



November 11, 2014

1 The Manager, Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051
(Company Code : HINDMOTORS)

2 Corporate Relationship Dept.
BSE Limited
1st floor, New Trading Ring
Rotunda Building, P. J. Towers
Dalal Street, Fort
Mumbai – 400 001
(Company Code : 500500)

Dear Sirs

Sub : Submission of Unaudited Financial Results along with Limited Review Report for the Second Quarter ended 30th September, 2014

Enclosed please find the Unaudited Financial Results of the Company for the Second Quarter ended 30th September, 2014 in the prescribed format in terms of requirement of Clause-41 of the Listing Agreement. The results were approved by the Board of Directors of the Company at its meeting held on date.

We are also enclosing herewith Limited Review Report of the Auditors in original in respect of the said financial results duly placed before the Board of Directors of the Company at its meeting held on 11th November, 2014. The Board of Directors, while approving the Unaudited Financial Results had also confirmed that the Company continued to adopt the same accounting policies which were followed earlier.

The Auditors have drawn attention to note 8 to the accompanying statement of Unaudited Financial Results regarding certain documentation that is not available with the Company. However, based on the present scale of operations of the Company at Uttarpara, the management believes that the impact thereof, if any, is not expected to be material on current quarter's and six months financial results.

We have sent the said results to newspapers for publication latest by 12th November, 2014.

The above submission is in compliance with the requirement of Clause 41 of the Listing Agreement.

A line of acknowledgement shall be awaited.

Thanking you,

Yours faithfully,
For Hindustan Motors Limited

Uttam Bose
Director

Encl : As above.

CC: 1 National Securities Depository Ltd.
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Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013

2 Central Depository Services (India) Ltd.
Phiroze Jeejeebhoy Towers
26th Floor, Dalal Street
Mumbai - 400 023

Hindustan Motors Limited
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Unaudited Financial Results for the Quarter / Six months ended 30th September, 2014

(₹ in Lacs)

	Quarter ended			Six months ended		6 month
	30.09.14	30.06.14	30.09.13	30.09.14	30.09.13	period ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Part I						
Particulars						
1 Income from Operations						
a) Net Sales / Income from Operations	607	805	10299	1412	19540	17953
b) Other Operating Income	3	73	134	76	290	325
Total Income from Operations (Net)	610	878	10433	1488	19830	18278
2 Expenses						
a) Cost of materials consumed	499	485	7281	984	14305	11252
b) Purchase of Traded Goods	39	37	801	76	1462	2465
c) (Increase)/ Decrease in Finished Goods, Stock-in-Trade and Work-in-Progress	12	218	136	230	(1071)	1220
d) Employee Benefits Expense	161	1148	2398	1309	4671	4370
e) Depreciation and Amortisation Expense	51	56	411	107	851	844
f) Other Expenses	330	397	2212	727	4588	3447
Total Expenses	1092	2341	13239	3433	24806	23598
3 Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional items (1-2)	(482)	(1463)	(2806)	(1945)	(4976)	(5320)
4 Other Income	110	97	170	207	241	619
5 Profit / (Loss) before Finance costs & Exceptional items (3+4)	(372)	(1366)	(2636)	(1738)	(4735)	(4701)
6 Finance Costs	197	202	633	399	1160	5644
7 Profit/ (Loss) after Finance Costs but before Exceptional items (5-6)	(569)	(1568)	(3269)	(2137)	(5895)	(10345)
8 Exceptional items	-	-	3167	-	3167	10275
9 Profit/ (Loss) before Tax (7+8)	(569)	(1568)	(102)	(2137)	(2728)	(70)
10 Tax Expenses						
a) Current Tax	-	-	-	-	-	237
b) Deferred Tax	-	-	(131)	-	(247)	-
c) Tax provision for earlier years (Net)	-	-	-	-	-	-
11 Net Profit / (Loss) after tax before Minority interest & Share of Profit / (Loss) of Associate (9-10)	(569)	(1568)	29	(2137)	(2481)	(307)
12 Paid-up Equity Share Capital* (Face value = Rs.5)	10433	9239	9239	10433	9239	9239
13 Reserves (excl. Revaluation Reserves)						(13470)
14 Earnings per share (not annualised)						
a) Basic (Rs.)	-0.31	-0.85	0.02	-1.16	-1.35	-0.17
b) Diluted (Rs.)	-0.31	-0.85	0.02	-1.16	-1.35	-0.17
* Excluding amount in respect of forfeited shares						
Part II						
A Particulars of Shareholding						
1 Public Shareholding						
- Number of Shares	141186039	117298739	117298739	141186039	117298739	117298739
- Percentage of Shareholding	67.66%	63.48%	63.48%	67.66%	63.48%	63.48%
2 Promoters and Promoter Group Shareholding						
a) Pledged/Encumbered						
- Number of Shares	26271854	26271854	26271854	26271854	26271854	26271854
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	38.94%	38.94%	38.94%	38.94%	38.94%	38.94%
- Percentage of Shares (as a % of the total share capital of the company)	12.59%	14.22%	14.22%	12.59%	14.22%	14.22%
b) Non-encumbered						
- Number of Shares	41201400	41201400	41201400	41201400	41201400	41201400
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	61.06%	61.06%	61.06%	61.06%	61.06%	61.06%
- Percentage of Shares (as a % of the total share capital of the company)	19.75%	22.30%	22.30%	19.75%	22.30%	22.30%

