

# Annual Report

2003-2004

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**MAJESTIC AUTO LTD.**  
(A Hero Group Company)

**MAJESTIC AUTO LIMITED****BOARD OF DIRECTORS**

O. P. Munjal	Chairman
S. D. Khosla	
G. P. Sood	
Dr. D.R. Singh	
Vijay Munjal	
Suman Kant Munjal	
Mahesh Chander Munjal	Managing Director

**AUDIT COMMITTEE**

G. P. Sood  
Dr. D. R. Singh  
Suman Kant Munjal

**REMUNERATION COMMITTEE**

S. D. Khosla  
G. P. Sood  
Dr. D. R. Singh

**SHAREHOLDERS/INVESTORS  
GRIEVANCE COMMITTEE**

Dr. D. R. Singh  
Suman Kant Munjal  
Mahesh Chander Munjal

**VICE PRESIDENT (FINANCE)  
-CUM-COMPANY SECRETARY**

R. K. Agrawal

**AUDITORS**

M/s. B. D. Bansal & Co.  
Chartered Accountants,  
Amritsar.

**BANKERS**

Canara Bank  
Punjab National Bank  
State Bank of Patiala  
IDBI Bank Ltd.

**REGISTERED OFFICE**

C-48, Focal Point,  
Ludhiana - 141 010

**WORKS**

C-48, Focal Point,  
Ludhiana - 141 010

C-59, Focal Point,  
Ludhiana - 141 010

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## **MAJESTIC AUTO LIMITED**

### **NOTICE**

Notice is hereby given that 31<sup>st</sup> Annual General Meeting of the members of Majestic Auto Limited will be held on Thursday, the 23<sup>rd</sup> December, 2004 at 12.30 P.M. at the premises of Hero Cycles Limited, Hero Nagar, G.T.Road, Ludhiana to transact the following business :-

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th September, 2004 and the Profit & Loss Account for the period ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Sh.Vijay Munjal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Sh.S.D.Khosla, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

#### **SPECIAL BUSINESS**

5. **TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION (S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTIONS :**

**"RESOLVED THAT** subject to provisions of the Companies Act, 1956, Securities Contracts ( Regulation) Act, 1956 (including any statutory amendments ) and the Rules framed there under, Securities and Exchange Board of India (De-listing of Securities) Guidelines, 2003, Listing Agreements, and all other applicable laws, rules, regulations and guidelines and subject to such approvals and guidelines and subject to such other approvals, permissions and sanctions as may be necessary and subject to such other conditions and modifications as may be prescribed or imposed by any such authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred as "the Board" which term shall include any Committee thereof for the time being exercising the powers conferred by the Board), consent of the Company be and is hereby accorded to the Board to de-list the Equity Shares of the Company from all or any of the Stock Exchange at Ludhiana, Ahmedabad and Delhi."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to seek voluntary de-listing and to take all necessary actions in this regard and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, doubt that may arise in this regard and to execute all such deeds, documents as may be necessary and for this purpose to delegate the authority duly vested herein to any of the Directors or the Company Secretary or any other person, whom the Board may deem fit to do various acts, deeds and things as may required to be done for de-listing of shares."

By Order of the Board of Directors  
For Majestic Auto Limited

Place : Ludhiana  
Date : 6.11.2004

( R.K. Agrawal )  
Company Secretary

Regd. Office : Majestic Auto Limited, C-48, Focal Point, Ludhiana.

#### **NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 21.12.2004 to Thursday, 23.12.2004 (both days inclusive).
3. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours upto the date of the Annual General Meeting.

## **MAJESTIC AUTO LIMITED**

4. Members are requested to bring their copy of the Annual Report alongwith them to the Annual General Meeting.
5. Members / Proxies should bring the Attendance slip sent herewith duly filled in for attending the Annual General Meeting.
6. Pursuant to the provisions of Section 109A of the Companies Act, 1956, every shareholder or joint holders may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.**

The Company had come out with its maiden public issue of equity shares in 1986. In order to provide utmost liquidity to its valuable investors, the Company decided to get listed its equity shares on four stock exchanges namely, Ludhiana, Delhi, Ahmedabad and Mumbai. However, The Stock Exchange, Mumbai has made available online trading terminals. At present, the traditional style of trading at the stock exchange premises only has completely phased out. SEBI has notified Securities and Exchange Board of India (De-listing of Securities) Guidelines, 2003 on January 28, 2003 under which a company can de-list its securities from any stock exchange subject to shareholders' approval by way of Special Resolution for voluntary de-listing, if its securities remain listed and are available for trading at one of such stock exchanges in India which provides online trading terminals in every part of India.

