

**Hindustan Motors Limited**  
Regd. Office "Birla Building", 14<sup>th</sup> Floor,  
9/1, R.N.Mukherjee Road,  
Kolkata-700 001.

**Audited Financial Results for the Quarter / 18 month period ended 30<sup>th</sup> September, 2013**

(Rupees in Lacs)

	Stand-alone					Consolidated		
	Quarter ended			18 month period ended	Previous year ended	18 month period ended	Previous year ended	
	30.09.13	30.06.13	30.09.12	30.09.13	31.03.12	30.09.13	31.03.12	
	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	
	(Refer note 5)							
<b>Part I</b>								
<b>Particulars</b>								
1	<b>Income from Operations</b>							
a)	Net Sales / Income from Operations	10299	9241	13121	71384	48814	71387	49228
b)	Other Operating Income	134	156	143	905	612	1036	782
	<b>Total income from Operations (Net)</b>	<b>10433</b>	<b>9397</b>	<b>13264</b>	<b>72289</b>	<b>49426</b>	<b>72423</b>	<b>50010</b>
2	<b>Expenses</b>							
a)	Cost of materials consumed	7281	7024	2576	42565	31531	42569	31534
b)	Purchase of Traded Goods	801	661	7809	17843	10253	17843	10253
c)	(Increase)/ Decrease in Finished Goods, Stock-in-Trade and Work-in-Progress	136	(1207)	2206	(1576)	335	(1576)	700
d)	Employee Benefits Expense	2398	2273	2089	13615	8573	13629	8583
e)	Depreciation and Amortisation Expense	411	440	338	2197	2179	2202	2182
f)	Other Expenses	2212	2376	1081	11728	8642	11859	8791
	<b>Total Expenses</b>	<b>13239</b>	<b>11567</b>	<b>16099</b>	<b>86372</b>	<b>61513</b>	<b>86526</b>	<b>62043</b>
3	Profit /(Loss) from Operations before Other Income, Finance costs & Exceptional items (1-2)	(2806)	(2170)	(2835)	(14083)	(12087)	(14103)	(12033)
4	Other Income	170	71	79	1173	719	1232	633
5	Profit / (Loss) before Finance costs & Exceptional items (3+4)	(2636)	(2099)	(2756)	(12910)	(11368)	(12871)	(11400)
6	Finance Costs	633	527	484	3089	2029	2987	1981
7	Profit/ (Loss) after Finance Costs but before Exceptional items (5-6)	(3269)	(2626)	(3240)	(15999)	(13397)	(15858)	(13381)
8	Exceptional items	3167	-	-	8001	10056	7269	8598
9	Profit/ (Loss) before Tax (7+8)	(102)	(2626)	(3240)	(7998)	(3341)	(8589)	(4783)
10	<b>Tax Expenses</b>							
a)	Current Tax	-	-	-	-	-	39	18
b)	Deferred Tax	(131)	(116)	(230)	(878)	(344)	(878)	(344)
c)	Tax provision for earlier years (Net)	-	-	-	-	(1)	2	(5)
11	Net Profit / (Loss) after tax before Minority interest & Share of Profit / (Loss) of Associate (9-10)	29	(2510)	(3010)	(7120)	(2996)	(7752)	(4452)
12	Add: Share of Profit / (Loss) of Associate	-	-	-	-	-	404	1310
13	Less: Minority interest in Profit / (Loss)	-	-	-	-	-	-	-
14	Net Profit / (Loss) for the period	29	(2510)	(3010)	(7120)	(2996)	(7348)	(3142)
15	Paid-up Equity Share Capital* (Face value = Rs.5)	9239	9239	9239	9239	8649	9239	8649
16	Reserves (excl. Revaluation Reserves)	-	-	-	(13163)	(6898)	(13295)	(6800)
17	<b>Earnings per share (not annualised)</b>							
a)	Basic (Rs.)	0.02	-1.37	-1.62	-3.89	-1.85	-4.01	-1.94
b)	Diluted (Rs.)	0.02	-1.37	-1.62	-3.89	-1.85	-4.01	-1.94
	* Excluding amount in respect of forfeited shares							
<b>Part II</b>								
<b>A) Particulars of Shareholding</b>								
1	Public Shareholding							
-	Number of Shares	117298739	117298739	117298739	117298739	117298739		
-	Percentage of Shareholding	63.48%	63.48%	63.48%	63.48%	67.81%		
2	Promoters and Promoter Group Shareholding							
a)	Pledged/Encumbered							
-	Number of Shares	26271854	26271854	26271854	26271854	26271854		
-	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	38.94%	38.94%	38.94%	38.94%	47.19%		
-	Percentage of Shares (as a % of the total share capital of the company)	14.22%	14.22%	14.22%	14.22%	15.19%		
b)	Non-encumbered							
-	Number of Shares	41201400	41201400	41201400	41201400	29401400		
-	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	61.06%	61.06%	61.06%	61.06%	52.81%		
-	Percentage of Shares (as a % of the total share capital of the company)	22.30%	22.30%	22.30%	22.30%	17.00%		
B	<b>Particulars</b>							
	<b>Investor Complaints</b>	<b>Quarter ended 30.09.2013</b>						
	Pending at the beginning of the quarter	Nil						
	Received during the quarter	14						
	Disposed of during the quarter	14						
	Remaining unresolved at the end of the quarter	Nil						

