moserbaer

November 10, 2016

Singapore Exchange Securities Trading Limited
2 Shenton Way,
#19-00 SGX Centre 1
Singapore 068804

Sub: Outcome of Board Meeting held on November 10, 2016

Dear Sir,

The Board of Directors of the Company in its meeting, inter-alia considered, approved and taken on record the un-audited quarterly financial results of the Company for the quarter and half year ended on 30th September, 2016.

In connection, please find attached herewith:-

1. Un-audited quarterly financial results of the Company for the quarter and half year ended on 30th September, 2016 pursuant to regulation 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

2. Limited Review Report furnished by the Statutory Auditors of our Company - M/s. Walker, Chandiok & Co. LLP, Chartered Accountants, for the quarter ended on 30th September, 2016

3. A Copy of the Press Release.

Further, the Board noted that the company has prepared and submitted to the lenders a fresh proposal for resolution of its debt taking into account revised projections as well as recent guidelines issued by the RBI; bankers have asked for further details and clarification and their final response is awaited. Meanwhile the CDR EG has approved the exit from the CDR system on account of failure of approved restructuring package.

Yours faithfully,

For Moser Baer India Ltd.

Company Secretary

MOSER BAER INDIA LTD. 43B Okhla Industrial Estate New Delhi 110020 India Phone : +91-11-40594444, 26911570-74 Fax : +91-11-41635211 / 26911860
CIN : L51909DL1983PLC015418 www.moserbaer.com

MOSER BAER INDIA LIMITED

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

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2016

(Rs. In Lakhs)

S.No	Particulars	STANDALONE				
		3 months ended 30.09.2016	Previous 3 months ended 30.06.2016	Corresponding 3 months ended in the previous period 30.09.2015	For the Period from 01.04.2016 to 30.09.2016	For the Period from 01.01.2015 to 31.03.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Income from operations**					
	a. Net sales / Income from operations (Net of excise duty)	15,191	15,490	13,792	30,681	74,829
	b. Other operating income	222	201	174	423	1,130
	Total income from operations (net)	15,413	15,691	13,966	31,104	75,959
2	**Expenses**					
	a. Cost of materials consumed	8,317	8,810	8,798	17,127	40,335
	b. Purchase of stock in trade	63	44	78	107	1,244
	c. Change in inventories of finished goods, work in progress and stock in trade.	869	165	(34)	1,034	5,676
	d. Employees benefits expense	3,223	3,115	3,262	6,338	16,832
	e. Depreciation and amortisation expense	1,884	2,075	2,124	3,959	10,606
	f. Power and fuel expense	1,598	1,355	1,747	2,953	7,004
	g. Other expenses	1,941	2,224	3,085	4,165	13,955
	Total expenses	17,895	17,788	19,060	35,683	95,652
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)**	(2,482)	(2,097)	(5,094)	(4,579)	(19,693)
4	Other Income	221	452	610	673	2,083
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional Items (3+4)**	(2,261)	(1,645)	(4,484)	(3,906)	(17,610)
6	Finance costs	5,301	5,338	5,327	10,639	27,438
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)**	(7,562)	(6,983)	(9,811)	(14,545)	(45,048)
8	Exceptional items	(14,801)	(1,406)	(18,687)	(16,207)	(25,317)
9	**Profit / (Loss) from ordinary activities before tax (7+8)**	(22,363)	(8,389)	(28,498)	(30,752)	(70,365)
10	Tax expense	-	-	-	-	-
11	**Net Profit / (Loss) from ordinary activities after tax (9-10)**	(22,363)	(8,389)	(28,498)	(30,752)	(70,365)
12	Extraordinary items	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11-12)**	(22,363)	(8,389)	(28,498)	(30,752)	(70,365)
14	**Paid-up equity share capital** (Face value:Rs.10/- per share)	22,177	22,177	22,176	22,177	22,177
15	**Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year**					(194,706)
16	**Earnings per share: (not annualised)**					
	i) Before Extraordinary items					
	- Basic (Rs.)	(10.08)	(3.78)	(6.01)	(13.87)	(32.11)
	- Diluted (Rs.)	(10.08)	(3.78)	(6.01)	(13.87)	(32.11)
	ii) After Extraordinary items					
	- Basic (Rs.)	(10.08)	(3.78)	(6.01)	(13.87)	(32.11)
	- Diluted (Rs.)	(10.08)	(3.78)	(6.01)	(13.87)	(32.11)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

