

## ASIAN ELECTRONICS LIMITED

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Unaudited Financial Results for the Second Quarter / Half Year Ended 30th September 2011

(Rs. In Lakhs)

PARTICULARS	Quarter Ended		Half Year Ended		Year Ended
	30-09-2011 (UnAudited)	30-09-2010 (UnAudited)	30-09-2011 (UnAudited)	30-09-2010 (UnAudited)	31-03-2011 (Audited)
1. (a) Net Sales / Income from Operations	4,179	4,640	5,676	6,876	14,549
(b) Other Operating Income	16	41	31	80	183
<b>Total Revenue</b>	<b>4,195</b>	<b>4,681</b>	<b>5,704</b>	<b>6,956</b>	<b>14,732</b>
2. Expenditure					
a. (Increase) / decrease in stock in trade and work in progress	295	(628)	581	(834)	(263)
b. Consumption of raw materials	611	5,356	1,014	6,544	4,212
c. Purchase of traded goods	3,816	11	4,511	1,259	12,156
d. Employees cost	176	183	377	369	783
e. Depreciation	102	110	210	220	440
f. Other expenditure (See Note 5)	903	562	1,415	1,019	2,054
<b>Total Expenditure</b>	<b>5,903</b>	<b>5,594</b>	<b>8,108</b>	<b>8,577</b>	<b>19,382</b>
3. Profit / (Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(1,708)	(913)	(2,404)	(1,621)	(4,650)
4. Other Income	-	-	-	-	-
5. Profit/(Loss) before interest & Exceptional Items (3+4)	(1,708)	(913)	(2,404)	(1,621)	(4,650)
6. Interest (Net)	662	625	1,289	1,160	2,472
7. Profit/(Loss) after Interest but before Exceptional Items	(2,370)	(1,538)	(3,693)	(2,781)	(7,122)
8. Exceptional Items	-	(102)	-	(204)	(805)
9. Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)	(2,370)	(1,640)	(3,693)	(2,985)	(7,927)
10. Tax expense	-	-	-	-	-
11. Net Profit (+) / Loss (-) from Ordinary Activities after tax (9-10)	(2,370)	(1,640)	(3,693)	(2,985)	(7,927)
12. Excess Provision for Tax of Earlier Year Written Back	-	-	-	-	-
13. Extraordinary Item	-	-	-	-	-
14. Net Profit(+)/ Loss(-) for the period (11-13)	(2,370)	(1,640)	(3,693)	(2,985)	(7,927)
15. Paid-up equity share capital (Face Value of the Shares Rs.5/-)	1,694	1,645	1,694	1,645	1,694
16. Reserves excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year	-	-	-	-	14,566
17. Earnings Per Share (EPS) 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 audited)	(6.68)	(5.34)	(10.42)	(9.72)	(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 audited)	(6.68)	(5.34)	(10.42)	(9.72)	(24.48)
18. Public shareholding					
- Number of shares of Rs.5/- each	32,131,610	30,718,277	32,131,610	30,718,277	32,131,610
- Percentage of shareholding	90.63%	91.10%	90.63%	91.10%	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	3,000,000	3,320,549	3,000,000	3,320,549
- Percentage of Shares (as a % of the total shareholding of promoter & Promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of Shares (as a % of the total Share Capital of the Company)	9.37%	8.90%	9.37%	8.90%	9.37%

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Rs. In Lakhs

<b>Statement of Assets and Liabilities as required under clause 41(v)(h) of Listing Agreement</b>		
<b>Particulars</b>	<b>As at</b>	
	<b>30.09.2011 (Unaudited)</b>	<b>30.09.2010 (Unaudited)</b>
<b>Shareholders Funds</b>		
(a)Capital	1,710	1,645
(b) Stock Options Outstanding		62
(c) Equity Share Warrants		231
(d)Reserves & Surplus	22,302	21,257
<b>Loan Funds</b>	22,834	15,678
<b>Total</b>	<b>46,846</b>	<b>38,873</b>
<b>Fixed Assets</b>	3,142	3,567
<b>Capital WIP</b>	947	1,110
<b>Investments</b>	11,089	11,087
<b>Current Assets, Loans &amp; Advances</b>		
(a)Inventories	7,514	9,115
(b)Sundry Debtors	12,392	15,021
(c)Cash & Bank Balances	675	725
(d)Other Current Assets	14	13
(e)Loans and Advances	6,189	6,850
<b>Less: Current Liabilities &amp; Provisions</b>		
(a)Current Liabilities	6,380	11,278
(b)Provisions	149	113
<b>Net Current Assets</b>	<b>20,255</b>	<b>20,333</b>
Miscellaneous Expenditure	8	5
Profit and Loss Account	11,405	2,771
<b>Total</b>	<b>46,846</b>	<b>38,873</b>

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The above Debt repayment programme will result into reduction of the Company's Liability.

- g. The Company will implement the package by approaching the High Court at Mumbai under Sections 391 to 394 of the Companies Act, 1956 and will take all such steps as may be stipulated by law and the package which will include:-
- i) Raising Equity/Debt or Long term Advances from Buyers to meet with payment obligations.
  - ii) Transferring Surplus Assets meant for disposal (Thane Unit) to a SPV
  - iii) Transferring other Assets like Doubtful Receivables, Advances, Business Interest where the businesses have not been operative, which may need separate administrative set up and efforts for recovery to a SPV
  - iv) Restructuring any other Liability or Asset.
- h. In addition to the CDR Lenders, the company has also approached a non-CDR Lender who is a part of the consortium and two non-CDR Institutional lenders for a repayment programme as envisaged in the CDR package which may result in adjustments to the Assets and Liabilities of the Company.

The above proposals are yet to be approved by the CDR Empowered Group which will have an effect on the Company's Financial Statements.

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. Final decision of the CDR Empowered Group is awaited.
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.7514.15 Lakhs includes Rs. 5714.00 Lakhs of old/ unusable stocks, where the Product Lines are discontinued.
- d. Sundry Debtors considered good includes Rs.4744.47 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. 2122.47 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 old unreconciled debits in certain bank accounts 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.

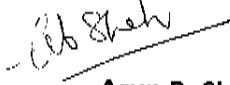
5. Segment reporting as required under AS - 17 is not applicable for the year under review, as more than 90% of the revenue comes from a single business segment of Lighting Products / Systems. There is only one geographical segment.
6. The above Unaudited Financial Results for the quarter, were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective Meetings held on 1<sup>st</sup> February, 2012.
7. There were no investor complaints pending at the beginning of the quarter. 32 Complaints/Requests received during the quarter were duly attended. There were no complaints pending at the end of the quarter.

8. Previous quarter's figures have been regrouped / rearranged wherever necessary to make them comparable to those of current quarter.

As per our Report of even date attached.

**For Asian Electronics Limited**

**Place: Thane**  
**Date: 1<sup>st</sup> February, 2012**

  
**Arun B. Shah**  
**Executive Chairman**