

Unaudited Financial Results for the Quarter ended 30th June, 2014

(₹ in Lacs)

	Stand-alone				
	Quarter ended			6 month period ended	
	30.06.14	31.03.14	30.06.13	31.03.14	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
	(Refer Note 2)				
Part I					
Particulars					
1	Income from Operations				
a)	Net Sales / Income from Operations	805	9172	9276	17953
b)	Other Operating Income	73	292	121	325
	Total income from Operations (Net)	878	9464	9397	18278
2	Expenses				
a)	Cost of materials consumed	485	4840	7024	11252
b)	Purchase of Traded Goods	37	1705	661	2465
c)	(Increase)/ Decrease in Finished Goods, Stock-in-Trade and Work-in-Progress	218	1168	(1207)	1220
d)	Employee Benefits Expense	1148	2150	2273	4370
e)	Depreciation and Amortisation Expense	56	437	440	844
f)	Other Expenses	397	1793	2376	3447
	Total Expenses	2341	12093	11567	23598
3	Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional items (1-2)	(1463)	(2629)	(2170)	(5320)
4	Other Income	97	224	71	619
5	Profit / (Loss) before Finance costs & Exceptional items (3+4)	(1366)	(2405)	(2099)	(4701)
6	Finance Costs	202	5250	527	5644
7	Profit/ (Loss) after Finance Costs but before Exceptional items (5-6)	(1568)	(7655)	(2626)	(10345)
8	Exceptional items	-	9136	-	10275
9	Profit/ (Loss) before Tax (7+8)	(1568)	1481	(2626)	(70)
10	Tax Expenses				
a)	Current Tax	-	237	-	237
b)	Deferred Tax	-	-	(116)	-
c)	Tax provision for earlier years (Net)	-	-	-	-
11	Net Profit / (Loss) for the period	(1568)	1244	(2510)	(307)
12	Paid-up Equity Share Capital* (Face value = Rs.5)	9239	9239	9239	9239
13	Reserves (excl. Revaluation Reserves)				(13470)
14	Earnings per share (not annualised)				
a)	Basic (Rs.)	-0.85	0.66	-1.37	-0.17
b)	Diluted (Rs.)	-0.85	0.66	-1.37	-0.17
	* Excluding amount in respect of forfeited shares				
Part II					
A Particulars of Shareholding					
1	Public Shareholding				
-	Number of Shares	117298739	117298739	117298739	117298739
-	Percentage of Shareholding	63.48%	63.48%	63.48%	63.48%
2	Promoters and Promoter Group Shareholding				
a)	Pledged/Encumbered				
-	Number of Shares	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%
-	Percentage of Shares (as a % of the total share capital of the company)	14.22%	14.22%	14.22%	14.22%
b)	Non-encumbered				
-	Number of Shares	41201400	41201400	41201400	41201400
-	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	61.06%	61.06%	61.06%	61.06%
-	Percentage of Shares (as a % of the total share capital of the company)	22.30%	22.30%	22.30%	22.30%
B	Particulars				
	Investor Complaints	Quarter ended 30.06.2014			
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	7			
	Disposed of during the quarter	7			
	Remaining unresolved at the end of the quarter	Nil			

Notes:

- 1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th August 2014.
- 2) The figures for the quarter ended 31st March 2014 are the balancing figures between the audited figures in respect of the full financial period ended 31st March 2014 and the unaudited published year-to-date figures up to 31st December 2013, which was subjected to limited review.
- 3) The above results of earlier periods include profit/(loss) from discontinued operation i.e “Chennai Car Plant” of the Company, which was sold to HMFCL w.e.f 30th March 2014 pursuant to Business Transfer Agreement. The details are as below:

(₹ in Lacs)

Particulars	Period			
	1.4.2014 to 30.06.2014	1.1.2014 to 29.03.2014	1.4.2013 to 30.06.2013	1.10.2013 to 29.03.2014
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(Refer note 2)		
1 Income from Operations				
a) Net Sales / Income from Operations	-	7153	6053	13009
b) Other Operating Income	-	138	96	243
Total income from Operations (Net)	-	7291	6149	13252
2 Expenses				
a) Cost of materials consumed	-	3503	4678	8380
b) Purchase of Traded Goods	-	1514	256	1958
c) (Increase) / Decrease in Finished Goods, Stock-in-Trade and Work-in-Progress	-	503	(964)	(166)
d) Employee Benefits Expense	-	235	523	757
e) Depreciation and Amortisation Expense	-	284	346	591
f) Other Expenses	-	1052	1511	2060
Total Expenses	-	7091	6350	13580
3 Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional items (1-2)	-	200	(201)	(328)
4 Other Income	-	42	19	327
5 Profit/ (Loss) before Finance costs & Exceptional items (3+4)	-	242	-182	(1)
6 Finance Costs	-	70	153	202
7 Profit/ (Loss) after Finance Costs but before Exceptional items (5-6)	-	172	(335)	(203)
8 Exceptional items	-	-	-	-
9 Profit/ (Loss) before Tax (7+8)	-	172	(335)	(203)
10 Tax Expenses (including deferred tax)	-	-	(104)	-
11 Net Profit / (Loss) for the period (9-10)	-	172	(231)	(203)

- 4) a) Exceptional items represent profit on sale of CCP unit and non-current investments.
b) There were no extraordinary items during the respective periods reported above.
- 5) The operating results have been adversely affected due to adverse market conditions and the accumulated losses of the Company as at 31st March 2014 (being the date of last audited financial statements) stand at ₹ 15200 lacs as against the share capital of ₹ 9247 lacs. Also current liabilities as at 31st March 2014 exceed current assets by ₹ 8771 lacs. The Company has also declared “Suspension of work” at its Uttarpara Plant w.e.f. 24th May 2014 (refer note 6 below). These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern, which is dependent on the Company establishing profitable operations and sustainable cash flows. The Management is in the process of restructuring the operations and has hired a consultant to give an external perspective on the challenges and possible solutions at the Uttarpara Plant. 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. The Auditors in their audit report for the period ended 31st March 2014 had also given Emphasis of Matter on above.
- 6) Due to low productivity, growing indiscipline, shortage of funds and lack of demand of products, the management has declared “Suspension of work” at Company’s Uttarpara Plant with effect from 24th May 2014. Consequently, current quarter’s financial results are not comparable with financial results of earlier periods. Based on legal opinion obtained, the employees and workmen, falling under the purview of “Suspension of Work”, are not entitled to any salary and wages during that period and accordingly the Company has not provided for such salary and wages.

Further, in view of the consequent employee agitations, the management does not have access to certain books, records and other underlying source documents in relation to operational and financial matters. In the absence of such records, material consumption for production during the quarter has been considered based on standard consumption norms. However, based on the present scale of operations of the Company at Uttarpara, the management believes that the impact thereof, if any, is not expected to be material on current quarter’s financial results.

- 7) The Government of West Bengal (GoWB) has alleged that the Company has realized an excess sum of ₹ 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 allegation and hence, no provision is considered necessary by the management against the said claim. The Auditors in their audit report for the period ended 31st March 2014 had also given Emphasis of Matter on above.
- 8) 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.
- 9) Effective from 1st April 2014, the Company has charged depreciation based on the revised remaining useful lives of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charge for the quarter ended 30th June 2014, is lower by ₹ 32.44 lacs. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of ₹ 710.25 lacs has been adjusted with retained earnings. Deferred tax asset has not been created on above in absence of virtual certainty.
- 10) Prior period figures have been re-grouped / rearranged, wherever necessary.

By Order of the Board

Place: Kolkata
Dated: 14th August, 2014

Uttam Bose
Director