



December 2, 2010

The Secretary Bombay Stock Exchange Ltd. Operations Department Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001	The Secretary The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai - 400059
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Dear Sirs,

This is to inform you that the Company has taken on record the unaudited unconsolidated condensed balance sheet as at September 30, 2010 and the related unaudited condensed statements of profit and loss and cash flows for the twelve months period ended on that date (collectively referred to as "Condensed Interim Financial Information").

A copy of the same is enclosed herewith for your information and records and doing the needful.

Thanking you,

Yours truly,
For VIDEOCON INDUSTRIES LIMITED


VINOD KUMAR BOHRA
COMPANY SECRETARY

VIDEOCON INDUSTRIES LIMITED

Correspondence Address	Registered Office	New Delhi Office	Project Office (Oil & Gas)
Fort House, 2nd Floor 221, Dr. D.N. Road, Fort Mumbai-400 001 (India) T (+91-22) 6 6 1 1 3 5 0 0 F (+91-22) 66551985/66113600	14 KM Stone, Auranaabad-Paithan Road Village Chittegaon, Taluka Paithan District Auranaabad - 431 105, (India) T (+91-2431) 251501 - 2 F (+91-2431) 251551	Videcon Tower, 12th Floor Ranjansi Marg, E-1 Jhandewalan Extn New Delhi - 110055 (India) T (+91-11) 41593100 F (+91-11) 41593150 / 23616593	42, Thirumalai Pillai Road 1st Floor, T. Nagar Chennai - 600 017 (India) T (+91-44) 28343180 F (+91-44) 28340950

Report on Review of Interim Financial Information

**TO,
THE BOARD OF DIRECTORS OF
VIDEOCON INDUSTRIES LIMITED**

Introduction

We have reviewed the accompanying unaudited condensed balance sheet of **VIDEOCON INDUSTRIES LIMITED** (the Company) as at September 30, 2010 and the related unaudited condensed statements of profit and loss and cash flows for the twelve months period then ended (collectively referred to as "Condensed Interim Financial Information"). Management is responsible for the preparation and fair presentation of this interim financial information, in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, "Interim Financial Reporting", prescribed by the Companies (Accounting Standards) Rules, 2006 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this interim financial information based on our review of such interim financial information.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

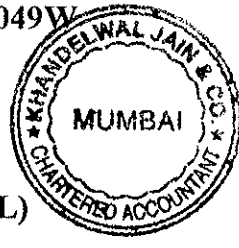
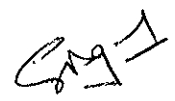
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the State of Affairs of the Company as at September 30, 2010 and of its results of Operations and its cash flows for the twelve months period then ended in accordance with the recognition and measurement principles laid down in

Contd..

Accounting Standard (AS) 25, "Interim Financial Reporting", prescribed by the Companies (Accounting Standards) Rules, 2006 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 and other accounting principles generally accepted in India.

For **KHANDELWAL JAIN & CO.**
Chartered Accountants
Firm Registration No. 105049W



(SHIVRATAN AGARWAL)
PARTNER
Membership No.104180

For **KADAM & CO.**
Chartered Accountants
Firm Registration No.104524W



(U.S. KADAM)
PARTNER
Membership No.31055

Place: Mumbai
Date: December 2, 2010

VIDEOCON INDUSTRIES LIMITED
Unaudited Unconsolidated Condensed Interim Balance Sheet

(Rs. in Million)

Particulars	At the end of the Current Interim Period As at September 30, 2010 (Reviewed)	At the end of the Previous Interim Period As at September 30, 2009 (Audited)
I. Sources of Funds		
1. Share Capital	3,361.77	2,754.16
2. Reserves and Surplus	88,242.94	69,296.25
3. Share Application Money Pending Allotment/ Warrant Subscription	500.01	950.01
4. Deferred Tax Liability	5,958.40	5,123.38
5. Loan Funds:		
(a) Secured Loans	51,175.85	67,350.37
(b) Unsecured Loans	56,223.05	23,495.10
Total	205,462.02	168,969.27
II. Application of Funds		
1. Fixed Assets		
(a) Tangible Fixed Assets	50,661.78	50,092.32
(b) Intangible Fixed Assets	59.87	64.30
(c) Producing Properties	826.30	616.05
(d) Capital Work-in-Progress	9,630.00	9,430.06
2. Investments	35,228.43	30,648.99
3. Current Assets, Loans and Advances		
(a) Inventories	21,249.26	17,634.93
(b) Sundry Debtors	21,010.96	17,081.13
(c) Cash and Bank Balances	7,538.54	4,985.06
(d) Other Current Assets	517.41	320.43
(e) Loans and Advances	68,976.44	47,935.04
Less: Current Liabilities and Provisions		
(a) Current Liabilities	9,517.12	8,537.12
(b) Provisions	719.85	1,301.92
Net Current Assets	109,055.64	78,117.55
Total	205,462.02	168,969.27


