

UB ENGINEERING LIMITED

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STATEMENT OF STAND ALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE THREE MONTHS AND YEAR ENDED 31.03.2016

(Rs. In Lakhs)

PARTICULARS	QUARTER ENDED			STAND ALONE		CONSOLIDATED	
	31.03.2016 (Audited)	31.12.2015 (Unaudited)	31.03.2015 (Audited)	ACCOUNTING YEAR ENDED		ACCOUNTING YEAR ENDED	
				31.03.2016 (Audited)	31.03.2015	31.03.2016 Refer Note 10	31.03.2015 (Audited)
1 Income from Operations							
a Net sales / income from operations (Net of excise duty)	2,562	1,701	2,134	7,836	11,836	-	11,836
b Other operating income	48	-	14	51	63	-	63
Total Income from operations (net)	2,610	1,701	2,148	7,887	11,899	-	11,899
2. Expenses							
a Contract Cost	7,666	1,605	5,958	15,574	19,980	-	19,980
b Changes in inventories of finished goods, work in progress and stock in trade	241	1,655	(131)	2,048	1,996	-	1,996
c Employee benefits expense	144	146	130	609	809	-	809
d Depreciation and amortisation expense	203	206	140	829	862	-	862
e Other expenses	122	136	301	534	710	-	710
Total Expenses	8,376	3,748	6,398	19,594	24,357	-	24,357
3. (Loss) from operations before other income, finance costs and exceptional items	(5,766)	(2,047)	(4,250)	(11,707)	(12,458)	-	(12,458)
4. Other Income	20	30	178	51	184	-	184
5. (Loss) from ordinary activities before finance costs and exceptional items	(5,746)	(2,017)	(4,072)	(11,656)	(12,274)	-	(12,274)
6. Finance costs	1,640	1,255	918	5,167	3,885	-	3,885
7. (Loss) before ordinary activities after finance costs but before exceptional items	(7,386)	(3,272)	(4,990)	(16,823)	(16,159)	-	(16,159)
8. Exceptional Items	-	-	-	-	-	-	-
9. (Loss) from ordinary activities before tax	(7,386)	(3,272)	(4,990)	(16,823)	(16,159)	-	(16,159)
10. Tax Expenses	-	-	-	-	-	-	-
11. Net (Loss) from ordinary activities after tax	(7,386)	(3,272)	(4,990)	(16,823)	(16,159)	-	(16,159)
12. Tax adjustment of prior year	-	-	(83)	-	(83)	-	(83)
13. Net (Loss) for the period / year	(7,386)	(3,272)	(4,907)	(16,823)	(16,076)	-	(16,076)
14. Paid-up equity share capital (Face value of 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	-	-	-	(40,382)	(23,559)	-	(23,635)
16. Basic and Diluted Earnings per share (EPS) * before and extraordinary items and prior tax adjustments (* not annualised)	(43.28)	(19.17)	(29.24)	(98.57)	(94.68)	-	(94.68)

SEGMENT REPORTING

(Rs. In Lakhs)

	YEAR ENDED 31.03.2016 (Stand alone)				YEAR ENDED 31.03.2015 (Stand alone)			
	Mechanical	Electrical	Fab.	Total	Mechanical	Electrical	Fab.	Total
REVENUE	7,086	801	Nil	7,887	9,979	1,060	860	11,899
(Inter segment transfer)	Nil	Nil	Nil	Nil	37	Nil	(37)	Nil
NET REVENUE	7,086	801	Nil	7,887	10,016	1,060	823	11,899
CAPITAL EMPLOYEED (Segment Assets - Segment Liabilities)	(34,807)	(1,142)	(2,727)	(38,676)	(26,636)	6,440	(1,656)	(21,852)

Statement of Assets and Liabilities

(Rs. in Lakhs)

