

Limited Review Report

**Review Report to
The Board of Directors
Infomedia 18 Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results of Infomedia 18 Limited (formerly known as Infomedia India Limited) ('the Company') ('the Statement') for the quarter ended March 31, 2012 being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement, 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 reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these unaudited financial results 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 Statement is 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 at March 31, 2012, the accumulated losses of the Company exceed the share capital and reserves by Rs. 5,515.45 lakhs. During the quarter ended March 31, 2012, the Company has incurred losses of Rs. 1,895.14 lakhs. During the year ended March 31, 2012, the Company had incurred losses of Rs. 6,491.92 lakhs. Further, as indicated in Notes 3 and 4 of the Statement, (a) the Business Directories business, the New media business and the Publishing business of the Company is in the process of being demerged into a separate undertaking as per a Scheme of Arrangement, and (b) Management of the Company is also evaluating various options in relation to its Printing business, including sale. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern which is dependent on the Company continuing its business operations, establishing profitable operations and obtaining continuing financial support from its shareholders. These mitigating factors have been more fully disclosed in Note 3 to the Statement in view of which the accompanying unaudited financial results have been prepared on going concern assumption, and consequently, no adjustments have been made to the same in this regard. We are unable to comment on the consequential effects, if any, on the unaudited financial results, arising from the above. We had also modified our limited review report on the unaudited financial results of the Company for the quarters ended June 30, 2011, September 30, 2011 and December 31, 2011 in respect of this matter.*
4. *The Company had received an Income tax demand of Rs 529.22 lakhs in the previous year ended March 31, 2011 which had been disputed by the Company. The Company has filed an appeal before higher authority and has also been legally advised that the possibility of the matter being decided against the Company is not likely. However in our view the demand crystallizing against the Company is possible. Accordingly, the ultimate outcome of the matter cannot presently be determined, and no provision for any liability that may result has been made in the unaudited financial results. Based on the foregoing, we are unable to comment on the impact, if any, of this matter on the unaudited financial results. We had also modified our limited review report on the unaudited financial results of the Company for the quarters ended June 30, 2011, September 30, 2011 and December 31, 2011 in respect of this matter.*



S.R. BATLIBOI & ASSOCIATES

Chartered Accountants

Page 2 of 2
Infomedia 18 Limited

5. Based on our review conducted as above, *subject to our comments in paragraphs 3 and 4 above, the impact of which on the unaudited financial results cannot be ascertained*, nothing has come to our attention that causes us to believe that the accompanying Statement of standalone unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognized 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.

S.R. Batliboi & Associates

For S.R. Batliboi & Associates

Firm registration number: 101049W

Chartered Accountants

Amit Majmudar

per Amit Majmudar

Partner

Membership No.: 36656

Mumbai

May 7, 2012



Standalone (Unaudited) Financial Results for the Quarter and Year Ended March 31, 2012.

Standalone Financial Information				
Particular	3 months ended (31/03/2012) Unaudited	Preceding 3 months ended (31/12/2011) Unaudited	Corresponding 3 months ended in the previous year (31/03/2011) Unaudited	Year to date figures for the year ended (31/03/2012) Unaudited
1. a) Net Sales/Income from operations	3,873.17	4,229.25	4,217.28	14,090.52
b) Other Operating Income	50.98	38.68	71.10	175.39
Total Income from operations (net)	3,924.15	4,267.93	4,288.38	14,265.91
2. Expenditure				
a) (Increase)/Decrease in stock in trade and work in progress	(164.23)	(6.91)	104.79	(64.92)
b) Consumption of raw materials	63.15	15.52	715.77	3,657.72
c) Purchase of finished goods	1,832.25	2,458.65	1,877.01	8,147.72
d) Employees cost	133.69	155.08	216.27	582.92
e) Depreciation	439.96	336.13	338.27	1,382.55
f) Advertising & Publicity	578.07	720.74	422.46	1,728.38
g) Bad Debt Provision for doubtful debts	1,739.88	45.10	31.00	1,781.11
h) Other expenditure	249.18	1,699.25	1,082.02	5,159.59
Total expenses	5,739.07	6,274.83	4,892.31	19,346.39
3. Profit/(Loss) before interest, exceptional items and tax (1-2)	(1,814.92)	(2,006.90)	(1,603.93)	(5,080.48)
4. Other Income				
a) Interest	1,832.16	(1,889.16)	1,832.16	1,832.16
b) Profit/(Loss) before interest but before exceptional items and tax(3-4)	(1,832.16)	(1,889.16)	(1,603.93)	(5,080.48)
5. Loss/Profit after interest but before exceptional items and tax(5-6)	(1,832.16)	(1,889.16)	(1,603.93)	(5,080.48)
6. Exceptional Items (Refer Note 8)				
7. Loss/Profit from ordinary activities before tax (7-6)	(1,832.16)	(1,889.16)	(1,603.93)	(5,080.48)
8. Income Tax				
a) Provision / (Credit) for taxation			32.52	34.53
Net (Loss)/Profit from ordinary activities after tax (9-10)	(1,832.16)	(1,889.16)	(1,603.93)	(5,080.48)
9. Extraordinary Items				
10. Net (Loss)/Profit for the period (10-12)	(1,832.16)	(1,889.16)	(1,603.93)	(5,080.48)
11. Reserves including revaluation reserves as per balance sheet of previous accounting year	5,019.42	5,019.42	5,019.42	15,058.26
12. Earnings Per Share (EPS)				
a) Basic and Diluted EPS before Extraordinary Items for the year to date and for the previous year	(3.76)	(4.28)	(4.28)	(15.94)
b) Basic and Diluted EPS after Extraordinary Items for the year to date and for the previous year	(3.76)	(4.28)	(4.28)	(15.94)