As per our report of even date


For **KHANDELWAL JAIN & CO.**
Chartered Accountants

For **KADAM & CO.**
Chartered Accountants

For and on behalf of the Board

V. N. DHOOT
Chairman and Managing Director


SHIVRATAN AGARWAL
Partner
Membership No. 104180


U.S. KADAM
Partner
Membership No. 31055


S. PADMANABHAN
Director

Place : Mumbai
Date : December 2, 2010




VIDEOCON INDUSTRIES LIMITED
Unaudited Unconsolidated Condensed Interim Profit and Loss Account

(Rs. in Million)

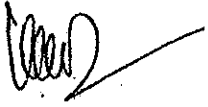
Particulars	Current Twelve months ended September 30, 2010 (Reviewed)	Corresponding Twelve months ended September 30, 2009 (Audited)
1. <u>Turnover</u>		
Sales/Income from Operations	115,265.02	93,812.69
Less: Excise Duty	2,036.06	2,182.28
Net Sales	113,228.96	91,630.41
2. Other Income	334.70	340.15
Total	113,563.66	91,970.56
3. Changes in Inventories of Finished Goods and Work in Progress	(129.80)	(124.47)
4. Cost of Raw Materials and Consumables used	71,368.06	56,268.43
5. Production and Exploration Expenses - Oil and Gas	6,316.02	7,206.86
6. Salaries, Wages and Employees' Benefits	1,755.78	1,264.23
7. Manufacturing and Other Expenses	13,324.66	9,436.94
8. Interest and Finance Charges	6,944.21	6,363.61
9. Depreciation, Amortisation and Impairment	5,660.39	5,771.52
Total	105,239.32	86,187.12
10. Profit from Ordinary Activities before Tax	8,324.34	5,783.44
11. Extraordinary Items	-	-
12. Profit before Tax	8,324.34	5,783.44
13. Tax Expense	2,375.02	1,776.82
14. Net Profit for the period	5,949.32	4,006.62
15. Prior Period Adjustments	179.87	736.82
16. Net Profit after Prior Period Adjustment	6,129.19	4,743.44
Earnings Per Share (in Rupees)		
1. Basic Earnings Per Share	23.99	20.49
2. Diluted Earnings Per Share	22.59	19.47

As per our report of even date

For **KHANDELWAL JAIN & CO.**
Chartered Accountants



SHIVRATAN AGARWAL
Partner
Membership No. 104180

For **KADAM & CO.**
Chartered Accountants


U.S. KADAM
Partner
Membership No. 31055

For and on behalf of the Board

V. N. DHOOT
Chairman and Managing Director


S. PADMANABHAN
Director

Place : Mumbai
Date : December 2, 2010



VIDEOCON INDUSTRIES LIMITED
Unaudited Unconsolidated Condensed Interim Cash Flow Statement

Particulars	Current Twelve months ended September 30, 2010 (Rs. in Million)	Corresponding Twelve months ended September 30, 2009 (Rs. in Million)
1. Cash Flows from Operating Activities	(8,519.83)	6,474.05
2. Cash Flows from Investing Activities	(10,929.26)	(10,187.12)
3. Cash Flows from Financing Activities	22,002.57	4,815.29
4. Net Increase/(Decrease) in Cash and Cash Equivalents	2,553.48	1,102.22
5. Cash and Cash Equivalents at Beginning of Period	4,985.06	3,882.84
6. Cash and Cash Equivalents at End of Period	7,538.54	4,985.06

As per our report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants




SHIVRATAN AGARWAL
Partner
Membership No. 104180

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Chartered Accountants



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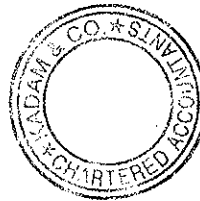
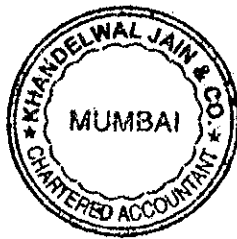
For and on behalf of the Board