MOSER BAER INDIA LIMITED

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

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

S.No.	Particulars	STANDALONE	
		As at 30.09.2016 (Unaudited)	As at 31.03.2016 (Audited)
A	EQUITY AND LIABILITIES		
1	**Shareholder's funds**		
	(a) Share Capital	22,177	22,177
	(b) Preference share capital of Subsidiaries	-	-
	(b) Reserves and Surplus	(229,618)	(194,706)
	Sub-total - Shareholder's funds	(207,441)	(172,529)
2	**Non-current liabilities**		
	(a) Long Term borrowings	695	61,277
	(b) Other long term liabilities	17,243	17,243
	(c) Long-term provisions	2,906	2,730
	Sub-total - Non-current liabilities	20,844	81,250
3	**Current liabilities**		
	(a) Short-term borrowings	75,491	77,493
	(b) Trade payables	40,236	35,872
	(c) Other current liabilities	232,593	164,661
	(d) Short-term provisions	37,480	33,291
	Sub-total - Current liabilities	385,800	311,317
	TOTAL - EQUITY AND LIABILITIES	199,203	220,038
B	ASSETS		
1	**Non-current assets**		
	(a) Fixed assets	43,832	53,793
	(b) Non-current investments	43,031	43,580
	(c) Deferred Tax Assets (Net)	-	-
	(c) Long-term loans and advances	2,842	2,750
	(d) Other non-current assets	27,772	28,457
	(e) Foreign currency monetary item translation difference account		
	Sub-total - Non-current assets	117,477	128,580
2	**Current assets**		
	(a) Inventories	15,063	19,945
	(b) Trade receivables	50,470	52,331
	(c) Cash and cash equivalents	2,231	2,292
	(d) Short-term loans and advances	6,934	5,927
	(e) Other Current assets	7,028	10,963
	Sub-total - Current assets	81,726	91,458
	TOTAL - ASSETS	199,203	220,038

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Notes to the results:

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.

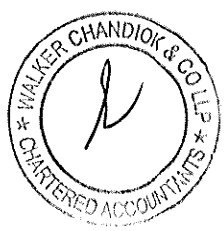
2. a) The Company has incurred a loss of Rs. 22,363 lakhs during the quarter ended 30 September 2016 (previous quarter ended 30 June 2016 Rs 8,389 lakhs), and as of that date, the Company's accumulated losses amounts to Rs. 266,804 lakhs (previous quarter ended 30 June 2016 Rs. 244,440 lakhs) and it has negative net worth of Rs. 207,441 lakhs (previous quarter ended 30 June 2016 Rs. 183,783 lakhs). Further, as on 30 September 2016, the Company's current liabilities exceeded its current assets by Rs. 304,074 lakhs (previous quarter ended 30 June 2016 Rs. 231,287 lakhs).

   The Company has outstanding foreign currency convertible bonds (FCCBs) with principal value of USD 884 lakhs equivalent to Rs. 58,892 lakhs (previous quarter ended 30 June 2016 USD 884 lakhs equivalent to Rs 59,682 lakhs) which were due for redemption along with premium on 21 June 2012. As at 30 September 2016, accrual for premium on FCCB aggregates Rs. 53,997 lakhs. The Company is in the process of negotiation with the bondholders to re-structure the terms of these bonds; these negotiations have progressed, and the Company has applied to the RBI and lender banks for requisite approvals.

   b) Due to continued liquidity issues primarily resulting from non-release of sanctioned working capital limits and refunds due to the company, 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. Consequent to the report submitted by Monitoring Institution (MI), CDR-EG approved exit of the Company from CDR mechanism during the quarter and the Company was subsequently informed by the CDR Cell. After the exit the Company has continued to operate through TRA with 9% tagging against which it has represented for short term relief. The Company has now approached the lender consortium with a fresh proposal for resolution of its secured debt in November 2016. The revised proposal submitted by the Company includes sustainable debt restructuring and conversion of unsustainable debt into Compulsorily Convertible Preference shares and Zero Coupon Debentures, along with waiver of outstanding interest, disposal of surplus assets & promoters contribution.

