

UB ENGINEERING LIMITED

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PART I

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2013

(RS IN LACS)

PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED 31.03.2013 (AUDITED)
	30.09.2013 (Unaudited)	30.06.2013 (Unaudited)	30.09.2012 (Unaudited)	30.09.2013 (Unaudited)	30.09.2012 (Unaudited)	
1. Income from Operations						58,037
a. Net sales / income from operations (Net of excise duty)	6,324	9,309	14,770	15,633	26,743	
b. Other operating income	21	19	105	40	125	220
Total Income from operations (net)	6,345	9,328	14,875	15,673	26,868	58,257
2. Expenses						
a. Contract Cost	10,835	10,384	13,341	21,219	25,162	51,212
b. Changes in inventories of finished goods, work in progress and stock in trade	(609)	(463)	132	(1,072)	(1,639)	166
c. Employee benefits expense	374	325	405	699	852	1,536
d. Depreciation and amortization expense	254	284	309	538	554	1,120
e. Other expenses	184	212	295	396	628	1,177
Total Expenses	11,038	10,742	14,182	21,780	25,557	55,211
3. Profit / (Loss) from operations before other income, finance cost and exceptional items	(4,693)	(1,414)	693	(6,107)	1,311	3,046
4. Other income	43	37	15	80	43	76
5. Profit / (Loss) from ordinary activities before finance cost and exceptional items	(4,650)	(1,377)	708	(6,027)	1,354	3,122
6. Finance costs	903	844	854	1,747	1,349	3,021
7. Profit / (Loss) before ordinary activities after finance costs but before exceptional items	(5,553)	(2,221)	(146)	(7,774)	5	101
8. Exceptional items	-	-	-	-	-	-
9. Profit / (Loss) from ordinary activities before tax	(5,553)	(2,221)	(146)	(7,774)	5	101
10. Tax Expenses	-	-	(47)	-	2	20
11. Net Profit / (Loss) from ordinary activities after tax	(5,553)	(2,221)	(99)	(7,774)	3	81
12. Extraordinary items	-	-	-	-	-	-
13. Net Profit / (Loss) for period / year	(5,553)	(2,221)	(99)	(7,774)	3	81
14. Paid-up equity share capital (Face value Rs. 10 each)	1,706.70	1,706.70	1,706.70	1,706.70	1,706.70	1,706.70
15. Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	9,690
16. Basic and Diluted Earnings per share (EPS) (* not annualized)	(32.54)	(13.01)	(0.53)	(45.55)	0.02	0.47

PARTICULARS	(RS IN LACS)					
	30.09.2013 (Unaudited)	QUARTER ENDED 30.06.2013 (Unaudited)	30.09.2012 (Unaudited)	HALF YEAR ENDED 30.09.2013 (Unaudited)	30.09.2012 (Unaudited)	YEAR ENDED 31.03.2013 (AUDITED)
PART II - SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30.09.2013						
A PARTICULARS OF SHAREHOLDING						
1 PUBLIC SHAREHOLDING :						
NO. OF SHARES	10,113,402	10,113,402	10,113,402	10,113,402	10,113,402	10,113,402
PERCENTAGE OF SHAREHOLDING	59.26	59.26	59.26	59.26	59.26	59.26
2 PROMOTER AND PROMOTER GROUP SHAREHOLDING						
a) PLEDGED / ENCUMBERED						
NO. OF SHARES	6,269,728	6,269,728	6,721,971	6,269,728	6,721,971	6,269,728
PERCENTAGE OF SHARES (AS A % OF THE TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP)	90.17	90.17	96.67	90.17	96.67	90.17
PERCENTAGE OF SHARES (AS A % OF THE TOTAL SHARE CAPITAL OF THE COMPANY)	36.74	36.74	39.39	36.74	39.39	36.74
b) NON-ENCUMBERED						
NO. OF SHARES	683,819	683,819	231,576	683,819	231,576	683,819
PERCENTAGE OF SHARES (AS A % OF THE TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP)	9.83	9.83	3.33	9.83	3.33	9.83
PERCENTAGE OF SHARES (AS A % OF THE TOTAL SHARE CAPITAL OF THE COMPANY)	4.00	4.00	1.35	4.00	1.35	4.00
B INVESTOR COMPLAINTS						
Pending at the beginning of the quarter	Nil					
Received during the quarter	Nil					
Disposed of during the quarter	Nil					
Remaining unresolved at the end of the quarter	Nil					

SEGMENT REPORTING

	(RS IN LACS)							
	HALF YEAR ENDED 30.09.2013				YEAR ENDED 31.03.2013			
	Mech.	Electrical	Fab. Shop	Total	Mechanical	Electrical	Fab. Shop	Total
REVENUE	9,113	5,403	1,157	15,673	45,461	11,387	1,189	58,257
(Inter segment transfer)	377	Nil	(377)	Nil	1,189	Nil	(1,189)	Nil
NET REVENUE	9,490	5,403	780	15,673	46,670	11,687	Nil	58,257
CAPITAL EMPLOYED	12,295	10,794	(517)	22,552	19,662	9,085	(506)	28,461
(Segment Assets - Segment Liabilities)								

