

# MAWANA SUGARS LIMITED

CIN: L74100DL1961PLC003413

Registered Office: 5th Floor, Kirti Mahal, 19 Rajendra Place, New Delhi-110 125

Tel: 91-11-25739103, Fax: 91-11-25743659,

Email: corporate@mawanasugars.com, Website: www.mawanasugars.com



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

(₹ in Lacs)

Sl. No.	Particulars	Unaudited					Audited
		Quarter Ended			Nine Months ended June 30, 2014	Nine Months ended June 30, 2013	Year ended Sept. 30, 2013
		June 30, 2014	March 31, 2014	June 30, 2013			
1	2	3	4	5	6		
<b>PART - I</b>							
1	<b>Income from operations</b>						
	(a) Net sales/ Income from operations (net of excise duty)	27842	34887	44061	87768	100501	128438
	(b) Other operating income	13	67	55	225	240	282
	<b>Total Income from operations (net) (a+b)</b>	<b>27855</b>	<b>34954</b>	<b>44116</b>	<b>87993</b>	<b>100741</b>	<b>128720</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	7654	56672	12278	78616	105316	106223
	(b) Changes in inventories of finished goods and work-in-progress	13213	(34727)	26512	(15805)	(28920)	(6032)
	(c) Employee benefits expense	1837	2085	1902	5811	6242	8070
	(d) Depreciation and amortisation expenses	1201	1239	1258	3708	3776	5043
	(e) Power and fuel	3489	3452	2981	10021	9754	13347
	(f) Stores, spares and components	1033	1617	883	4067	4675	6198
	(g) Other expenses	681	2968	593	4650	5937	6258
	<b>Total Expenses (a to g)</b>	<b>29108</b>	<b>33306</b>	<b>46407</b>	<b>91068</b>	<b>106780</b>	<b>139107</b>
3	<b>Profit/ (Loss) from operations before other income, finance costs, exceptional items and prior period adjustments (1-2)</b>	<b>(1253)</b>	<b>1648</b>	<b>(2291)</b>	<b>(3075)</b>	<b>(6039)</b>	<b>(10387)</b>
4	Other income	152	69	342	291	860	904
5	<b>Profit/ (Loss) from ordinary activities before finance costs, exceptional items and prior period adjustments (3+4)</b>	<b>(1101)</b>	<b>1717</b>	<b>(1949)</b>	<b>(2784)</b>	<b>(5179)</b>	<b>(9483)</b>
6	Finance costs	1351	1547	2604	4555	6790	9024
7	<b>Profit/ (Loss) from ordinary activities after finance costs but before exceptional items and prior period adjustments (5-6)</b>	<b>(2452)</b>	<b>170</b>	<b>(4553)</b>	<b>(7339)</b>	<b>(11969)</b>	<b>(18507)</b>
8	Exceptional items expense/(income) (Refer Note 5)	-	-	(505)	-	(505)	(1875)
9	<b>Profit/ (Loss) from ordinary activities before prior period adjustments and tax (7-8)</b>	<b>(2452)</b>	<b>170</b>	<b>(4048)</b>	<b>(7339)</b>	<b>(11464)</b>	<b>(16632)</b>
10	Prior period adjustment expense/(income) (Refer Note 6)	-	-	-	-	-	12154
11	<b>Profit/ (Loss) from ordinary activities before tax (9-10)</b>	<b>(2452)</b>	<b>170</b>	<b>(4048)</b>	<b>(7339)</b>	<b>(11464)</b>	<b>(28786)</b>
12	Tax expenses						
	Relating to earlier years	-	-	-	-	29	29
	Provision for tax written back relating to earlier years	-	-	(10)	-	(10)	(10)
13	<b>Net Profit/ (Loss) from ordinary activities after tax (11-12)</b>	<b>(2452)</b>	<b>170</b>	<b>(4038)</b>	<b>(7339)</b>	<b>(11483)</b>	<b>(28805)</b>
14	Extraordinary items (net of tax)	-	-	-	-	-	-
15	<b>Net Profit/ (Loss) from ordinary activities (13+14)</b>	<b>(2452)</b>	<b>170</b>	<b>(4038)</b>	<b>(7339)</b>	<b>(11483)</b>	<b>(28805)</b>
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						(24200)
18	<b>Earning per share (of Rs. 10 each) (Not annualised)</b>						
	- Basic/Diluted	<b>(6.27)</b>	<b>0.44</b>	<b>(10.33)</b>	<b>(18.76)</b>	<b>(29.73)</b>	<b>(74.33)</b>