The proposed voluntary de-listing of the Company's shares from the said stock exchanges will not adversely affect any investors including the members located in the regions where the said stock exchanges are situated.

The proposed de-listing is in the interest of the Company and in order to reduce recurring cost, the Board recommends for approval by the members resolution for de-listing of its shares from all or any of the three Stock Exchanges namely, The Ludhiana Stock Exchange Association Ltd., The Delhi Stock Exchange Association Limited and The Stock Exchange, Ahmedabad where the trading of the shares of the Company is almost negligible. However, securities will remain available for trading at The Stock Exchange, Mumbai.

None of the directors of the Company is concerned or interested in the resolution at item No.5.

By Order of the Board of Directors  
for Majestic Auto Limited

Place : Ludhiana  
Date : 6.11.2004

( R.K.Agrawal)  
Company Secretary

### **RELEVANT INFORMATION PURSUANT TO CLAUSE 49 VI (A) OF THE LISTING AGREEMENT REGARDING DIRECTORS BEING REAPPOINTED:**

#### **Sh.Vijay Munjal**

Sh.Vijay Munjal joined the Company on 15.11.1988 as a director of the Company. He is graduate. He possesses experience in the field of International Marketing. He is Managing Director ( International Marketing) of Hero Cycles Ltd.

At present he is on the Board of following Companies and Committees thereof :

- |  |  |
|--|--|
| ● <b>Highway Cycles Industries Ltd.</b><br>Director        | ● <b>Hero Cycles Limited</b><br>Director<br>Member - Audit Committee |
| ● <b>Munjal Brothers Pvt. Ltd.</b><br>Director             | ● <b>Hero Exports (P) Ltd.</b><br>Director                           |
| ● <b>Dayanand Munjal Investments Pvt. Ltd.</b><br>Director | ● <b>Anadi Investments Pvt. Ltd.</b><br>Director                     |
| ● <b>Pragati Investments Pvt. Ltd.</b><br>Director         | ● <b>Roma Investments Pvt. Ltd.</b><br>Director                      |

**MAJESTIC AUTO LIMITED**

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- **Munjal Auto Industries Ltd.**  
Director  
Member - Audit Committee  
Member - Shareholders Grievance Committee  
Member - Share Transfer Committee
- **Highway Investments Pvt. Ltd.**  
Director
- **Bahadurchand Investments Pvt. Ltd.**  
Director
- **Satyam Auto Components Ltd.**  
Director
- **Majestic Auto Limited**  
Director

**Sh.S.D.Khosla**

Sh.S.D.Khosla joined the Company on 11.5.1988 as a director of the Company. His qualification is B.Sc., C.A IIB. He is an ex-Executive Director of Industrial Development Bank of India. He possesses experience in the field of Accounts and Finance.

At present he is on the Board of following Companies and Committees thereof:

- **Munjal Showa Ltd.**  
Director  
Chairman - Share Transfer and Investors Grievance Committee  
Member - Remuneration Committee
- **Majestic Auto Limited**  
Director  
Chairman - Remuneration Committee
- **Hero Motors Limited**  
Director  
Chairman - Shareholders / Investors Grievance Committee  
Member - Audit Committee  
Member - Remuneration Committee  
Member - Investment Committee
- **UEM India Ltd.**  
Director  
Chairman - Remuneration Committee

**MAJESTIC AUTO LIMITED****DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting to you the 31st Annual Report and the Audited Accounts for the financial period ended 30th September, 2004.

**FINANCIAL RESULTS**

(Rs.in lacs)

	Period ended 30-09-2004 (18 Months)	Year ended 31-03-2003 (12 Months)
Sale	16591	21650
Profit / (Loss) before depreciation and Financial charges	1361	(1188)
Less : Financial Charges	260	835
Depreciation	328	798
Net Profit / (Loss) Before Tax	773	(2821)
Less : Provision for Tax	23	1
Provision for Deferred Tax	80	-
Net Profit / (Loss) after tax	670	(2822)
Less : Prior year Adjustment	4	14
Less : Prior year tax adjustment	4	- 32
	662	(2804)
Add : Profit B/F from previous year	1275	(2159)
Less : Transferred to Debenture Redemption Reserve	223	-
Less : Transferred to Deferred Tax Liabilities	351	-
Profit / ( Loss ) Balance carried to Balance Sheet	1363	(4963)

**OPERATIONS**

During the period of 18 months under report, your Company has registered turnover of Rs.16591 lacs. During the previous year of 12 months, the registered turnover of the Company consisting of figure of Ludhiana Unit and erstwhile Ghaziabad Unit of the Company was Rs. 21650 lacs. The Company earned a net profit before tax of Rs.773 lacs during the current accounting period of 18 months. During the previous year of 12 months consisting of figures of Ludhiana Unit and erstwhile Ghaziabad Unit of the Company, there was a net loss before tax of Rs. 2821 lacs.

