VIDEOCON

14th August, 2012

To

The Secretary Corporate Relations Department BSE Limited P. J. Towers, Dalal Street Mumbai – 400 001	The Secretary Corporate Relations Department The National Stock Exchange of India Limited Exchange Plaza, Bandra – Kurla Complex, Bandra East, Mumbai – 400 059

Dear Sir,

Sub.: Limited Review Report for the period ended on 30th June, 2012.

We refer to the provisions of Clause 41 of the Listing Agreement and enclose herewith, Limited Review Report received from M/s. Kadam & Co., Chartered Accountants, Statutory Auditors of the Company, for the period ended on 30th June, 2012.

You are requested to kindly take the same on record.

Thanking you,

Yours truly,

For **VIDEOCON INDUSTRIES LIMITED**

VINOD KUMAR BOHRA
COMPANY SECRETARY

Encl.: As above

KADAM & CO.
CHARTERED ACCOUNTANTS

HEAD OFFICE :-
" Vedant " 8/9, Viraj Estate,
Opp. Tarakpur Bus Stand,
Ahmednagar - 414 003
☎ : Off : (0241) 2322120 / 30 / 40, 2358964
E-Mail : uk@kadamandco.com

Date :

To
The Board of Directors of
VIDEOCON INDUSTRIES LIMITED

Dear Sir(s)

1. We have reviewed the accompanying statement of Unaudited Financial Results of **VIDEOCON INDUSTRIES LIMITED** (the "Company") for the Quarter ended 30th June, 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/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are 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, directly and through its subsidiaries, made investments of Rs. 1,500 Crore and has also given share application money and advances to Videocon Telecommunications Limited (VTL), the subsidiary. VTL was granted Unified Access Services (UAS) Licenses in 21 circles on 10th January, 2008 and had also been allotted spectrum in 20 circles out of which it has launched its services in 16 circles.*

   The Hon'ble Supreme Court of India, vide its judgment dated 2nd February, 2012 in two separate writ petitions filed by Centre for Public Interest Litigation and by another, has quashed all the UAS licenses granted on or after 10th January, 2008 and the subsequent allocation of spectrum to these licencees. This includes the 21 licenses issued to VTL and the spectrum allotted to it in 20 circles.

   The Hon'ble Supreme Court of India had directed that its aforesaid order shall be operative after four months from 2nd February, 2012, which was modified on 24th April, 2012, and the operation of order of quashing the Telecom Licenses and related allocation of spectrum was postponed to 7th September, 2012. The Hon'ble Supreme Court of India has, vide order dated 2nd February, 2012, also directed TRAI to make fresh recommendations for grant of licenses and allocation of spectrum and the Central Government to grant fresh licenses and allocation of spectrum by auction thereafter. The Central Government had announced that it will complete the auction of licenses and related spectrum on or before 31st August, 2012. As per the news paper reports, the Central Government has filed application with the Hon'ble Supreme Court of India for extending the aforesaid date for implementation of the said judgment dated 2nd February, 2012 of the Hon'ble Supreme Court of India. However, the same is yet to be listed.

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Date :

Pending the fresh auction as mentioned above, VTL is continuing its business. VTL proposes to participate in such fresh auction and is hopeful of continuing the business thereafter. Accordingly, in the opinion of the management, no provision is required for diminution in the value of aforesaid investments, share application money and advances. As the outcome of the auction cannot be anticipated at present, the impact of the said judgment, if any, on the extent of realisability of aforesaid investments/share application money and recoverability of the advances is unascertainable.

4. Based on our review conducted as above, *subject to paragraph 3 above, the impact of which on these results of the Company is unascertainable*, nothing further has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards 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.

