

Wanbury Limited

Standalone unaudited financial results for the quarter and period ended 30 June 2014

(₹ in Lacs)

Sr. No.	Particulars	Quarter ended			15 months	Year ended
		30-Jun-14	31-Mar-14	30-Jun-13	Period ended	31-Mar-13
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations					
	(a) Net Sales /Income from operations (net of excise duty)	11,511.60	10,029.37	10,310.66	53,449.64	41,149.85
	(b) Other operating income	95.51	188.23	35.31	433.06	263.84
	Total income from operations (net)	11,607.11	10,217.60	10,345.97	53,882.70	41,413.69
2	Expenditure					
	(a) Cost of materials consumed	3,971.62	4,239.27	2,708.41	17,999.33	16,300.38
	(b) Purchase of stock-in-trade	1,492.00	929.18	1,359.48	6,046.19	4,051.41
	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	(94.92)	(59.58)	492.77	525.99	744.46
	(d) Employee benefit expense	1,847.69	1,771.04	1,727.13	8,880.04	6,607.80
	(e) Depreciation and amortisation expense	405.01	405.94	376.03	1,929.88	1,478.02
	(f) Other expense	2,933.48	2,929.35	3,126.91	15,813.29	12,112.71
	Total expenses	10,554.88	10,215.20	9,790.73	51,194.72	41,294.78
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	1,052.23	2.40	555.24	2,687.98	118.91
4	Other income	60.63	268.98	255.02	606.60	454.92
5	Profit/(Loss) from ordinary activities before finance costs & exceptional items (3+4)	1,112.86	271.38	810.26	3,294.58	573.83
6	Finance costs	925.98	372.10	1,482.32	3,920.14	3,106.99
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	186.88	(100.72)	(672.06)	(625.56)	(2,533.16)
8	Exceptional items-Income(Expense)	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before Tax (7-8)	186.88	(100.72)	(672.06)	(625.56)	(2,533.16)
10	Tax expense	58.63	42.18	-	227.04	13.70
11	Net Profit/(Loss) from ordinary activities after Tax (9-10)	128.25	(142.90)	(672.06)	(852.60)	(2,546.86)
12	Extraordinary Items	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	128.25	(142.90)	(672.06)	(852.60)	(2,546.86)
14	Paid up Equity Share Capital (Face Value of Rs. 10 each) Reserves excluding revaluation reserves as per the balance sheet of previous accounting year	1,996.93	1,996.93	1,737.93	1,996.93	1,737.93
15	Earning per share (EPS)- not annualised (in Rs.) :					
	Basic and diluted EPS before and after extraordinary items	0.71	(0.68)	(3.87)	(4.43)	(14.65)
A	Particulars of Shareholding					
1	Public Shareholding					
	Number of shares	10,190,556	10,190,556	10,190,556	10,190,556	10,190,556
	Percentage of shareholding	51.03%	51.03%	58.64%	51.03%	58.64%
2	Promoters and promoter group shareholding					
	(a) Pledged /Encumbered					
	- Number of shares	825,742	825,742	825,742	825,742	825,742
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	8.44%	8.44%	11.49%	8.44%	11.49%
	- Percentage of shares (as a % of the total share capital of the Company)	4.14%	4.14%	4.75%	4.14%	4.75%
	(b) Non-encumbered					
	- Number of shares	8,952,988	8,952,988	6,362,988	8,952,988	6,362,988
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	91.56%	91.56%	88.51%	91.56%	88.51%
	- Percentage of shares (as a % of the total share capital of the Company)	44.83%	44.83%	36.61%	44.83%	36.61%
B	Investors Complaints	3 months ended 30 June 2014				
1	Pending at the beginning of the quarter	Nil				
2	Received during the quarter	Nil				
3	Resolved during the quarter	Nil				
4	Remaining unresolved at the end of the quarter	Nil				



Notes :-

- 1) The above financial results have been reviewed by the Audit Committee and have been taken on record at the meeting of the Board of Directors of the Company held on 7 August 2014.
- 2) The Company has only one segment of activity namely "Pharmaceuticals".
- 3) The market price of the equity shares of the Company being less than the exercise price in respect of various outstanding options to subscribe to equity shares, the options are considered to be anti dilutive.
- 4) Erstwhile The Pharmaceutical Products of India Limited (PPIL) merged with the Company pursuant to the Scheme of Revival cum Merger (the Scheme) approved vide order dated 24 April 2007 by the Board for Industrial and Financial Reconstruction (BIFR) u/s 18 and other applicable provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) w.e.f. 1 April 2006, being the appointed date.

Subsequently in response to a suit filed by one of the unsecured creditors of erstwhile PPIL, challenging the Scheme, the Hon'ble Supreme Court vide its order dated 16 May 2008, has set aside the above referred BIFR order and remitted the matter back to BIFR for considering afresh as per the provisions of SICA.

The matter is now under BIFR's reconsideration, BIFR has directed IDBI Bank, which is an Operating Agency, to prepare the Draft Rehabilitation Scheme. In the meanwhile, the Company has sought legal opinion and has been advised to maintain status quo ante with respect to the merger under the said Scheme and that it should take further steps only on the basis of the fresh BIFR order.

In view of the above, the Company has maintained a status quo. However, all actions taken by the Company pursuant to the sanctioned scheme shall remain subject to and without prejudice to the orders that may be passed by the BIFR while considering the case afresh pursuant to the directions of the Hon'ble Supreme Court in its order dated 16 May 2008.