**DEMERGER AND RESTRUCTURING OF THE COMPANY**

The Scheme of Arrangement between the Company and Hero Auto Limited ( now called Hero Motors Limited) and their respective shareholders and creditors have been approved by Hon'ble High Court of Punjab & Haryana at Chandigarh vide its order dated 29.5.2004 and Hon'ble High Court at Delhi vide its order dated 22.7.2004 r/w order dated 30.7.2004. In view of aforesaid orders, all assets and liabilities of erstwhile Ghaziabad Unit of the Company have been transferred to Hero Auto Limited (now called Hero Motors Limited) w.e.f. Appointed Date i.e. 01.04.2003. In accordance with the Scheme, the shareholdings of the existing Equity Shareholders of the Company have been reduced proportionately by 4,40,000 Equity Shares of Rs. 10/- each. Thus the paid up Equity Shares Capital of the Company stands reduced by Rs. 44,00,000/-.

**ACCOUNTS**

The Accounting Year 2003-2004 of the Company has been extended to 18 months i.e. from 1.4.2003 to 30.9.2004 as approved by Registrar of Companies, Punjab, H.P. & Chandigarh vide its letter dated 2.6.2004.

The figures for the period ended 30.9.2004 consist of figures of the Company excluding the figures of erstwhile Ghaziabad unit of the Company and the figures for the year ended 31.3.2003 consist of figures of Ludhiana unit and erstwhile Ghaziabad unit of the Company. Besides above, the figures of Current Accounting Period for the period ended 30.9.2004 consist of 18 months and figures of Previous Year for the year ended 31.3.2003 consist of 12 months. In view of above, the figures of Current Accounting Period and Previous Accounting Year are not comparable.

## **MAJESTIC AUTO LIMITED**

### **DIVIDEND**

To sustain internal accruals for the future growth of the Company, your directors are not recommending any dividend for the current accounting period.

### **DIRECTORS**

Mr. Vijay Munjal and Mr. S.D.Khosla, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. The Board recommends for their re-appointment.

During the current period, Mr. Pankaj Munjal, Managing Director of the Company has resigned from the Managing Directorship of the Company w.e.f. 28.08.2004 and from Directorship of the Company w.e.f. 06.10.2004. The Board places on record its appreciation for the valuable services rendered by Mr. Pankaj Munjal during his tenure as Managing Director of the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956 :

- i) that in the preparation of the annual accounts for the period ended September 30, 2004, the applicable accounting standards have been followed;
- ii) that appropriate accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs as at September 30, 2004 and of the net profit earned by the Company for financial period ended September 30, 2004;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual accounts for the period ended September 30, 2004 have been prepared on a going concern basis.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A report in the form of Management Discussion and Analysis pursuant to Clause 49 of the Listing Agreement, as a part of this report is annexed hereto as Annexure I.

### **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, adequate steps have been taken to ensure that all the provisions relating to Corporate Governance are duly complied with. A report on Corporate Governance alongwith the Auditors' Certificate on its compliance is annexed hereto as Annexure II.

### **FINE BLANKING EXPANSION, HEAT TREATMENT AND MOTOR WINDING PROJECTS**

The Company is implementing Fine Blanking Expansion, Heat Treatment and Motor Winding Projects of capacity of 6480 M.T.P.A, 370 M.T.P.A. and 1.7 Million Sets p.a. respectively. The estimated cost of the above Projects is Rs.1991 lacs. The proposed project consists of setting up facilities for manufacture of Stator Corpack, Die Cast Rotors, Heat Treatment of Components and Wound Stator Packs. It is expected that production for aforesaid projects will commence by the month of December, 2004.

### **SUBSIDIARY COMPANY**

Hero Global Design Private Limited ceased to be a subsidiary of the Company w.e.f. 29.9.2003.

