

Date:

INDEPENDENT AUDITOR'S 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 30th September, 2015, 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 neither been reviewed nor 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 the 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. 2 to the standalone unaudited financial results, the Company has up to 30th September, 2015, directly and through its subsidiaries, made investments of Rs. 7,150.20 Crore and also given advances to Videocon Telecommunications Limited (VTL), the subsidiary. The licenses awarded by the Department of Telecommunications (DoT) to VTL to provide Unified Access Services (UAS) in 21 circles in India w.e.f. 25th January, 2008, were quashed by the Hon'ble Supreme Court of India, vide its order and judgment dated 2nd February, 2012. Subsequently, VTL participated in the auction conducted by DoT and has been awarded the Unified Licenses (Access Services) for 6 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 30th September, 2015. 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.



Date:

However, in view of the huge 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 the standalone financial results for the quarter and period ended 30th September, 2015 is not ascertainable.

4. Based on our review conducted as above, *except for the possible effect of the matter described in paragraph 3 above, the impact of which on the 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 applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges including the manner in which is to be disclosed, or that it contains any material misstatement.

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



U. S. KADAM
PARTNER
Membership No.: 31055



Place: Mumbai
Date: 14th November, 2015

VIDEOCON INDUSTRIES LIMITED

Registered office : 14KM Stone, Aurangabad - Paithan Road,
Village Chittegaon, Taluka Paithan, Dist. Aurangabad - 431 105
CIN No. L99999MH1986PLC103624

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2015

PART I							[Rs. in Crore]
Particulars	Quarter ended			Nine months ended		18 Months ended	
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.12.2014	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1. Income from operations							
a) Net sales/income from operations (net of excise duty)	3,110.63	3,113.00	3,187.31	9,302.90	9,385.61	18,904.35	
b) Other operating income	7.26	6.10	11.29	24.23	35.11	63.25	
Total income from operations (net)	3,117.89	3,119.10	3,198.60	9,327.13	9,420.72	18,967.60	
2. Expenses							
a) Cost of materials consumed	1,005.29	986.30	1,016.86	2,974.50	3,006.98	6,055.01	
b) Purchases of stock-in-trade	998.25	982.92	1,004.43	2,959.80	2,983.11	5,962.13	
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4.87)	1.91	(17.74)	(5.34)	(99.19)	(103.58)	
d) Employee benefits expense	70.08	70.49	73.16	214.26	215.93	436.17	
e) Depreciation and amortisation expense	185.36	180.07	180.58	524.65	554.64	985.81	
f) Other expenses	437.14	483.24	563.21	1,427.61	1,640.35	3,273.71	
Total expenses	2,691.25	2,704.93	2,820.50	8,095.48	8,301.82	16,609.25	
3. Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	426.64	414.17	378.10	1,231.65	1,118.90	2,358.35	
4. Other income	173.81	190.63	209.26	577.91	565.10	1,165.14	
5. Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	600.45	604.80	587.36	1,809.56	1,684.00	3,523.49	
6. Finance costs	589.13	590.72	585.67	1,771.20	1,750.12	3,518.90	
7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	11.32	14.08	1.69	38.36	(66.12)	4.59	
8. Exceptional items	-	-	-	-	-	-	
9. Profit/(Loss) from ordinary activities before tax (7+8)	11.32	14.08	1.69	38.36	(66.12)	4.59	
10. Tax expense	3.75	3.49	0.35	9.74	(12.74)	1.55	
11. Net Profit/(Loss) from ordinary activities after tax (9-10)	7.57	10.59	1.34	28.62	(53.38)	3.04	
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	-	
13. Net Profit/(Loss) for the period (11-12)	7.57	10.59	1.34	28.62	(53.38)	3.04	
14. Paid-up equity share capital (FV Rs.10/- per share)	334.46	334.46	318.76	334.46	318.76	334.46	
15. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	10,028.09	
16.i. Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised)							
a) Basic	0.23	0.32	0.04	0.86	(1.67)	0.08	
b) Diluted	0.23	0.32	0.04	0.86	(1.67)	0.08	
16.ii. Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised)							
a) Basic	0.23	0.32	0.04	0.86	(1.67)	0.08	
b) Diluted	0.23	0.32	0.04	0.86	(1.67)	0.08	