For KADAM & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 104524W

KADAM & CO. CHARTERED ACCOUNTANTS

D.U. KADAM
PARTNER
Membership No.: 125886

Place: Mumbai
Date: August 14, 2012

VIDEOCON INDUSTRIES LIMITED

Registered office : 14KM Stone, Aurangabad - Paithan Road,
Village Chittegaon, Taluka Paithan, Dist. Aurangabad - 431 105

VIDEOCON

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30TH JUNE, 2012

PART I [Rs. in Crore]

Particulars	Quarter ended			Six months ended		Year ended
	30.06.2012	31.03.2012	30.06.2011	30.06.2012	30.06.2011	31.12.2011
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income from operations						
a) Net sales/income from operations (net of excise duty)	3,018.02	2,989.57	3,251.49	6,007.59	6,363.83	12,638.78
b) Other operating income	6.36	6.74	3.66	13.10	7.08	11.44
Total income from operations (net)	**3,024.38**	**2,996.31**	**3,255.15**	**6,020.69**	**6,370.91**	**12,650.22**
2. Expenses						
a) Cost of material consumed	903.15	933.04	1,075.88	1,836.19	2,123.41	4,056.30
b) Purchases of stock-in-trade	979.59	938.72	954.27	1,918.31	1,882.88	3,850.18
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4.97)	1.83	(2.49)	(3.14)	(0.82)	(14.04)
d) Employee benefits expense	62.47	58.24	55.71	120.71	110.54	225.35
e) Depreciation and amortisation expenses	135.12	138.57	159.92	273.69	309.45	607.56
f) Other expenses	561.22	550.43	552.88	1,111.65	1,054.40	2,280.02
Total expenses	**2,636.58**	**2,620.83**	**2,796.17**	**5,257.41**	**5,479.86**	**11,005.37**
3. Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	**387.80**	**375.48**	**458.98**	**763.28**	**891.05**	**1,644.85**
4. Other income	57.39	38.57	10.51	95.96	18.78	106.31
5. Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	**445.19**	**414.05**	**469.49**	**859.24**	**909.83**	**1,751.16**
6. Finance costs (net)	390.08	358.73	213.86	748.81	417.51	977.79
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	**55.11**	**55.32**	**255.63**	**110.43**	**492.32**	**773.37**
8. Exceptional items	-	-	-	-	-	-
9. Profit/(Loss) from ordinary activities before tax (7+8)	**55.11**	**55.32**	**255.63**	**110.43**	**492.32**	**773.37**
10. Tax expense	5.00	5.00	80.00	10.00	150.00	227.81
11. Net Profit/(Loss) from ordinary activities after tax (9-10)	**50.11**	**50.32**	**175.63**	**100.43**	**342.32**	**545.56**
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13. Net Profit/(Loss) for the period (11-12)	**50.11**	**50.32**	**175.63**	**100.43**	**342.32**	**545.56**
14. Paid-up equity share capital (FV Rs.10/- per share)	318.76	303.01	301.95	318.76	301.95	303.01
15. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	9,619.04
16.i. Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised)						
a) Basic	1.62	1.66	5.82	3.28	11.34	17.73
b) Diluted	1.62	1.66	5.59	3.28	10.92	17.73
16.ii. Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised)						
a) Basic	1.62	1.66	5.82	3.28	11.34	17.73
b) Diluted	1.62	1.66	5.59	3.28	10.92	17.73

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VIDEOCON INDUSTRIES LIMITED

PART II - Selected Informations for the Quarter Ended 30th June, 2012

Particulars	Quarter ended			Six months ended		Year ended
	30.06.2012	31.03.2012	30.06.2011	30.06.2012	30.06.2011	31.12.2011
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A. PARTICULARS OF SHAREHOLDING						
1. Public shareholding [including Global Depository Receipts (GDR's)]						
- Number of equity shares	111,993,349	96,243,349	95,185,314	111,993,349	95,185,314	96,243,349
- Percentage of equity shareholding	35.13%	31.76%	31.52%	35.13%	31.52%	31.76%
2. Promoters and promoter group shareholding						
a) Pledge/Encumbered						
- Number of shares	133,337,547	132,513,547	131,807,407	133,337,547	131,807,407	132,313,547
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	64.48%	64.08%	63.74%	64.48%	63.74%	63.99%
- Percentage of shares (as a % of the total share capital of the Company)	41.83%	43.73%	43.65%	41.83%	43.65%	43.66%
b) Non-encumbered						
- Number of shares	73,440,773	74,264,773	74,970,913	73,440,773	74,970,913	74,464,773
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	35.52%	35.92%	36.26%	35.52%	36.26%	36.01%
- Percentage of shares (as a % of the total share capital of the Company)	23.04%	24.51%	24.83%	23.04%	24.83%	24.57%

