



## ASIAN ELECTRONICS LIMITED

Regd. Office: D-11, Road No.28, Wagle Industrial Estate,  
Thane 400 604, India.

Tel: (91-22) 25835500, 04-05:: Fax:(91-22) 25827636

Email: charudatta.kulkarni@aelgroup.com

Website : www. aelgroup.com

AEL/RDG/BSENSE11\_JP  
18<sup>th</sup> August, 2011

Bombay Stock Exchange Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 023.

Fax: 2272 2037  
2272 2039  
2272 2061  
2272 3121  
2272 1334

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> floor,  
Plot No. C-1, G Block,  
Bandra Kurla Complex  
Bandra (E), Mumbai 400 051.

Fax: 2659 8237  
2659 8238

Dear Sirs,

**Re: Unaudited Financial Results for the quarter ended 30<sup>th</sup> June, 2011.**

This is to inform you that the Board of Directors of the Company at its Meeting held on Thursday the 18<sup>th</sup> August, 2011 have taken on record the Unaudited Financial Results for the quarter ended 30<sup>th</sup> June, 2011. We enclose copy of the same for your record.

Thanking you,

Yours faithfully,  
**For Asian Electronics Limited**

  
**Charudatta A. Kulkarni**  
Company Secretary



Encl: As above.

C.C. to: Department of Corporate Services,  
Bombay Stock Exchange Ltd.,  
1<sup>st</sup> Floor, New Trading Ring  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort, Mumbai – 400 001.

Fax No. 2272 3719  
2272 3121

**ASIAN ELECTRONICS LIMITED**  
 Regd. Office: D-11, Road No. 28, Wagle Industrial Estate, Thane 400 604.  
 Website : www.aelgroup.com E-mail: secdept@aelgroup.com Phone: 91-22-25835504  
**Unaudited Financial Results for the Quarter Ended 30th June 2011**

