

AUDITED FINANCIAL RESULTS FOR 18 MONTHS PERIOD ENDED 31st MARCH, 2011

(Rs./lacs)					
SL.NO.	PARTICULARS	Quarter ended 31.03.2011 (Unaudited)	Quarter ended 31.03.2010 (Unaudited)	Period ended 31.03.2011 (18 Months) (Audited)	Year ended 30.09.2009 (12 Months) (Audited)
1	Sales Volume (Nos)	14821	14098	98773	43798
2 (a)	Net Sales / Income From Operations	5576.55	5020.04	34505.84	15613.03
(b)	Other Operating Income	258.95	977.43	2873.40	1163.99
3	Expenditure				
(a)	(Increase)/Decrease in Stock in Trade and Work in Process	(277.30)	(461.39)	(700.74)	(562.16)
(b)	Consumption of Raw material & Components	4380.67	3948.20	25143.06	11044.70
(c)	Employees cost	785.89	531.57	4083.59	1865.00
(d)	Depreciation & Amortisation	382.70	417.33	2464.89	1748.92
(e)	Impairment of Fixed Assets	435.37	-	435.37	-
(f)	Other Expenditure	1553.22	1398.41	8848.91	4044.87
	Total	7260.55	5834.12	40275.08	18141.33
4	Profit/(Loss) from Operations before Other Income, Interest and Exceptional items (2-3)	(1425.05)	163.35	(2895.84)	(1364.31)
5	Other Income	7.33	6.97	40.73	69.94
6	Profit/(Loss) before Interest and Exceptional items (4+5)	(1417.72)	170.32	(2855.11)	(1294.37)
7	Interest	781.37	694.09	4407.88	2535.42
8	Profit/(Loss) after Interest but before Exceptional items (6-7)	(2199.09)	(523.77)	(7262.99)	(3829.79)
9	Exceptional items	2,690.68	-	2,690.68	1,316.55
10	Profit/(Loss) from Ordinary Activities before Tax (8-9)	(4889.77)	(523.77)	(9953.67)	(5146.34)
11	Tax expense (FBT)	-	-	-	15.98
12	Profit/(Loss) from Ordinary Activities after Tax (10-11)	(4889.77)	(523.77)	(9953.67)	(5162.32)
13	Extraordinary item (net of tax expense)	-	-	-	-
14	Net Profit/(Loss) for the period (12-13)	(4889.77)	(523.77)	(9953.67)	(5162.32)
15	Paid-up Share Capital				
(a)	Equity Share Capital (Face value of Rs.10 each)	8198.43	8198.43	8198.43	8198.43
(b)	Preference Share Capital (Face value of Rs.100 each)	11842.52	11842.52	11842.52	11842.52
16	Reserves excluding Revaluation Reserve			(51569.54)	(41615.87)
17	Basic/Diluted Earning per Share for the period (Rs.)	(5.96)	(0.64)	(12.14)	(6.40)
18	Public shareholding:				
	-Number of Shares	60197649	60197649	60197649	60197649
	-Percentage of Shareholding	73.43%	73.43%	73.43%	73.43%
19	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	21786671	21786671	21786671	21786671
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	26.57%	26.57%	26.57%	26.57%

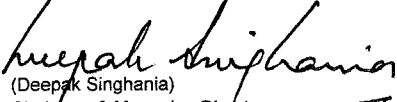
Notes:

1 STATEMENT OF ASSETS & LIABILITIES (AUDITED)

Sl.No.	Particulars	As at	As at
		31.03.2011	30.09.2009
(A)	SHAREHOLDERS' FUNDS:		
	(a) Share Capital	20040.95	20040.95
	(b) Reserves & Surplus	15107.68	15107.68
(B)	Loan Funds	17704.12	14999.23
	TOTAL	52852.75	50147.86
(C)	NET FIXED ASSETS	10851.20	13612.98
(D)	INVESTMENTS	0.94	0.94
(E)	CURRENT ASSETS,LOANS & ADVANCES		
	(a) Inventories	9923.92	9269.71
	(b) Sundry Debtors	260.44	542.40
	(c) Cash & Bank Balances	1813.66	1842.84
	(d) Loans & Advances	2360.77	4613.82
		14358.79	16268.77
(F)	LESS:CURRENT LIABILITIES & PROVISIONS		
	(a) Current Liabilities	37582.83	35577.51
	(b) Provisions	1452.57	880.87
		39035.40	36458.38
(G)	Net Current Assets	(24676.61)	(20189.61)
(H)	PROFIT AND LOSS ACCOUNT		
	TOTAL	66677.22	56723.55
		52852.75	50147.86

- 2 The 4-stroke geared scooter was introduced by the Company in select domestic markets during the year, export of which had commenced from December,2008. The response to the vehicle both from domestic and export market is encouraging.
- 3 Since the net worth of the Company had become negative, the Company has been registered and declared a Sick Industrial Company by the Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA).
- 4 Segmental information:
(a) Primary (Business) Segment - The operations of the Company relate to only one segment viz. Motorised Two-wheelers.
(b) Secondary (Geographical) Segment - Secondary segment reporting is on the basis of geographical location of the customers . The Company's revenue during the quarter by geographical markets are: Domestic sales Rs. 2751.22 lacs and Export sales Rs. 2725.33 lacs.
Geographical segment wise profits and capital employed are not given since the production unit and administrative expenses are common.
- 5 Exceptional item (item 9) includes provisions/write-off of bad & doubtful debts and loans & advances.
- 6 Comments on the Auditors' qualifications relating to the audited Annual Accounts for the period ended 31st March, 2011:
(a) In respect of Accounting Standard 2 (AS-2), Valuation of inventory issued by The Institute of Chartered Accountants of India.
(b) Non confirmation of balances of some of the Sundry Debtors, Creditors, Lenders and Loans & Advances.
(c) Non provision for interest under the Micro, Small and Medium Enterprises Development Act, 2006.
(d) The Company's ability to continue, as a going concern is dependent upon successful restructuring and revival of its business. In case the going concern concept is vitiated, necessary adjustments will be required on the carrying amount of Assets and Liabilities which are presently not ascertainable.
The Company is in process of restructuring / revival of its business under the aegis of BIFR and has submitted the Draft Revival Scheme which, inter-alia, includes the proposed product plan. The ascertainment of possible utilisation of slow moving / non moving items of inventory will be undertaken upon finalisation of the product plan and approval of the revival scheme. In view of this, the accounts have been prepared on a going concern basis.
(e) In respect of excess / short provision of interest on Term Loans.
Interest has been charged as per the Multipartite Agreement, under which at the end of the Agreement period, the net effect will be Nil.
- 7 Investors' Complaints received and disposed off during the quarter ended 31.03.2011:
-Complaints pending at the beginning of the quarter (Nos) Nil
-Complaints received during the quarter (Nos) Nil
-Complaints disposed off during the quarter (Nos) Nil
-Complaints lying unresolved at the end of the quarter (Nos) Nil
- 8 Previous period figures have been regrouped wherever necessary to make them comparable.
- 9 These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27th May, 2011.

For and on behalf of the Board


(Deepak Singhania)
Chairman & Managing Director

Place Gurgaon
Date: 27.05.2011

