Account	(2.24)	(36.55)	(34.37)
	Total Expenditure [2a to 2e]	480.40	1,167.86	1,438.67
3	(Loss) / Profit from Operations before Other Income, Interest and Finance expense and Exceptional Items [ 1 -2 ]	(47.98)	129.95	316.07
4	Other Income	105.57	130.20	11.33
5	Profit before Interest and Finance expense and Exceptional Items [ 3+ 4 ]	57.59	260.15	327.40
6	Interest and Finance Expenses	28.75	81.70	58.89
7	Profit after Interest and Finance expense but before Exceptional Items. [ 5 - 6 ]	28.84	178.45	268.51
8	Exceptional items	-	-	-
9	Profit from Ordinary Activities before tax	28.84	178.45	268.51
10	Less: Tax (credit) / expense	(2.65)	61.45	1.79
11	Net Profit from Ordinary Activities after tax [ 9 - 10 ]	31.49	117.00	266.72
12	Extraordinary Item	-	-	-
13	Net Profit for the period [11-12]	31.49	117.00	266.72
14	Paid-up equity share capital [Face value Rs.10 per share]	792.83	792.83	792.83
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	2,455.23
16	Earnings Per Share [Face value Rs.10 per share] (not annualised/ in Rs.)			
	a) Basic	0.40	1.48	4.42
	b) Diluted	0.40	1.48	4.41
17	Public Shareholding			
	a) Number of Shares	19,820,782	19,820,782	19,820,782
	b) Percentage of shareholding	25%	25%	25%
18	Promoters and Promoter group Shareholding			
	a) Pledged / Encumbered - No. of Shares	-	-	-
	Percentage of shares (as a % of the total share holding of promoter and promoter group)	-	-	-
	Percentage of shareholding (as a % of the total share capital of the company)	-	-	-
	b) Non encumbered - No. of Shares	59,462,218	59,462,218	59,462,218
	Percentage of shares (as a % of the total share holding of promoter and promoter group)	100%	100%	100%
	Percentage of shares (as a % of the total share capital of the company)	75%	75%	75%





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**Consolidated Segment Revenue and Results**

Particulars	For quarter ended	For Nine months ended	(Rs in million)
	31 December 2010 (Unaudited)	31 December 2010 (Unaudited)	For Year ended 31 March 2010 (Audited)
<b>Segment Revenue</b>			
Animation	387.45	1,089.41	1,523.65
Gaming	2.39	10.99	15.99
Distribution	42.58	197.41	215.10
<b>Net Income from Operations</b>	<b>432.42</b>	<b>1,297.81</b>	<b>1,754.74</b>
<b>Segment Results</b>			
Animation	117.56	528.24	809.30
Gaming	0.89	7.37	6.28
Distribution	3.93	91.13	112.29
Unallocated expenses	(71.79)	(377.19)	(602.92)
<b>Segment Results before Interest and Finance Expense and Tax from each segment</b>	<b>50.59</b>	<b>249.55</b>	<b>324.95</b>
Less: Interest and Finance Expense	(21.75)	(71.10)	(56.44)
<b>Profit before tax</b>	<b>28.84</b>	<b>178.45</b>	<b>268.51</b>
Less: Tax (credit) / expense	(2.65)	61.45	1.79
<b>Net Profit for the period</b>	<b>31.49</b>	<b>117.00</b>	<b>266.72</b>
<b>Capital Employed</b>			
Animation	987.42	987.42	893.66
Gaming	4.17	4.17	8.52
Distribution	160.00	160.00	1,242.18
Unallocated	2,213.46	2,213.46	1,103.70
<b>Total</b>	<b>3,365.05</b>	<b>3,365.05</b>	<b>3,248.06</b>





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- 1) The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 3 February 2011.
- 2) The "Unaudited Consolidated Financial Results" have been subjected to the Limited Review by the Statutory Auditors of the Company.
- 3) The financial results are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as set out in the Accounting Standard on "Consolidated Financial Statements" mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.
- 4) Pursuant to Clause 41 of the Listing Agreement, the Company opted to publish only the Consolidated Results of the Company. Investor can view the Standalone results of the Company on the Company's website "www.dqentertainment.com" as well as the website of BSE (www.bseindia.com).
- 5) Certain Standalone Information of the Company :

(Rs. In Million)

Particulars	For Quarter ended 31 December 2010	For Nine months ended 31 December 2010	For Year ended 31 March 2010
Turnover (Net Sales)	352.10	1,077.98	1,481.15
(Loss) / Profit Before Tax	(14.08)	74.18	194.41
(Loss) / Profit After Tax	(6.04)	30.65	202.14

- 6) The details of funds raised through Initial Public Offering (IPO) and utilisation of said funds are as follows:

(Rs in million)

Particulars	Amount
<b>Funds received through IPO</b>	<b>1,539.59</b>
<b>Utilisation of funds</b>	
Investment in co-production agreements, focusing on IP content creation	389.90
Development of office premises and production facilities.	177.25
Investment in Subsidiary (DQ Entertainment (Ireland) Limited)	129.46
General corporate purpose	233.10
Issues expenses	95.45
<b>Total funds utilised up to 31 December 2010</b>	<b>1,025.16</b>
Investments*	286.03
Fixed Deposits	228.40
<b>Balance as on 31 December 2010</b>	<b>514.43</b>

\*As on 31 December 2010 unutilised funds have been temporarily invested in short term liquid scheme of mutual funds.

- 7) Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the nine months ended December 31, 2010.

Nature of complaints	Opening Balance	Additions	Disposal	Closing Balance
Non - receipt of refund order	-	5	5	-

8) In continuation of the quarter and the half year ended 30 September 2010, the auditors of the Company have invited attention in their review report for the quarter and nine months ended 31 December 2010 that the Company has transactions with an entity located outside India which in the auditors opinion is prima facie controlled by the company, as per Accounting Standards (AS) 21 – "Consolidated financial statements". In this respect the company has sought for relevant financials and other details from the entity and on receipt of the information the impact will be appropriately addressed.

9) The auditors of the Company had invited attention in their review report for quarter and the half year ended 30 September 2010, that the Company's wholly owned subsidiary, DQ Entertainment (Ireland) Limited, which is incorporated outside India, whose operations had been considered as non-integral instead of integral foreign operations, as per Accounting Standard (AS) 11, for which the Company in the quarter ended 31 December 2010 has duly reviewed and complied with the relevant standard.

10) Figures of the corresponding quarter and period end of the previous year have not been given since such figures were not compiled. Corresponding previous year end figures have been regrouped / reclassified wherever necessary.