

N Agarwala & Associates

Chartered Accountants

Office:

209, Jay Complex
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Phone: 9331008570 (M)

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF UT LIMITED

1. We have reviewed the accompanying statement of Unaudited Financial Results ("the Statement") of **UT Limited** ("the Company") for the three months ended 30th June, 2013. 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 the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. *Attention is invited to Note 1 of the Statement regarding preparation of the Statement of the Company on a going concern basis notwithstanding the fact that the Company has been incurring cash losses, its net worth had fully eroded as on 30th June, 2013 and its current liabilities far exceeded the current assets as on that date. The appropriateness of the said basis is dependent on the Company improving the profitability of its business, obtaining replacement financing for meeting its liabilities as and when they fall due and/or restructuring of its dues to Banks and Financial Institution as well as satisfactory settlement of the disputes/ litigations with the borrowers.*

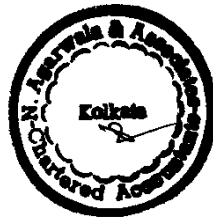
The situations described above indicate that there are multiple material uncertainties for the Company to continue as a going concern and, consequently, the ability of the Company to realise its assets and discharge its liabilities in the normal course of its business.

4. *Based on our review conducted as stated above, due to the possible effects of the matter described in paragraph 3 above we are unable to comment as to whether the Statement has been prepared, in all material respects, in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies. Though, the Statement has 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, the consequential effect of matters described in paragraph 3 are not determinable.*



5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

For N.AGARWALA & ASSOCIATES
Chartered Accountants
(Firm Registration No. 315097E)



M. K. Bhalotia

M. K. Bhalotia
Partner

(Membership No: FCA: 053534)

Kolkata: 8th October, 2013



UT LIMITED
Registered Office : Circular Court, 8th Floor, 8, Acharya Jagadish Bose Road,
Kolkata-700017

**Unaudited Financial Results for the three months
ended 30th June, 2013**

PART I	Particulars	(Rupees in lacs)			
		3 Months ended 30th June, 2013 (Unaudited)	3 Months ended 31st March, 2013 (Unaudited)	3 Months ended 30th June, 2012 (Unaudited)	Previous Accounting period 6 Months ended 31st March, 2013 (Audited)
1 Income from Operations					
(a) Gross Sales/Income from Operations		220.59	433.52	981.37	1,112.50
Less : Excise Duty		7.04	19.64	86.61	70.72
Net Sales/Income from Operations		213.55	413.88	894.76	1,041.78
(b) Other Operating Income		-	4.45	5.52	7.50
Total Income from Operations (Net)		213.55	418.33	900.28	1,049.28
2 Expenses					
a) Cost of Materials Consumed		103.58	370.45	539.73	738.51
b) Change in Inventories of Finished goods, Work-in-Progress and Stock in Trade		41.56	67.01	189.62	109.36
c) Employees benefits expense		179.94	260.95	252.37	467.29
d) Depreciation and Amortisation expense		33.46	33.33	35.24	67.71
e) Other expenses		192.00	277.11	271.42	475.65
f) Provision for overdue Trade Receivables, Short term Loans and Advances, of Capital Advance and Capital Work in Progress and Slow moving inventories		13.11	19.68	262.73	27.37
Total Expenses		563.65	1,028.53	1,551.11	1,885.89
3 Profit / (Loss) from Operations before Other Income, Finance costs and Exceptional Items (1-2)		(350.10)	(610.20)	(650.83)	(836.61)
4 Other Income		50.59	50.30	7.60	50.91
5 Profit / (Loss) from Ordinary Activities before Finance cost and Exceptional Items (3+4)		(299.51)	(559.90)	(643.23)	(785.70)
6 Finance costs (Note 2)		229.31	229.05	30.87	492.63
7 Profit / (Loss) from Ordinary Activities after Finance costs but before Exceptional Items (5-6)		(528.82)	(788.95)	(674.10)	(1,278.33)
8 Exceptional Items		-	-	-	-
9 Profit / (Loss) from Ordinary Activities before tax (7-8)		(528.82)	(788.95)	(674.10)	(1,278.33)
10 Tax expense (Note 8)		-	-	(0.91)	(12.83)
11 Net Profit / (Loss) from Ordinary Activities after tax (9+10)		(528.82)	(788.95)	(673.19)	(1,265.50)
12 Extraordinary items (net of tax expense Rs. Nil)		-	-	-	-
13 Net Profit / (Loss) for the period (11-12)		(528.82)	(788.95)	(673.19)	(1,265.50)
14 Paid-up equity share capital (face value per share-Rs.10/-)		915.35	915.35	915.35	915.35
15 Reserves excluding Revaluation Reserves as per balance sheet					194.82
16 i) Earnings per share (EPS)					
(before extraordinary items)					
(of Rs.10 each) (not annualised)					
(a) Basic		(5.78)	(8.62)	(7.35)	(13.83)
(a) Diluted		(5.78)	(8.62)	(7.35)	(13.83)
ii) Earnings per share (EPS)					
(after extraordinary items)					
(of Rs.10 each) (not annualised)					
(a) Basic		(5.78)	(8.62)	(7.35)	(13.83)
(a) Diluted		(5.78)	(8.62)	(7.35)	(13.83)