## PART - II

<b>A PARTICULARS OF SHAREHOLDING</b>						
1	<b>Public shareholding</b>					
	- Number of shares	12780888	12780888	11895888	12780888	11895888
	- Percentage of shareholding	32.67%	32.67%	30.41%	32.67%	30.41%
2	<b>Promoters and Promoter Group Shareholding</b>					
a)	<b>Pledged/Encumbered*</b>					
	- Number of shares	26117959	26117959	27002959	26117959	27002959
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.17%	99.17%	99.20%	99.17%	99.20%
	- Percentage of shares (as a % of the total share capital of the Company)	66.77%	66.77%	69.03%	66.77%	69.03%
	* The Promoter of the Company has signed Non-disposal undertaking with the lender for its entire shareholding.					
b)	<b>Non - encumbered</b>					
	- 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%	0.80%	0.83%	0.80%
	- Percentage of shares (as a % of the total share capital of the Company)	0.56%	0.56%	0.56%	0.56%	0.56%

<b>B INVESTOR COMPLAINTS</b>		<b>3 Months Ended 30.06.2014</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

- 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.
- 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. 70 lacs paid in terms of shareholders approval has not been obtained by the Company.
- The remuneration amounting to Rs. 37 lacs 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.
- 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 June 30, 2014 which needs to be explained, except in respect of matters explained in note 4.

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

(₹ in Lacs)

Sl. No.	Particulars	Unaudited					Audited
		Quarter Ended			Nine Months ended June 30, 2014	Nine Months ended June 30, 2013	Year ended Sept. 30, 2013
		June 30, 2014	March 31, 2014	June 30, 2013			
1	2	3	4	5	6		
<b>1. Segment Revenue</b>							
a	Sugar	23796	36408	41364	80079	93791	114921
b	Power	2818	16155	4264	22957	27537	27619
c	Chemical	5824	6060	4496	16982	16207	21811
d	Distillery	1703	1206	409	5865	934	2644
	<b>Total</b>	<b>34141</b>	<b>59829</b>	<b>50533</b>	<b>125883</b>	<b>138469</b>	<b>166995</b>
	Less: Inter-Segment revenue	6286	24875	6417	37890	37728	38275
	<b>Net Sales / Income from Operations</b>	<b>27855</b>	<b>34954</b>	<b>44116</b>	<b>87993</b>	<b>100741</b>	<b>128720</b>
<b>2. Segment Results Profit / (Loss) (before tax, finance cost and exceptional items) from Segment</b>							
a	Sugar	(1030)	(3002)	(2691)	(8183)	(14067)	(17185)
b	Power	321	4926	1278	5692	10327	9420
c	Chemical	(202)	(6)	(305)	(331)	(148)	(447)
d	Distillery	246	212	29	1314	(47)	566
	<b>Total</b>	<b>(665)</b>	<b>2130</b>	<b>(1689)</b>	<b>(1508)</b>	<b>(3935)</b>	<b>(7646)</b>
	Less: i) Finance costs	1351	1547	2604	4555	6790	9024
	ii) Other un-allocable expenditure net off un-allocable income/expenditure	436	413	260	1276	1244	1837
	iii) Exceptional items expense/ (income) (Refer Note 5)	-	-	(505)	-	(505)	(1875)
	iv) Prior period adjustment expense/ (income) (Refer Note 6)	-	-	-	-	-	12154
	<b>Total Profit/(Loss) before Tax</b>	<b>(2452)</b>	<b>170</b>	<b>(4048)</b>	<b>(7339)</b>	<b>(11464)</b>	<b>(28786)</b>
<b>3. Segment Capital employed</b>							
a	Sugar	(10818)	(4973)	29187	(10818)	29187	14472
b	Power	18741	18686	22866	18741	22866	19545
c	Chemical	7883	6910	8032	7883	8032	8472
d	Distillery	8666	6557	6422	8666	6422	6899
e	Unallocated	(864)	(14)	16949	(864)	16949	370
	<b>Total Segment Capital Employed</b>	<b>23608</b>	<b>27166</b>	<b>83456</b>	<b>23608</b>	<b>83456</b>	<b>49758</b>

### Notes:

- The above results have been taken on record by the Board of Directors in its meeting held on July 30, 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 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, 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.
- 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.

**For Mawana Sugars Limited**  
**Sd/-**  
**Rajendra Khanna**  
**(Whole Time Director)**  
**DIN NO: 00112534**

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

31cm(H) x 24cm(W)