

**Mawana Sugars Limited**

Regd. Office : 5th Floor, Kirti Mahal, 19 Rajendra Place, New Delhi - 110125

CIN NO: L74100DL1961PLC003413



Statement of Standalone Unaudited Financial Results for the quarter and nine months ended June 30, 2014

(Rs. in Million)

S.No.	Particulars	Unaudited					Audited
		Quarter ended			Nine Months ended June 30, 2014	Nine Months ended June 30, 2013	Year ended September 30, 2013
		June 30, 2014	March 31, 2014	June 30, 2013			
<b>PART I</b>		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1	Income from operations						
	(a) Net sales/ Income from operations (net of excise duty)	2784	3489	4406	8777	10050	12844
	(b) Other operating income	1	6	6	23	24	28
	<b>Total Income from operations (net) (a+b)</b>	<b>2785</b>	<b>3495</b>	<b>4412</b>	<b>8800</b>	<b>10074</b>	<b>12872</b>
2	Expenses						
	(a) Cost of materials consumed	765	5667	1228	7862	10532	10622
	(b) Changes in inventories of finished goods and work-in-progress	1321	(3473)	2651	(1581)	(2892)	(603)
	(c) Employee benefits expense	184	208	190	581	624	807
	(d) Depreciation and amortisation expenses	120	124	126	371	378	504
	(e) Power and fuel	349	345	298	1002	975	1335
	(f) Stores, spares and components	103	162	88	407	467	620
	(g) Other expenses	68	297	60	465	593	626
	<b>Total Expenses (a to g)</b>	<b>2910</b>	<b>3330</b>	<b>4641</b>	<b>9107</b>	<b>10677</b>	<b>13911</b>
3	Profit/ (Loss) from operations before other income, finance costs, exceptional items and prior period adjustments (1-2)	(125)	165	(229)	(307)	(603)	(1039)
4	Other income	15	7	34	29	86	90
5	Profit/ (Loss) from ordinary activities before finance costs, exceptional items and prior period adjustments (3+4)	(110)	172	(195)	(278)	(517)	(949)
6	Finance costs	135	155	260	456	679	902
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items and prior period adjustments (5-6)	(245)	17	(455)	(734)	(1196)	(1851)
8	Exceptional items expense/(income) (Refer Note 5)	-	-	(50)	-	(50)	(187)
9	Profit/ (Loss) from ordinary activities before prior period adjustments and tax (7-8)	(245)	17	(405)	(734)	(1146)	(1664)
10	Prior period adjustment expense/(income) (Refer Note 6)	-	-	-	-	-	1215
11	Profit/ (Loss) from ordinary activities before tax (9-10)	(245)	17	(405)	(734)	(1146)	(2879)
12	Tax expenses						
	Relating to earlier years	-	-	-	-	3	3
	Provision for tax written back relating to earlier years	-	-	(1)	-	(1)	(1)
13	Net Profit/ (Loss) from ordinary activities after tax (11-12)	(245)	17	(404)	(734)	(1148)	(2881)
14	Extraordinary items (net of tax)	-	-	-	-	-	-
15	Net Profit/ (Loss) from ordinary activities (13+14)	(245)	17	(404)	(734)	(1148)	(2881)
16	Paid-up equity share capital (Face value of each share Rs. 10/-)	391	391	391	391	391	391
17	Reserve excluding Revaluation Reserve as per balance sheet						(2420)
18	Earning per share (of Rs. 10 each) (Not annualised)						
	- Basic/Diluted	(6.27)	0.44	(10.33)	(18.76)	(29.73)	(74.33)
<b>PART II</b>							
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
1	Public shareholding						
	- Number of shares	12780888	12780888	11895888	12780888	11895888	12780888
	- Percentage of shareholding	32.67%	32.67%	30.41%	32.67%	30.41%	32.67%
2	Promoters and Promoter Group Shareholding						
a)	Pledged/Encumbered*						
	- Number of shares	26117959	26117959	27002959	26117959	27002959	26117959
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.17%	99.17%	99.20%	99.17%	99.20%	99.17%
	- Percentage of shares (as a % of the total share capital of the Company)	66.77%	66.77%	69.03%	66.77%	69.03%	66.77%
	* The Promoter of the Company has signed Non-disposal undertaking with the lender for its entire shareholding.						
b)	Non - encumbered						
	- Number of shares	218017	218017	218017	218017	218017	218017
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.83%	0.83%	0.80%	0.83%	0.80%	0.83%
	- Percentage of shares (as a % of the total share capital of the Company)	0.56%	0.56%	0.56%	0.56%	0.56%	0.56%
<b>B</b>	<b>INVESTOR COMPLAINTS</b>						
	Pending at the beginning of the quarter			0			
	Received during the quarter			4			
	Disposed of during the quarter			4			
	Remaining unresolved at the end of the quarter			0			

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**Segment wise Revenue Results and Capital Employed  
under clause 41 of the Listing Agreement**



(Rs. in Million)

