

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 twelve months ended September 30, 2014

		Unaudited				(Rs. in Million)
S.No.	Particulars	Quarter ended			Twelve Months ended September 30, 2014	Audited Year ended September 30, 2013
		September 30, 2014	June 30, 2014	September 30, 2013		
PART I		1	2	3	4	5
1	Income from operations					
	(a) Net sales/ Income from operations (net of excise duty)	2633	2784	2794	11410	12844
	(b) Other operating income	5	1	4	28	28
	Total Income from operations (net) (a+b)	2638	2785	2798	11438	12872
2	Expenses					
	(a) Cost of materials consumed	125	765	91	7987	10622
	(b) Changes in inventories of finished goods and work-in-progress	2141	1321	2289	561	(603)
	(c) Employee benefits expense	183	184	183	764	807
	(d) Depreciation and amortisation expenses	119	120	127	490	504
	(e) Power and fuel	343	349	359	1345	1335
	(f) Stores, spares and components	92	103	152	498	620
	(g) Other expenses	27	68	32	492	626
	Total Expenses (a to g)	3030	2910	3233	12137	13911
3	Profit/ (Loss) from operations before other income, finance costs, exceptional items and prior period adjustments (1-2)	(392)	(125)	(435)	(699)	(1039)
4	Other income	5	15	4	34	90
5	Profit/ (Loss) from ordinary activities before finance costs, exceptional items and prior period adjustments (3+4)	(387)	(110)	(431)	(665)	(949)
6	Finance costs	131	135	223	586	902
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items and prior period adjustments (5-6)	(518)	(245)	(654)	(1251)	(1851)
8	Exceptional items expense/(income) (Refer Note 6)	-	-	(137)	-	(187)
9	Profit/(Loss) from ordinary activities before prior period adjustments and tax (7-8)	(518)	(245)	(517)	(1251)	(1664)
10	Prior period adjustment expense/(income) (Refer Note 7)	-	-	1,215	-	1215
11	Profit/(Loss) from ordinary activities before tax (9-10)	(518)	(245)	(1732)	(1251)	(2879)
12	Tax expenses					
	Relating to earlier years	-	-	-	-	3
	Provision for tax written back relating to earlier years	-	-	-	-	(1)
13	Net Profit/ (Loss) from ordinary activities after tax (11-12)	(518)	(245)	(1732)	(1251)	(2881)
14	Extraordinary items (net of tax)	-	-	-	-	-
15	Net Profit/ (Loss) from ordinary activities (13+14)	(518)	(245)	(1732)	(1251)	(2881)
16	Paid-up equity share capital (Face value of each share Rs. 10/-)	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	(13.23)	(6.27)	(44.60)	(31.99)	(74.33)
PART II						
A PARTICULARS OF SHAREHOLDING						
1	Public shareholding					
	- Number of shares	12780888	12780888	12780888	12780888	12780888
	- Percentage of shareholding	32.67%	32.67%	32.67%	32.67%	32.67%
2	Promoters and Promoter Group Shareholding					
a)	Pledged/Encumbered*					
	- Number of shares	26117959	26117959	26117959	26117959	26117959
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.17%	99.17%	99.17%	99.17%	99.17%
	- Percentage of shares (as a % of the total share capital of the Company)	66.77%	66.77%	66.77%	66.77%	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
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.83%	0.83%	0.83%	0.83%	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%
Particulars		3 months ended 30.09.2014				
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter			0		
	Received during the quarter			9		
	Disposed of during the quarter			9		
	Remaining unresolved at the end of the quarter			0		

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



(Rs. in Million)

S. No	Particulars	Unaudited			Audited
		Quarter ended			Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2013
		1	2	3	4
1. Segment Revenue					
a Sugar		1984	2380	2113	9992
b Power		7	282	8	2304
c Chemical		517	582	560	2215
d Distillery		148	170	171	734
Total		2656	3414	2852	15245
Less: Inter-Segment revenue		18	629	54	3807
Net Sales / Income from Operations		2638	2785	2798	11438
2. Segment Results					
Profit / (Loss) (before tax, finance cost and exceptional items) from Segment					
a Sugar		(262)	(103)	(312)	(1080)
b Power		(71)	32	(91)	498
c Chemical		(39)	(20)	(30)	(72)
d Distillery		28	25	61	159
Total		(344)	(66)	(372)	(495)
Less: i) Finance costs		131	135	223	586
ii) Other un-allocable expenditure net off un-allocable income/expenditure		43	44	59	170
iii) Exceptional items expense/(income) (Refer Note 6)		-	-	(137)	(188)
iv) Prior period adjustment expense/(income) (Refer Note 7)		-	-	1,215	1215
Total Profit/(Loss) before Tax		(518)	(245)	(1732)	(1251)
3. Segment Capital employed					
a Sugar		(1122)	(1082)	1447	(1122)
b Power		1721	1874	1955	1721
c Chemical		667	788	847	667
d Distillery		683	867	690	683
e Unallocated		(182)	(86)	37	(182)
Total Segment Capital Employed		1767	2361	4976	1767

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Statement of Assets and Liabilities

(Rs. in Million)

	Particulars	Unaudited	Audited
		As at September 30,	As at September 30,
		2014	2013
		1	2
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	391	391
	(b) Reserves and surplus	(3671)	(2420)
	Sub-total - Shareholders' funds	(3280)	(2029)
2	Non-current liabilities		
	(a) Long-term borrowings	965	1438
	(b) Other long-term liabilities	158	157
	(c) Long-term provisions	116	113
	Sub-total - Non-current liabilities	1239	1708
3	Current liabilities		
	(a) Short-term borrowings	1963	3719
	(b) Trade payables	5224	3087
	(c) Other current liabilities	3142	2374
	(d) Short-term provisions	55	56
	Sub-total - Current liabilities	10383	9236
	TOTAL - EQUITY AND LIABILITIES	8342	8915
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	4851	5304
	(b) Non-current investments	293	293
	(c) Long-term loans and advances	182	196
	(d) Other non current assets	10	9
	Sub-total - Non-current assets	5335	5801
2	Current assets		
	(a) Inventories	1814	2386
	(b) Trade receivables	398	414
	(c) Cash and bank balance	485	152
	(d) Short-term loans and advances	292	156
	(e) Other current assets	17	7
	Sub-total Current assets	3006	3114
	TOTAL - ASSETS	8342	8915

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Notes:

1. The above results have been taken on record by the Board of Directors in its meeting held on November 05, 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 September 10, 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. In view of financial position of the Company explained in note no. 3 above, the Company has not been able to attract qualified Non Executive Directors and has also not been able to fill up certain Key positions despite its best efforts. Consequently the Company is not in compliance with certain sections/ clauses of the Companies Act, 2013 and of the Listing Agreement.
5. 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.


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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.

6. 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.
7. Prior period adjustment in column 5 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.
8. In order to align the financial year of the Company as per the Companies Act, 2013 in a phased manner the Board of Directors vide resolution dated 29th September 2014 has extended the financial year by 3 months to end on December 31st, 2014.
9. (i) The Central Government had approved the former 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 in 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.

(ii) The Board of Directors of the Company at its meeting held on July 30, 2014 have accepted the resignation of Mr. Siddharth Shriram, Chairman and Managing Director of the Company effective close of business on July 31, 2014.
10. The remuneration amounting to Rs. 6 million paid to Whole Time Director (WTD) up to September 30th, 2014 is subject to the approval of Shareholders and Central Government under the provision of the Companies Act, 2013.
11. 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 : November 05, 2014