

MAWANA SUGARS LIMITED

CIN: L74100DL1961PLC003413

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Statement of Standalone Unaudited Financial Results for the quarter and six months ended June 30, 2015

(₹ in Lacs)

Sl. No.	Particulars	Unaudited					Audited
		Quarter Ended			Six Months ended	Six Months ended	15 Months ended
		June 30, 2015	March 31, 2015	June 30, 2014	June 30, 2015	June 30, 2014	December 31, 2014
	1	2	3	4	5	6	
PART - I							
1	Income from operations						
	(a) Net sales/ Income from operations (net of excise duty)	32021	36476	27842	68497	62729	139773
	(b) Other operating income	37	32	13	69	80	293
	Total Income from operations (net) (a+b)	32058	36508	27855	68566	62809	140066
2	Expenses						
	(a) Cost of materials consumed	4700	46573	7654	51273	64326	111428
	(b) Changes in inventories of finished goods and work-in-progress	22566	(14107)	13213	8459	(21514)	(5219)
	(c) Employee benefits expense	1541	2012	1837	3553	3922	9388
	(d) Depreciation and amortisation expenses	663	678	1201	1341	2440	6096
	(e) Power and fuel	3489	3338	3489	6827	6941	16557
	(f) Stores, spares and components	786	1192	1033	1978	2650	6324
	(g) Other expenses	98	2257	681	2355	3649	6736
	Total Expenses (a to g)	33843	41943	29108	75786	62414	151310
3	Profit/(Loss) from operations before other income, finance costs, exceptional items and prior period adjustments (1-2)	(1785)	(5435)	(1253)	(7220)	395	(11244)
4	Other income	247	95	152	342	221	873
5	Profit/(Loss) from ordinary activities before finance costs, exceptional items and prior period adjustments (3+4)	(1538)	(5340)	(1101)	(6878)	616	(10371)
6	Finance costs	1497	1502	1351	2999	2898	7689
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items and prior period adjustments (5-6)	(3035)	(6842)	(2452)	(9877)	(2282)	(18060)
8	Exceptional items expense/(income)	-	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before prior period adjustments and tax (7-8)	(3035)	(6842)	(2452)	(9877)	(2282)	(18060)
10	Prior period adjustment expense/(income)	-	-	-	-	-	-
11	Profit/(Loss) from ordinary activities before tax (9-10)	(3035)	(6842)	(2452)	(9877)	(2282)	(18060)
12	Tax expenses						
	Relating to earlier years	-	-	-	-	-	-
	Provision for tax written back relating to earlier years	-	-	-	-	-	-
13	Net Profit/(Loss) from ordinary activities after tax (11-12)	(3035)	(6842)	(2452)	(9877)	(2282)	(18060)
14	Extraordinary items (net of tax)	-	-	-	-	-	-
15	Net Profit/(Loss) from ordinary activities (13+14)	(3035)	(6842)	(2452)	(9877)	(2282)	(18060)
16	Paid-up equity share capital (Face value of each share Rs. 10/-)	3912	3912	3912	3912	3912	3912
17	Reserve excluding Revaluation Reserve as per balance sheet						(42262)
18	Earning per share (of Rs. 10 each) (Not annualised)						
	- Basic/Diluted	(7.76)	(17.49)	(6.27)	(25.25)	(5.83)	(46.17)

PART II

A PARTICULARS OF SHAREHOLDING						
1	Public shareholding					
	- Number of shares	11780888	11780888	12780888	11780888	11780888
	- Percentage of shareholding	30.12%	30.12%	32.67%	30.12%	32.67%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/Encumbered*					
	- Number of shares	27117959	27117959	26117959	27117959	27117959
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.20%	99.20%	99.17%	99.20%	99.17%
	- Percentage of shares (as a % of the total share capital of the Company)	69.32%	69.32%	66.77%	69.32%	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)	0.80%	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%

Particulars		3 months ended 30.06.2015				
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter				0	
	Received during the quarter				5	
	Disposed of during the quarter				5	
	Remaining unresolved at the end of the quarter				0	

Notes :

- The above results have been taken on record by the Board of Directors in its meeting held on August 13, 2015.
- 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.
- The Company over the last few years 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 increased sugar cane prices and low recovery of sugar from cane, very low and further declining 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 was registered with the BIFR on September 10, 2013 under the provisions of Section 15(1) of the Sick Industrial Companies (Special Provisions), Act, 1985 (SICA) and prescribed procedure and rules under SICA are being followed.
The State and Central Government are responsible for having increased the cane price and are now searching for a way-out from the adverse situation for all (farmers & millers) from the situation. The Company has also initiated various steps including cane development activities, enhancing plant efficiencies, costs reduction etc. to improve the performance of the Company even in these circumstances.
As such, the Company 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, rescheduling 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.
- 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.
- With effect from January 1st, 2015, depreciation on fixed assets is computed in accordance with Schedule II of the Companies Act, 2013. Consequent thereto, Depreciation charged for the period is lower by Rs. 9.49 Cr and depreciation amounting to Rs. 5.23 Cr. has been adjusted from the opening balance of the retained earnings.
- 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 had made a representation to the Central Government on November 5, 2014 for waiver of excess remuneration paid to Mr. Siddharth Shriram, Managing Director. Pending outcome thereof, refund of excess remuneration amounting to Rs. 70.40 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 remuneration (w.e.f. 1st February, 2014) vide letter dated June 30, 2015 at an amount lower than that approved by the shareholders. Consequent thereto, the Company is in the process to make a fresh representation to the Central Government for waiver of excess remuneration paid to Mr. Rajendra Khanna, Whole-Time Director. Pending outcome thereof, refund of excess remuneration amounting to Rs.66.02 lacs paid in terms of shareholders approval has not been recovered by the Company.
- Figures for the previous corresponding period have been regrouped wherever necessary.