V. N. DHOOT 
Chairman and Managing Director



S. PADMANABHAN
Director

Place : Mumbai
Date : December 2, 2010



VIDEOCON INDUSTRIES LIMITED**Notes forming part of the Condensed Interim Financial Information:****1. Basis of Preparation:**

- a) The financial statements are prepared under historical cost convention, except for certain Fixed Assets which are revalued, using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956, including the mandatory Accounting Standards as prescribed by the Companies (Accounting Standard) Rules 2006.
- b) **Use of Estimates**
The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Example of such estimates include provisions for doubtful debts, employee retirement benefits plans, provision for income tax, and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.
- c) The accounting policies followed in the preparation of these Interim financial statements are the same as those followed in the last audited annual financial statements of the Company as at and for the year ended 30th September 2009.

2. During the period, the Company has issued and allotted:

- a) 1,858,275 Equity Shares of Face value of Rs. 10 each, on preferential basis, at a price of Rs. 242.16 per Equity Share aggregating to Rs. 450.00 Million.
- b) 51,392,243 Equity Shares of Face value of Rs. 10 each, on right basis, at a price of Rs. 225 per Equity Share aggregating to Rs. 11,563.25 Million. Out of this, the call money of Rs. 112.50 per Equity Share are outstanding as on 30th September 2010 on 61,264 Equity Shares.
- c) 75,41,300 Equity Shares of face value of Rs. 10 each, on preferential basis, at a price of Rs. 211.96 per Equity Share aggregating to Rs. 1,598.45 Million.

3. Segment Information:

The Company has identified two reportable segments viz. Consumer Electronics & Home Appliances and Crude Oil & Natural Gas. Segments have been identified and reported taking into account nature of products and services, the differing risks and return.

- a) Segment revenue and expenses include the respective amounts identifiable to each of the segments on the basis of relationship to operating activities of the segment as also amounts allocated on a reasonable basis. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other corporate assets and liabilities that cannot be allocated between the segment are disclosed as "Unallocable".
- c) **Primary Segment Information - Business segment:**

Particulars	(Rs. in Million)	
	Current Twelve months ended September 30, 2010	Corresponding Twelve months ended September 30, 2009
1. Segment Revenue		
a) Consumer Electronics & Home Appliances	105,049.13	83,187.20
b) Crude Oil and Natural Gas	10,215.89	10,625.49
Total	115,265.02	93,812.69
Less: Inter segment Revenue	-	-
Sales/Income from Operations	115,265.02	93,812.69
2. Segment Results		
[Profit before tax and Interest from each segment]		
a) Consumer Electronics & Home Appliances	12,104.81	9,158.83
b) Crude Oil and Natural Gas	3,341.12	3,053.58
Total	15,445.93	12,212.41
Less:		
i) Interest	6,944.21	6,363.61
ii) Other unallocable expenditure net of unallocable income/(income)	177.38	65.36
iii) Exceptional Items	-	-
Total Profit Before Tax	8,324.34	5,783.44
3. Capital Employed		
[Segment Assets Less Segment Liabilities]		
[Based on estimates in terms of available data]		
a) Consumer Electronics & Home Appliances	67,372.40	58,070.98
b) Crude Oil and Natural Gas	3,578.09	3,112.38
Total Capital Employed in Segments	70,950.49	61,183.36
Unallocable corporate assets less corporate liabilities	20,654.22	10,867.05
Total Capital Employed	91,604.71	72,050.41

	(Rs. in Million)	
	At the end of the Current Interim Period As at September 30, 2010 (Reviewed)	At the end of the Previous Interim Period As at September 30, 2009 (Audited)
4. Contingent Liabilities not provided for:		
a) Letters of Guarantees	35,643.89	59,757.26
b) Letters of Credit opened (including Stand by Letters of Credit)	15,406.52	4,015.05
c) Customs Penalty	23.96	23.96
d) Customs Duty demands under dispute [Amount paid under protest Rs. 0.82 million (Previous year Rs. 0.82 million)]	156.09	156.09
e) Income Tax demands under dispute	349.38	349.38
f) Excise Duty and Service Tax demand under dispute [Amount paid under protest Rs. 5.67 million (Previous year Rs. 4.21 million)]	230.39	189.37
g) Sales Tax demands under dispute [Amount paid under protest Rs. 56.21 million (Previous year Rs. 57.91 million)]	179.32	156.38

- h) Show Cause Notices (SCNs) have been served on the Operator of the Ravva Oil & Gas Field Joint Venture (Ravva JV) for non payment of Service Tax and Educational Cess on various services for the period August 16, 2002 to March 31, 2009. The amount involved relating to Ravva Block is Rs. 415.28 million (Previous year Rs. 415.28 million).

