VIDEOCON

15th May, 2014

To

The Manager Corporate Relations Department BSE Limited P.J. Towers, Dalal Street, Mumbai-400 001	The Manager 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 quarter ended on 31st March, 2014

We refer to the provisions of Clause 41 of the Listing Agreement and enclose herewith the Limited Review Report received from M/s Kadam & Co., Chartered Accountants, Statutory Auditors of the Company, for the quarter ended on 31st March, 2014.

You are requested to kindly take the same on record.

Thanking you.

Yours truly,
For **VIDEOCON INDUSTRIES LIMITED**

VENUGOPAL N. DHOOT
CHAIRMAN & MANAGING DIRECTOR

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 :

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, 2014, 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. *As mentioned in Note No. 3, to the financial results, the Company has upto 31st March, 2014, directly and through its subsidiaries, made investments of Rs. 5,779.00 Crore and also given advances to Videocon Telecommunications Limited (VTL), the subsidiary. VTL had been awarded licenses by the Department of Telecommunications (DoT) to provide Unified Access Service (UAS) in 21 circles in India w.e.f. from 25th January, 2008, which were valid for 20 years. The VTL had also been allotted spectrum in 20 circles and had launched its commercial operations in 17 circles.*

   The Hon'ble Supreme Court of India, vide its order and judgment dated 2nd February, 2012 ("Judgment") in two separate writ petitions, quashed the UAS licenses granted on or after 10th January, 2008 pursuant to two press releases issued on 10th January, 2008 and the subsequent allocation of spectrum to licensees which included the 21 UAS licenses granted to VTL and spectrum allotted it. The Hon'ble Supreme Court of India vide its Judgment had also directed the Central Government to grant fresh UAS licenses and spectrum allocation by auction. The DoT, had issued a Notice Inviting Applications for auction of spectrum. VTL participated in the said auction, has been awarded the Unified Licenses (Access Services) for six circles with effect from 16th February 2013 which are valid for a period of 20 years. VTL has also been allotted spectrum in these 6 circles. VTL is continuing its commercial operations.

   VTL has been continuously incurring losses and has huge accumulated losses as at 31st March, 2014. The ability of VTL to continue as a going concern is substantially dependent on its ability to fund its operating and capital expenditure requirements. The management is confident of mobilizing the necessary resources for continuing the operations of VTL as per the business plan.

   However, in view of the accumulated losses of the VTL, we are unable to express an opinion on the extent of realisability of aforesaid investments in and advances to VTL. The consequential effect of the above, on assets and liabilities as at 31st March, 2014 and the loss for the period ended on that date, is not ascertainable.

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Date :

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 the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 and in terms of Rule 7 of Companies (Accounts) Rules, 2014 dated 1st April, 2014 of the Ministry of Corporate Affairs) 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 15, 2014

VIDEOCON INDUSTRIES LIMITED

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH, 2014

PART I [Rs. in Crore]

Particulars	Quarter ended			Nine Months ended		18 Months ended
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013	30.06.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income from operations						
a) Net sales/income from operations (net of excise duty)	3,073.47	3,207.40	3,002.57	9,457.07	9,077.57	18,117.61
b) Other operating income	13.08	18.33	6.93	38.53	16.53	39.66
Total income from operations (net)	3,086.55	3,225.73	3,009.50	9,495.60	9,094.10	18,157.27
2. Expenses						
a) Cost of materials consumed	999.37	1,029.22	1,001.02	3,043.32	2,819.28	5,664.37
b) Purchases of stock-in-trade	1,007.06	989.70	972.49	2,980.57	3,018.50	5,913.38
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(85.73)	14.85	(8.24)	(80.71)	(21.61)	(57.73)
d) Employee benefits expense	71.24	73.13	70.94	216.46	206.17	397.99
e) Depreciation and amortisation expense	191.72	132.46	145.73	452.82	404.66	824.35
f) Other expenses	543.41	572.21	580.58	1,679.53	1,616.99	3,232.88
Total expenses	2,727.07	2,811.57	2,762.52	8,291.99	8,043.99	15,975.24
3. Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	359.48	414.16	246.98	1,203.61	1,050.11	2,182.03
4. Other income	139.36	206.44	35.25	522.07	80.87	418.27
5. Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	498.84	620.60	282.23	1,725.68	1,130.98	2,600.30
6. Finance costs (net)	579.62	597.74	536.19	1,758.42	1,363.17	2,714.82
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(80.78)	22.86	(253.96)	(32.74)	(232.19)	(114.52)
8. Exceptional items	-	-	-	-	-	-
9. Profit/(Loss) from ordinary activities before tax (7+8)	(80.78)	22.86	(253.96)	(32.74)	(232.19)	(114.52)
10. Tax expense	(15.84)	5.23	(55.00)	(5.61)	(49.50)	(42.89)
11. Net Profit/(Loss) from ordinary activities after tax (9-10)	(64.94)	17.63	(198.96)	(27.13)	(182.69)	(71.63)
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13. Net Profit/(Loss) for the period (11-12)	(64.94)	17.63	(198.96)	(27.13)	(182.69)	(71.63)
14. Paid-up equity share capital (FV Rs.10/- per share)	318.76	318.76	318.76	318.76	318.76	318.76
15. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	9,783.91
16.i. Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised)						
a) Basic	(2.04)	0.55	(6.24)	(0.85)	(5.73)	(2.38)
b) Diluted	(2.04)	0.55	(6.24)	(0.85)	(5.73)	(2.38)
16.ii. Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised)						
a) Basic	(2.04)	0.55	(6.24)	(0.85)	(5.73)	(2.38)
b) Diluted	(2.04)	0.55	(6.24)	(0.85)	(5.73)	(2.38)