| PARTICULARS                                                                                                                            | Quarter ended           |                         | (Rs. In Lakhs)        |
|----------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-----------------------|
|                                                                                                                                        | 30-06-11<br>(Unaudited) | 30-06-10<br>(Unaudited) | 31-03-11<br>(Audited) |
| 1. (a) Net Sales / Income from Operations                                                                                              | 1,491                   | 2,236                   | 14,549                |
| (b) Other Operating Income                                                                                                             | 18                      | 39                      | 183                   |
| <b>Total Revenue</b>                                                                                                                   | <b>1,509</b>            | <b>2,275</b>            | <b>14,732</b>         |
| 2. Expenditure                                                                                                                         |                         |                         |                       |
| a. (Increase)/decrease in stock in trade and work in progress                                                                          | 286                     | (206)                   | (263)                 |
| b. Consumption of raw materials                                                                                                        | 403                     | 1,188                   | 4,212                 |
| c. Purchase of traded goods                                                                                                            | 695                     | 1,248                   | 12,156                |
| d. Employees cost                                                                                                                      | 201                     | 186                     | 783                   |
| e. Depreciation                                                                                                                        | 108                     | 110                     | 440                   |
| f. Other expenditure                                                                                                                   | 512                     | 457                     | 2,054                 |
| <b>Total Expenditure</b>                                                                                                               | <b>2,205</b>            | <b>2,983</b>            | <b>19,382</b>         |
| 3. Profit / (Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)                                             | (696)                   | (708)                   | (4,650)               |
| 4. Other Income                                                                                                                        | -                       | -                       | -                     |
| 5. Profit/(Loss) before Interest & Exceptional Items (3+4)                                                                             | (696)                   | (708)                   | (4,650)               |
| 6. Interest                                                                                                                            | 627                     | 535                     | 2,472                 |
| 7. Profit/(Loss) after Interest but before Exceptional Items (5-6)                                                                     | (1,323)                 | (1,243)                 | (7,122)               |
| 8. Exceptional Items                                                                                                                   | -                       | (102)                   | (805)                 |
| 9. Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)                                                                      | (1,323)                 | (1,345)                 | (7,927)               |
| 10. Tax expense                                                                                                                        | -                       | -                       | -                     |
| 11. Net Profit (+)/ Loss (-) from Ordinary Activities after tax (9-10)                                                                 | (1,323)                 | (1,345)                 | (7,927)               |
| 12. Excess Provision for Tax of Earlier Year Written Back                                                                              | -                       | -                       | -                     |
| 13. Extraordinary Item                                                                                                                 | -                       | -                       | -                     |
| 14. Net Profit(+)/ Loss(-) for the period (11-13)                                                                                      | (1,323)                 | (1,345)                 | (7,927)               |
| 15. Paid-up equity share capital (Face Value of the Shares Rs.5/-)                                                                     | 1,694                   | 1,495                   | 1,694                 |
| 16. Reserves excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year                                           | -                       | -                       | 14,566                |
| 17. Earnings Per Share (EPS) of Rs.5/- each                                                                                            |                         |                         |                       |
| (a) Basic/Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (Not to be annualised) | (3.73)                  | (4.38)                  | (24.48)               |
| (b) Basic/Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year.(Not to be annualised)  | (3.73)                  | (4.38)                  | (24.48)               |
| 18. Public shareholding                                                                                                                |                         |                         |                       |
| - Number of shares of Rs.5/- each                                                                                                      | 32,131,610              | 30,718,277              | 32,131,610            |
| - Percentage of shareholding                                                                                                           | 90.63%                  | 100.00%                 | 90.63%                |
| 19. Promoters and promoter Group shareholding                                                                                          |                         |                         |                       |
| (a) Pledged / Encumbered                                                                                                               |                         |                         |                       |
| - Number of Equity Shares                                                                                                              | -                       | -                       | -                     |
| - Percentage of Shares (as a % of the total shareholding of promoter & Promoter group)                                                 | -                       | -                       | -                     |
| - Percentage of Shares (as a % of the total Share Capital of the Company)                                                              | -                       | -                       | -                     |
| (b) Non-encumbered                                                                                                                     |                         |                         |                       |
| - Number of Equity Shares                                                                                                              | 3,320,549               | -                       | 3,320,549             |
| - Percentage of Shares (as a % of the total shareholding of promoter & Promoter group)                                                 | 100.00%                 | -                       | 100.00%               |
| - Percentage of Shares (as a % of the total Share Capital of the Company)                                                              | 9.37%                   | -                       | 9.37%                 |