Particular	3 months ended (31/03/2012) Unaudited	Year to date figures for the year ended (31/03/2012) Unaudited
1. Particulars of Shareholding		
a) Paid-up Share Capital	26,281.11	26,281.11
b) Reserves including revaluation reserves as per balance sheet of previous accounting year	52.36	52.36
Total	26,333.47	26,333.47
2. Investor Compliments		
a) Promoter and Promoter Group Shareholding (Refer Note 7)	23,913.051	23,913.051
b) Non-promoter	100.000	100.000
c) Percentage of shares held as a % of the total shareholding of Promoter and Promoter Group	91.19%	91.19%
d) Percentage of shares held as a % of the total share capital of the Company	47.34%	47.34%

NOTE: 1. The above results were approved by the Board of Directors at their meeting held on May 7, 2012.

2. The Unaudited Standalone Financial Results for the quarter ended March 31, 2012 have been subjected to a limited review by the Statutory Auditors.

3. The Company has incurred a loss of Rs. 1,889.16 lakhs during the quarter ended March 31, 2012 and the accumulated losses of the Company as at March 31, 2012 are Rs. 16,894.26 lakhs. The Parent Company has given support to extend any financial support, which may be required by the Company. The Company is in the process of reorganizing its business. The Company has been merged with Network 18 with effect from June 10, 2011, accordingly Network 18 has become direct holding company of the Company. The Company shall continue to be a going concern during the period of transition. The financial results have been prepared on a going concern basis. In respect of the going concern matter, the auditors have modified their review report on the Unaudited financial results of the Company for the quarter ended March 31, 2012, December 31, 2011 and June 30, 2011. The impact, if any, of this on the basis for the quarter and year ended March 31, 2012, cannot be ascertained.

4. The Board of Directors of the Company on July 7, 2010 approved and approved a Scheme of Arrangement (the Scheme) between Infomedia 18 Limited and Network 18 Media & Investments Limited (Network 18) and their respective shareholders and creditors. As per the Scheme, the Business Director business, the New Media business and the Publishing business of the Company shall be demerged into Network 18 while the Printing Press business will continue to remain with the Company. The Scheme has been approved by the Hon'ble High Court of Delhi. The Appointed date for the Scheme is April 1, 2010. However, the Scheme shall become effective upon filing of the certified copies of the order of the High Court with the Registrar of Companies. Further an application for the certificate of the sale orders has been made in the same is awaited. Accordingly no effect of the Scheme has been given in these Standalone Unaudited Financial Results for the quarter and year ended March 31, 2012.

5. In view of the Note No. 5 above, the Business Director business, the New Media business and the Publishing business have been considered as Discontinuing Operations and the Printing business has been considered Continuing Operations for the quarter and year ended March 31, 2012. The following statement shows the revenue, expenses, assets and liabilities of Continuing and Discontinuing operations:

(Rs. In Lakhs)

Standalone Segmentwise Revenue, Results and Capital Employed				
Particular	3 months ended (31/03/2012) Unaudited	Preceding 3 months ended (31/12/2011) Unaudited	Corresponding 3 months ended in the previous year (31/03/2011) Unaudited	Year to date figures for the year ended (31/03/2012) Unaudited
1. Segment Revenue				
a. Printing	680.10	585.10	697.57	3,020.04
b. Publishing	3,537.76	3,868.12	3,784.20	14,527.84
c. Others	4,197.95	4,529.35	4,577.72	16,252.40
Total	8,415.81	9,082.57	9,059.49	34,800.28
2. Net Sales/Income from operations				
a. Printing	3,673.17	4,229.25	4,217.28	14,090.52
b. Publishing	1,713.33	(20.42)	(144.50)	(6.01)
c. Others	(1,895.14)	(1,991.92)	(1,571.50)	(6,564.77)
Total	(1,895.14)	(1,991.92)	(1,571.50)	(6,564.77)
3. Capital Employed				
a. Printing	1,130.54	1,130.54	1,130.54	4,520.22
b. Publishing	(6,643.59)	(4,720.66)	(6,713.33)	(23,118.14)
c. Others	(5,515.45)	(5,167.05)	(4,825.15)	(21,425.15)
d. Unallocated				
Total	(1,028.50)	(8,757.77)	(10,408.94)	(34,043.07)