### **LISTING / DE-LISTING**

The Company had fixed the date of 30th September, 2004 as the record date for taking the record of shareholders after reduction of Share Capital as per Scheme of Arrangement approved as aforesaid so that the shareholding of the Equity Shareholders of the Company can be reduced and in lieu of it, shares in the Hero Auto Ltd. (now called Hero Motors Ltd.) can be allotted as per Scheme of Arrangement approved by Hon'ble High Courts. The dealing in the shares of the Company has been suspended by the Stock Exchange, Mumbai w.e.f. 23.9.2004 for aforesaid reason. Applications for re-listing of new equity shares of the Company have been made to The Ludhiana Stock Exchange Association Ltd., The Delhi Stock Exchange Association Ltd., The Stock Exchange, Ahmedabad and The Stock Exchange, Mumbai for trading of the Shares on the said Stock Exchanges and their approvals are awaited.



## **MAJESTIC AUTO LIMITED**

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Consequent to the change in the capital market in relation to the manner of dealing in shares of the company, It has been observed that tradings in equity shares of the Company at Ludhiana, Delhi and Ahmedabad Stock Exchanges have been reduced substantially due to non-availability of on line terminal for trading on the said Stock Exchanges. Accordingly, it is proposed to de-list the Company's equity shares from The Ludhiana Stock Exchange Association Ltd., The Delhi Stock Exchange Association Ltd. and The Stock Exchange, Ahmedabad after the shares have been re-listed as mentioned above.

### **FIXED DEPOSITS**

During the year under review, the Company has not accepted any deposit under Section 58A of the Companies Act, 1956 read with Companies ( Acceptance of Deposits ) Rules, 1975.

### **DEPOSITORY SYSTEM**

As per SEBI's letter dated 15.2.2000, the Company's shares are available for dematerialisation w.e.f. 21.4.2000 on NSDL and w.e.f. 2.5.2000 on CDSL. Interested Members are requested to open their accounts with Depository Participants and forward shares through them. Out of total shares, 19.99 % shares of the Company have been dematerialised as on September 30, 2004 .

### **INSURANCE**

All properties and insurable assets of the Company including Building, Plant & Machinery and Stock have been adequately insured, wherever necessary and to the extent required.

### **PARTICULARS OF EMPLOYEES**

A statement showing particulars of employees as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is annexed hereto as Annexure III and forms an integral part of this report.

### **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

The detailed information as required Under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto as Annexure -IV and forms an integral part of this report.

### **ENVIRONMENT COMPLIANCE**

Majestic Auto Limited is an ISO: 14001 Company since July,2004, and is committed to maintain high environmental standards. Its water and effluent treatment plants are one of the best in India. The Company has also an in-house laboratory for testing water effluents for ensuring that all regulatory requirements are complied with. The treated water from these plants is mostly used for manufacturing processes and horticulture. Lot of water consumed is recycled for reuse thereby leading to significant water conservation. Additionally, adequate and efficient Air Pollution Control devices have been installed wherever found necessary. The plant of the Company has a hazardous waste clearance site to dump wastes so that nothing is discharged outside the factory premises.

#### **A) ENVIRONMENTAL MANAGEMENT**

The Company has been certified for its environmental management system as per ISO:14001. The integration of environment friendly measures and cleaner production practices in the business processes has resulted in better efficiency of operations and also improved the environmental performance.

#### **B) ENVIRONMENTAL COMPLIANCE**

All applicable environmental regulations are complied with. The Company has defined its own environmental standards, which are more stringent than the prescribed norms. A state-of-the art Environmental Laboratory has been set up to monitor pollution control strictly as per standards.

#### **C) POLLUTION PREVENTION AND RESOURCE MANAGEMENT**

The Company is committed to conserve resources particularly the pollution causing resources i.e.oils, water, energy, paints and chemicals. A number of Environmental Management Programs have been implemented and new practices have been introduced to ensure the optimal consumption of these resources. The consumption of such resources has consistently been reduced over the years. The carbon mono-oxide emission on account of moped production is calculated and monitored vigorously to ensure better energy performance.



## **MAJESTIC AUTO LIMITED**

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### **AUDITORS**

M/s B.D.Bansal & Co., Chartered Accountants, Auditors of the Company will retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their appointment, if made, would be in accordance with the Section 224 (1B) of the Companies Act, 1956. The Board recommends their re-appointment.

### **INTERNAL CONTROL SYSTEMS**

The Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.

An extensive programme of internal audits and management reviews supplement internal control. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal control system has been designed so as to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

The Company has an Audit Committee, comprising of three Non-Executive Directors, which interacts with Statutory Auditors, Internal Auditors and Auditees in dealing with matters within its terms of reference. The Committee deals with accounting matters, financial reporting and internal controls. The Committee met eight times during the accounting period ended 30th September, 2004.