*Signature*

**Notes: -**

1. As per approval of the shareholders of the Company under Section 293 (1) (a) of the Companies Act, 1956, obtained through postal ballot on 22<sup>nd</sup> May, 2010, the Company has effective from 1<sup>st</sup> October, 2009 transferred the businesses of two divisions to two 100 % subsidiaries, subject to requisite approvals being obtained from the concerned Statutory Authorities and the Company's lenders and creditors. The company had applied for approvals of secured/unsecured lenders. However one of the lenders has informed the Company that they are not agreeable to the transfer of the businesses of the two divisions to the two 100% subsidiaries and has declined to give its approval. Besides, the Lead bank of the Consortium for Working Capital has informed the Company not to proceed with hiving-off of assets without the written consent of the Consortium Banks. Consequently, the Company continues to be liable to the lenders for the Term Loans and Unsecured Redeemable Non-Convertible Debentures transferred to the subsidiary companies. The Company has not provided interest on the above for the quarter under review. Therefore, the company will continue to be liable to the lenders for the Loans/Unsecured Debentures transferred to the two 100% subsidiaries together with interest thereon.
2. The reference for Corporate Debt Restructuring (CDR) has been made recently under the CDR mechanism, instituted by Reserve Bank of India, for restructuring corporate debts of viable corporate entities, affected by internal factors or external factors, for the benefit of all stakeholders. The restructuring requests, inter alia, includes approval of the lenders for the hiving off of the businesses of ESCO and Projects Divisions to two 100% subsidiaries. Pending consideration of such requests, the Company has not yet taken any steps with regard to the non-approval as explained in Note No.1 above.
3. Due to current mismatch of inflows and outflows, compounded by delayed recoveries of certain stressed assets, as enumerated in Note No. 4 below, the debt servicing by the Company has been adversely affected. As a result, action has been initiated by some of the lenders of the Company. LIC Mutual Fund has filed a petition in the Bombay High Court for winding up of the Company for non-payment of its dues. The matter is being heard and the Company is representing its case. Bank of India has served upon the Company a Notice under Section 13(2) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Act, 2002 for repayment of dues. Also other banks have sent Demand Notices to the Company for repayment of their dues.
4. Consequent to a review made by the Management of the various Assets of the Company, the Management is of the opinion that special efforts over a period of time would be needed for recovery of the following stressed assets which would have an impact on the results of the Company for the quarter under review:-
  - a. Diminution in the value of Investments in Foreign Companies Rs. 7.77 Lakhs, where the local Managements have deserted the Companies and the businesses have been closed down.
  - b. Diminution of value if any in the Investments in Unique Waste Plastic Management and Research Company Pvt. Ltd. of Rs. 4360.20 Lakhs where the pending disputes with minority shareholders need to be resolved to recover the value of the Investments held by the Company.
  - c. Inventories of Rs. 8364.69 Lakhs includes Rs. 3000.00 Lakhs of old/ unusable stocks, where the Product Lines are discontinued.
  - d. Sundry Debtors considered good includes Rs. 4216.23 Lakhs of old Outstandings where the recovery may happen only after due legal actions and settlements of counter claims, if any, which cannot be determined.
  - e. Loans and Advances considered good includes Rs. 2926.51 Lakhs of old debit balances where the same may be recovered in the form of assets or will be settled subject to counter claims, if any, which cannot be determined.



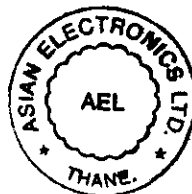
- f. Cash and Bank balances include Rs. 261 Lakhs on account of unreconciled bank balances which may not be recoverable /realisable.

Non or delayed recoverability of the above Stressed Assets and inadequacy of accruals have adversely affected the debt servicing by the Company and also led to operating losses and erosion of liquidity. The management is of the view that the above stressed assets of various classes may need provision in due course the extent of which cannot be determined at present. Consequently they have been shown as considered good and no provision has been made for the same.

The management is of the view that the future viability of the company and its 'going concern' assumption would depend on the timely approval of the CDR to the company's restructuring proposal.

5. As recommended by the Board of Directors and approved by the Shareholders at the Extraordinary General Meeting held on 6th July, 2009, the Company is proposing to make a Rights Issue in the ratio of 1:2 to its existing Shareholders in the near future, subject to market conditions and other considerations and the Company has filed Draft Letter of Offer with the Securities & Exchange Board of India (SEBI), Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. pursuant to which SEBI has issued Observation Letter. The Company is now required to update the Draft Letter of Offer and take the necessary approval of SEBI to proceed with the Rights Issue in due course of time. The SEBI Observation Letter is valid upto 24<sup>th</sup> August, 2011.
6. Segment reporting as required under AS – 17 is not applicable for the year under review, as more than 90% of the revenue comes from a single business segment of Lighting Products / Systems. There is only one geographical segment.
7. The above Unaudited Financial Results for the quarter, were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective Meetings held on 18<sup>th</sup> August, 2011.
8. There were no investor complaints pending at the beginning of the quarter. 13 Complaints/Requests received during the quarter were duly attended. There were no complaints pending at the end of the quarter.
9. Previous quarter's figures have been regrouped / rearranged wherever necessary to make them comparable to those of current quarter.

For Asian Electronics Limited



A handwritten signature in black ink, appearing to read 'Arun B. Shah'.

Arun B. Shah

Executive Chairman

Place: Mumbai

Date: 18<sup>th</sup> August, 2011.