



MALWA | **MALWA**
COTTON SPINNING MILLS LTD.

MCSML/SD/2014-15/

13th August, 2014

Bombay Stock Exchange Ltd.

Floor 25, P. J. Towers

Dalal Street

MUMBAI – 400 001

National Stock Exchange of India Ltd.

5th Floor, Exchange Plaza,

Plot No C/1, G Block,

Bandra Kurla complex,

MUMBAI – 400 051

Sub: Unaudited Financial Results for the quarter ended on 30th June, 2014

Dear Sir,

In terms of Clause 41 of the Listing Agreement, please find enclosed statement of Unaudited Financial Results of the Company for the quarter ended on 30th June, 2014.

The Board of Directors further undertook the decision to appoint CDSL as its E-voting agent and approved its delisting of shares from Bombay Stock Exchange subject to the approval of Shareholders of the Company.

Kindly acknowledge the receipt.

Thanking You.

Yours faithfully,

For Malwa Cotton Spinning Mills Limited

Jangi Lal Oswal
CMD

Encl: as Above

CIN No. L17115PB1976PLC003702

Industrial Area-A, LUDHIANA-141 003 (PB.) INDIA. Ph : +91-161-2224201-209 Fax : 5013623, 5026778 E-mail : finance@malwagroup.com Website : www.malwagroup.com

Works : Raikot Road, Barnala, Distt. SANGRUR (Pb.) Tel. : 01679-230262, 230907 Fax : 01679- 231962

Village Patlian, Tehsil Paonta Sahib, Distt. SIRMOUR (H.P.) Tel. : 01704-222255/222455 Fax : 01704-222990

Village Harian, Kohara Machhiwara Road, Distt. LUDHIANA (Pb.) Tel. : 01628-252392,94,95 Fax : 250061

MALWA COTTON SPINNING MILLS LIMITED

Regd. Office : Industrial Area 'A', Ludhiana - 141003

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2014					
(Rs Lacs)					
S.No.	Particulars	Quarter ended (Unaudited) 30.06.2014	Quarter ended (Audited) 31.03.2014	Quarter ended (Unaudited) 30.06.2013	Year ended (Audited) 31.03.2014
1	Income From Operations				
a)	Net Sales/Income from Operations (Net of Excise Duty)	3926	4157	4860	18838
	Total Income from operations (Net)	3926	4157	4860	18838
2	Expenses				
a)	Cost of Material Consumed	2387	2404	2933	11009
b)	Purchase of Stocks-in-Trade	4	(3)	11	201
c)	Change in inventories of Finished Goods, work-in-progress and stock-in-trade	(52)	(49)	218	481
d)	Employee Benefits Expenses	853	742	904	3382
e)	Depreciation and Amortisation Expense	74	82	83	331
f)	Other Expenses	2194	2265	2527	8318
	Total Expenses (a to f)	5460	5441	6676	23722
3	Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional items (1-2)	(1534)	(1284)	(1816)	(4884)
4	Other Income	27	11	35	67
5	Profit/(Loss) from ordinary activities before Finance Costs and Exceptional Items (3+4)	(1507)	(1273)	(1781)	(4817)
6	Finance Costs	12	(49)	39	49
7	Profit/(Loss) from ordinary activities after Finance Costs but before Exceptional Item (5-6)	(1519)	(1224)	(1820)	(4866)
8	Exceptional items {Gain/(Loss)}	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax (7+8)	(1519)	(1224)	(1820)	(4866)
10	Tax Expense	-	-	-	-
11	Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	(1519)	(1224)	(1820)	(4866)
12	Extraordinary items (Net of Expense)	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(1519)	(1224)	(1820)	(4866)
14	Paid-up equity share capital (Face value Rs.10/- each)	790	790	790	790
15	Reserve excluding Revaluation Reserves	-	-	-	(21885)
16 (i)	Earning per share (Not Annualised) - (Rs.)				
	Before Extraordinary item				
	- Basic	(20.12)	(16.38)	(23.92)	(65.16)
	- Diluted	(13.17)	(10.70)	(11.18)	(42.59)
16 (ii)	After Extraordinary item				
	- Basic	(20.12)	(16.38)	(23.92)	(65.16)
	- Diluted	(13.17)	(10.70)	(11.18)	(42.59)
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	3775413	3775413	3775413	3775413
	- Percentage of shareholding	47.76%	47.76%	47.76%	47.76%
2	Promoters and promoter group Shareholding				
a)	Pledged/Encumbered				
	- Number of shares	3275415	3275415	3275415	3275415
	- Percentage of shares(as a % of the total shareholding of promoter and promoter group)	79.32	79.32	79.32	79.32
	- Percentage of share (as a % of the total share capital of the company)	41.43	41.43	41.43	41.43
b)	Non-encumbered				
	- Number of Shares	**854200	**854200	**854200	**854200
	- Percentage of shares(as a % of the total shareholding of promoter and promoter group)	20.68	20.68	20.68	20.68
	- Percentage of shares(as a % of the total share capital of the company)	10.81	10.81	10.81	10.81
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	Nil			
	Disposed of during the quarter	Nil			
	Remaining unresolved at the end of the quarter	Nil			

