

MAWANA SUGARS LIMITED

CIN: L74100DL1961PLC003413

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Statement of Standalone and Consolidated Audited Financial Results for the quarter and year ended March 31, 2017 (Rs. in Lacs except earning per share)

Statement of Assets and Liabilities (Rs. in lacs)

Sl. No.	Particulars	Standalone					Consolidated	
		Quarter ended			Audited		Audited	
		Audited (Refer Note 6)	Unaudited	Audited	Twelve Months ended	Fifteen Months ended	Twelve Months ended	Fifteen Months ended
		March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1	2	3	4	5	6	7	
1	Revenue							
	(a) Net sales/ Income from operations (net of excise duty)	42224	26144	46138	117933	148302	117933	
	(b) Other operating income	34	359	48	1197	162	1197	
	(c) Revenue from operations (a+b)	42258	26503	46186	119130	148464	119130	
	(d) Other income	454	323	192	1815	955	1793	
	Total Revenue (c+d)	42712	26826	46378	120945	149419	120923	
2	Expenses							
	(a) Cost of materials consumed	44575	30732	40231	78477	110500	78477	
	(b) Purchase of stock in trade	-	-	-	-	-	685	
	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	(21468)	(15999)	(13843)	(4689)	(12751)	(12934)	
	(d) Employee benefits expense	1477	1758	1932	7497	8986	7497	
	(e) Finance Cost	467	535	1516	2780	7678	2780	
	(f) Depreciation and amortisation expenses	1102	539	1132	2919	3793	2919	
	(g) Power and fuel	3085	3124	3212	12652	16308	12652	
	(h) Stores, spares and components	1233	875	1670	3422	6084	3422	
	(i) other expenses	3501	2180	4036	5972	8600	6289	
	Total Expenses (a to i)	33972	23744	39886	109030	149198	109348	
3	Profit before exceptional items and tax (1-2)	8740	3082	6492	11915	221	11575	
4	Exceptional items - Income							
	- Profit on sale of Titawi unit(Refer Note 3)	-	23471	-	23471	-	23471	
	- Write back of Loan Liabilities/Interest Provision (Refer Note 3)	9	10273	-	10282	-	10282	
5	Profit before tax (4+5)	8749	36826	6492	45668	221	45328	
6	Tax expense	(514)	524	-	10	-	24	
7	Net Profit for the period (5-6)	9263	36302	6492	45658	221	45304	
8	Minority Interest	-	-	-	-	-	-	
9	Net Profit for the period after minority interest (7-8)	9263	36302	6492	45658	221	45304	
10	Paid-up equity share capital (Face value of each share Rs. 10/-)	3912	3912	3912	3912	3912	3912	
11	Reserve excluding Revaluation Reserve as per balance sheet	-	-	-	3618	(42041)	2730	
12	Earning per share (of Rs. 10 each) (Not annualised)							
	- Basic/Diluted	23.68	92.80	16.60	116.72	0.57	115.82	

Sl. No.	Particulars	Standalone		Consolidated	
		Audited		Audited	
		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
		1	2	3	4
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share capital	3912	3912	3912	3912
	(b) Reserves and surplus	3618	(42041)	2730	(42574)
	Sub-total - Shareholders' funds	7530	(38129)	6642	(38662)
2	Non-current liabilities				
	(a) Long-term borrowings	16648	24557	16648	24557
	(b) Other long-term liabilities	10394	6800	10394	6800
	(c) Long-term provisions	839	1013	839	1013
	Sub-total - Non-current liabilities	27881	32370	27881	32370
3	Current liabilities				
	(a) Short-term borrowings	-	4684	157	4841
	(b) Trade payables	42982	71638	42982	71638
	(c) Other current liabilities	25008	34679	25721	34689
	(d) Short-term provisions	342	441	342	441
	Sub-total - Current liabilities	68332	111442	69202	111609
	TOTAL - EQUITY AND LIABILITIES	103743	105683	103725	105317
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets	32378	44364	32384	44370
	(b) Non-current investments	3328	3328	0	0
	(c) Long-term loans and advances	1768	2361	1781	2507
	(d) Other non current assets	39	129	40	131
	Sub-total - Non-current assets	37513	50182	34205	47008
2	Current assets				
	(a) Inventories	44059	41681	47207	44144
	(b) Trade receivables	4713	7249	4713	7249
	(c) Cash and bank balance	5953	4309	6092	4645
	(d) Short-term loans and advances	11374	2181	11374	2183
	(e) Other current assets	131	81	134	88
	Sub-total Current assets	66230	55501	69520	58309
	TOTAL - ASSETS	103743	105683	103725	105317