S. No	Particulars	Unaudited					Audited
		Quarter ended			Nine Months ended June 30, 2014	Nine Months ended June 30, 2013	Year ended September 30, 2013
		June 30, 2014	March 31, 2014	June 30, 2013			
		1	2	3	4	5	6
1.	<b>Segment Revenue</b>						
	a Sugar	2380	3641	4136	8008	9379	11492
	b Power	282	1616	426	2296	2754	2762
	c Chemical	582	606	450	1698	1621	2181
	d Distillery	170	120	41	587	93	264
	<b>Total</b>	<b>3414</b>	<b>5983</b>	<b>5053</b>	<b>12589</b>	<b>13847</b>	<b>16699</b>
	Less: Inter-Segment revenue	629	2488	641	3789	3773	3827
	<b>Net Sales / Income from Operations</b>	<b>2785</b>	<b>3495</b>	<b>4412</b>	<b>8800</b>	<b>10074</b>	<b>12872</b>
2.	<b>Segment Results</b>						
	<b>Profit / (Loss) (before tax, finance cost and exceptional items) from Segment</b>						
	a Sugar	(103)	(300)	(269)	(818)	(1407)	(1719)
	b Power	32	493	128	569	1033	942
	c Chemical	(20)	(1)	(30)	(33)	(15)	(45)
	d Distillery	25	21	3	131	(4)	57
	<b>Total</b>	<b>(66)</b>	<b>213</b>	<b>(168)</b>	<b>(151)</b>	<b>(393)</b>	<b>(765)</b>
	Less: i) Finance costs	135	155	260	456	679	902
	ii) Other un-allocable expenditure net off un-allocable income/expenditure	44	41	27	127	124	185
	iii) Exceptional items expense/(income) (Refer Note 5)	-	-	(50)		(50)	(188)
	iv) Prior period adjustment expense/(income) (Refer Note 6)	-	-	-		-	1215
	<b>Total Profit/(Loss) before Tax</b>	<b>(245)</b>	<b>17</b>	<b>(405)</b>	<b>(734)</b>	<b>(1146)</b>	<b>(2879)</b>
3.	<b>Segment Capital employed</b>						
	a Sugar	(1082)	(497)	2919	(1082)	2919	1447
	b Power	1874	1869	2287	1874	2286	1955
	c Chemical	788	691	803	788	804	847
	d Distillery	867	656	642	867	642	690
	e Unallocated	(86)	(1)	1695	(86)	1695	37
	<b>Total Segment Capital Employed</b>	<b>2361</b>	<b>2718</b>	<b>8346</b>	<b>2361</b>	<b>8346</b>	<b>4976</b>

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**Notes:**

1. The above results have been taken on record by the Board of Directors in its meeting held on July 30, 2014.
2. The Company, inter-alia, manufactures Sugar which is produced during the season and sold throughout the year. As such the performance in any quarter may not be representative of the annual performance of the Company.
3. Over the last few years, the Company has been incurring cash losses due to which its net worth has been completely eroded and its current liabilities are far in excess of its current assets. The Indian sugar industry, particularly in the State of Uttar Pradesh, has faced difficulties on account of increasing sugar cane prices and corresponding lower than expected recovery of sugar from cane, lower sugar prices and consequential under recovery of cost of production. These factors have adversely affected the Company's operations and financial performance. Higher finance costs have also added to the cash losses.

The Company became a Sick Industrial Company and filed a reference under section 15(1) of SICA in Form 'A' with BIFR on August 01, 2013. The Company got registered with the BIFR on 10th September 2013. The process for revival/rehabilitation of the Company is dependent on the outcome of such BIFR proceedings.

The Company's management is confident that BIFR will approve a rehabilitation scheme which would entail part sale of its surplus/non-core assets to discharge some of its financial obligations and improve cash flow, reschedulement of the outstanding debt/payables (including overdue debt/payables), and other requisite financial restructuring in consultation with various stakeholders to improve its financial position including net worth. Based on an internal assessment and valuation done by an independent valuer, the Management is confident that the current fair market value of the aforesaid assets it proposes to dispose as part of the rehabilitation scheme would be sufficient to discharge its financial obligations as envisaged in the scheme.

In view of the above, the Board of Directors of the Company is confident that the Company would be in a position to realize its assets and discharge its liabilities by successfully implementing the rehabilitation scheme and in the normal course of its business. Accordingly, these financial results have been prepared on a going concern basis.

4. There are various issues relating to sales tax, income tax etc. arisen/arising out of reorganization arrangement of DCM Limited which will be settled and accounted for in terms of the Scheme of Arrangement of DCM Limited and memorandum of understanding between all the companies involved as and when liabilities/benefits are fully determined.

In the opinion of the management, having regard to the current status of the assessment proceedings at various stages and since no demands have been received by the Company on this account, the effect of these matters on the accounts, though not determinable at this stage, are not expected to be significant.

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5. Exceptional items represent profit on sale of investment in Mawana Foods Private Limited (MFPL) and Ceratizit India Private Limited (CIPL) of Rs. 50 million and Rs. 137 million respectively during the previous year ended on September 30, 2013.
6. Prior period adjustment represents elimination of profit from the value of the investments held by the Company in SIEL Infrastructure and Estate Developers Private Limited to give effect to the Statutory Auditor's qualification on the Company's financial statements for the period ended September 30, 2012.
7. The Central Government has approved the Chairman and Managing Director remuneration (w.e.f. October 15, 2012) vide letter dated April 21, 2014 at an amount lower than that approved by the shareholders in their general meeting. Consequent thereto, the Company is in the process of making a fresh representation to the Central Government for approving remuneration at the amount approved by the shareholders. Pending outcome thereof, refund of excess remuneration amounting to Rs. 7 million paid in terms of shareholders approval has not been obtained by the Company.
8. The remuneration amounting to Rs. 4 million paid to Whole Time Director (WTD) up to June 30th, 2014 is subject to the approval of Shareholders and Central Government under the provision of the Companies Act, 2013.
9. Figures for the previous corresponding period have been regrouped wherever necessary.

**For Mawana Sugars Limited**

  
Rajendra Khanna  
(Whole Time Director)  
DIN NO: 00112534

**Place : New Delhi**  
**Date : July 30, 2014**