   c) In the Joint lenders meeting held on 8 November 2016, the Company requested banks to consider its Debt resolution plan and not to initiate any action that would be against the common interest of all stakeholders. The Company continues to operate at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations in the current quarter. With restoration of OEM optical media business & growth of Solid State Media and LED lighting businesses generation of funds through sale of surplus assets and promoter contribution as well as reduction in fixed costs, accompanied by sustainable debt restructuring by banks, the Company expects to achieve better utilization of its manufacturing facilities and consequently, generate positive cash flow from operations. The banks are considering various options available to them, including sustainable debt restructuring and their final response is awaited.

   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 management's representations relating to restructuring of sustainable debt & FCCBs, generation of funds through sale of surplus assets, expected improvement in the operating activities & cash flows and based upon expert opinion taken from leading law firm about possible legal defense available to the Company, these quarterly results have been prepared on a going concern basis.



3. Consequent to exit from CDR (as detailed in note 2 b above), the Company has classified debt from non-current bank liabilities to current liabilities and derecognized the amounts recoverable from banks under CDR scheme with corresponding adjustments to the debt and interest expense. In the absence of any definitive agreement with the banks, the Company has not been able to determine the impact of exit from CDR on the carrying value of debt and interest payable thereon and accordingly interest continues to be accounted on the basis of MRA executed with the CDR lenders.

4. The management performed an assessment of impairment of carrying value of fixed assets as at September 30, 2016. The assessment has been done taking into account factors as detailed in note 2 above, the resolution plan submitted by the company, which is subject to acceptance by the lender banks and the realizable value of fixed assets. As per such assessment, management has recorded an impairment of Rs. 6,100 lakhs in the carrying value of fixed assets during the quarter ended 30 September 2016.

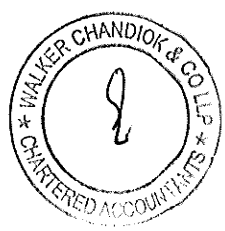
5. Management performed a detailed impairment (using an independent valuer) for its investments in and advances/other receivables from certain subsidiaries, viz. Moser Baer Solar Limited ("MBSL"), Photovoltaic Holdings Limited and Moser Baer Investments Limited as at 30 September 2016 to determine if there is any "other than temporary" diminution in the values of these investments and if outstanding advances or other receivables are recoverable. Material estimates and judgments used in such assessment are related to future business projections which, amongst other factors, are dependent on external market conditions of the solar market, regulatory benefits and acceptance of revised debt restructuring plan submitted by MBSL to CDR-EG. Based on above assessment; the management has concluded no impairment is required in carrying value of the investments, advances and other receivables from the aforementioned subsidiaries aggregating to Rs.56,813 lakhs as at 30 September 2016

6. Management performed an assessment of impairment for its investments in and advances/other receivables from another subsidiary company Moser Baer Entertainment Limited ("MBEL") as at 30 September 2016 to determine if there is any "other than temporary" diminution in the values of these investments and if outstanding receivables are recoverable. The future cash flows used in such assessment are dependent on the assumption of acceptance of debt restructuring by lender banks of Moser Baer India Limited ("MBIL") (as further explained in note 2 above) and ability of MBEL to continue to operate its business over the foreseeable future with MBIL. Basis aforementioned assessment; the management has recorded a provision of Rs. 3,848 lakhs in carrying value of net receivables and Rs. 549 lakhs in investment value. Accordingly, net carrying value of the investments, advances and other receivables from the aforementioned subsidiary as at 30 September 2016 aggregates to Rs.9,716 lakhs.

7. Management has re-assessed technology risk and market dynamics for optical media and has made provision in respect of carrying value of inventory of advanced format discs amounting to Rs. 3,350 lacs during the quarter ended 30 September 2016 (Quarter ended 30 June 2016 Nil).