Notes:

- The above results have been taken on record by the Board of Directors in its meeting held on June 09, 2017.
- The Company, inter-alia, manufactures Sugar which is produced during the annual season and sold throughout the period. As such, the performance in any quarter may not be representative of the annual performance of the Company.
- The Indian sugar industry, particularly in the State of Uttar Pradesh, had faced difficulties on account of increased sugar cane prices and corresponding lower than expected recovery of sugar from cane, lower sugar prices and consequential under recovery of cost of production in recent times. These factors adversely affected the Company's operations and financial performance, resulting into eroded net worth, cash losses, mounting cane dues arrears due to which its current liabilities exceeded its current assets and defaults in debt obligations. The Company got registered with the Board for Industrial and Financial Reconstruction (BIFR) on 10th September 2013 as sick industrial company (in terms of Section 3(1)(o)) under the provisions of Section 15 (1) of the Sick Industrial Companies (Special Provisions), Act, 1985 (SICA). Meanwhile, the Ministry of Finance issued Notifications S.O. 3568 (E) & S.O. 3569 (E) dated 25 November, 2016 to the effect that SICA has been repealed with effect from 1 December, 2016 and all the references or inquiry pending before the BIFR shall stand abated. With this Notification BIFR ceased to exist. Since the previous sugar season, the industry has witnessed a steady increase in sugar prices and improved cane recoveries. This has resulted in the Company generating profits during the last financial period as well as in current year ended March 31, 2017. The Company has taken the following steps to improve its financial position through a business and financial restructuring as indicated below:
 - Executed a Business Transfer Agreement (BTA) on November 18, 2016 with Indian Potash Limited (IPL) to sell off its Agreed Assets and Liabilities excluding contingent liabilities of Titawi Sugar Complex (unit) as a going concern on an 'AS IS WHERE IS WHAT IS' basis by way of a slump sale. Such sale is on certain terms and conditions, part of which have been fulfilled and the rest are under process. The sale is governed by a BTA which stipulates completion of these activities within a certain time frame as mutually agreed between the parties. Accordingly, IPL has taken control of the unit and these accounts reflect comprehensive sale of aforesaid assets/liabilities. The Company has recognised a net gain of Rs. 23471 lacs which has been reflected under exceptional item in these results.
 - Effected one time settlement agreements with three lenders, which resulted in the waiver of principal and interest amounting to Rs. 10282 lacs which has been reflected as a gain under exceptional item in these results.
 - Pursuant to the assignment of all rights, titles and interests in the financial assistance granted by two other lenders to the Company with an asset reconstruction company, a major portion of the outstanding debts has been restructured for repayment till 2021.
 - The company has resolved its debt liability with one more lender during the current year by way of one time settlement (OTS). In terms of the settlement, the OTS amount is payable till 30th June, 2018. The above measures have resulted in positive net worth of the Company as on 31st March 2017. In view of the above, the Management of the Company is confident that the Company would be in a position to realize its assets and discharge its liabilities successfully in the normal course of its business. Accordingly, these financial statements have been prepared on a going concern basis.
- The Central Government had approved the erstwhile Chairman and Managing Director's 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 had made a representation to the Central Government on November 5, 2014 for waiver of excess remuneration paid to Chairman and Managing Director (ceased to be Managing Director w.e.f. July 31, 2014). Pending outcome thereof, refund of excess remuneration amounting to Rs. 70 lacs paid in terms of shareholders' approval has not been obtained by the Company.
 - The Central Government had approved the former Whole time Director (WTD) Mr. Rajendra Khanna's remuneration (w.e.f. February 01, 2014) vide letter dated June 30, 2015 at an amount lower than that approved by the Shareholders. Consequent thereto, the Company had made a representation to the Central Government on July 21, 2015 for waiver of excess remuneration paid to Mr. Rajendra Khanna, Whole Time Director (ceased to be WTD w.e.f. December 31, 2014). Pending outcome thereof, refund of excess remuneration amounting to Rs. 66 lacs paid in terms of shareholders' approval has not been obtained by the Company.
 - Remuneration amounting to Rs 29 lacs paid to Whole Time Director (WTD) (w.e.f. August 13, 2015) up to March 31, 2017 is subject to the approval of Central Government under the provision of the Companies Act, 2013.
- Consequent upon restructuring of debts of the Company, a part of the principal amount of the term loan amounting to Rs 6408 lacs, that was availed in the past for acquisition of capital assets, has been written back and credited as an exceptional item in the statement of Profit and Loss of the Company for the year. Based upon decision of Income Tax Appellate Tribunal in respect of such matter rendered in another case and legal opinions obtained from expert tax consultants, this amount is treated as capital receipt and not included in book profit for the purposes of calculation of tax under section 115 JB of the Income Tax Act 1961. The statutory auditors have expressed qualification in respect of the matter referred in (5) above in the reported year.
- The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the financial year.
- The year to date figures (mentioned in column 4) for current year ended March 31, 2017 are not comparable with the year to date figures (mentioned in column 5) for the previous period ended March 31, 2016 as it includes results of 4 quarters of the current financial year as against 5 quarters of last financial period.
- Figures for the previous corresponding period have been regrouped wherever necessary.

