MOSER BAER INDIA LIMITED

Registered Office: 43-B, Okhla Industrial Estate Phase-III, New Delhi - 110 020

PART - I STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2015

(Rs. In Lacs)

S.No	Particulars	3 months ended 31.12.2015	Previous 3 months ended 30.09.2015	Corresponding 3 months ended in the previous year 31.12.2014	For the Period from 01.01.2015 to 31.12.2015	For the Period from 01.01.2014 to 31.12.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Income from operations**					
	a. Net sales / Income from operations (Net of excise duty)	13,900	13,792	19,610	59,757	96,194
	b. Other operating income	184	174	735	881	2,269
	Total income from operations (net)	14,084	13,966	20,345	60,638	98,463
2	**Expenses**					
	a. Cost of materials consumed	7,618	8,798	11,006	32,756	52,820
	b. Purchase of stock in trade	287	78	62	779	144
	c. Change in inventories of finished goods, work in progress and stock in trade.	1,419	(34)	1,330	3,806	11,249
	d. Employees benefits expense	3,209	3,262	3,588	13,606	14,861
	e. Depreciation and amortisation expense	2,119	2,124	5,280	8,526	18,088
	f. Power and fuel expense	1,123	1,747	2,661	6,250	13,559
	g. Other expenses	2,581	3,085	3,618	11,850	15,443
	Total expenses	18,356	19,060	27,545	77,573	126,164
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)**	(4,272)	(5,094)	(7,200)	(16,935)	(27,701)
4	Other Income	183	610	639	1,785	2,597
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional Items (3+4)**	(4,089)	(4,484)	(6,561)	(15,150)	(25,104)
6	Finance costs	5,397	5,327	5,204	22,098	21,232
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	(9,486)	(9,811)	(11,765)	(37,248)	(46,336)
8	Exceptional items	(629)	(18,687)	(8,877)	(22,973)	(24,493)
9	**Profit / (Loss) from ordinary activities before tax (7+8)**	(10,115)	(28,498)	(20,642)	(60,221)	(70,829)
10	Tax expense	-	-	-	-	-
11	**Net Profit / (Loss) from ordinary activities after tax (9-10)**	(10,115)	(28,498)	(20,642)	(60,221)	(70,829)
12	Extraordinary items	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11-12)**	(10,115)	(28,498)	(20,642)	(60,221)	(70,829)
14	**Paid-up equity share capital** (Face value:Rs.10/- per share)	22,177	22,177	20,831	22,177	20,831
15	**Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year**					(112,222)
16	**Earnings per share: (not annualised)**					
	i) Before Extraordinary items					
	- Basic (Rs.)	(4.56)	(12.85)	(9.91)	(27.56)	(34.26)
	- Diluted (Rs.)	(4.56)	(12.85)	(9.91)	(27.56)	(34.26)
	ii) After Extraordinary items					
	- Basic (Rs.)	(4.56)	(12.85)	(9.91)	(27.56)	(34.26)
	- Diluted (Rs.)	(4.56)	(12.85)	(9.91)	(27.56)	(34.26)

Notes:

1 The Company is primarily in the business of manufacture and sale of Storage Media. The other activities of the Company comprise replication of content, sale of LED lighting products and operation and maintenance of sector specific Special Economic Zone for non-conventional energy. The segment revenues, results and assets of the other activities do not constitute reportable segments under AS-17 and accordingly no disclosure is required.

2 The current quarter exceptional items pertains to exchange loss of Rs. 502 lacs on account of foreign currency convertible bond's liability and Rs. 127 lacs provision against net receivable. (Quarter ended 30 september 2015 exchange loss of Rs. 1,717 lacs on account of foreign currency convertible bond's liability, Rs.777 lacs provision against net realizable value adjustment for inventory, Rs. 3,241 lacs provision against net receivable and Rs.12,952 lacs for other than temporary diminution in the long term investment of subsidiary company).

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3 Statement of Assets and Liabilities as at 31 December 2015 are as under :-

STATEMENT OF ASSETS AND LIABILITIES (Rs. in Lacs)

S.No.	Particulars	As at 31.12.2015 (Unaudited)	As at 31.12.2014 (Audited)
A	**EQUITY AND LIABILITIES**		
1	**Shareholder's funds**		
	(a) Share Capital	22,177	20,831
	(b) Reserves and Surplus	(182,594)	(112,222)
	Sub-total - Shareholder's funds	(160,417)	(91,391)
2	**Non-current liabilities**		
	(a) Long Term borrowings	65,663	83,824
	(b) Other long term liabilities	13,858	17,639
	(c) Long-term provisions	2,504	2,544
	Sub-total - Non-current liabilities	82,025	104,007
3	**Current liabilities**		
	(a) Short-term borrowings	78,917	82,065
	(b) Trade payables	33,293	28,942
	(c) Other current liabilities	154,907	113,485
	(d) Short-term provisions	31,459	23,027
	Sub-total - Current liabilities	298,576	247,519
	TOTAL - EQUITY AND LIABILITIES	**220,184**	**260,135**
B	ASSETS		
1	**Non-current assets**		
	(a) Fixed assets	56,156	65,561
	(b) Non-current investments	43,580	58,513
	(c) Long-term loans and advances	2,879	2,788
	(d) Other non-current assets	25,977	34,626
	Sub-total - Non-current assets	128,592	161,488
2	**Current assets**		
	(a) Inventories	23,313	30,090
	(b) Trade receivables	50,916	49,803
	(c) Cash and cash equivalents	2,560	3,131
	(d) Short-term loans and advances	4,230	5,977
	(e) Other Current assets	10,573	9,646
	Sub-total - Current assets	91,592	98,647
	TOTAL - ASSETS	**220,184**	**260,135**