Particulars	Quarter ended 30.06.2012
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	1
Received during the quarter	266
Disposed off during the quarter	267
Remaining unresolved at the end of the quarter	Nil

Notes:

1. The Statutory Auditors have carried out limited review of the above results and the same have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on 14th August, 2012.
2. During the Quarter, the Company has allotted 15,750,000 underlying equity shares represented by the issue of 15,750,000 Global Depository Receipts (GDR) at a price of US$ 3.2395 per GDR, equivalent to Rs. 177.75 per equity share aggregating to US$ 51.02 million.
3. In respect of Auditors' qualifications in the review report for the quarter ended 30th June, 2012, regarding the extent of realisability of the investments made in and the share application money and advances given to Videocon Telecommunications Limited (VTL), the subsidiary, the explanation of management is as under:

   The Company has, directly and through its subsidiaries, made investments of Rs. 1,500 Crore and has also given share application money and advances to VTL, the subsidiary. VTL was granted Unified Access Services (UAS) Licenses in 21 circles on 10th January, 2008 and had also been allotted spectrum in 20 circles out of which it has launched its services in 16 circles.

   The Hon'ble Supreme Court of India, vide its judgment dated 2nd February, 2012 in two separate writ petitions filed by Centre for Public Interest Litigation and by another, has quashed all the UAS licenses granted on or after 10th January, 2008 and the subsequent allocation of spectrum to these licencees. This includes the 21 licenses issued to VTL and the spectrum allotted to it in 20 circles.

   The Hon'ble Supreme Court of India had directed that its aforesaid order shall be operative after four months from 2nd February, 2012, which was modified on 24th April, 2012, and the operation of order of quashing the Telecom Licenses and related allocation of spectrum was postponed to 7th September, 2012. The Hon'ble Supreme Court of India has, vide order dated 2nd February, 2012, also directed TRAI to make fresh recommendations for grant of licenses and allocation of spectrum and the Central Government to grant fresh licenses and allocation of spectrum by auction thereafter. The Central Government had announced that it will complete the auction of licenses and related spectrum on or before 31st August, 2012. As per the news paper reports, the Central Government has filed application with the Hon'ble Supreme Court of India for extending the aforesaid date for implementation of the said judgment dated 2nd February, 2012 of the Hon'ble Supreme Court of India. However, the same is yet to be listed.

   Pending the fresh auction as mentioned above, VTL is continuing its business. VTL proposes to participate in such fresh auction and is hopeful of continuing the business thereafter. Accordingly, in the opinion of the management, no provision is required for diminution in the value of aforesaid investments, share application money and advances.
4. Tax expense for the quarter ended 30th June, 2012 is net of income tax refunds for earlier periods.
5. The figures have been regrouped/reclassified wherever necessary to make them comparable.

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VIDEOCON INDUSTRIES LIMITED

6. Segment-wise details of Revenue, Results and Capital Employed:

[Rs. in Crores]