For Mawana Sugars Limited

Sd/-

Dharam Pal Sharma

Whole Time Director

DIN : 07259344

Place : New Delhi
Date : June 09, 2017

Audited Segment-wise Revenue, Results, Assets and Liabilities for the quarter and year ended March 31, 2017 (Rs. in Lacs)

Sl. No.	Particulars	Standalone					Consolidated	
		Quarter ended			Audited		Audited	
		Audited (Refer Note 6)	Unaudited	Audited	Twelve Months ended	Fifteen Months ended	Twelve Months ended	Fifteen Months ended
		March 31, 2017	December 31, 2016	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	1	2	3	4	5	6	7	
1.	Segment Revenue							
	a Sugar	44397	24967	47519	106547	134746	106547	
	b Power	12234	8230	13831	21156	39412	21156	
	c Chemical	5423	5092	5475	20684	25785	20684	
	d Distillery	363	1612	2804	6226	11911	6226	
	Total	62417	39901	69629	154613	211854	154613	
	Less: Inter-Segment revenue	20159	13398	23443	35483	63390	35483	
	Net Sales / Income from Operations	42258	26503	46186	119130	148464	119130	
2.	Segment Results Profit / (Loss) (before tax, finance cost and exceptional items) from Segment							
	a Sugar	7507	1809	3347	8952	(5738)	8952	
	b Power	2406	1513	5025	3376	12593	3376	
	c Chemical	(620)	354	(469)	449	(1247)	449	
	d Distillery	(394)	82	1030	944	3883	944	
	Total	8899	3758	8933	13721	9491	13721	
	Less: i) Finance costs	467	535	1,516	2,780	7678	2,780	
	ii) Other un-allocable expenditure net off un-allocable income/expenditure"	(308)	141	925	(974)	1592	(634)	
	iii) Exceptional items	(9)	(33744)	-	(33,753)	-	(33,753)	
	Total Profit before Tax	8749	36826	6492	45668	221	45328	
3.	Segment Assets							
	a Sugar	59530	39394	62697	59530	62697	59530	
	b Power	11023	12371	19870	11023	19870	11023	
	c Chemical	7363	8423	8000	7363	8000	7363	
	d Distillery	8460	7852	8714	8460	8714	8460	
	e Unallocated	17367	22350	6402	17367	6402	17349	
	Total	103743	90390	105683	103743	105683	103725	
4.	Segment Liabilities							
	a Sugar	48702	36363	73043	48702	73043	48702	
	b Power	85	166	116	85	116	85	
	c Chemical	2661	3332	3100	2661	3100	2661	
	d Distillery	669	492	377	669	377	669	
	e Unallocated	44096	51769	67176	44096	67176	44966	
	Total	96213	92122	143812	96213	143812	97083	