The Operator is contesting the show cause notices/demands before Commissioner of Service Tax and has filed writ petition before Hon'ble High Court of Chennai challenging service tax demands on some of the services and believes that its position is likely to be upheld. The ultimate outcome of the matter cannot be presently determined and no provision for any liability that may result has been made in the accounts as the same is subject to agreement by the members of the Joint Ventures. Should it ultimately become payable, the Company's share as per the participating interest would be upto Rs. 103.82 million (Previous year Rs. 103.82 million).

- i) Ravva Oil & Gas Field Joint-Venture has received a demand notice for Rs. 21.53 million for delay in payment of cess for the period April 2001 to February 2004. The Ravva JV filed an appeal with Hon'ble High Court of Andhra Pradesh and has received an interim stay order against the demand. The Ravva Oil & Gas Field Joint-Venture believes that its position is likely to be upheld. However, should the liability ultimately arise, the Company's share as per the participating interest would be upto Rs. 5.38 million (Previous year Rs. 5.38 million).
- j) Disputed Income Tax demand amounting to Rs. 22.29 million in respect of certain payments made by Ravva Oil & Gas Field Joint Venture is currently pending before the Income Tax Appellate Tribunal. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made as the same is subject to agreement by the members of the Joint Venture. Should it ultimately become payable, the Company's share as per the participating interest would be upto Rs. 5.57 million (Previous year Rs. 5.57 million).
5. i) Dispute regarding the deductibility of certain cost in the computation of post tax rate of return. A Partial / Interim Award issued by an International Arbitration Tribunal under the UNCITRAL Rules on March 31, 2005 in favour of the Company in respect of a dispute between the Company and Government of India ("GOI") inter-alia regarding deductibility of Oil and Natural Gas Corporation Limited (ONGC) Carry while computing the Post Tax Rate of Return (PTRR) under the Ravva Production Sharing Contract (PSC) However, the Company and the GOI were not able to agree upon the amounts due to /payable by the Company in terms of the Partial/Interim Award, and accordingly the Company on July 7th, 2005 filed Interim Applications before the Arbitral Tribunal seeking a determination of the amounts due to/payable by the Company on the basis of the calculations made by the Company in these Applications and interest payable/receivable on such final determined amounts. The said Partial/Interim Award was appealed by GOI on May 10, 2005 before the High Court in Malaysia challenging the Arbitration Award and praying for setting aside the Partial Award dated March 31, 2005. The Company challenged the jurisdiction of the High Court and therefore the maintainability of such an appeal before that Court. The High Court in Malaysia has in this matter, by a pronouncement dated August 5, 2009, upheld the contentions of the Company and dismissed the Challenge filed by the GOI to the Award dated March 31, 2005 on the ONGC Carry issue. The GOI has filed a Notice of Appeal before the Appellate Court at Malaysia. The GOI Appeal is yet to be listed for hearing. The Company believes that its' position is likely to be upheld. The Company moved an application on October 13, 2009 before the High Court of Justice, Queen's Bench Division, Commercial Court at London seeking a declaration that the Seat of the arbitration in respect of the said Arbitration matter between the Company and the GOI is London, England. The pleadings and the counter pleadings have been filed and the matter is pending to be heard before the Queen's Court at London.
- ii) Dispute with regards to conversion of US\$ into Indian Rupees for payment of invoice for sale of crude. A dispute regarding the rate of conversion from US\$ into Indian rupees applicable to the Nominees of the GOI for the purpose of payment of amount of the invoices for sale of the Crude Oil by the Company under the Ravva PSC was referred to an International Arbitral Tribunal under the UNCITRAL Rules in accordance with the provisions of the Ravva PSC. The Tribunal by its Partial / Interim Award dated March 31, 2005 held that the payment to the Company should be made after converting the US\$ amount into Indian Rupees at the average of the State Bank of India TT Buying and TT Selling Rate (the "Middle Rate"). While accepting the said Award, the Company has worked out and submitted a computation on June 30, 2005 to GOI indicating the amount receivable at Rs.121.43 million being the amount short paid by GOI nominees up to June 19, 2005 and interest thereon also calculated up to June 19, 2005. The Company further sent various communications updating its' claim receivable from GOI Nominees. During the year, the Company further updated its' claim in this respect vide its' letter dated June 12 2010 wherein total amount receivable from GOI Nominees is computed at Rs. 612.83 million, being the amount short paid by GOI Nominees up to March 31, 2010 and interest thereon also calculated up to March 31, 2010. The payments to be made by the GOI's nominees in terms of the Award dated March 31, 2005 is also pending before the Arbitral Tribunal in terms of the Interim Applications filed. The GOI has filed an Original Miscellaneous Petition (OMP) 329 of 2006 dated July 20, 2006 before Hon'ble Delhi High Court challenging the award in respect of this Dispute. Another OMP 223 of 2006 dated May 9, 2006 has been filed by GOI's nominees HPCL and BRPL in the Hon'ble Delhi High Court challenging the Partial Award dated March 31, 2005 in respect of Conversion/Exchange Rate Matter. Both OMP 223 of 2006 and OMP 329 of 2006 are presently sub-judice before the Hon'ble Delhi High Court. The GOI nominees continue to make payments at the exchange rate without considering the directives of the Hon'ble Arbitral Tribunal in this regard.