**Notes:**

## 1) Statement of Assets and Liabilities

**(Rupees in Lacs)**

Particulars	Stand-alone		Consolidated	
	As at 30.09.13 (Audited)	As at 31.03.12 (Audited)	As at 30.09.13 (Audited)	As at 31.03.12 (Audited)
<b>A EQUITY AND LIABILITIES</b>				
1 Shareholders' Funds				
(a) Share Capital	9247	8657	9247	8657
(b) Reserves and Surplus	(12407)	(6141)	(12538)	(6044)
(c) Warrants	-	361	-	361
Sub-total - Shareholders' Funds	<b>(3160)</b>	<b>2877</b>	<b>(3291)</b>	<b>2974</b>
2 Minority Interest (# Full figure Rs. 21891)			-	#
3 Non-current Liabilities				
(a) Long Term Borrowings	-	2954	-	2954
(b) Deferred Tax Liabilities (Net)	-	878	-	878
(c) Other Long-term Liabilities	1340	519	1340	519
(d) Long-term Provisions	790	648	790	648
Sub-total - Non-current Liabilities	<b>2130</b>	<b>4999</b>	<b>2130</b>	<b>4999</b>
4 Current Liabilities				
(a) Short Term Borrowings	7171	9772	7171	9262
(b) Trade Payables	7983	8709	8016	8742
(c) Other Current Liabilities	11783	8632	11789	8650
(d) Short-term Provisions	775	266	780	267
Sub-total - Current Liabilities	<b>27712</b>	<b>27379</b>	<b>27756</b>	<b>26921</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>26682</b>	<b>35255</b>	<b>26595</b>	<b>34894</b>
<b>B ASSETS</b>				
1 Non-Current Assets				
(a) Fixed Assets	11888	12735	11897	12748
(b) Non-current Investments	1845	8531	1643	8013
(c) Deferred Tax Assets (Net)	-	-	2	1
(d) Long-term Loans and Advances	771	795	771	798
(e) Other Non-current Assets	-	-	-	-
Sub-total - Non-current Assets	<b>14504</b>	<b>22061</b>	<b>14313</b>	<b>21560</b>
2 Current Assets				
(a) Inventories	8133	6184	8136	6184
(b) Trade Receivables	2068	1967	2065	1974
(c) Cash and Bank balances *	713	3574	803	3696
(d) Short-term Loans and Advances	1258	1431	1261	1432
(e) Other Current Assets	6	38	17	48
Sub-total - Current Assets	<b>12178</b>	<b>13194</b>	<b>12282</b>	<b>13334</b>
<b>TOTAL ASSETS</b>	<b>26682</b>	<b>35255</b>	<b>26595</b>	<b>34894</b>

\* Includes cash and cash equivalents of Rs. 702 lacs (previous year Rs. 1987 lacs)

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 18<sup>th</sup> November, 2013.
- At the Board of Directors meetings held on 10<sup>th</sup> January, 2013 and 9<sup>th</sup> February, 2013 a scheme of arrangement for demerger of the "Chennai Car Plant" of the Company to its wholly owned subsidiary namely Hindustan Motor Finance Corporation Limited w.e.f 1<sup>st</sup> April 2012 has been approved. The scheme is subject to requisite approvals, including sanction of the High Court. Pending the same, no accounting adjustment thereof has been made in the above results.
- In view of above, the Board of Directors at their meeting held on 7<sup>th</sup> May, 2013 had decided to extend the accounting year till 30<sup>th</sup> September, 2013, which has also been approved by Registrar of Companies, West Bengal. Accordingly, the Company is publishing audited financial results for the eighteen month period ended 30<sup>th</sup> September, 2013 and hence the previous year figures are not comparable.
- The figures of last quarter are the balancing figures between the audited figures in respect of the full financial year ended 30<sup>th</sup> September 2013 and the unaudited published year-to-date figures up to 30<sup>th</sup> June 2013, which were subjected to limited review.

