

Standalone (Unaudited) Financial Results for the Quarter Ended June 30, 2010

(Rs. in lakhs)

Standalone Financial Information			
	3 Months ended (30/06/2010) Unaudited	Corresponding 3 Months ended in the Previous year (30/6/2009) Unaudited	Previous accounting year ended (31/03/2010) Audited
1 (a) Net Sales/Income from operations (Refer Note 8)	2,318.73	1,889.93	10,723.92
(b) Other Operating Income (Refer Note 9)	37.91	27.94	859.23
2. Expenditure	2,893.56	2,611.09	16,566.53
a) (Increase)/Decrease in stock in trade and work in progress	(51.36)	(50.11)	19.97
b) Consumption of raw materials	578.45	660.87	2,574.41
c) Purchase of traded goods	3.56	4.62	41.99
d) Employees cost	891.89	640.70	5,008.40
e) Postage & courier charges	263.85	234.87	991.14
f) Depreciation	141.86	158.12	607.54
g) Rent	276.45	103.96	1,092.98
h) Advertising & Publicity (Refer Note 8)	119.17	198.36	1,765.84
i) Bad Debts/Provision for doubtful debts	85.31	28.08	238.11
j) Other expenditure	584.38	631.62	4,226.15
3. (Loss)/Profit from operations before other Income, interest, exceptional items and Tax (1-2)	(536.92)	(693.22)	(4,983.38)
4. Other Income	20.52	14.78	149.25
5. (Loss)/Profit before interest, exceptional items and tax(3+4)	(516.40)	(678.44)	(4,834.13)
6. Interest	195.08	397.28	1,646.07
7. (Loss)/Profit after interest but before exceptional items and tax(5-6)	(711.48)	(1,075.72)	(6,480.20)
8. Exceptional items (Refer Note 4)	(106.00)	-	(1,480.00)
9. (Loss)/Profit from ordinary activities before tax (7-8)	(605.48)	(1,075.72)	(5,000.20)
10. Tax expenses			
(a) Provision / (Credit) for Taxation	7.11	(16.22)	3.22
(b) Fringe Benefit Tax	-	12.10	-
11. Net (Loss)/Profit from ordinary activities after tax (9-10)	(612.59)	(1,071.60)	(5,003.42)
12. Extraordinary Items	-	-	-
13. Net (Loss)/Profit for the year (11-12)	(612.59)	(1,071.60)	(5,003.42)
14. Paid-up Equity Share Capital (Face value Rs.10) (Refer Note 10)	4,970.57	1,988.51	4,970.57
15. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	(4,257.96)
16. Earnings Per Share(EPS)			
a) Basic and Diluted EPS before Extraordinary items, for the year to date and for the previous year	(1.23)	(5.39)	(16.63)
b) Basic and Diluted EPS after Extraordinary items, for the year to date and for the previous year	(1.23)	(5.39)	(16.63)
17. Public Shareholding			
-Number of Shares	2,57,92,611	68,26,060	2,57,92,611
-Percentage of Shareholding	51.89	34.33	51.89
18. Promoter and Promoters Group Shareholding			
a) Pledged/Encumbered			
- Number of shares	-	-	-
- Percentage of shares(as a % of the total shareholding of Promoter and Promoters group)	-	-	-
- Percentage of shares(as a % of the total share capital of the company)	-	-	-
b) Non-encumbered			
- Number of shares	2,39,13,061	1,30,59,043	2,39,13,061
- Percentage of shares(as a % of the total shareholding of Promoter and Promoter group)	100	100	100
- Percentage of shares(as a % of the total share capital of the company)	48.11	65.67	48.11

Notes : 1. The above results were approved by the Board of Directors at their meeting held on July 29, 2010.
2. The status of investor complaints for the quarter ended June 30,2010 was as follows :
Pending at the beginning of the quarter - 0
Received during the quarter ended 30.06.2010 - 3
Disposed off during the quarter ended 30.06.2010 - 3
Unresolved at the end of the quarter ended 30.06.2010 - 0
3. The standalone financial results for the quarter ended June 30, 2010 has been subjected to a limited review by the Statutory Auditors.
4. The Company has entered into a Share Purchase Agreement ('SPA') with Knowledgeworks Global Private Limited (a Cenveo Inc company) on May 4, 2010 to sell its entire equity stake in its 4 subsidiaries which are carrying on the Publishing BPO business. Pursuant to the SPA, the sale of 2 of these subsidiaries has also been completed during the quarter ended June 30, 2010. As per the SPA, the sales consideration would also include dividend received from these companies after the date of the SPA and expenses of the Company relating to the sale which are borne by the Purchaser. The Company has incurred legal and professional fees and other expenses in connection with the sale of these subsidiaries. The net gain on the sale of these subsidiaries amounting to Rs. 106 lakhs has been disclosed as an Exceptional item.
During the year ended March 31, 2009, the Company had made a provision for diminution in the value of long term investments in subsidiaries amounting to Rs 1,600 lakhs. Considering the sales consideration to be received as per the SPA, the Company was of the view that there would be no diminution in the value of the said investments and hence the same was written back during the year ended

