

DENSO INDIA LIMITED
 Regd. Office :- B-1/D-4, Ground Floor, Mohan Co-operative Industrial Estate
 Mathura Road, New Delhi - 110 044

Part I

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTH PERIOD ENDED 30 SEPTEMBER 2012						
Particulars	Quarter ended			Half Year ended		Year ended
	30 September 2012	30 June 2012	30 September 2011	30 September 2012	30 September 2011	31 March 2012
	(Unaudited)			(Unaudited)		(Audited)
1. (a) Net sales / Income from operations (net of excise duty)	2,531	3,097	2,321	5,628	4,686	10,328
(b) Other operating income	9	10	9	19	16	34
Total income from operations (net) (a+b)	2,540	3,107	2,330	5,647	4,702	10,362
2. Expenses:						
a) Cost of materials consumed	1,950	2,317	1,958	4,267	3,866	8,001
b) Purchases of stock-in-trade	106	48	50	154	80	325
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	41	(237)	69	(310)	(209)
d) Employee benefits expenses	291	321	290	612	553	1,096
e) Depreciation and amortisation expenses	106	100	88	206	165	375
f) Other expenses	360	579	361	939	636	1,407
Total expenses	2,841	3,406	2,510	6,247	4,990	10,995
3. (Loss) from operations before other income, finance cost and exceptional items (1-2)	(301)	(299)	(180)	(600)	(288)	(633)
4. Other income	16	87	8	103	17	57
5. (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(285)	(212)	(172)	(497)	(271)	(576)
6. Finance costs	24	16	27	40	43	115
7. (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(309)	(228)	(199)	(537)	(314)	(691)
8. Exceptional items	-	-	37	-	37	26
9. (Loss) from ordinary activities before tax (7-8)	(309)	(228)	(236)	(537)	(351)	(717)
10. Tax expense	10	(10)	(3)	-	(6)	5
11. Net (Loss) from ordinary activities after tax (9-10)	(319)	(218)	(233)	(537)	(345)	(722)
12. Extraordinary items	-	-	-	-	-	-
13. Net (Loss) for the period (11-12)	(319)	(218)	(233)	(537)	(345)	(722)
14. Paid-up equity share capital (Face value of Rs. 10 per share)	279	279	279	279	279	279
15. Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	1,091
16. Earnings per share (face value Rs. 10 per share) basic & diluted EPS- (not annualized) - Rs	(11.42)	(7.83)	(8.38)	(19.25)	(12.36)	(25.90)

Part - II

Particulars	Quarter ended			Half Year ended		Year ended
	30 September 2012	30 June 2012	30 September 2011	30 September 2012	30 September 2011	31 March 2012
	(Unaudited)			(Unaudited)		(Audited)
A PARTICULARS OF SHAREHOLDING						
1. Public Shareholding:						
Number of shares	7,398,019	7,398,019	7,398,019	7,398,019	7,398,019	7,398,019
Percentage of shareholding	26.53	26.53	26.53	26.53	26.53	26.53
2. Promoters and promoter group shareholding						
(a) Pledged/encumbered						
Number of shares	-	-	-	-	-	-
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
(b) Non-encumbered						
Number of shares	20,481,625	20,481,625	20,481,625	20,481,625	20,481,625	20,481,625
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
Percentage of shares (as a % of the total share capital of the Company)	73.47	73.47	73.47	73.47	73.47	73.47

B. Investor complaints	For the quarter ended 30 September 2012
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Unresolved at the end of the quarter	Nil

NOTES :

1. Disclosure of Balance Sheet items as per clauses 41(I)(en) and 41(V)(h) of the listing agreement is as under:

Particulars	(Rs. in million)	
	As at	
	30 September 2012 (Unaudited)	31 March 2012 (Audited)
I. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share capital	279	279
(b) Reserves and surplus	555	1,092
Sub total - Shareholders' funds	834	1,371
(2) Non-Current liabilities		
(a) Long-term borrowings	806	732
(b) Long-term provisions	102	83
Sub total - Non-Current liabilities	908	815
(3) Current liabilities		
(a) Short-term borrowings	1,070	562
(b) Trade payables	1,629	1,721
(c) Other current liabilities	1,597	1,645
(d) Short-term provisions	30	29
Sub total - Current liabilities	4,326	3,957
TOTAL - EQUITY AND LIABILITIES	6,068	6,143
II. ASSETS		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible assets	1,593	1,508
(ii) Capital work-in-progress	130	48
(b) Deferred tax assets (net)	24	24
(c) Long term loans and advances	298	240
(d) Other non-current assets	33	-
Sub total - Non-current assets	2,078	1,820
(2) Current assets		
(a) Inventories	1,802	1,606
(b) Trade receivables	935	1,126
(c) Cash and cash equivalents	491	796
(d) Short-term loans and advances	387	353
(e) Other current assets	375	442
Sub total - Current assets	3,990	4,323
TOTAL - ASSETS	6,068	6,143

2. The unaudited financial results and notes have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on 10 November 2012.