Particulars		Quarter ended 30.09.2014
B Investor Complaints	Pending at the beginning of the quarter	Nil
	Received during the quarter	28
	Disposed of during the quarter	28
	Remaining unresolved at the end of the quarter	Nil



Notes:

1) Statement of Assets and Liabilities

(₹ in Lacs)		
Particulars	As at 30.09.14 (Unaudited)	As at 31.03.14 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' Funds		
(a) Share Capital	10441	9247
(b) Reserves and Surplus	(14528)	(12740)
Sub-total - Shareholders' Funds	(4087)	(3493)
2 Non-current Liabilities		
(a) Long Term Borrowings	2053	-
(b) Other Long-term Liabilities	339	443
(c) Long-term Provisions	736	879
Sub-total - Non-current Liabilities	3128	1322
3 Current Liabilities		
(a) Short Term Borrowings	1008	1878
(b) Trade Payables	2980	4862
(c) Other Current Liabilities	7662	13462
(d) Short-term Provisions	869	868
Sub-total - Current Liabilities	12519	21070
TOTAL EQUITY AND LIABILITIES	11560	18899
B ASSETS		
1 Non-Current Assets		
(a) Fixed Assets	3059	3909
(b) Non-current Investments	14	14
(c) Long-term Loans and Advances	546	590
(d) Other Non-current Assets	-	2087
Sub-total - Non-current Assets	3619	6600
2 Current Assets		
(a) Inventories	1196	1518
(b) Trade Receivables	234	1816
(c) Cash and Bank balances *	155	89
(d) Short-term Loans and Advances	332	335
(e) Other Current Assets	6024	8541
Sub-total - Current Assets	7941	12299
TOTAL ASSETS	11560	18899

* Includes cash and cash equivalents of ₹ 144 lacs (previous year ₹ 79 lacs)

2) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th November 2014.



- 3) The above results of earlier periods include profit/(loss) from discontinued operation i.e “Chennai Car Plant” of the Company, which was sold to HMFCL w.e.f 30th March 2014 pursuant to Business Transfer Agreement. The details are as below:

(₹ in Lacs)

Particulars	Quarter ended			Six months ended		1.10.2013 to
	30.09.14	30.06.14	30.09.13	30.09.14	30.09.13	29.03.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from Operations						
a) Net Sales / Income from Operations	-	-	8081	-	14134	13009
b) Other Operating Income	-	-	77	-	173	243
Total income from Operations (Net)	-	-	8158	-	14307	13252
2 Expenses						
a) Cost of materials consumed	-	-	5443	-	10121	8380
b) Purchase of Traded Goods	-	-	490	-	746	1958
c) (Increase) / Decrease in Finished Goods, Stock-in-Trade and Work-in-Progress	-	-	600	-	(364)	(166)
d) Employee Benefits Expense	-	-	581	-	1104	757
e) Depreciation and Amortisation Expense	-	-	310	-	656	591
f) Other Expenses	-	-	1229	-	2740	2060
Total Expenses	-	-	8653	-	15003	13580
3 Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional items (1-2)	-	-	(495)	-	(696)	(328)
4 Other Income	-	-	41	-	60	327
5 Profit/(Loss) before Finance costs & Exceptional items (3+4)	-	-	(454)	-	(636)	(1)
6 Finance Costs	-	-	159	-	312	202
7 Profit/(Loss) after Finance Costs but before Exceptional items (5-6)	-	-	(613)	-	(948)	(203)
8 Exceptional items	-	-	-	-	-	-
9 Profit/(Loss) before Tax (7+8)	-	-	(613)	-	(948)	(203)
10 Tax Expenses (including deferred tax)	-	-	(109)	-	(213)	-
11 Net Profit / (Loss) for the period (9-10)	-	-	(504)	-	(735)	(203)