iii) GOI has filed OMP 255 of 2006 dated May 30, 2006 before the Hon'ble Delhi High Court under section 9 of the Arbitration and Conciliation Act, 1996, seeking a declaration that the seat of the arbitration as regards the disputes between the Company and the GOI is Kuala Lumpur and not London. The Hon'ble Arbitral Tribunal vide its' letter dated April 11, 2007 has indicated that it shall continue with the arbitration proceedings, in respect of the disputes referred above, after receiving the judgement of the Hon'ble Delhi Court in OMP 255 of 2006. The Hon'ble Delhi High Court has held, vide order dated April 30, 2008, that it has the jurisdiction to hear the matters arising out of arbitration process and that the matter be heard on merits as against the Company's contention that the said petition itself was not maintainable. The Company has, in this respect, filed Special Leave Petition (SLP) (Civil) No. 16371 of 2008 before the Hon'ble Supreme Court of India to decide the issue of maintainability of OMP 255 of 2006. The Hon'ble Supreme Court after hearing the Parties, has on November 11, 2009, reserved judgement in the matter. The Company believes that its' position is likely to be upheld.

iv) Disputes with regards to additional profit petroleum. The GOI had vide its' letter dated November 3, 2006 raised a collective demand of Rs. 334.13 Million on account of additional profit petroleum payable and interest on delayed payments of profit petroleum calculated up to September 30, 2006 pursuant to the Partial Arbitral Award dated March 31st, 2005 in the Dispute stated above and Interim Award dated February 12, 2004 and Partial Award dated December 23, 2004. The Company has disputed such demand and is instead seeking refund of USD 16.70 Million equivalent to Rs. 668.67 million already excess paid by the Company to the GOI with interest thereon. Subsequently, GOI has in June 2008 through its Nominees deducted a further sum of Rs. 372.21 million being its' claim of additional profit petroleum and interest on delayed payment of profit petroleum computed up to April 30, 2008. Such deduction, also being in contravention of the above-referred Arbitral Awards, is disputed by the Company.

Any further sum required to be paid or returnable in respect of dispute referred above at i) to iv) in accordance with the determination of the amount by the Hon'ble Arbitral Tribunal/relevant courts in this behalf shall be accounted for on the final outcome in this regard.

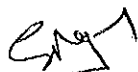
6. The following subsidiaries were acquired / incorporated by the Company during the period: a) Videocon Energy Limited, b) Videocon Oil Ventures Limited, c) Comet Power Private Limited, d) Unity Power Private Limited, e) Percept Energy Private Limited, f) Galaxy Power Private Limited, g) Instant Energy Private Limited, h) Applied Energy Private Limited, i) Triumph Energy Private Limited, j) Chhattisgarh Power Ventures Private Limited, k) Videocon Power Ventures Limited, l) Marvel Energy Private Limited, m) Proficient Energy Private Limited and n) Orchid Energy Private Limited.

The following subsidiaries ceased to be subsidiaries of the Company during the period: a) Powerking Corporation Limited, b) Venus Corporation Limited, c) Mayur Household Electronics Appliances Private Limited and d) Godavari Consumer Electronics Appliances Private Limited.

The operations of the subsidiary, Videocon Display Research Co. Limited, Japan were wound-up by voluntary liquidation on 1st September, 2010.

As per our report of even date

For KHANDELWAL JAIN & CO.
Chartered Accountants



SHIVRATAN AGARWAL
Partner
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