3. The Company is operating in a single business/geographical segment and therefore as per the requirements of the Accounting Standard -17 on Segment Reporting notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956, no additional disclosures are required.

4. DISCONTINUING OPERATIONS:

To re-align/restructure the business, to address economic constraints and to focus on areas of future growth, the Board of Directors and the shareholders at their meeting held on 12 November 2011 and 21 December 2011 granted their approval to the Company to sell all assets (tangible and intangible), liabilities and transfer employees of small motor business to Denso Haryana Private Limited (DNHA), a related party, for a lump sum consideration of Rs. 1,478 million, which is subject to adjustments in relation to working capital in between the balance sheet of the reference date (as at 31 March 2011) and the completion date (1 October 2012) on a going concern basis by way of slump sale. The Company received Rs. 1,329 million, being 90% of lump sum consideration during the year ended 31 March 2012.

The revenue and expenses included in the un-audited financial results relating to the discontinuing operations are as follows:-

Particulars	(Rs. in million)					
	For the quarter ended 30 September 2012	For the quarter ended 30 June 2012	For the quarter ended 30 September 2011	For the six month ended 30 September 2012	For the six month ended 30 September 2011	For the year ended 31 March 2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenues	825	1,095	725	1,920	1,489	3,423
Costs and expenses	928	1,106	787	2,034	1,570	3,596
Operating (Loss) before taxes from discontinuing operations	(103)	(11)	(62)	(114)	(81)	(173)
Tax expense/(benefit)	2	(2)	-	(0)	(1)	1
(Loss) from discontinuing operations, net of tax	(105)	(9)	(62)	(114)	(80)	(174)

The carrying amounts of the total assets and liabilities relating to the discontinuing operations are as follows:

Particulars	(Rs. in million)	
	As at 30 September 2012	As at 31 March 2012
	(Unaudited)	(Audited)
Total assets	1,272	1,228
Total liabilities	193	397
Net assets	1,079	831

On 1 October 2012, the Company transferred the small motor business to DNHA. The shifting of plant and machinery of small motor business from the Company's premises to DNHA's premises is expected to be completed in a phased manner by July 2015. During the shifting period the Company will carry out the manufacturing of products of small motor business on behalf of DNHA under a sub-contract manufacturing agreement, which is currently in the process of being finalised. The Company has calculated total consideration of Rs. 1,906 million (after making adjustments in relation to working capital in between the balance sheet of the reference date (as at 31 March 2011) and the completion date (1 October 2012) for the transfer of small motor business, which is further subject to agreement with DNHA.

The Limited Review, as required under Clause 41 of the listing agreement has been completed by the Statutory Auditors of the Company and the related Report forwarded to the Stock Exchanges. This Report does not have any impact on the above Results and Notes for the quarter and six months period ended 30 September 2012, which needs to be explained.

For and on behalf of the Board of Directors

Place : Gurgaon
Dated : 10 November 2012.

ad/-
Kailash Shrivastava
Managing Director

Deloitte Haskins & Sells

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AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF DENSO INDIA LIMITED

We have reviewed the accompanying statement of unaudited financial results of Denso India Limited ("the Company") for the quarter and six month period ended 30 September 2012 ("the Statement"). 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 the Statement based on our review. The financial results for the quarter ended 30 June 2012, for the quarter and six month period ended 30 September 2011 and as of and for the year ended 31 March 2012, included in the Statement, have been reviewed/ audited by the then statutory auditors whose reports have been submitted to us by the Company's management and has been relied upon by us for the purpose of our review of the Statement.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2400 "Review of Interim Financial Information Performed by the Independent Auditors 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 misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Management.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Registration No.015125N)

K. A. Kotwal

Khazat A. Kotwal
Partner

(Membership No.103707)



Gurgaon, 10 November 2012