- 4) a) Exceptional items represent profit on sale of CCP unit and non-current investments.
b) There were no extraordinary items during the respective periods reported above.
- 5) As the accumulated losses of the Company at the end of the financial year ended 30th September, 2013 exceeded its entire net worth, the Company has made reference to the Board for Industrial and Financial Reconstruction (BIFR) under section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985. The reference has been registered by BIFR.
- 6) On 29th September 2014, the Board of Directors of the Company, has allotted 2,38,87,300 Equity Shares of nominal value of ₹ 5 each at a premium of ₹ 4.44 per Equity Share and 20,53,00,000 10.25% Secured Non-Convertible Debenture of ₹ 1 (₹ One only) to lenders (Banks/Financial Institutions) under Corporate Debt Restructuring (CDR) Package as approved by CDR Empowered Group at its meeting held on 28th June 2014 towards recompense of interest amount. The shares and debentures were issued on private placement basis. With the allotment of above securities and payment of balance amount of Rs. 640 lacs to the lenders, the Company has made full settlement of recompense of interest amount. With this settlement the Company has exited CDR for which formal communication from CDR is under process.
- 7) The operating results have been adversely affected due to adverse market conditions and the accumulated losses of the Company as at 31st March 2014 (being the last audited financial statements) stand at ₹ 15200 lacs as against the share capital of ₹ 9247 lacs. Also current liabilities as at 31st March 2014 exceed current assets by ₹ 8771 lacs. The Company has also declared “Suspension of work” at its Uttarpara plant w.e.f. 24th May 2014 (refer note 8 below). These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern, which is dependent on the Company establishing profitable operations and sustainable cash flows. The Management is in the process of restructuring the operations including rationalizing the costs. The Management is confident that these measures are expected to result in sustainable cash flows and accordingly, the Company continues to prepare its accounts on a “Going Concern” basis. The Auditors in their audit report for the period ended 31st March 2014 had also given Emphasis of Matter on above.
- 8) Due to low productivity, growing indiscipline, shortage of funds and lack of demand of products, the management has declared “Suspension of work” at Company’s Uttarpara Plant with effect from 24th May 2014. Consequently, current quarter’s financial results are not comparable with financial results of earlier periods. Based on legal opinion obtained, the employees and workmen, falling under the purview of “Suspension of work”, are not entitled to any salary & wages during that period and accordingly the Company has not provided for such salary & wages.

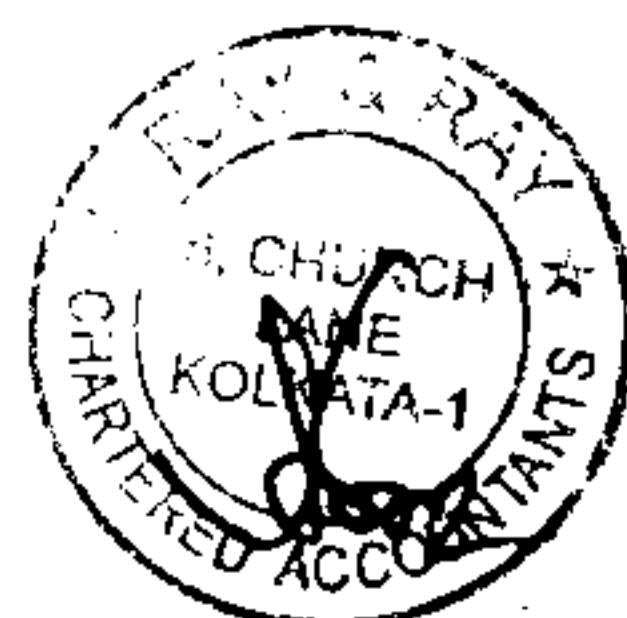
Further, in view of the consequent employee agitations, the management does not have access to certain books, records and other underlying source documents in relation to operational and financial matters. In the absence of such records, material consumption for production during the quarter / six months have been considered based on standard consumption norms. However, based on the present scale of operations of the Company at Uttarpara, the management



believes that the impact thereof, if any, is not expected to be material on current quarter's and six months financial results.