Particulars	STAND ALONE		CONSOLIDATED	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016 (Refer Note 10)	As at 31.03.2015
A EQUITY AND LIABILITIES				
1 Shareholder's Fund				
(a) Share Capital	1,706.70	1,706.70	-	1,706.70
(b) Reserves & Surplus	(40,382.44)	(23,559.21)	-	(23,634.81)
Sub-total Shareholders' funds	(38,675.74)	(21,852.51)	-	(21,928.11)
2 Non-current Liabilities				
(a) Long-term borrowings	-	-	-	-
(b) Deferred tax liabilities (net)	-	-	-	-
(c) Other Long Term Liabilities	-	-	-	-
(d) Long Term Provisions	-	-	-	-
Sub-total - Non-Current liabilities	-	-	-	-
3 Current Liabilities				
(a) Short-term borrowings	4,849.50	4,595.00	-	4,595.00
(b) Trade Payables	15,792.56	16,629.16	-	16,690.22
(c) Other current liabilities	43,497.12	38,088.12	-	38,088.12
(d) Short Term provisions	530.66	560.98	-	560.98
(e) Minority Interest	-	-	-	0.52
Sub-total - Current liabilities	64,669.84	59,873.26	-	59,934.84
TOTAL - EQUITY AND LIABILITIES	25,994.10	38,020.75	-	38,006.73
B ASSETS				
1 Non-current assets				
(a) Fixed assets	8,770.02	9,600.26	-	9,600.26
(b) Goodwill on consolidation	-	-	-	-
(c) Non-current investments	-	2.00	-	2.00
(d) Deferred tax assets (net)	187.50	187.50	-	187.50
(e) Long-term loans and advances	-	-	-	-
(f) Other non-current assets	1,251.12	1,784.00	-	1,784.00
Sub-total - Non-current assets	10,208.64	11,573.76	-	11,573.76
2 Current assets				
(a) Current Investments	-	-	-	-
(b) Inventories	1,041.41	3,721.34	-	3,721.34
(c) Trade receivables	7,821.24	15,929.16	-	15,929.16
(d) Cash & cash equivalents	197.31	364.88	-	366.41
(e) Short-term loans and advances	6,474.07	6,103.50	-	6,087.45
(f) Other current assets	251.43	328.11	-	328.61
Sub-total - Current assets	15,785.46	26,446.99	-	26,432.97
Total	25,994.10	38,020.75	-	38,006.73

NOTES :

- 1 The above financial results have been reviewed by Audit committee and approved by the Board of Directors at its meeting held on 8th November, 2016.
- 2 The Company operates in two Primary Business Segments i.e. Mechanical and Electrical Contracts besides Fabrication contracts which is reportable segment. Operations of Fabrication shop has been suspended, since November 2014.
- 3 Due to accumulated losses up to 31st March, 2014 and complete erosion of net worth of the Company, reference was made to BIFR which was registered on 18th May 2015, BIFR is yet to appoint an Operating agency.
- 4 Consequent to classification of Company's account as Non-Performing Asset (NPA) with effect from 1st April, 2014, Consortium of banks have enforced the security of assets of Fabrication Unit situated at Durg-Chattisgarh, Shirwal, Pune and Chiplun. Consortium Banks have filed Miscellaneous Application with BIFR for abatement of reference under Section 15 of SICA and member banks have individually filed applications with appropriate authorities for recovery of their dues. Company is contesting in this regard by appropriate legal process.
- 5 The Statutory Auditors have commented that accounts have been prepared on Going Concern basis, despite erosion of net worth, winding up petitions by creditors, actions taken by consortium banks, Bank Guarantee invocation by clients, significant write offs and provisions of Receivables and no definite proposal for infusion of funds for revival of the operations of the Company, in view of which Accounts stand vitiated. However, Management is reasonably confident of continuing operations despite above impediments with the assistance of consortium banks and expected recovery from balance Debtors.
- 6 Statutory dues aggregating to Rs. 1,547.28 Lakhs (approx.) were outstanding (excluding interest) as on 31st March, 2016 towards Indirect Taxes (including Service Tax) etc. As on date Liability (excluding interest) is Rs. 1,410.96 Lakhs (approx.)
- 7 Post 31st March 2015, various Bank Guarantees aggregating to Rs. 3,759.55 Lakhs (During Q4 - Rs. 540 Lakhs) issued on behalf of the Company towards performance / mobilisation advance / security have been invoked by various clients and appropriate impact of B.G. encashment of Rs. 2,290.24 Lakhs has been accounted in Contract Cost during the year.
Post 31st March 2016, various Bank Guarantees aggregating to Rs. 1,390.03 Lakhs issued on behalf of the Company towards performance / mobilisation advance / security have been invoked by various clients. Provision of Rs.1,187.71 Lakhs is considered in Contract Cost of F.Y. 2015-16.
Company has made significant Debtors write offs and provisions for Bad and Doubtful Debts amounting to Rs. 5,573.54 Lakhs as quantified by the Management and considered in Contract Cost.
- 8 No provision has been considered necessary of Rs. 1,336.66 Lakhs for a Bank Gurantee invoked by a customer of Rs. 1,916.55 Lakhs in August 2012, as the matter is being contested with Chandigarh High Court.
- 9 Consolidated Financial Statements for F.Y. 2015-16 are not necessary consequent to winding up order passed by the Honorable Bombay High Court in November 2014 with regard to UB Infrastructure Limited, wholly owned subsidiary of the Company and it's fellow subsidiaries.
- 10 Figures for previous periods / year have been regrouped, wherever necessary to conform to the current period's classification.
- 11 The figures for the last quarter ended March 31, 2016 and March 31, 2015 are the balancing figures between the Audited figures in respect of the full financial year and the year to date figures up to the period ended December 31, 2015 and December 31, 2014 respectively.

FOR UB ENGINEERING LIMITED

J.K. SARDANA
MANAGING DIRECTOR

Pune
8th November, 2016.