For Malwa Cotton Spinning Mills Limited

Chairman-cum-Managing Director

SEGMENT-WISE REVENUE RESULTS AND CAPITAL EMPLOYED, UNDER CLAUSE 41 OF THE LISTING AGREEMENT

(Rs Lacs)

S.No.	Particulars	Quarter ended (Unaudited)	Quarter ended (Audited)	Quarter ended (Unaudited)	Year ended (Audited)
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
1	Segment Revenue				
	Yarn	3515	3761	4995	17824
	Thread	1811	1959	1890	7894
	Total	5326	5720	6885	25718
	Less: Inter Segment Revenue	1400	1563	2025	6880
	Net Sales/Income from Operation	3926	4157	4860	18838
2	Segment Results				
	(Profit before tax & Interest from each Segment)				
	Yarns	(486)	(498)	(592)	(1873)
	Thread	-	-	-	-
	Total	(486)	(498)	(592)	(1873)
	Less:				
	(i) Interest	12	(49)	39	49
	(ii) Other un-allocable expenditure (Net of un-allocable income)	1021	775	1189	2944
	Total Profit/(Loss) Before Tax	(1519)	(1224)	(1820)	(4866)
	Capital Employed				
	Yarns	8192	9162	12261	9162
	Thread	2192	2764	2769	2764
	Total	10384	11926	15030	11926

NOTES :

- The above results were reviewed by Statutory Auditors, Audit Committee and approved by the Board of Directors at their meeting held on 13th Aug, 2014.
- As per Audited Balance sheet for financial year ended on 31st March, 2013, the accumulated losses exceed the net worth of the company as on that date, the company has become Sick Industrial company under section 3(1) (o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and reference made has been registered with Board as case no 27/2013 on 24-5-2013.
- The company profitability affected due to external factors i.e. slowdown in economy, liquidity tightness, labour shortage and low capacity utilisation. The company will take measures for optimizing capacity utilisation, new product developments, improvement in efficiencies and other cost control measures for running all the units profitably and improvement in cash flows. These measures along with consistent improvement in operating efficiencies and yields and change in product mix are expected to drive growth in revenue. In addition company will continue to explore various options for restructuring of its debts as per scheme as may be approved by BIFR and to raise finance in order to meet its short term and long term obligations with the promoters committing to provide operational and financial support as may be directed by BIFR. Accordingly company's financial statements have been prepared as going concern basis whereby realisation of assets and discharge of liabilities are expected to occur in the normal course of business.
- The negative networth and business loss is temporary phenomena arising due to sub-optimum capacity utilisation and unsustainable debt burden. The recoverable amount of assets is more than the carrying value, therefore there is no need to recognise any loss on account of impairment of assets.
- The company has not provided interest on borrowings as the lenders have categorised the account as NPA.
- Other expenses includes provisions for doubtful debts & bad debts written off for quarter Rs.869 lacs .
- ** Inclusive of 756150 shares (in physical form) not pledged but lying with institutions as security.
- Disclosures with regard to segment results of thread has been given to the extent information could be compiled from the books of account as the Company is not maintaining separate records.
- The figures have been regrouped/rearranged wherever necessary for comparison purpose.

For Malwa Cotton Spinning Mills Limited.,

Place : Ludhiana

Dated : 13th August, 2014

(Jang Lal Oswal)

Chairman-cum-Managing Director