Standalone Segmentwise Revenue, Results and Capital Employed			
	3 months ended (30/06/2010) Unaudited	Corresponding 3 months ended in the previous year (30/06/2009) Unaudited	Year to date figures for current year ended (31/03/2010) Audited
1. Segment Revenue			
a. Printing	1,153.93	10,68.68	4,263.14
b. Publishing	1,206.17	882.86	6,858.72
c. Others	261.38	156.22	630.51
Total	2,621.48	2,107.76	11,752.37
Less : Inter Segment revenue	302.75	217.83	1,028.45
Net sales/Income from operations	2,318.73	1,889.93	10,723.92
2. Segment Results			
a. Printing	188.15	20.31	291.24
b. Publishing	(419.21)	(538.32)	(3,476.14)
c. Others	113.88	38.14	42.03
Total	(117.18)	(479.87)	(3,142.87)
Less : Interest expense	195.08	397.28	1,646.07
Add : Interest and Dividend income	13.50	2.33	15.44
Less :Unallocable expenditure net of unallocable income	412.72	200.90	1,706.70
Less : Exceptional items (Refer Note 4)	(106.00)	-	(1,480.00)
Total Profit/(Loss) Before Tax	(605.48)	(1,075.72)	(5,000.20)
3. Capital Employed (Segment Assets less Segment Liabilities)			
a. Printing	1,489.49	1,329.87	988.46
b. Publishing	772.89	532.59	1,381.57
c. Others	(47.81)	(104.35)	134.92
d. Unallocated	933.64	(3,995.33)	1,242.45
Capital Employed	3,148.21	(2,237.22)	3,747.40

March 31, 2010 and disclosed as an exceptional item. The Company had also made provision for diminution in the value of investments in a Joint Venture Company amounting to Rs.120 Lakhs during the year ended March 31, 2010 and the same has also been disclosed as an exceptional item.
5. The Company has incurred a loss of Rs. 612.59 lakhs during quarter ended June 30, 2010 and the accumulated losses of the Company as at June 30, 2010 are Rs.9,949.30 lakhs. During the year 2009-10, the Company has raised equity vide rights issue, amounting to Rs. 9,992.27 lakhs to augment the equity in the Company. The unutilized funds from the Rights issue as at June 30, 2010 are Rs 1,976.30 lakhs. The Parent Company has also given support letter to extend any financial support, which may be required by the Company. The Company is in the process of restructuring its business. The Company has also entered into a Share Purchase Agreement ('SPA') with Knowledgeworks Global Private Limited, a Cenveo Inc. company, in May 2010 to sell its entire equity stake in its four subsidiaries carrying on the Publishing BPO business which would result in significant cash flows to the Company during the year to end March 31, 2011. The SPA is subject to necessary approvals. Considering these factors, these financial results have been prepared on a going concern basis. Without qualifying their audit opinion, the auditors have given an emphasis of matter in respect of the going concern matter in their audit report dated May 7, 2010 on the audited financial statements of the Company for the year ended March 31, 2010. This has no impact on the loss for the quarter.
6. The Board of Directors of the Company, on July 7, 2010 announced and approved a Scheme of Arrangement ('the Scheme') between Infomedia 18 Limited and Network 18 Media & Investments Limited ('Network 18') and their respective shareholders. As per the Scheme, the Business Directories business, the New Media business and the Magazine Publishing business of the Company shall be demerged into Network 18 Media & Investments Limited while the Printing Press business will continue to remain with the Company. The Scheme is subject to approval of High Courts and the shareholders of the respective companies. The Appointed date for the proposed restructuring is April 1, 2010 and the Scheme shall be effective when the certified copies of the High Court Orders are filed with the Registrar of Companies. Accordingly no effect of the Scheme has been given in these Unaudited Consolidated results for the quarter ended June 30, 2010.
7. (a) The demands towards Income Tax and Fringe Benefit Tax for the Assessment Year 2005-06, 2006-07 and 2007-08, outstanding as on June 30, 2010 are Rs.280.23 lakhs. The Company has disputed the demands and has preferred appeals before appellate authorities, to set aside the demands and carry out necessary rectifications. The Company has assessed that the possibility of these cases being decided against the Company and the demand crystallizing on the Company is not probable and hence no provision is required.
(b) The demands towards Sales Tax/ Works Contract Tax for the financial years 1999-2000, 2000-2001, 2001-2002 and 2002-2003, outstanding as on June 30, 2010 are Rs.315.57 lakhs. The Company has disputed the demands and has preferred appeals before the Joint Commissioner of Sales Tax Appeals. The Company has assessed that the possibility of these cases being decided against the Company and the demand crystallizing on the Company is not probable and hence no provision is required.
8. Loss for the year ended March 31, 2010 includes an amount of Rs.38.77 lakhs relating to prior year.
9. Other operating income for the year ended March 31, 2010 includes Rs. 720.57 lakhs pertaining to provision no longer required for printing expenses written back.
10. The Company had made an issue of equity share on rights basis in the ratio of three equity shares for every two equity shares held on the record date. The rights issue consisted of 29,827,655 equity shares issued at a premium of Rs.23.50 per equity share aggregating to Rs. 9,992.27 lakhs. The issue opened on December 29, 2009 and closed on January 15, 2010 and was fully subscribed.
11. The Company has utilized an aggregate sum of Rs. 8,015.97 lakhs towards the stated purposes, from the proceeds of the Rights Issue. The unutilized funds of Rs. 1,976.30 lakhs are deployed in Liquid Mutual Funds and Banks.
12. Previous period figures have been regrouped/restated wherever necessary.

On behalf of the Board,



Haresh Chawla
Managing Director