4 The Company has incurred a loss of Rs 10,115 lacs during the quarter ended 31 December 2015 (previous quarter Rs 28,498 lacs), and, as of that date, the Company's accumulated losses amounts to Rs. 225,904 lacs (previous quarter Rs.215,789 lacs) and it has negative net worth of Rs. 160,417 lacs (previous quarter Rs. 148,065 lacs). Further, as on 31 December 2015, the Company's current liabilities exceeded its current assets by Rs. 206,984 lacs (previous quarter Rs. 192,435 lacs).

Due to continued liquidity issues, the Company has been unable to comply with repayment terms of its borrowing arrangement with secured lenders as agreed in the Corporate Debt Restructuring package approved in year ended 31 March 2013. The Company has received debt recall and other notices from certain consortium lender banks for their respective share of debt. However, the matter is yet to be taken up with CDR EG. Meanwhile, the Company has approached the lender consortium for a revised debt restructuring plan. The management has submitted its proposal which is under review at the stage. The revised debt restructuring plan submitted by the Company includes deferment of debt and interest repayment, disposal of surplus assets and infusion of fresh capital by the promoters. The management is hopeful of finalizing the restructuring package soon.

The Company also has outstanding foreign currency convertible bonds (FCCBs) with principal value of USD 88,400,000 equivalent to Rs 58,485 lacs (previous quarter USD 88,400,000 equivalent to Rs. 57,984 lacs) which were due for redemption on 21 June 2012. As at 31 December 2015, such accrual for premium on FCCB aggregates Rs 47,870 lacs. The Company is in the process of negotiation with the bondholders to re-structure the terms of these bonds.

The Company has been operating at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations in the current quarter as well as earlier quarters. With restoration of OEM optical media business, generation of funds through sale of surplus assets and promoter contribution, accompanied by restructuring of debt from banks, the Company expects to achieve better utilization of its manufacturing facilities and consequently, generate positive cash flow from operations.

Conditions explained above, indicate existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to which the Company may not be able to realize its assets and discharge its liabilities in the normal course of business. However, considering recent developments, inter-alia, progress made in the review of plan and further management's plans relating to restructuring of debt, FCCBs, infusion of capital, generation of funds through sale of surplus assets and expected improvement in the operating activities, management is confident of generating positive cash flow from operations and accordingly, these results have been prepared on a going concern basis.

5 Management performed a detailed impairment for its investments in and advances/other receivables from certain subsidiaries, viz. Helios Photo Voltaic Limited, Moser Baer Solar Limited, Photovoltaic Holdings Limited, Moser Baer Investments Limited and Moser Baer Entertainment Limited to determine if there is any other than temporary diminution in the values of these investments and if outstanding advances or other receivables are recoverable. This assessment has been updated by the management upto 31 December 2015. Material estimates and judgments used in such assessment are related to future business projections which, amongst other factors, are dependent on the acceptance of revised restructuring with lender banks, external market conditions of the solar market and regulatory benefits. Basis updated assessment and also pursuant to the outcome of recent discussions with lender banks in case of one of the subsidiary, the management has recorded a provision of Rs. 127 lacs lacs in carrying value of net receivables. Accordingly, net carrying value of the investments, advances and other receivables from these aforementioned subsidiaries as at 31 December 2015 aggregates to Rs. 73,757 lacs.

6 From 01 January 2015, the Company started charging depreciation based on the remaining useful life of the assets as per Schedule II of the Companies Act, 2013 resulting in depreciation charge for current quarter ended 31 December 2015 lower by Rs.79 lacs (previous quarter 225 lakhs). Further, pursuant to transitional provision mentioned in note 7(b) of Schedule II, an amount of Rs. 1,114 lacs was adjusted against opening retained earnings during the quarter ended 31 March 2015.

7 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11 February 2016.

8 The review by the Statutory Auditors for the quarter as required under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 has been completed and the related report is being forwarded to the Stock Exchanges.

9 The Company shall close the current financial year on 31 March 2016 (for a period of 15 months) in accordance with the requirement of Companies Act, 2013.

10 Figures of the previous periods have been regrouped and rearranged wherever necessary, to make them comparable.

For and on behalf of the Board of Directors of
Moser Baer India Limited

DEEPAK PURI
Chairman and Managing Director

Place: New Delhi
Date: 11 February 2016