Statement of Assets and Liabilities

(RS IN LACS)

Particulars		As at 30.09.2013 (Unaudited)	As at 31.03.2013 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholder's Fund		
	(a) Share Capital	1,706.70	1,706.70
	(b) Reserves & Surplus	1,016.16	9,690.39
	Sub-total Shareholders' funds	3,622.86	11,397.09
2	Non-current Liabilities		
	Long-term borrowings	4,714.85	5,413.40
	Sub-total - Non-Current liabilities	4,714.85	5,413.48
3	Current Liabilities		
	(a) Short-term borrowings	10,908.77	9,420.69
	(b) Trade Payables	22,245.55	22,359.93
	(c) Other current liabilities	16,442.55	14,689.72
	(d) Short Term provisions	2,389.83	2,389.83
	Sub-total - Current liabilities	51,986.71	48,860.17
	TOTAL - EQUITY AND LIABILITIES	60,324.42	65,670.74
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	11,110.09	11,650.59
	(b) Non-current investments	166.01	166.01
	(c) Deferred tax assets (net)	197.50	187.50
	(d) Other non-current assets	297.03	547.60
	Sub-total - Non-current assets	11,760.63	12,551.70
2	Current assets		
	(a) Current investments	6,665.16	6,011.69
	(b) Inventories	26,655.08	25,719.18
	(c) Trade receivables	1,285.17	1,843.59
	(d) Cash & cash equivalents	13,651.80	19,191.63
	(e) Short-term loans and advances	336.62	252.97
	(f) Other current assets		
	Sub-total - Current assets	48,573.79	53,119.04
	TOTAL - ASSETS	60,324.42	65,670.74

NOTES :

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13th November, 2013.
- 2 The Company operates in three Business Segments i.e. Mechanical, Electrical Contracts and Fabrication shop.
- 3 The reduction in the operating income and the loss during the quarter are mainly attributable to economic slowdown particularly in the engineering industry besides increased input cost.
- 4 The liquidity of the Company would improve upon concentrated efforts being made to recover overdue debtors / retention amounts and efforts are being made in this regard.
- 5 Due to liquidity issues, Statutory dues aggregating Rs. 50.77 Cr. as on 30th September 2013 (excluding interest), has not been paid. The efforts are being made to discharge liability in installments.
- 6 Devolved Letters of Credit as on 30th September, 2013 issued to vendors, was Rs. 20.60 Cr., excluding Interest.
- 7 No provision has been made for the following, as matters are pending adjudication.
 - (a) Rs. 11.24 Cr. on account of Devolved Bank Guarantees given on behalf of the subsidiaries.
 - (b) Rs. 19.17 Cr. Bank Guarantees invoked by a Customer.
- 8 Critical review of major contracts is currently underway and adjustments, if any, will be carried out before end of financial year. The Company expects to raise additional claims for price variation which will be accounted on realization.
- 9 Income Tax Demand raised during the quarter of Rs. 16.53 Cr. relating to F.Y 2009-10, is under appeal and not provided for.
- 10 Figures for previous periods / year have been regrouped, wherever necessary to conform to the current period's classification.

FOR UB ENGINEERING LIMITED


J.K. SARDANA
MANAGING DIRECTOR

V.P.MEHTA & CO.
CHARTERED ACCOUNTANTS

R.NO. 217, 3RD FLOOR, HEMPRAKASH
90/92, KAZI SYED STREET
MUMBAI 400 003.

LIMITED REVIEW REPORT

The Board of Directors,
UB Engineering Limited,
Sahyadri Sadan,
Tilak Road, Pune 411030

**Re : Limited Review of the audited financial results of UB Engineering Limited
for the quarter and six months ended on September 30, 2013.**

1. We have reviewed the accompanying "Statement of Un-audited Financial Results of **UB Engineering Limited** for the Quarter and Six months ended on September 30, 2013" except for the disclosures regarding 'Public Shareholding' and 'Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 these Financial Statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements*, 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Financial Results, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Without qualifying our report, we invite your attention to :
- (a) Due to losses upto 30th September 2013 company's Net Worth has eroded by more than 50% of its Net Worth. The Sustainability of operations of the company would critically depend upon improvement in liquidity of the company. (Refer Note No. 4)
 - (b) Statutory dues aggregating to Rs. 50.77 cr. as on 30th September 2013 (excluding interest), has not been paid by the company. (Refer Note No.5)
 - (c) Liability on account of Devolved Letters of Credit as on 30th September 2013 issued to vendors of Rs. 20.60 cr. excluding interest. (Refer Note No. 6)
 - (d) Non-provision of Rs. 11.24 cr. on account of Devolved Bank Guarantees given on behalf of company's subsidiaries and (ii) non-provision of Rs. 19.17 cr. Bank Guarantees invoked by customers, as matters are sub-judice and contested. (Refer Note No. 7)
 - (e) Income Tax Demands raised during the quarter of Rs. 16.53 cr. relating to F. Y. 2009-10 is not provided by the company as the matter is contested in appeal. (Refer Note No. 9)

For M/S. V.P.MEHTA & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 106326 W)



VIPUL P. MEHTA
(PROPRIETOR)
(Mem. No: 35722)

Pune
13th November, 2013