### **COST AUDITORS**

The Directors have appointed M/s Ramanath Iyer & Co., Cost Accountants, New Delhi as the Cost Auditors for the period to be ended on 31.03.2005. The approval of the Central Government in this regard has also been received. The Cost Auditors' report will be forwarded to the Central Government as required under law.

### **PERSONNEL**

As on September 30, 2004, the total number of employees on the records of the Company was 875. The Company conducts several training programmes to upgrade the skills of its workforce. These programmes have a strong practical approach, and the objective is to derive tangible improvements. Your Directors place on record their appreciation for the significant contribution made by all the employees, who through their competence, hard work, solidarity, co-operation and support, have enabled the Company to cross new milestones on a continual basis. Industrial relations, as always, have remained cordial throughout the year.

### **ACKNOWLEDGEMENT**

The Directors acknowledge with gratitude, the co-operation and assistance given by the Central Government, State Governments, Financial Institutions, Banks, Dealers, Customers, Vendors and Investors during the period under review.

For and on behalf of the Board of Directors

PLACE : Ludhiana  
DATE : 6.11.2004

( O. P MUNJAL )  
Chairman

## **MAJESTIC AUTO LIMITED**

### **Annexure-I to Director's Report**

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

##### **i) INDUSTRY STRUCTURE AND DEVELOPMENT**

Indian Auto Sector registered a huge growth of above 16% in the year which has captured the attention of global market and the export of two-wheelers has grown by more than 47%. Majestic Auto Limited, as a Hero Group Company, has achieved good performance during the period ended 30th September, 2004. This impressive performance has been possible despite intense competition in the market and rise in the price of steel during the Current Period under Report.

By way of volume (numbers), two wheelers constitute nearly 80% of the vehicles produced in the country although by value it could be just one-fourth, according to an estimate. Growth in disposable income, particularly in middle-income groups, ease of availability of credit at competitive rates, decline in public transport services and demographic structure of income class are the factors that are said to be responsible for buoyancy in two-wheeler demand particularly in motorcycles.

While in 1999-2000 motorcycles accounted for 48% of two-wheelers sold, its share in 2003-2004 has gone up to 77%. In the same period, the share of mopeds has declined to 7%.

Majestic Auto Limited is a manufacturer of Mopeds and Spare parts thereof. The Company also manufactures Exercisers, Fine Blanking Components, Silencers and Spare Parts for Bicycles. The Company has established and applies a quality system for designs, manufacture and supply of two wheel vehicles, two wheeler engines, exercisers, automobile components and fine blanking componets.

The Moped industry, in general, during the period under review has witnessed a negative growth, stock pile up in trade, tough competition etc.

##### **ii) OPPORTUNITIES AND THREATS**

###### **OPPORTUNITIES**

The Two Wheeler Industry has witnessed a major shake up due to the changing demand patterns because of consumer preferences. The opportunities with the Company may be listed as :

- Vast dealer and distribution network
- Strong Brand
- Backing of Rs. 9400 Crore Hero Group as Promoters
- Well established Export Market, being the Top Two Wheeler from India
- Innovative ideas to launch new products
- Planning entry into other segments with promised growth potential – Rural Market

###### **THREATS**

- The major threats arise from the competitors, as there is low entry barrier especially in the Moped Segment
- The Moped Industry faces competition from other segments of the industry including Scooter and Motorcycles

##### **iii) SEGMENT / PRODUCT-WISE PERFORMANCE**

###### **Moped Division**

The sale of Mopeds during the current period ( 18 months) was 41216, while during the previous year ( 12 months), the sale of Mopeds ( consisting of figures of Ludhiana unit and erstwhile Ghaziabad unit) was 64462 and the sale of Mopeds of Ludhiana Unit only was 24441. The figure of sale of Mopeds during current period and previous year is not comparable. During current period, the Company has launched several new models of its Mopeds.

###### **Exercisers**

- a) The Company is manufacturing Health Equipments in the name of Allegro, Jogger, Twistepro and Stepper.
- b) The total production of Health Equipment during the current period (18 months) was 23565 while during the previous year ( 12 months), it was 21303.

The sale of Health Equipment during the current period ( 18 months) was 23619 while during the previous year (12 months) the same was 21286.

###### **Fine Blanking Components**

The turnover of Fine Blanking Project during the current period (18 months) was Rs.997 lacs while during the previous year ( 12 months), it was Rs. 747 lacs.