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PART II - Select Information for the Quarter Ended 30th September, 2015						
Particulars	Quarter ended			Nine months ended		18 Months ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.12.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A. PARTICULARS OF SHAREHOLDING						
1. Public shareholding [including Global Depository Receipts (GDR's)]						
- Number of equity shares	115,070,461	115,070,461	99,370,461	115,070,461	99,370,461	115,070,461
- Percentage of equity shareholding	34.40%	34.40%	31.18%	34.40%	31.18%	34.40%
2. Promoters and Promoter Group shareholding						
a) Pledged/Encumbered						
- Number of shares	217,278,287	182,275,460	152,918,960	217,278,287	152,918,960	153,837,091
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.04%	83.08%	69.70%	99.04%	69.70%	70.12%
- Percentage of shares (as a % of the total share capital of the Company)	64.96%	54.50%	47.97%	64.96%	47.97%	46.00%
b) Non-encumbered						
- Number of shares	2,110,127	37,112,954	66,469,454	2,110,127	66,469,454	65,551,323
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.96%	16.92%	30.30%	0.96%	30.30%	29.88%
- Percentage of shares (as a % of the total share capital of the Company)	0.63%	11.10%	20.85%	0.63%	20.85%	19.60%

Particulars	Quarter ended 30.09.2015
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	2
Received during the quarter	283
Disposed off during the quarter	281
Remaining unresolved at the end of the quarter	4

Notes:

- 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 November, 2015.
- In respect of Auditors' qualifications in the review report for the quarter ended 30th September, 2015, 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. 7,150.20 Crore and has also given advances to Videocon Telecommunications Limited (VTL), the subsidiary. The licenses awarded by the Department of Telecommunications (DoT) to VTL to provide Unified Access Services (UAS) in 21 circles in India w.e.f. 25th January, 2008, were quashed by the Hon'ble Supreme Court of India, vide its order and judgment dated 2nd February, 2012. Subsequently, VTL participated in the auction conducted by DoT and has been awarded the Unified Licenses (Access Services) for 6 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.
Though VTL has huge accumulated losses, its networth is positive, the management is confident of mobilizing necessary resources for continuing operations of VTL as per the business plan. VTL is continuing its commercial operations. Accordingly, in the opinion of the management, no provision is required for diminution in the value of aforesaid investments and advances to VTL.
- Tax expense for the quarter and period ended represents provision for current tax, MAT credit entitlement, deferred tax and excess/short provision of income tax for earlier years.
- The figures have been regrouped/reclassified wherever necessary to make them comparable.

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

Particulars	Quarter ended			Nine months ended		18 Months ended
	30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.12.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
i) Segment revenue						
a) Consumer electronics and home appliances	2,930.01	2,885.08	2,891.65	8,666.39	8,516.08	17,046.16
b) Crude oil and natural gas	184.35	230.03	303.62	648.79	892.91	1,898.59
c) Power	3.53	3.99	3.33	11.95	11.73	22.85
Total	3,117.89	3,119.10	3,198.60	9,327.13	9,420.72	18,967.60
Less: Inter segment revenue	-	-	-	-	-	-
Net sales/income from operations	3,117.89	3,119.10	3,198.60	9,327.13	9,420.72	18,967.60
ii) Segment results						
[Profit before tax and finance costs from each segment]						
a) Consumer electronics and home appliances	377.94	370.31	345.32	1,113.38	962.69	1,934.58
b) Crude oil and natural gas	50.51	47.67	33.11	124.19	158.56	440.97
c) Power	1.76	1.97	1.47	6.47	6.36	12.10
Total	430.21	419.95	379.90	1,244.04	1,127.61	2,387.65
Less:						
a) Finance costs	589.13	590.72	585.67	1,771.20	1,750.12	3,518.90
b) Other unallocable expenditure net of unallocable income (income)	(170.24)	(184.85)	(207.46)	(565.52)	(556.39)	(1,135.84)
Total profit before tax	11.32	14.08	1.69	38.36	(66.12)	4.59
iii) Capital employed						
[Segment assets less segment liabilities]						
[Based on estimates in terms of available data]						
a) Consumer electronics and home appliances	6,780.52	6,778.38	6,744.08	6,780.52	6,744.08	6,769.39
b) Crude oil and natural gas	389.94	388.57	399.36	389.94	399.36	388.21
c) Power	544.39	544.16	541.77	544.39	541.77	543.36
Total capital employed in segments	7,714.85	7,711.11	7,685.21	7,714.85	7,685.21	7,700.96
Unallocable corporate assets less corporate liabilities	2,676.32	2,672.49	2,401.90	2,676.32	2,401.90	2,661.59
Total capital employed	10,391.17	10,383.60	10,087.11	10,391.17	10,087.11	10,362.55

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.

For and on behalf of the Board of
VIDEOCON INDUSTRIES LIMITED



V. N. DHOOT
CHAIRMAN & MANAGING DIRECTOR

Place: Mumbai
Date: 14th November, 2015