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India

Limited Review Report

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To the Board of Directors of Network18 Media & Investments Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Network18 Media & Investments Limited ("the Company") for the quarter ended 30 September 2012 and the year to date results for the period 1 April 2012 to 30 September 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 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. *The Company has paid Rs. 225.48 lakhs as managerial remuneration to its managing director upto 30 September 2012 (upto 30 June 2012: Rs. 201.00 lakhs and upto 31 March 2012: Rs. 201.00 lakhs), which is in excess of the limits prescribed under the Companies Act, 1956 ('the Act'). Had the Company accounted for the remuneration in accordance with the Act, the net loss after tax for the quarter and six months ended 30 September 2012 would have been lower by Rs. 225.48 lakhs (for the quarter ended 30 June 2012: Rs. 201.00 lakhs; for the quarter and year ended 31 March 2012: Rs. 201.00 lakhs) and Short-term loans and advances would have been higher by Rs. 225.48 lakhs (as at 31 March 2012: Rs. 201.00 lakhs). Our reports on the financial results for the previous quarters /year were qualified in respect of this matter.*
4. Based on our review conducted as above, *except for the effects of qualification as described in the previous paragraph*, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw attention to Note 5 of the Statement. In accordance with the scheme of arrangement between the Company and Infomedia Press Limited ("Infomedia"), a subsidiary company, approved by the Hon'ble High Court of Delhi, made effective on 1 June 2012 with an appointed date of 1 April 2010, the Company has adjusted the book value of its investment in Infomedia to reflect its fair value and has recorded the resulting adjustment in the Securities Premium Account. Our opinion is not qualified in respect of this matter.

Walker, Chandio & Co

For Walker, Chandio & Co
Chartered Accountants
Firm Registration No: 001076N

[Signature]
per B P Singh

Partner

Membership No. 00116



Place: New Delhi

Date: 1 November 2012