

February 1, 2014

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street, Fort,
Mumbai- 400 001
Fax No.: 22722037/39/41/61/3121/3719
BSE Scrip Code: 532399

The Manager
Listing Department
National Stock Exchange of India limited
Exchange Plaza, 5th Floor, Plot no. C/1,
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
Fax No.: 26598237/38
NSE Scrip Symbol: RELMEDIA

Dear Sirs,

Sub: Consolidated Unaudited Financial Results for the quarter ended December 31, 2013

Pursuant to Clause 41 of the Listing Agreement, we enclose herewith the Consolidated Unaudited Financial Results for the quarter ended December 31, 2013.

The above results were taken on record by the Board of Directors at its meeting held today.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
for Reliance MediaWorks Limited


Ashish Agarwal
Company Secretary

Encl: As Above

Part - I

Statement of Consolidated Unaudited Financial Results for the Quarter / fifteen month period ended December 31, 2013

(Rs. in lakhs except per share data)

Sr No	Particulars	Quarter (Unaudited)			Period (Unaudited)		Year (Audited)
		October 1, 2013 to December 31, 2013	July 1, 2013 to September 30, 2013	October 1, 2012 to December 31, 2012	October 1, 2012 to December 31, 2013	October 1, 2011 to December 31, 2012@	April 1, 2011 to September 30, 2012
1	Income from Operations						
a)	Net sales / income from operations	15,845.20	18,211.31	20,242.25	85,868.86	99,128.24	120,874.66
b)	Other operational income	407.97	451.19	453.62	2,222.11	2,126.24	2,430.87
	Total income from operations	16,253.17	18,662.50	20,695.87	88,090.97	101,254.48	123,305.53
2	Expenses						
a)	Cost of material consumed	26.09	51.88	89.17	251.08	839.59	755.01
b)	Purchase of stock-in-trade	680.68	894.30	859.73	4,038.29	4,621.36	6,642.59
c)	Change in inventories	(124.41)	81.81	(22.38)	(49.41)	(47.53)	76.03
d)	Employee benefit expense	4,299.97	4,362.28	4,563.58	21,351.92	25,555.53	31,712.26
e)	Distributors' share	3,331.90	3,966.14	4,213.67	18,035.85	21,559.76	26,342.31
f)	Other direct operational expenses	2,620.50	2,064.79	3,727.69	12,356.02	13,387.89	15,497.05
g)	Depreciation, amortisation and impairment	3,764.23	3,727.11	3,453.15	18,793.67	18,119.65	21,335.49
h)	Rent	3,192.56	4,307.05	4,612.74	22,319.09	25,042.95	30,455.13
i)	Other expenses	4,221.95	4,384.74	4,522.03	23,111.53	29,640.02	35,265.57
	Total expenses	22,013.47	23,840.10	26,019.38	120,208.04	138,719.22	168,081.44
3	(Loss) from operations before other income, finance costs and exceptional items	(5,760.30)	(5,177.60)	(5,323.51)	(32,117.07)	(37,464.74)	(44,775.91)
4	Other income	12.89	591.99	752.75	3,484.41	2,051.40	2,181.31
5	(Loss) from ordinary activities before finance costs and exceptional items	(5,747.41)	(4,585.61)	(4,570.76)	(28,632.66)	(35,413.34)	(42,594.60)
6	Finance costs (net)	6,531.12	7,444.56	6,769.92	35,500.46	33,905.73	39,751.33
7	(Loss) from ordinary activities after finance costs but before exceptional items	(12,278.53)	(12,030.17)	(11,340.68)	(64,133.12)	(69,319.07)	(82,345.93)
8	Exceptional items (Refer note 6)	(53.94)	-	-	5,947.13	8,181.58	8,181.58
9	(Loss) from ordinary activities before tax	(12,224.59)	(12,030.17)	(11,340.68)	(70,080.25)	(77,500.65)	(90,527.51)
10	Tax expense	22.87	169.19	300.08	504.17	704.15	(212.57)

Part - I

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(Rs. in lakhs except per share data)