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PART II - Select Information for the Quarter Ended 31st March, 2014

Particulars	Quarter ended			Nine Months ended		18 Months ended
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013	30.06.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A. PARTICULARS OF SHAREHOLDING						
1. Public shareholding (including Global Depository Receipts (GDR's))						
- Number of equity shares	99,383,255	99,383,255	97,596,255	99,383,255	97,596,255	97,583,255
- Percentage of equity shareholding	31.18%	31.18%	30.62%	31.18%	30.62%	30.61%
2. Promoters and Promoter Group shareholding						
a) Pledged/Encumbered						
- Number of shares	148,135,460	148,565,520	145,260,520	148,135,460	145,260,520	146,220,520
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	67.52%	67.72%	65.68%	67.52%	65.68%	66.11%
- Percentage of shares (as a % of the total share capital of the Company)	46.47%	46.61%	45.57%	46.47%	45.57%	45.87%
b) Non-encumbered						
- Number of shares	71,252,954	70,822,894	75,914,894	71,252,954	75,914,894	74,967,894
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	32.48%	32.28%	34.32%	32.48%	34.32%	33.89%
- Percentage of shares (as a % of the total share capital of the Company)	22.35%	22.22%	23.81%	22.35%	23.81%	23.52%

Particulars	Quarter ended 31.03.2014
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	10
Received during the quarter	251
Disposed off during the quarter	254
Remaining unresolved at the end of the quarter	7

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 15th May, 2014.

2. The Subsidiary Company Videocon Mauritius Energy Limited alongwith its holding company Videocon Hydrocarbon Holdings Limited (subsidiary of the Company) had entered into a Share Sale and Purchase Agreement (SSPA) on 25th June, 2013 with ONGC Videsh Limited and OIL India Limited (Buyers) for sale of the entire shareholding in subsidiary Videocon Mozambique Rovuma 1 Limited (VMRL), which owns 10% participating interest in Oil & Gas Block covering Area 1 Offshore of the Rovuma Block, Republic of Mozambique for a base consideration of US$ 2,475.00 Million. Closing of the said transaction was consummated on 7th January, 2014 when entire share capital of VMRL was transferred by Videocon Mauritius Energy Limited to the Buyers and the sale consideration has been realised in accordance with the said SSPA. VMRL, therefore, ceased to be subsidiary.

3. In respect of Auditors' qualifications in the review report for the quarter ended 31st March, 2014, regarding the extent of realisability of the investments made in and the 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. 5,779.00 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 (DoT), Government of India 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 had also directed the Central Government to grant fresh licenses and allocation of spectrum by auction thereafter.

   DoT conducted the auction of spectrum in November, 2012. VTL participated in the auction and has been awarded spectrum in 6 circles. VTL is continuing its commercial operations. Though VTL has huge accumulated losses, the management is confident of mobilizing necessary resources for continuing operations of VTL as per the business plan. Accordingly, in the opinion of the management, no provision is required for diminution in the value of aforesaid investments and advances to VTL.

4. Tax expense for the quarter and period ended represents provision for current, deferred and excess/short provision of earlier years.

5. The figures have been regrouped/reclassified wherever necessary to make them comparable.

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

[Rs. in Crore]

Particulars	Quarter ended			Nine Months ended		18 Months ended
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013	30.06.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
i) Segment revenue						
a) Consumer electronics and home appliances	2,791.15	2,845.76	2,649.42	8,432.27	8,090.78	16,163.85
b) Crude oil and natural gas	291.05	375.73	354.65	1,052.07	991.85	1,970.06
c) Power	4.35	4.24	5.43	11.26	11.47	23.36
Total	3,086.55	3,225.73	3,009.50	9,495.60	9,094.10	18,157.27
Less: Inter segment revenue	-	-	-	-	-	-
Net sales/income from operations	3,086.55	3,225.73	3,009.50	9,495.60	9,094.10	18,157.27
ii) Segment results						
(Profit before tax and finance costs from each segment)						
a) Consumer electronics and home appliances	299.73	306.92	201.68	903.33	785.00	1,620.88
b) Crude oil and natural gas	61.18	107.83	109.97	304.56	330.35	638.84
c) Power	2.68	2.23	3.28	6.11	5.92	12.19
Total	363.59	416.98	314.93	1,214.00	1,121.27	2,271.91
Less:						
a) Finance costs	579.62	597.74	536.19	1,758.42	1,363.17	2,714.82
b) Other unallocable expenditure net of unallocable income (income)	(135.25)	(203.62)	32.70	(511.68)	(9.71)	(328.39)
Total profit before tax	(80.78)	22.86	(253.96)	(32.74)	(232.19)	(114.52)
iii) Capital employed						
(Segment assets less segment liabilities)						
(Based on estimates in terms of available data)						
a) Consumer electronics and home appliances	6,743.26	6,784.96	6,769.54	6,743.26	6,769.54	6,773.07
b) Crude oil and natural gas	391.55	401.48	395.67	391.55	395.67	396.74
c) Power	542.20	552.81	552.04	542.20	552.04	552.62
Total capital employed in segments	7,677.01	7,739.25	7,717.25	7,677.01	7,717.25	7,722.43
Unallocable corporate assets less corporate liabilities	2,398.54	2,401.49	2,416.61	2,398.54	2,416.61	2,395.57
Total capital employed	10,075.55	10,140.74	10,133.86	10,075.55	10,133.86	10,118.00

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.

By order of the Board of
VIDEOCON INDUSTRIES LIMITED

V. N. DHOOT
CHAIRMAN & MANAGING DIRECTOR

Place: Mumbai
Date : 15th May, 2014