Particulars	Quarter ended			Six months ended		Year ended
	30.06.2012	31.03.2012	30.06.2011	30.06.2012	30.06.2011	31.12.2011
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
i) Segment revenue						
a) Consumer electronics and home appliances	2,653.24	2,641.08	2,876.77	5,294.32	5,689.59	11,154.83
b) Crude oil and natural gas	367.46	350.93	378.38	718.39	681.32	1,493.46
c) Power	3.68	4.30	-	7.98	-	1.93
Total	3,024.38	2,996.31	3,255.15	6,020.69	6,370.91	12,650.22
Less: Inter segment revenue	-	-	-	-	-	-
Net sales/income from operations	3,024.38	2,996.31	3,255.15	6,020.69	6,370.91	12,650.22
ii) Segment results						
[Profit before tax and finance costs from each segment]						
a) Consumer electronics and home appliances	281.42	263.47	359.10	544.89	702.51	1,255.18
b) Crude oil and natural gas	110.59	117.20	113.60	227.79	212.48	506.91
c) Power	1.75	2.49	-	4.24	-	0.54
Total	393.76	383.16	472.70	776.92	914.99	1,762.63
Less:						
a) Finance costs	390.08	358.73	213.86	748.81	417.51	977.79
b) Other unallocable expenditure net of unallocable income (income)	(51.43)	(30.89)	3.21	(82.32)	5.16	11.47
Total profit before tax	55.11	55.32	255.63	110.43	492.32	773.37
iii) Capital employed						
[Segment assets less segment liabilities]						
[Based on estimates in terms of available data]						
a) Consumer electronics and home appliances	6,887.38	6,855.86	6,921.49	6,887.38	6,921.49	6,825.38
b) Crude oil and natural gas	391.25	390.06	402.06	391.25	402.06	388.72
c) Power	551.12	550.84	-	551.12	-	550.62
Total capital employed in segments	7,829.75	7,796.76	7,323.55	7,829.75	7,323.55	7,764.72
Unallocable corporate assets less corporate liabilities	2,502.37	2,206.54	2,444.93	2,502.37	2,444.93	2,188.26
Total capital employed	10,332.12	10,003.30	9,768.48	10,332.12	9,768.48	9,952.98

Notes:

i) Segments have been identified in accordance with the Accounting Standard (AS) -17 "Segment Reporting", considering the organization structure and the return/risk profiles of the business.

ii) Segment revenue includes sales and other income directly identifiable and allocable to the segment.

iii) Other unallocable expenditure includes expenses incurred on common services provided to segments and corporate expenses. Unallocable income mainly includes income from investments and divestment income.

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VIDEOCON INDUSTRIES LIMITED

7. Statement of Assets and Liabilities:

[Rs. in Crore]

Particulars	As at 30.06.2012 Unaudited	As at 31.12.2011 Audited
A EQUITY AND LIABILITIES		
1. Shareholders' funds		
a) Share capital		
i) Equity share capital	318.76	303.01
ii) Preference share capital	30.67	30.93
b) Reserves and surplus	9,982.69	9,619.04
Sub-total - Shareholders' funds	**10,332.12**	**9,952.98**
2. Non-current liabilities		
a) Long-term borrowings	6,400.61	6,081.62
b) Deferred tax liabilities (net)	745.12	735.12
c) Other long-term liabilities	-	-
d) Long-term provisions	16.36	13.08
Sub-total - Non-current liabilities	**7,162.09**	**6,829.82**
3. Current liablities		
a) Short-term borrowings	10,412.17	7,703.72
b) Trade payables	1,249.16	1,172.66
c) Other current liabilities	5,645.63	6,209.23
d) Short-term provisions	52.50	87.39
Sub-total - Current liabilities	**17,359.46**	**15,173.00**
TOTAL - EQUITY AND LIABILITIES	**34,853.67**	**31,955.80**
B. ASSETS		
1. Non-current assets		
a) Fixed Assets	6,121.38	6,301.57
b) Non-current investments	4,904.27	4,717.90
c) Long-term loans and advances	5,391.72	5,620.21
d) Other non-current assets	179.51	178.87
Sub-total - Non-current assets	**16,596.88**	**16,818.55**
2. Current assets		
a) Current investments	8.85	25.81
b) Inventories	2,221.48	2,080.71
c) Trade receivables	2,947.94	2,750.44
d) Cash and bank balances	331.39	334.62
e) Short-term loans and advances	12,683.86	9,864.76
f) Other current assets	63.27	80.91
Sub-total - Current assets	**18,256.79**	**15,137.25**
TOTAL - ASSETS	**34,853.67**	**31,955.80**

For and on behalf of the Board of
VIDEOCON INDUSTRIES LIMITED

V. N. DHOOT
CHAIRMAN & MANAGING DIRECTOR

VIDEOCON INDUSTRIES LIMITED

Place: Mumbai
Date: 14th August, 2012