For Mawana Sugars Limited

Place : New Delhi
Date : August 13, 2015

Sd/-
(Authorized Signatory)

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

(₹ in Lacs)

Sl. No.	Particulars	Unaudited					Audited
		Quarter Ended			Six Months ended	Six Months ended	15 Months ended
		June 30, 2015	March 31, 2015	June 30, 2014	June 30, 2015	June 30, 2014	December 31, 2014
	1	2	3	4	5	6	
1.	Segment Revenue						
	a Sugar	25,137	37,029	23,796	62,166	60,204	124,941
	b Power	2,046	15,294	2,818	17,340	18,973	32,791
	c Chemical	5,569	5,206	5,824	10,775	11,884	26,838
	d Distillery	3,276	1,985	1,703	5,261	2,909	8,768
	Total	36,028	59,514	34,141	95,542	93,970	193,338
	Less: Inter-Segment revenue	3,970	23,006	6,286	26,976	31,161	53,272
	Net Sales / Income from Operations	32,058	36,508	27,855	68,566	62,809	140,066
2.	Segment Results						
	Profit / (Loss) (before tax, finance cost and exceptional items) from Segment						
	a Sugar	(3,022)	(10,430)	(1,030)	(13,452)	(4,032)	(17,369)
	b Power	443	5,337	321	5,780	5,247	7,909
	c Chemical	(3)	(230)	(202)	(233)	(208)	(1,125)
	d Distillery	1,252	301	246	1,553	458	1,830
	Total	(1,330)	(5,022)	(665)	(6,352)	1,465	(8,755)
	Less: i) Finance costs	1,496	1,502	1,351	2,998	2,898	7,689
	ii) Other un-allocable expenditure net off un-allocable income/expenditure	209	318	436	527	849	1,616
	iii) Exceptional items expense/(income)	-	-	-	-	-	-
	iv) Prior period adjustment expense/(income)	-	-	-	-	-	-
	Total Profit/(Loss) before Tax	(3,035)	(6,842)	(2,452)	(9,877)	(2,282)	(18,060)
3.	Segment Capital employed						
	a Sugar	(37,375)	(35,574)	(10,818)	(37,375)	(10,818)	(16,846)
	b Power	16,679	16,707	18,741	16,679	18,741	18,078
	c Chemical	5,724	5,756	7,883	5,724	7,883	7,128
	d Distillery	8,986	8,441	8,666	8,986	8,666	7,823
	e Unallocated	7,851	8,862	(864)	7,851	(864)	(4,263)
	Total Segment Capital Employed	1,865	4,192	23,608	1,865	23,608	11,921

Statement of Assets and Liabilities

(₹ in Lacs)

Sl. No.	Particulars	Unaudited	Audited
		As at June 30, 2015	As at December 31, 2014
		1	2
A EQUITY AND LIABILITIES			
1	Shareholders' funds		
	(a) Share capital	3912	3912
	(b) Reserves and surplus	(52661)	(42262)
	Sub-total - Shareholders' funds	(48749)	(38350)
2	Non-current liabilities		
	(a) Long-term borrowings	7753	9094
	(b) Other long-term liabilities	1590	1583
	(c) Long-term provisions	1104	1110
	Sub-total - Non-current liabilities	10447	11787
3	Current liabilities		
	(a) Short-term borrowings	19563	19613
	(b) Trade payables	63312	65549
	(c) Other current liabilities	37453	34613
	(d) Short-term provisions	440	456
	Sub-total - Current liabilities	120768	120231
	TOTAL - EQUITY AND LIABILITIES	82466	93668
B ASSETS			
1	Non-current assets		
	(a) Fixed assets	45814	47479
	(b) Non-current investments	2928	2928
	(c) Long-term loans and advances	2016	1799
	(d) Other non current assets	119	97
	Sub-total - Non-current assets	50877	52303
2	Current assets		
	(a) Inventories	20210	29055
	(b) Trade receivables	3641	5135
	(c) Cash and bank balance	5126	4140
	(d) Short-term loans and advances	2333	2828
	(e) Other current assets	279	207
	Sub-total Current assets	31589	41365
	TOTAL - ASSETS	82466	93668

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