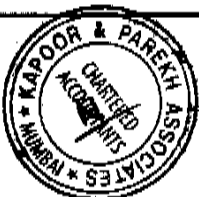
- 5) 248 FCCB 'A' Bonds have matured on 23 April 2012. The Company has renegotiated terms with the Bondholders holding 218 bonds and have been accounted accordingly. For the balance 30 FCCB 'A' Bonds, pending renegotiation, effect given in the financial statements are as per the terms at the time of issue of the bonds. 700 FCCB 'B' Bonds have matured on 17 December 2012. Part of the bonds are redeemed out of the proceeds of the term loan from State Bank of India and the Company has negotiated terms with remaining bondholders. Effect in the accounts have been given as per sanction letter from State Bank of India and terms of settlement with the remaining bondholders.
- 6) The Company has equity investments of ₹ 3,907.71 Lacs in two wholly owned subsidiaries and other company, and has amount recoverable of ₹ 18,986.52 Lacs from them and Cantabria Pharma SL, Spain ("CP"), a step down subsidiary. Wanbury Holding BV is a special purpose vehicle for investment in CP and CP has filed for voluntary insolvency in the Commercial Court of Madrid on 4 November 2013 and consequently official liquidator has been appointed. CP is in the process of negotiations/settlement with its principal creditors, including restructuring of debts. Further, CP continues to explore various options including monetising some of its assets to meet the liabilities. Since the Company's involvement in the aforesaid entities being of strategic importance and for long term, hence, no provision is considered necessary by the Company at this stage in respect of its investments and amounts recoverable as stated above.

This was a subject matter of qualification in Auditors' reports on the financial results of the previous periods/year.

- 7) Exim Bank has subscribed to 4,511 Preference Shares of Euro 1,000/- each of Wanbury Holding B. V., a subsidiary company pursuant to the Preference Share Subscription Agreement dated 7 December 2006. Pursuant to the said agreement, Exim Bank has exercised Put Option vide letter dated 8 November, 2011 and Company is required to pay USD 60 Lacs (₹ 3,605.60 Lacs) to acquire aforesaid preference shares. Further, State Bank of India, London vide its letter dated 11 July 2012, has demanded repayment of Euro 32.60 Lacs (₹ 2,673.51 Lacs) together with interest till the date of repayment from the Company in terms of Guarantee & Loan agreement dated 27 September 2007 vide which aforesaid credit facilities was granted to Cantabria Pharma S L, the step down subsidiary of the Company. Both the above mentioned dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement with the respective parties.
- 8) Creditors, debtors & advances are subject to confirmation, reconciliation and adjustments, if any.
This was a subject matter of qualification in Auditors' reports on the financial results of the previous periods/year.
- 9) The Company has incurred losses during the last three financial years and networth of the Group (Company and its subsidiaries), based on audited consolidated financial statements for the year ended on 31 March 2013 is negative. The Company has initiated various measures, including restructuring of debts/business and infusion of funds etc. Consequently, in the opinion of the management, operations of the Company will continue without interruption. Hence, financial statements are prepared on a "going concern" basis.
- 10) Pursuant to the circular resolution of the Board dated 3 March 2014 and approval from Ministry of Corporate Affairs dated 21 March 2014, the current financial year has been extended to end on 30 September 2014 and will comprise of eighteen months as compared to twelve months of the previous year.
- 11) The figures for the previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

Place : Mumbai
Date: 7 August 2014


K. Chandran
Vice Chairman





KAPOOR & PAREKH ASSOCIATES
CHARTERED ACCOUNTANTS

The Board of Directors
Wanbury Limited
BSEL Tech Park
B-Wing, 10th Floor, Sector-30A,
Opp. Vashi Railway Station,
Vashi, Navi Mumbai - 400 703

1. We have reviewed the accompanying statement of standalone unaudited financial results ("the Statement") of Wanbury Limited ("the Company") for the quarter and fifteen months ended 30 June 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' and undisputed investor complaints, which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 7 August 2014 and is based on the unaudited accounts of the Company for the period ended 30 June 2014. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements/results are free of material mis-statements. A review is limited primarily to inquiries of Company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Attention is invited to:
 - a) Note No. 4 of the accompanied Statement regarding inclusion of financials of erstwhile PPIL for the reasons stated therein; and
 - b) Note No. 9 of the accompanied Statement regarding accounts being prepared on "going concern" basis for the reasons stated therein.

Our report is not qualified in respect of these matters.





KAPOOR & PAREKH ASSOCIATES
CHARTERED ACCOUNTANTS

4. a) Note No. 6 of the accompanied Statement regarding investments in two wholly owned subsidiaries and other company of ₹ 3,907.71 Lacs, and amount recoverable of ₹ 18,986.52 Lacs from them and step down subsidiary, whose net worth is eroded/ significantly eroded and their accounts have been prepared on going concern basis, are considered good by the management for the reasons stated therein and our inability to comment on realisability / recoverability thereof; and
- b) Note No.8 of the accompanied Statement regarding creditors, debtors and advances being subject to confirmation, reconciliation and adjustments, if any. Consequently, we are unable to comment on the carrying values of these balances as at the period end and accordingly the impact of the consequential adjustments, if any, on the loss for the period ended 30 June 2014 and assets, liabilities and reserves as on that date cannot be readily ascertained.

Our reports on the financial results of the previous periods / years were qualified in respect of these matters.

5. Subject to para 4 above, based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with applicable accounting standards referred to in Section 211(3C) of the Companies Act, 1956 [which continue to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014] and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nikhil Patel
Partner
Membership No. 37032

Mumbai, 7 August 2014

