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 :

LIMITED REVIEW REPORT

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 31st March, 2013, 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. 4,675 Crore and has also given advances to Videocon Telecommunications Limited (VTL), the subsidiary. VTL was granted the license for providing Unified Access Services (UAS) in 21 circles by the Department of Telecommunications, Government of India (DoT) in 2008 and was also allotted spectrum in 20 circles. The Hon'ble Supreme Court of India, vide its judgment dated 2nd February, 2012, quashed all the UAS licenses granted on or after 10th January, 2008 and the subsequent allocation of spectrum to these licensees, which also include the 21 UAS licenses granted to VTL and the spectrum allotted to it. The Hon'ble Supreme Court of India, also directed the Telecom Regulatory Authority of India (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 conducted the auction of spectrum in November, 2012. VTL participated in the auction and has been declared as a successful bidder in 6 circles and has been awarded spectrum in these circles. VTL is continuing its business as a going concern. As VTL has huge accumulated losses, its ability to continue as going concern is dependent on its ability to fund its operating requirements. The management is confident of mobilizing necessary resources for continuing operations of VTL as per the business plan. Accordingly, in

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the opinion of the management, no provision is required for diminution in the value of aforesaid investments and advances to VTL.

We are unable to comment upon the extent of realisability of aforesaid investments and recoverability of the advances.

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





D.U. KADAM
PARTNER
Membership No.: 125886

Place: Mumbai
Date: May 31, 2013