8. The current quarter exceptional items pertain to exchange gain of Rs.790 lakhs on account restatement of foreign currency convertible bond's liability (Quarter ended 30 June 2016 exchange loss of Rs. 1,108 lakhs), reversal of interest benefit recorded under CDR of Rs. 1,744 lakhs (Quarter ended 30 June 2016 Nil), provision against realisable value adjustments to inventory Rs.. 3,350 lakhs (Quarter ended 30 June 2016 Nil), impairment of carrying value of fixed assets Rs 6,100 lakhs (Quarter ended June 30, 2016 Nil) and impairment of investments of Rs. 549 lakhs (Quarter ended 30 June 2016 Nil) in a subsidiary company and Rs.3,848 lakhs provision against net receivable from a subsidiary company (Quarter ended June 30 2016 Rs. 298 lakhs).

9. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10 November 2016.



10. 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.

11. Figures of the previous periods/year 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

Place: New Delhi
Dated: 10 November 2016

Sanjay Jain
Director

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Walker Chandiok & Co LLP

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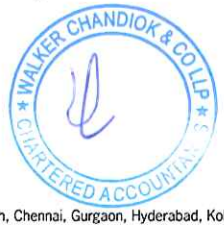
Review Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Moser Baer India Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Moser Baer India Limited ("the Company") for the quarter ended 30 September 2016 and the year to date results for the period 01 April 2016 to 30 September 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. 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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, 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. As explained in note 3 of the statement, the Company's short term borrowings and other current liabilities as at 30 September 2016 include balances payable to various lender banks amounting to Rs. 75,491 lakhs and Rs. 147,382 respectively. These lender banks have taken an exit from Corporate Debt Restructuring (CDR) Cell during the quarter ended 30 September 2016. As a result the accounting for these balances should be as per the original agreements entered with such lenders banks. However, in absence of definitive agreement with the banks with respect to calculation of interest and loan liability, we are unable to comment upon the possible impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities as at 30 September 2016 and interest expense (including penal interest, if any) for the quarter ended 30 September 2016 and the consequential impact on the accompanying statement.



Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

4. As explained in note 4 of the statement, the Company has fixed assets aggregating to Rs. 43,832 lakhs in respect of which management has recorded impairment loss of Rs. 6,100 lakhs during the quarter ended 30 September 2016. In the absence of sufficient and appropriate audit evidence with respect to the uncertainity underlying the assumptions used in the long term projections referred to in note 4, we are unable to comment on the carrying value of aforesaid fixed assets and adequacy of the impairment loss recognized during the quarter ended 30 September 2016 and the consequential impact, if any, on the accompanying statement.

5. As explained in note 6 of the statement, the Company has an investment of Rs. 3,596 lakhs, trade receivables amounting to Rs. 4,281 lakhs and short term loans and advances (net of payables) amounting to Rs. 1,839 lakhs in a wholly owned subsidiary as at 30 September 2016, being considered good and recoverable by the management. These balances are after netting off provision for diminution in value of investment and provision for doubtful trade receivables of Rs. 549 lakhs and Rs. 3,848 lakhs respectively recorded by the Company during the quarter ended 30 September 2016. However, in the absence of sufficient appropriate audit evidence in respect of undertainity underlying the assumptions used in the long term projections as referred to in the said note, we are unable to comment on the carrying value of these investments, trade receivables and short term loans and advances, and provision for diminution in value of investment and doubtful trade receivables and the consequential impact on the accompanying statement.

6. Based on our review conducted as above, except for the possible effects of qualification as described in the previous paragraphs, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. We draw attention to note 2 of the statement which indicates that the Company has incurred a net loss of Rs. 22,363 lakhs during the quarter ended 30 September 2016 and, as of that date, the Company's accumulated losses amounted to Rs. 266,804 lakhs resulting in complete erosion of its net worth. Further, as of that date, the Company's current liabilities exceeded its current assets by Rs. 304,074 lakhs. These conditions, along with other matters as set forth in note 2 indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

8. We draw attention to note 5 of the statement which describes uncertainty related to management estimates and assumptions with respect to its assessment of 'other than temporary' diminution in the carrying value of long- term investments in and recoverability of advances/receivables from certain subsidiaries aggregating to Rs. 56,813 lakhs (net of payables and provisions thereon). Our opinion is not qualified in respect of this matter.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Neeraj Goel

per **Neeraj Goel**
Partner
Membership No. 099514

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: New Delhi
Date: 10 November 2016

PRESS RELEASE

Moser Baer announces July-September'16 Results

New Delhi, November 10, 2016

Moser Baer India Limited (MBIL) today released its financial results for the July-September'16 quarter. The financial results for the period ended September'16 were approved by the company's Board of Directors, at its meeting in New Delhi today.