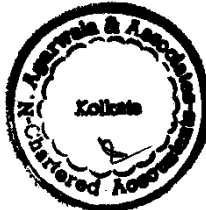
Select Information for the quarter ended 30th June,2013

PART II Particulars	(Rupees in lacs)			
	3 Months ended 30th June, 2013 (Unaudited)	3 Months ended 31st March, 2013 (Unaudited)	3 Months ended 30th June, 2012 (Unaudited)	Previous Accounting period 6 Months ended 31st March, 2013 (Audited)
A PARTICULARS OF SHAREHOLDING				
1 Public shareholding				
-Number of shares	58,04,088	58,04,088	60,41,062	58,04,088
-Percentage of shareholding	63.41	63.41	66.00	63.41
2 Promoters and Promoter Group shareholding				
a) Pledged / Encumbered				
Number of shares	5,48,777	5,48,777	3,79,077	5,48,777
% of the total shareholding of Promoter & Promoter Group	16.38	16.38	12.18	16.38
% of the total share capital of the Company	5.99	5.99	4.14	5.99
b) Non-Encumbered				
Number of shares	28,00,621	28,00,621	27,33,347	28,00,621
% of the total shareholding of Promoter & Promoter Group	83.62	83.62	87.82	83.62
% of the total share capital of the Company	30.60	30.60	29.86	30.60

Particulars	3 months ended 30th June,2013
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

Kolkata: 8th October, 2013

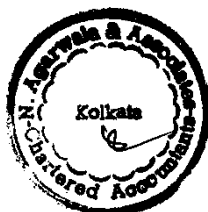
For and on behalf of the Board of Directors



Mou
Nandan Bardhan
Director (Operations)

Notes:

1. In view of the acute fund shortage resulting primarily from sluggish business conditions, the Company has defaulted in servicing its debt obligations to its consortium banks and a Financial Institution. Consequently, the consortium banks [i.e. Allahabad Bank (being the Lead Bank), Bank of India and Axis Bank] have termed the Company's accounts with them as Non Performing Assets (NPA). Subsequent to the declaration of NPA, the said banks have issued notices to the Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act).
In the meanwhile, the Company had initiated talks with a Strategic Investor (in order to meet its short term and long term obligations) and also with the banks for One Time Settlement (OTS) of its dues. However, the talks with the Strategic Investor could not be concluded and as result the OTS with the banks also fell through as the Company was unable to pay the OTS amounts.
Allahabad Bank (lead banker) has taken possession of the Company's immoveable properties situated at Budge Budge and Hosur under section 13(4) of the SARFAESI Act. The said bank has also published a notice under the SARFAESI Act, inviting bids for sale of the Company's immoveable properties to realize their dues. The Company has initiated legal proceedings to nullify the said sale notice.
The Financial Institution (SICOM Limited) has initiated proceedings against the Company under Recovery of Debts due to Banks and Financial Institutions Act, 1993 and has also issued notice under section 434 of the Companies Act, 1956 for winding up the Company. The Company has taken appropriate steps to nullify the said legal proceedings.
There are legal proceedings pending before various forums like Debt Recovery Tribunals, Debt Recovery Appellate Tribunal and High Court, Kolkata filed by banks and Financial Institution against the Company and vice versa regarding recovery of the dues, the quantum of dues, etc.
In view of past and current unpaid sales tax dues, the Office of the Additional Commissioner, Commercial Taxes, West Bengal vide its order dated 9 January 2013 cancelled the Company's Registration Certificates under the West Bengal Sales Tax Act 1994, the West Bengal VAT Act 2003 and the Central Sales Tax Act 1956. As a result all on-line facilities under the Sales Tax Acts were withdrawn and certain bank accounts of the Company were attached for recovery of tax. However, subsequently, on an appeal filed by the Company, the West Bengal Taxation Tribunal vide its order dated 7 May 2013 has stayed the tax recovery proceedings and the attachment of the bank accounts were lifted. The Office of the Additional Commissioner, Commercial Taxes, West Bengal has also approved an installment scheme for the Company for payment of past dues. The Company paid the first installment as stipulated in the Scheme but further installments could not be paid due to paucity of funds. The Company expects to resolve the matter amicably with the sales tax authorities.
As on 30 June, 2013, the net worth of the Company had become negative, since the accumulated losses was Rs.7,814.13 lacs as compared to the Shareholders Funds of Rs.1,110.17 lacs (excluding Revaluation Reserve of Rs.123.66 lacs). A reference filed by the Company under section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) has been registered and accepted with Board for Industrial and Financial Reconstruction (BIFR) as case no. 60/2013 for determination of the measures which shall be adopted with respect to the Company.
The Management has taken steps to revive the Company including but not limited to cost control by various means, streamlining of fund management, restructuring and realignment of manpower, concentrating on core products, development of new products etc. Also, discussions are on with the lenders for amicable settlement of dues.
Considering the above, these Financial Statements had been drawn up as per the Going Concern assumption, which is appropriate in the opinion of the management.
2. Based on an understanding the Company has not provided interest on loan from a body corporate during the period ended 30 June, 2013 as well as in the previous period ended 31 March, 2013.
3. Efforts are being made to utilise the inventories of raw materials, work-in-progress, finished products, stores and spare parts and loose tools aggregating Rs. 3,338.47 lacs lying at the Budge Budge and Hosur plants of the Company and no further provision is considered at this stage.
4. The Company's application for approval of appointment of and remuneration to the Whole Time Director is received vide their letter dated 30 August, 2013.