Sr No	Particulars	Quarter (Unaudited)			Period (Unaudited)		Year (Audited)
		October 1, 2013 to December 31, 2013	July 1, 2013 to September 30, 2013	October 1, 2012 to December 31, 2012	October 1, 2012 to December 31, 2013	October 1, 2011 to December 31, 2012@	April 1, 2011 to September 30, 2012
11	Net (loss) from ordinary activities after tax	(12,247.46)	(12,199.36)	(11,640.76)	(70,584.42)	(78,204.80)	(90,314.94)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	Net (loss) for the period	(12,247.46)	(12,199.36)	(11,640.76)	(70,584.42)	(78,204.80)	(90,314.94)
14	Minority interest	(7.45)	192.75	320.73	581.58	738.02	732.37
15	Net (loss) for the period	(12,240.01)	(12,392.11)	(11,961.49)	(71,166.00)	(78,942.82)	(91,047.31)
16	Paid-up equity share capital (face value Rs.5/-per share)	9,660.44	9,660.44	2,306.31	9,660.44	2,306.31	2,306.31
17	Reserves excluding revaluation reserves						(59,016.60)
18	Earning per share for the period before extra-ordinary items (in Rupees)						
	Basic	(6.33)	(16.66)	(23.34)	(84.23)	(154.03)	(177.65)
	Diluted	(6.33)	(16.66)	(23.34)	(84.23)	(154.03)	(177.65)
19	Earning per share for the period after extra-ordinary items (in Rupees)						
	Basic	(6.33)	(16.66)	(23.34)	(84.23)	(154.03)	(177.65)
	Diluted	(6.33)	(16.66)	(23.34)	(84.23)	(154.03)	(177.65)

@ - The numbers for the period October 1, 2011 to December 31, 2012 have been derived as balancing numbers between year to date numbers for the period ended September 30, 2012 and period ended December 31, 2012 less the year to date numbers for the period ended September 30, 2011.

Statement of Consolidated Unaudited Segment Reporting for the Quarter / fifteen month period ended December 31, 2013

Particulars	(Rs. in lakhs)					
	Quarter (Unaudited)			Period (Unaudited)		Year (Audited)
	October 1, 2013 to December 31, 2013	July 1, 2013 to September 30, 2013	October 1, 2012 to December 31, 2012	October 1, 2012 to December 31, 2013	October 1, 2011 to December 31, 2012@	April 1, 2011 to September 30, 2012
Segment revenue / Other income						
Film production services*	3,245.03	3,554.77	3,221.13	17,823.48	22,064.03	28,638.61
Theatrical exhibition	11,923.72	13,859.61	14,244.48	62,945.81	71,124.47	86,316.45
Television / Film production and distribution	1,303.72	1,548.81	3,344.71	8,576.71	8,706.27	9,195.00
	16,472.47	18,963.19	20,810.32	89,346.00	101,894.77	124,150.06
Less: Inter segment revenue	219.30	300.69	114.45	1,255.03	640.29	844.53
Net sales / income from operations	16,253.17	18,662.50	20,695.87	88,090.97	101,254.48	123,305.53
Add: Others (unallocated)	12.89	591.99	752.75	3,484.41	2,051.40	2,181.31
Total income	16,266.06	19,254.49	21,448.62	91,575.38	103,305.88	125,486.84
Segment results (profit / (loss) before interest and tax)						
Film production services*	(3,245.33)	(3,761.70)	(3,863.46)	(17,978.87)	(14,218.96)	(13,833.13)
Theatrical exhibition S	(1,772.01)	(1,479.40)	(2,209.90)	(19,042.74)	(26,222.54)	(30,380.83)
Television / Film production and distribution	21.49	436.98	988.82	1,531.34	1,987.91	1,965.80
Total segment results	(4,995.85)	(4,804.12)	(5,084.54)	(35,490.27)	(38,453.59)	(42,248.16)
Less: Finance costs (net)	6,531.12	7,444.56	6,769.92	35,500.46	33,905.73	39,751.33
Other unallocable expenses net off unallocable income	697.62	(218.51)	(513.78)	(910.48)	5,141.33	8,528.02
Total loss before tax	(12,224.59)	(12,030.17)	(11,340.68)	(70,080.25)	(77,500.65)	(90,527.51)

