

MAWANA SUGARS LIMITED

CIN: L74100DL1961PLC003413

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Statement of Standalone Unaudited Financial Results for the quarter and twelve months ended September 30, 2014

Sl. No.	Particulars	Unaudited				Audited
		Quarter Ended			Twelve Months ended	Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
	1	2	3	4	5	
PART - I						
1	Income from operations					
	(a) Net sales/ Income from operations (net of excise duty)	26333	27842	27937	114101	128438
	(b) Other operating income	52	13	42	277	282
	Total Income from operations (net) (a+b)	26385	27855	27979	114378	128720
2	Expenses					
	(a) Cost of materials consumed	1253	7654	907	79869	106223
	(b) Changes in inventories of finished goods and work-in-progress	21411	13213	22888	5606	(6032)
	(c) Employee benefits expense	1830	1837	1828	7641	8070
	(d) Depreciation and amortisation expenses	1188	1201	1267	4896	5043
	(e) Power and fuel	3432	3489	3593	13453	13347
	(f) Stores, spares and components	916	1033	1523	4983	6198
	(g) Other expenses	272	681	321	4922	6258
	Total Expenses (a to g)	30302	29108	32327	121370	139107
3	Profit/ (Loss) from operations before other income, finance costs, exceptional items and prior period adjustments (1-2)	(3917)	(1253)	(4348)	(6992)	(10387)
4	Other income	48	152	44	339	904
5	Profit/ (Loss) from ordinary activities before finance costs, exceptional items and prior period adjustments (3+4)	(3869)	(1101)	(4304)	(6653)	(9483)
6	Finance costs	1305	1351	2234	5860	9024
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items and prior period adjustments (5-6)	(5174)	(2452)	(6538)	(12513)	(18507)
8	Exceptional items expense/(income) (Refer Note 6)	-	-	(1,370)	-	(1875)
9	Profit/(Loss) from ordinary activities before prior period adjustments and tax (7-8)	(5174)	(2452)	(5168)	(12513)	(16632)
10	Prior period adjustment expense/(income) (Refer Note 7)	-	-	12,154	-	12154
11	Profit/ (Loss) from ordinary activities before tax (9-10)	(5174)	(2452)	(17322)	(12513)	(28786)
12	Tax expenses					
	- Relating to earlier years	-	-	-	-	29
	- Provision for tax written back relating to earlier years	-	-	-	-	(10)
13	Net Profit/ (Loss) from ordinary activities after tax (11-12)	(5174)	(2452)	(17322)	(12513)	(28805)
14	Extraordinary items (net of tax)	-	-	-	-	-
15	Net Profit/ (Loss) from ordinary activities (13+14)	(5174)	(2452)	(17322)	(12513)	(28805)
16	Paid-up equity share capital (Face value of each share Rs. 10/-)	3912	3912	3912	3912	3912
17	Reserve excluding Revaluation Reserve as per balance sheet	-	-	-	-	(24200)
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
	- Percentage of shareholding	32.67%	32.67%	32.67%	32.67%
2	Promoters and Promoter Group Shareholding				
	a) Pledged/Encumbered*				
	- Number of shares	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%
	- Percentage of shares (as a % of the total share capital of the Company)	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
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	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%

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	

Notes:

- The above results have been taken on record by the Board of Directors in its meeting held on November 05, 2014.
- 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.
- 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, 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.
- 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.
- Exceptional items represent profit on sale of investment in Mawana Foods Private Limited (MFPL) and Ceratizit India Private Limited (CIPL) of Rs. 505 lacs and Rs. 1370 lacs respectively during the previous year ended on September 30, 2013.
- 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.
- 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.
- (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. 70 lacs 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.
- The remuneration amounting to Rs. 57 lacs 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.
- Figures for the previous corresponding period have been regrouped wherever necessary.

Limited Review

The Limited Review, as required under Clause 41 of the Listing Agreement has been completed and the related Report forwarded to the Stock Exchanges. This Report does not have any impact on the above 'Results and Notes' for the quarter ended September 30, 2014 which needs to be explained, except in respect of matters explained in note 5.

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

Sl. No.	Particulars	Unaudited				Audited
		Quarter Ended			Twelve Months ended	Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
	1	2	3	4	5	
1. Segment Revenue						
	a Sugar	19842	23796	21129	99921	114921
	b Power	79	2818	82	23036	27619
	c Chemical	5167	5824	5604	22149	21811
	d Distillery	1476	1703	1710	7341	2644
	Total	26564	34141	28525	152447	166995
	Less: Inter-Segment revenue	179	6286	546	38069	38275
	Net Sales / Income from Operations	26385	27855	27979	114378	128720
2. Segment Results						
	Profit / (Loss) (before tax, finance cost and exceptional items) from Segment					
	a Sugar	(2618)	(1030)	(3118)	(10801)	(17185)
	b Power	(716)	321	(907)	4976	9420
	c Chemical	(388)	(202)	(299)	(719)	(447)
	d Distillery	279	246	613	1593	566
	Total	(3443)	(665)	(3711)	(4951)	(7646)
	Less: i) Finance costs	1305	1351	2,234	5860	9024
	ii) Other un-allocable expenditure net of un-allocable income/expenditure	426	436	593	1702	1837
	iii) Exceptional items expense/(income) (Refer Note 6)	-	-	(1,370)	-	(1875)
	iv) Prior period adjustment expense/(income) (Refer Note 7)	-	-	12,154	-	12154
	Total Profit/(Loss) before Tax	(5174)	(2452)	(17322)	(12513)	(28786)
3. Segment Capital employed						
	a Sugar	(11216)	(10818)	14472	(11216)	14472
	b Power	17211	18741	19545	17211	19545
	c Chemical	6670	7883	8472	6670	8472
	d Distillery	6825	8666	6899	6825	6899
	e Unallocated	(1824)	(864)	370	(1824)	370
	Total Segment Capital Employed	17666	23608	49758	17666	49758

Statement of Assets and Liabilities

Sl. No.	Particulars	Unaudited	Audited
		As at September 30, 2014	As at September 30, 2013
		1	2
A EQUITY AND LIABILITIES			
1	Shareholders' funds		
	(a) Share capital	3912	3912
	(b) Reserves and surplus	(36713)	(24200)
	Sub-total - Shareholders' funds	(32801)	(20288)
2	Non-current liabilities		
	(a) Long-term borrowings	9647	14384
	(b) Other long-term liabilities	1581	1572
	(c) Long-term provisions	1158	1127
	Sub-total - Non-current liabilities	12386	17083
3	Current liabilities		
	(a) Short-term borrowings	19632	37185
	(b) Trade payables	52236	30870
	(c) Other current liabilities	31417	23743
	(d) Short-term provisions	547	561
	Sub-total - Current liabilities	103832	92359
	TOTAL - EQUITY AND LIABILITIES	83417	89154
B ASSETS			
1	Non-current assets		
	(a) Fixed assets	48514	53043
	(b) Non-current investments	2928	2928
	(c) Long-term loans and advances	1817	1956
	(d) Other non current assets	95	85
	Sub-total - Non-current assets	53354	58012
2	Current assets		
	(a) Inventories	18144	23857
	(b) Trade receivables	3983	4135
	(c) Cash and bank balance	4847	1522
	(d) Short-term loans and advances	2917	1563
	(e) Other current assets	172	65
	Sub-total Current assets	30063	31142
	TOTAL - ASSETS	83417	89154

For Mawana Sugars Limited

Sd/-

Rajendra Khanna

(Whole Time Director)

DIN NO: 00112534

Place : New Delhi
Date : November 05, 2014

41cm(H) x 24cm(W)