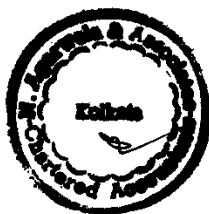
5. As indicated in Note 9 below, since, in the Hosur plant, operation has been suspended 24 July, 2012, the management did not carry out any physical verification of fixed assets (having period end book value of Rs 127.69 lacs) and inventories (having a period end book value of Rs.149.11 lacs) lying therein. However, the management is confident that there is unlikely to be any material discrepancies between the book stocks and physical stocks.
6. In an earlier year, the Company was negotiating with its Consortium Bankers for an One Time Settlement (OTS), of its dues. Accordingly, in anticipation of an OTS, the Company did not provide for any interest on its dues to its Consortium Bankers and SICOM in the financial year 2010-11. However, as indicated in paragraph 1 above, the OTS did not materialize and accordingly as a matter of prudence, the Company had provided for the interest for the financial year 2010-11 of Rs. 1159.88 lacs in the financial year 2011-12 and continues to provide for interest in the current period. Negotiations are on with the Consortium Bankers and SICOM for a fresh settlement of its dues.
7. In view of the significance of the matters described in paragraph 1, 2, 3 and 5 above, the Statutory Auditors (M/s. Deloitte Haskins & Sells) were unable to express an audit opinion on the Financial Statements for the six months ended 31st March, 2013. However, as explained in paragraph 1 above, the management is exploring various operational and financial options to make the Company profitable and accordingly, the management is of the opinion, that at present there are no issues regarding the 'going concern' of the Company in the foreseeable future.
8. Tax expense comprises deferred tax.
9. As part of revival measures indicated in Note 1 above, the Company intends to divest / hive off its Lift Division and Hosur plant (operation suspended since 24 July, 2012) in order to generate cash for its Budge Budge plant and repayments of loans to the lenders. Necessary approvals from the Board of Directors and Shareholders have been obtained. Pending approval from the lenders and since there is no binding sale agreement with any potential buyers, the Company continues to disclose the operations of the Lift division and Hosur plant as a part of segment reporting till a binding sale agreement is in place.
10. Previous period's figures have been regrouped / rearranged / recast wherever necessary, in conformity with the revised format for disclosure of Financial Results as per the Listing Agreement.
11. The above Financial Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 8th October, 2013.

For and on behalf of the Board of Directors

M. Nandan Bardhan

Nandan Bardhan
Director (Operations)

Kolkata: 8th October, 2013



UT LIMITED

**SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED
UNDER CLAUSE 41 OF THE LISTING AGREEMENT
For the three months ended 30th June, 2013**

<i>(Rupees in lacs)</i>					
Serial No.	Description	3 Months ended 30th June, 2013 (Unaudited)	3 Months ended 31st March, 2013 (Unaudited)	3 Months ended 30th June, 2012 (Unaudited)	Previous Accounting period 6 Months ended 31st March, 2013 (Audited)
1	<u>Segment Revenue</u>				
	Hydraulic Operated Systems and Equipment	123.93	269.81	786.95	756.40
	Lifts	89.62	144.07	107.81	285.38
	Total	213.55	413.88	894.76	1,041.78
	Less : Inter segment revenue	-	-	-	-
	Net sales/Income from operations	213.55	413.88	894.76	1,041.78
2	<u>Segment Results</u>				
	Profit/ (Loss) before tax and interest from each segment				
	Hydraulic Operated Systems and Equipment	(224.79)	(444.12)	(510.22)	(582.53)
	Lifts	(63.46)	(91.12)	(111.11)	(156.25)
	Total	(288.25)	(535.24)	(621.33)	(738.78)
	Less :				
	I) Interest (Net of interest income)	228.68	228.43	30.33	491.53
	II) Other un-allocable expenditure (net of un-allocable income)	11.89	25.28	22.44	48.02
	Total Profit/ (Loss) before Tax	(528.82)	(788.95)	(674.10)	(1,278.33)
3	<u>Capital employed</u>				
	(Segment Assets - Segment Liabilities)				
	Hydraulic Operated Systems and Equipment	207.95	668.76	3,612.15	668.76
	Lifts	(330.84)	(260.13)	(88.14)	(260.13)
	Unallocated	(6,457.41)	(6,460.12)	(6,470.34)	(6,460.12)
	Total	(6,580.30)	(6,051.49)	(2,946.33)	(6,051.49)

Note :

The above statement has been prepared and Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organisation structure as well as the differential risks and returns of these segments.

Kolkata: 8th October, 2013

For and on behalf of the Board of Directors



Mbar
Nandan Bardhan
Director (Operations)