- 6) The above results include profit/(loss) from discontinuing operation i.e. “Chennai Car Plant” of the Company which is to be demerged w.e.f 1<sup>st</sup> April, 2012 as stated in Note No.3 above, the details whereof are as under:

**(Rupees in Lacs)**

Particulars	Quarter ended			18 month	Previous
	30.09.13	30.06.13	30.09.12	period ended	Year ended
	(Audited)	(Unaudited)	(Unaudited)	30.09.13	31.03.12
	(Refer note 5)			(Audited)	(Audited)
<b>1 Income from Operations</b>					
a) Net Sales / Income from Operations	8081	6053	10396	51389	35501
b) Other Operating Income	77	96	56	379	239
<b>Total income from Operations (Net)</b>	<b>8158</b>	<b>6149</b>	<b>10452</b>	<b>51768</b>	<b>35740</b>
<b>2 Expenses</b>					
a) Cost of materials consumed	5443	4678	1161	27811	22447
b) Purchase of Traded Goods	490	256	7337	15417	8591
c) (Increase) / Decrease in Finished Goods, Stock-in-Trade and Work-in-Progress	600	(964)	1561	(552)	208
d) Employee Benefits Expense	581	523	492	3345	2147
e) Depreciation and Amortisation Expense	310	346	241	1608	1647
f) Other Expenses	1229	1511	273	5970	4648
<b>Total Expenses</b>	<b>8653</b>	<b>6350</b>	<b>11065</b>	<b>53599</b>	<b>39688</b>
3 Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional items (1-2)	(495)	(201)	(613)	(1831)	(3948)
4 Other Income	41	19	32	442	214
5 Profit/ (Loss) before Finance costs & Exceptional items (3+4)	(454)	(182)	(581)	(1389)	(3734)
6 Finance Costs	159	153	165	945	738
7 Profit/ (Loss) after Finance Costs but before Exceptional items (5-6)	(613)	(335)	(746)	(2334)	(4472)
8 Exceptional items	-	-	-	-	-
9 Profit/ (Loss) before Tax (7+8)	(613)	(335)	(746)	(2334)	(4472)
10 Tax Expenses (including deferred tax)	(109)	(104)	(79)	(542)	(486)
11 Net Profit / (Loss) for the period (9-10)	(504)	(231)	(667)	(1792)	(3986)

- 7) a) Exceptional items represent profit on sale/ transfer of immovable properties and non-current investments.  
b) There were no extraordinary items during the respective periods reported above.
- 8) At the Board of Directors meeting held on 30<sup>th</sup> October, 2013, it has been decided to divest the whole or part of the business/interests of the Company in Forge Shop and Foundry Shop at Uttarpara, West Bengal, subject to requisite approvals.
- 9) During the year ended 31<sup>st</sup> March 2011, the Company had made provision for recompense of interest amount of Rs.1500 lacs to Lenders under Corporate Debt Restructuring scheme. The Company has not made provision for the balance amount of recompense, if any, pending finalisation of the same, pursuant to ongoing discussions with the Lenders for reduction in the amount thereof.
- 10) As the accumulated losses of the Company at the end of the financial year ended 30<sup>th</sup> September, 2013 exceeded its entire networth, the Company will take necessary steps to comply with the legal requirements.
- 11) The operating results have been adversely affected due to adverse market conditions as well as adverse exchange rate of US \$ / Japanese Yen. The Management is in the process of taking necessary measures to augment the net worth and to improve the operating results including but not limited to sale of non-core assets, introduction of new variants of vehicles and sale of certain manufacturing facilities. The Management is confident that these measures are expected to result in sustainable cash flows and accordingly, the Company continues to prepare its accounts on a “Going Concern” basis.
- 12) The Government of West Bengal (GoWB) has alleged that the Company has realized an excess sum of Rs. 19447 lacs from the sale of 314 acres of land at Hindmotor, West Bengal in earlier years and it should refund the said amount along with interest thereon. The Company has been legally advised that there is no liability on the Company to make any payment against the alleged demand. Accordingly, the Company has denied and disputed the allegations. Since the contentions of GoWB are being contested by the Company, no provision is considered necessary by the management against the said claim.
- 13) The consolidated financial results as indicated above includes Hindustan Motors Limited, its subsidiaries and associates.
- 14) The Company has sold part of its investment in HM Export Limited (HME) during the quarter and its holding in HME has reduced to 26.46% as on 30<sup>th</sup> September, 2013. Accordingly, HME ceased to be a subsidiary of the Company and became associate w.e.f. 26<sup>th</sup> September, 2013. The Company has also sold its balance share holding in HME on 8<sup>th</sup> October, 2013.

- 15) As the Company's business activity falls within a single primary business segment, viz., "Automobiles" and there is no reportable secondary segment i.e. geographical segment, the disclosure requirement of Accounting Standard-17 "Segment Reporting" as notified by Companies (Accounting Standards) Rules, 2006 (as amended) is not applicable.
- 16) Prior period figures have been re-grouped / rearranged, wherever necessary.

**By Order of the Board**

New Delhi  
Dated: 18<sup>th</sup> November, 2013

**Sd/-  
Uttam Bose  
Managing Director**