Highlights:

- Total standalone income remained stable at INR 1,541 million for July-September'16 quarter.
- Contribution margins holding up well, underscoring strong market standing and ability to scale up volumes and EBITDA.
- Production and sales volumes of optical media during the quarter continue to be impacted by liquidity constraints.
- Solid State Media (SSM) segment recorded 9% increase in the turnover Y-o-Y on the back of enhanced market share through key customers in India.Company is working closely with major OEM partners for the Indian market. Product mix during the quarter was skewed towards higher capacities resulting in higher overall ASPs.
- The Company continues to build on its product range and sales and distribution network addressing both the B2C and B2B segments in order to tap the massive opportunities in LED Lighting for which the Company is well positioned.

Yogesh Mathur, Group President and Group CFO, Moser Baer India Ltd., commented "*The overall quarterly performance was also adversely impacted by increased tagging imposed by lenders. Post CDR exit, the Company continues to engage with its lenders on various issues including debt resolution plan as well as other liquidity measures which allow the company to tap opportunities in the market.*"

Trends in Storage Media:

- Net Sales stood at INR 1,387 million.
- Product mix and contracted ASPsare expected to be stable in the coming quarters while energy costs are declining
- Sustainable reduction in fixed costs being done in order to reduce energy cost and overheads

Financial Update:

- The Company has made progress in several respects in the preparatory process for restructuring the terms of the outstanding FCCBs and continues to urge the secured lenders to expedite approval.
- The Company is actively engaged in a dialogue with the secured lenders to address liquidity and debt issues to support business recovery and has submitted a debt resolution proposal.

Trends in the Solar Photovoltaic business:

- Total solar PV installations reached capacity of 8.7GW as on 31 October 2016. Expected commissioning in 2016-17 at 11GW as per MNRE to reach the target of 100GW by 2022.
- However, volatility in DCR orders and delay in disbursement of approved government subsidy under SIPS continues to impact the manufacturing operations.
- PV Business is in the process of executing a 45 MW DCR cells order for a leading EPC company. The Business further expects to additionally convert 20MW of these cells into modules for the same customer.
- Additionally, the business is at an advanced stage for contracting the supply of another 18MW DCR modules to a leading solar developer.
- The Solar Subsidiaries continue to engage with their secured lenders to seek support for their revival. Despite the lender consortium (under CDR) withdrawing support to one solar subsidiary, the subsidiary continues operations based on customer support and management's efforts at optimizing cash flows.

Commenting on the solar business of the company, **K N Subramaniam, CEO, Moser Baer Solar Limited** said: "We are happy to report that the solar business has started taking benefit of the huge DCR opportunity and currently in the process of executing DCR cell and module orders. Towards this end, the company continues to garner active customer support."

About Moser Baer India Ltd.

Moser Baer India Limited headquartered in New Delhi, is a leading global tech-manufacturing company. Established in 1983, the company has successfully developed cutting edge technologies to become one of the world's largest manufacturers of Optical Storage Media like CDs and DVDs and Solid State Media. The Company has also entered into the emerging energy efficiency lighting segment. Over the years the company has entered into exciting areas of technology manufacturing and is a market leader in the high growth photovoltaic space. It is the only company worldwide to receive the prestigious 5-star rating from TÜV Rheinland for 3 years in a row (2009 - 2012) maintaining highest standards of quality in manufacturing PV modules. Moser Baer India has emerged as one of the most credible brands focused on hi-tech manufacturing and R & D activities. It is continuing to unfold the next generation innovative technologies that will catapult India into a respectable manufacturing hub.

Website: www.moserbaer.com

For further information, please contact :
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