

The Board of Directors
Saregama India Limited
33, Jessore Road
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Kolkata - 700 028

Report on Limited Review of the unaudited financial results of the Company for the quarter ended 30th June, 2008

1. We have reviewed the accompanying statement of unaudited financial results of Saregama India Limited for the quarter ended 30th June, 2008, initialled by us for the purpose of identification. This statement is the responsibility of the Company's management and has been approved by the Committee of Directors.
2. A review of interim financial information consists principally of applying analytical procedures for financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards followed in India, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.
3. Attention is drawn to the following without qualifying our Report :-
 - 3.1 Segment information (applicable to the Company on merger of erstwhile Saregama Films Limited) for the corresponding previous quarter (quarter ended 30th June, 2007) have not been provided along with the results for the current period as the Scheme of Amalgamation (referred to in Note 1 to the unaudited financial results) was not sanctioned by the High Court when the results for the quarter ended 30th June, 2007 were published in 2007.
 - 3.2 Basic and Diluted Earnings Per Share after extraordinary items [Sl. No. 14(b)] for the quarter ended 30th June, 2007 and year ended 31st March, 2008 are Rs. 2.02 and Rs. 5.26 respectively, which have not been published.
 - 3.3 Based on the information and explanations provided by the Company's management in respect of segment reporting, other unallocable expenditure, other unallocable income (erroneously published as 'Other Unallocable Expenditure net of unallocable income'), capital employed of Music segment, unallocated capital employed and total segment capital employed for the year ended 31st March, 2008 / as at 31st March, 2008 are to be read as Rs. 1,271 lakhs, Rs. 203 lakhs, Rs. 7,287 lakhs, Rs. Nil and Rs. 8,962 lakhs against Rs. 1,267 lakhs, Rs. 198 lakhs, Rs. 7,412 lakhs, Rs. 3,341 lakhs and Rs. 12,429 lakhs respectively as published.



3.4 Public shareholding [Sl. No. 15] as on 30th June, 2007 is to be read as 7,225,275 shares against 7,225,276 shares as published.

3.5 Based on the information and explanations provided by the Company's management, amount paid during the year ended 31st March, 2008 under the Company's voluntary retirement scheme (referred to in Note 6 to the unaudited financial results) is to be read as Rs. 461 lakhs against Rs. 458 lakhs as published.

4. We invite your attention to the following :-

4.1 Based on the information and explanations provided by the Company's management, 'Consumption of raw materials' [Sl. No. 4(b)] and 'Other Expenditure' [Sl. No. 4(h)] for the quarter ended 30th June, 2008 are to be read as Rs. 516 lakhs and Rs. 672 lakhs against Rs. 527 lakhs and Rs. 661 lakhs respectively as published. This has no impact on the Company's profit for the quarter ended 30th June, 2008.

4.2 Basic and Diluted Earnings Per Share after extraordinary items [Sl. No. 14(b)] for the quarter ended 30th June, 2008 is Re 0.46, which have not been published.

4.3 Based on the information and explanations provided by the Company's management in respect of segment reporting :-

(a) 'Other Unallocable Expenditure net of Unallocable income' as published under Segment Results is to be read as other unallocable income.

(b) Profit before tax and interest of the Music segment, total of segment profit before tax and interest, other unallocable expenditure, capital employed of Music segment, unallocated capital employed and total segment capital employed for the quarter ended 30th June, 2008 / as at 30th June, 2008 are to be read as Rs. 502 lakhs, Rs. 447 lakhs, Rs. 314 lakhs, Rs. 7,765 lakhs, Rs. Nil and Rs. 9,615 lakhs against Rs. 541 lakhs, Rs. 486 lakhs, Rs. 353 lakhs, Rs. 7,366 lakhs, Rs. 3,012 lakhs and Rs. 12,228 lakhs respectively as published.



5. Based on our review conducted as above and subject to our remarks in Paragraph 4 above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results together with the notes thereon prepared in accordance with accounting standards and other recognised accounting practices and policies followed in India 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.




(P.Law)

Partner

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Kolkata,
29th August, 2008