Statement of Consolidated Unaudited Segment Reporting for the Quarter / fifteen month period ended December 31, 2013

Particulars	(Rs. in lakhs)					
	Quarter (Unaudited)			Period (Unaudited)		Year (Audited)
	October 1, 2013 to December 31, 2013	July 1, 2013 to September 30, 2013	October 1, 2012 to December 31, 2012	October 1, 2012 to December 31, 2013	October 1, 2011 to December 31, 2012 [@]	April 1, 2011 to September 30, 2012
Capital employed (segment assets less segment liabilities)						
Film production services*	69,492.01	69,782.10	62,497.56	69,492.01	62,497.56	64,177.13
Theatrical exhibition	46,461.87	46,646.39	74,621.22	46,461.87	74,621.22	72,468.89
Television / Film production and distribution	10,597.97	11,001.72	11,234.41	10,597.97	11,234.41	10,666.97
Unallocated	(195,630.39)	(184,127.49)	(217,219.11)	(195,630.39)	(217,219.11)	(203,875.78)
Total	(69,078.54)	(56,697.28)	(68,865.92)	(69,078.54)	(68,865.92)	(56,562.79)

* Pursuant to the business restructuring exercise of Film production services, with effect from October 1, 2011, animation business is no longer considered to be a part of this segment.

S Includes exceptional items of Rs. 6,001.07 lakhs

[@] - The numbers for the period October 1, 2011 to December 31, 2012 have been derived as balancing numbers between year to date numbers for the period ended September 30, 2012 and period ended December 31, 2012 less the year to date numbers for the period ended September 30, 2011.

Part – II

Information for the Quarter / fifteen month period ended December 31, 2013

(Rs. in lakhs)							
Sr. No.	Particulars	Quarter (Unaudited)			Period (Unaudited)		Year (Audited)
		October 1, 2013 to December 31, 2013	July 1, 2013 to September 30, 2013	October 1, 2012 to December 31, 2012	October 1, 2012 to December 31, 2013	October 1, 2011 to December 31, 2012@	April 1, 2011 to September 30, 2012
A	Particulars of Shareholding						
1	Public shareholding						
	- Number of shares	51,579,465	51,579,465	16,996,804	51,579,465	16,996,804	16,996,804
	- Percentage of shareholding	26.70	26.70	36.85	26.70	36.85	36.85
2	Promoters and promoter group Shareholding						
	a) Pledged / encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NA	NA	NA	NA	NA	NA
	- Percentage of shares (as a % of the total share capital of the company)	NA	NA	NA	NA	NA	NA
	b) Non-encumbered						
	- Number of shares	141,629,366	141,629,366	29,129,366	141,629,366	29,129,366	29,129,366
	- 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
	- Percentage of shares (as a % of the total share capital of the company)	73.30	73.30	63.15	73.30	63.15	63.15

Particulars		Quarter ended December 31, 2013	
B	Investor Complaints		
	Pending at the beginning of the quarter	1	
	Received during the quarter	8	
	Disposed of during the quarter	9	
	Remaining unresolved at the end of the quarter	-	

1. The financial results of the Company for the Quarter / fifteen month period ended December 31, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting(s) held on February 1, 2014. The above results are pertaining to the Company and its subsidiaries, joint ventures and associates.
2. The Company has opted to publish consolidated financial results. Standalone financial results for the Quarter ended December 31, 2013 can be viewed on the website of the Company, National Stock Exchange of India Limited and BSE Limited at www.reliancemediaworks.com, www.nseindia.com and www.bseindia.com respectively.
3. Details of standalone financial information is: Turnover Rs. 11,561.52 lakhs for the quarter (December 2012: Rs. 13,591.42 lakhs), loss before tax for the quarter Rs. 9,111.14 lakhs (December 2012: Rs. 8,920.70 lakhs), loss after tax for the quarter Rs. 9,111.14 lakhs (December 2012: Rs. 8,920.70 lakhs).
4. The Company's net worth has eroded, however, having regard to revenue visibility of new businesses in film and media services, improved operational performance of Exhibition business, financial support from its promoters, further restructuring exercise being implemented etc, the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities. The auditors of the Company had put matter of emphasis on the aforesaid matter in the limited review report for the quarter / twelve month period ended September 30, 2013 and the same remarks were also included in the Auditors Report for the eighteen month period ended September 30, 2012.