Note 5 continued.

Particular	3 months ended (31/03/2012) Unaudited	Preceding 3 months ended (31/12/2011) Unaudited	Corresponding 3 months ended in the previous year (31/03/2011) Unaudited	Year to date figures for the year ended (31/03/2012) Unaudited
Turnover	3,481.42	3,220.64	3,220.64	14,752.40
Intersegment revenue elimination	3,481.42	3,220.64	3,220.64	14,752.40
Turnover net of intersegment revenue	3,487.43	3,696.40	3,696.40	15,259.79
Intersegment cost elimination	3,487.43	3,696.40	3,696.40	15,259.79
Expense net of intersegment cost	(6.01)	223.64	223.64	(6,189.94)
EBIT	7.71	45.11	45.11	45.11
Interest and dividend income	(64.11)	178.68	178.68	(2,562.49)
Exceptional Item-income/(Expense)	(64.11)	178.68	178.68	(2,562.49)
Profit before tax	104.45	144.15	144.15	(6,491.92)
The charge/(credit)	31.08, 2012	2,715.97	2,715.97	10,945.67
Profit After Tax	952.41	1,029.22	1,029.22	15,581.12

Note 6. The demands towards Sales Tax/VAT/Contract Tax for the Assessment Years 2005-2006, 2006-2007, 2007-2008, 2008-2009 and 2009-2010 outstanding as on March 31, 2012 are aggregating to Rs. 1,098.70 lakhs. The demands towards Sales Tax/VAT/Contract Tax for the Assessment Years 2000-2001, 2001-2002 and 2002-2003, outstanding as on March 31, 2012 are Rs. 367.17 lakhs. The demand towards Service Tax for the financial year 2004-2005, outstanding as on March 31, 2012 is Rs. 185.54 lakhs. The Company has deposited all the above demands and has preferred its in the process of preferring appeals before appellate authorities, to set aside the demands and carry out necessary rectifications. In view of the legal advice taken, the Company has formed an opinion that the possibility of these cases being decided against the Company and the demand crystallising against the Company is not probable and hence no provision is required.

Note 7. However, in respect of one of these income tax demands amounting to Rs. 522.22 lakhs, the auditors have modified their review report on the Unaudited financial results of the Company for the quarter ended March 31, 2012, December 31, 2011 and June 30, 2011. The impact, if any, of this on the loss for the quarter ended March 31, 2012, cannot be ascertained. In respect of this demand, the Company has obtained legal opinion on the sustainability of the tax demand on the basis of the said opinion. The Company has come to the conclusion that the possibility of this matter being decided against the Company and the demand crystallising against the Company is not probable and hence no provision is required.

Note 8. Pursuant to the Scheme of Arrangement between Network 18 Media & Investments Limited (Network 18), Infomedia 18 Broadcast Limited (now known as TV18 Broadcast Limited), Television Eighteen India Limited (TV18), and Network 18 Group Companies, as approved by the Hon'ble High Court of Delhi vide its order dated April 28, 2011, TV18 has been merged with Network 18 with effect from June 10, 2011, accordingly Network 18 has become direct holding company of the Company.

Note 9. As per Share Purchase Agreement (SPA) with KnowledgeProcess Global Private Limited (a Company in company) on May 4, 2010, the Company had sold its entire equity stake in its 4 subsidiaries. The net loss on the sale of subsidiaries amounting to Rs. 198.25 lakhs for the quarter ended March 31, 2011 and Rs. 123.79 lakhs for the year ended March 31, 2011 was deemed an exceptional item in the results.

Note 10. In respect of Rs. 75.00 lakhs no longer required had been reversed during the year ended March 31, 2011 which was disclosed as an Exceptional item in the results for the year ended March 31, 2011.

Note 11. Previous period figures have been regrouped/revised wherever necessary.

On behalf of the Board,

SIGNED FOR IDENTIFICATION BY  S. R. BATLIBOI & ASSOCIATES
MUMBAI

Place : Mumbai
Date : May 7, 2012
Chairman