Size: 12 x 28cms

ETC NETWORKS LIMITED

(Originally incorporated as Econnect India Limited)
Registered Office: 7-B Shah Industrial Estate, Off Veera Desai Road,
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CORRIGENDUM PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF ETC NETWORKS LIMITED ("ETC Networks" or "the Company")

This Corrigendum Public Announcement is being issued pursuant to Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 ("SEBI Buy-back Regulations") in connection with the Offer for Buyback of Equity Shares from the Open Market through Stock Exchanges by ETC Networks Limited.

With reference to the Public Announcement dated 26 August 2006 ("Public Announcement") by ETC Networks Limited, shareholders of ETC Networks Limited may note the following amendments to the Public Announcement:

1. Promoter Holdings:

Under Regulation 8(3) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("SEBI Takeover Regulations"), Zee Telefilms Ltd. and Asian Satellite Broadcast Pvt. Ltd. holding 81,41,259 shares of the Company have been identified as Promoters of the Company.

In the Public Notice dated 24 April 2006, the promoters holding was erroneously declared as 81,66,259 shares. The error took place due to clubbing of 25,000 shares held by Mr. Rajiv Garg, Managing Director. Mr. Garg is not a Promoter of the Company and he is acting in professional capacity. In accordance with SEBI Takeover Regulations his holding has not been considered in any of the filings with stock exchanges as well as in the Public Announcement.

We further confirm that no shares have been purchased or sold by the Promoters during the six month period preceding the April 24 2006 and the twelve month period preceding August 26 2006.

2. Net-worth Calculations:

The net-worth of the company as on 31 March 2006 is computed as under:

Paid up share capital	14,96,03,120
Reserves & Surplus	52,99,39,721

Total	67,95,42,841
Less:	
Capital Reserve	95,53,405
Miscellaneous Expenditure	57,20,677

Total	66,42,68,759
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As per certificate dated 24 April 2006 of M/s MGB & Co., Chartered Accountants, the statutory auditors of the Company	(Rs. lacs)
Total	681.33
Less: Dividend Paid	17.06

Total	664.27
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3. Financial Information and Trends:

The break-up of the Total Income is shown below:

Particulars	2005-06	2004-05	2003-04
Income from operations	441.03	466.52	425.98
Other Income	11.06	12.21	17.00
Total Income	452.09	478.73	442.98

Trends

The Income from Operations during 2003-04 was Rs. 425.98 mn which grew by 9.5% to Rs. 466.52 mn in 2004-05. However it fell by 5% during 2006-07. The net profit during 2003-04 was Rs. 157.77 mn which fell by 54% to Rs. 72.17 mn in 2004-05 and by 2% to 70.76 mn in 2005-06.

Principally the revenues of Channel etc is derived from two lines of activities (a) advertisement of film trailers, songs and music albums and (b) advertisements of commercial ads of various products and services. The Company intended to change the product mix by emphasizing on commercial ads which give higher value compared to the trailer business. Hence new business strategy and programming initiatives were undertaken by the Company.

In order to increase the commercial advertising revenue, the channel had to invest substantially in creating program properties and also to forgo some income from the exposure business. This is reflected in gradual increase in Programming cost from Rs. 53.68 mn in 2003-04 to Rs. 72.35 mn in 2004-05 and Rs. 84.31 mn in 2005-06. Although the profits have declined the Company believes that this strategy is beneficial for the long term sustainability of the channels.

4. Point 3 of the Public Announcement relating to Proposed Time Table is modified as under:

The last date for buy-back and payment obligations in respect of the buy-back shall be completed on or before 23 April 2007.

5. Point 8(16) of the Public Announcement (stated below) stands withdrawn.

"It is being clarified that the fact that the resolution provide for a maximum price of Rs. 62 does not indicate that the Company will or is obliged to buy or continue to buy shares so long as the price is below Rs. 62. Similarly the fact that the resolution indicate that the maximum aggregate purchase price of Rs. 681.33 lacs does not indicate that the Company will utilize or is obliged to utilize the entire amount of Rs. 681.33 lacs in the Buyback."

The Company confirms that all the relevant provisions of SEBI Buy-back Regulations have been complied with.

The Board of Directors of the Company accepts full and final responsibility for the information contained in this Corrigendum and their obligations under the SEBI Buy-back Regulations.

Terms used but not defined in this Corrigendum shall have meaning as assigned to them in the Public Announcement dated August 26, 2006. This Corrigendum will be also available on the SEBI website at www.sebi.gov.in

For and on behalf of the Board of Directors
ETC NETWORKS LIMITED

Place: Mumbai
Date: 19 September 2006

Rajiv Garg	Sanjay Agrawal	Vijay Shah
Managing Director	**Director & CFO**	**Company Secretary**