- 9) The Government of West Bengal (GoWB) had alleged that the Company had realized an excess sum of ₹ 19447 lacs from the sale of 314 acres of land at Hindmotor, West Bengal, in earlier years and it should refund the said amount along with interest thereon. The Company has been legally advised that there is no liability on the Company to make any payment against the alleged demand. Accordingly the Company has denied and disputed the allegation. However, after prolonged discussion with GoWB, the Company has settled the above demand of Government of West Bengal (GoWB) by assignment in favour of GoWB, the entire 4% non-compete fee receivable by the Company from Bengal Shriram Hitech City Pvt. Ltd. ('BSL') on account of transfer of 314 acres of land to BSL in the year 2006-07 which have been confirmed vide Memorandum dated 29th September 2014 of GoWB.
- 10) As the Company's business activity falls within a single primary business segment, viz., "Automobiles" and there is no reportable secondary segment i.e. geographical segment, the disclosure requirement of Accounting Standard-17 "Segment Reporting" as notified by Companies (Accounting Standards) Rules, 2006 (as amended) is not applicable.
- 11) Effective from 1st April 2014, the Company has charged depreciation based on the revised remaining useful lives of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charge for the quarter ended 30th September 2014, is lower by ₹ 33.11 lacs.
- 12) Prior period figures have been re-grouped / rearranged, wherever necessary.

Place: Kolkata
Dated: 11th November, 2014



By Order of the Board

Uttam Bose
Director

HINDUSTAN MOTORS LIMITED

LIMITED REVIEW

FOR THE QUARTER AND

HALF YEAR ENDED

30th SEPTEMBER, 2014

RAY & RAY

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REVIEW REPORT

To
The Board of Directors of
Hindustan Motors Limited

1. We have reviewed the accompanying statement of standalone un-audited financial results ("the Statement") of Hindustan Motors Limited ("the Company") for the quarter and six-months ended 30th September, 2014 being submitted by the Company pursuant to clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures regarding 'Public Shareholding', 'Promoter and Promoter Group Shareholding' and 'Investor Complaints' referred to in paragraph 6 below. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 11th November, 2014. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the financial statements in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *We draw attention to note 8 to the accompanying Statement of Unaudited Financial Results regarding certain documentation that is not available with the company. In the absence of such documentation, we are unable to comment on the consequential effects, if any, of the same on the financial results. However, based on the present scale of operations of the Company at Uttarpara, the management believes that the impact thereof, if any, is not expected to be material on current quarter's and six-months financial results.*
4. Without qualifying our opinion, attention is drawn to the following notes to the financial results:
 - a. Note 7 regarding preparation of the accounts on a going concern basis. The Company has been incurring losses and its net worth stands fully eroded and also, its current liabilities exceed its current assets. Also, the Company has suspended operations in its Uttarpara plant. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, which is dependent on the Company establishing profitable operations.



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- b. Note 9 regarding the demand of Government of West Bengal (GoWB) for payment of Rs 19,447 lacs along with interest thereon in relation to excess realization of the said sum from the sale of land at Hindmotor, West Bengal, in earlier years. The company has settled the above demand of Government of West Bengal (GoWB) by assignment in favour of GoWB, the entire 4% non-compete fees receivable by the company from Bengal Shriram Hitech City Pvt. Ltd. (BSL) on account of transfer of 314 acres of land to BSL in the year 2006-07 which have been confirmed vide memorandum dated 29th September 2014 of GoWB.
5. Based on our review conducted as stated above, *except for the possible effects of the matter stated in para 3 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, 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.
6. Further, we also report that we have traced the number of shares as well as the percentage of shareholdings in respect of the aggregate amount of public shareholdings in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investors complaints disclosed for the quarter and six-months ended 30th September, 2014 of the Statement, from the details furnished by the management.

For RAY & RAY
Chartered Accountants
(Registration No. 301072E)


(Asish Kumar Mukhopadhyay)

Partner

Membership No. 056359

Place: Kolkata,
Date: 11th November, 2014