The Company has taken several steps for the purpose of raising long term funds including successful completion of the rights issue wherein the Company has raised Rs. 58,833.06 lakhs.

5. One of the Subsidiary company has established a business of conversion of 2D to 3D movies, film restoration, image processing, content format processing with a focus on international markets and has established a substantially large and well recognised facility in SEZ with demonstrated capabilities and client relationship for the coming years. The Subsidiary had incurred substantial costs on start up and test runs. Because of the aforesaid factors, the Subsidiary had recognised deferred revenue expenditure in the previous year.

The auditors of the Subsidiary company had qualified their opinion on accounting treatment for recognition of deferred revenue expenditure to the tune of Rs. 1,733.96 lakhs pertaining to start up and stabilisation costs of the business. Had the Subsidiary not followed the said accounting treatment, the loss for the previous years would have been higher by Rs. 1,733.96 lakhs and the opening deficit in the Statement of profit and loss would have been higher by like amount. The Company has continued with the treatment of recognition for deferred revenue expenditure. No amounts have been recognised during the current period as deferred revenue expenditure. The amount recognised during the previous years has been amortised during the current period to the tune of Rs. 433.49 lakhs.

6. Exceptional item includes:

- a. The Company had entered into an operating lease in 2010 for various assets. During the previous quarters, the Company had provided for amounts payable pertaining to certain assets affected due to closure of certain properties covered under the aforesaid lease.

During the current quarter, the Company has revised the lease agreement governing the lease terms including period of lease, and modified the lease rental payments to include payment of additional lease rentals, whereby the Company has got an option to purchase all assets covered by the lease at a nominal value. Accordingly, pursuant to the provisions of AS - 19, the Company has reclassified the aforesaid lease as a finance lease and has recorded the assets covered by the lease at present value of future lease rentals. The Company has written off assets in respect of closed properties and recorded a loss on recording of other assets at their fair value. The loss on account of assets written off and reduction in value pursuant to aforesaid valuation, net off reversal of already existing provisions of Rs. 5,300.29 lakhs (including liability accrued for rent straight-lining as per the provisions of AS-19) has been disclosed as an exceptional item of Rs. 53.94 lakhs in the current quarter.

- b. The Company has undertaken an initiative for rationalisation / improvement of overall Exhibition business, under which the Company is re-negotiating rentals. As part of this initiative, rentals for several properties have been reduced, however in some cases the Company has decided to exit the property. In these cases, Rs. 5,682.58 lakhs pertaining to these properties have been written off / provided to the statement of profit and loss for the period January 1, 2013 to March 31, 2013, thereby reducing subsequent cash losses suffered by the Company. This has been disclosed as an exceptional item in the financial results of the Company.

- c. The Company has decided to provide certain advances and deposits pertaining to its subsidiary in Mauritius – Rs. 318.49 lakhs in the statement of profit and loss for the period January 1, 2013 to March 31, 2013.

7. Utilisation of rights issue proceeds of Rs. 58,833.06 lakhs

Purpose	Proposed utilisation (Rs. in lakhs)	Actual utilisation (Rs. in lakhs)
Repayment of debt to Reliance Capital Limited*	45,000.00	45,000.00
Repayment of debt to other lenders	14,200.00	13,600.00
Issue expenses	350.00	0.03
General corporate purposes	414.02	233.03
Total	59,964.02	58,833.06

* - The loan amount has been adjusted towards share application money against Promoter Subscription

8. The Board of Directors in its meeting held on August 11, 2013, has extended the financial year of the Company till March 31, 2014, which has been approved by the Registrar of Companies vide its approval dated September 27, 2013. Accordingly, the financial statements of the Company will be drawn for a eighteen months period ending March 31, 2014.
9. The previous financial year of the Company was extended till September 30, 2012.
10. Figures for the previous quarter / periods have been regrouped / rearranged to conform to current period's presentation.

Place: Mumbai
Date: February 1, 2014

For Reliance MediaWorks Limited


Amit Khanna
Director