

Mawana Sugars Limited
 Regd. Office : 5th Floor, Kirti Mahal, 19 Rajendra Place, New Delhi - 110125


Statement of Standalone and Consolidated Audited Financial Results for the year ended September 30, 2013

(Rs. In Lacs)

S.No.	Particulars	Standalone					Consolidated	
		Unaudited			Audited		Audited	
		Quarter ended			Year ended	Eighteen	Year ended	Eighteen
	September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	Months ended September 30, 2012	September 30, 2013	Months ended September 30, 2012	
	1	2	3	4	5	6	7	
PART I								
1	Income from operations							
	(a) Net sales/ Income from operations (net of excise duty)	27937	44061	28616	128438	168619	134278	
	(b) Other operating income	42	55	34	282	1169	282	
	Total income from operations (net) (a+b)	27979	44116	28650	128720	169788	134560	
2	Expenses							
	(a) Cost of materials consumed	907	12278	773	106223	89533	106223	
	(b) Purchase of stock-in-trade	-	-	-	-	6256	9426	
	(c) Changes in inventories of finished goods and work-in-progress and stock-in-trade	22888	26512	18142	(6032)	35117	(6098)	
	(d) Employee benefits expense	1828	1902	1826	8070	11241	8317	
	(e) Depreciation and amortisation expenses	1267	1258	1270	5043	7663	5045	
	(f) Power and fuel	3593	2981	3163	13347	18506	13347	
	(g) Stores, spares and components	1523	883	1578	6198	8476	6198	
	(h) Other expenses	321	693	693	6258	6885	6986	
	Total Expenses (a to h)	32327	46407	28345	139107	175421	145273	
3	Profit/ (Loss) from operations before other income, finance costs, exceptional items and prior period adjustments (1-2)	(4348)	(2291)	305	(10387)	(5633)	(10713)	
4	Other income	44	342	131	904	2051	1034	
5	Profit/ (Loss) from ordinary activities before finance costs, exceptional items and prior period adjustments (3+4)	(4304)	(1949)	436	(9483)	(3582)	(9679)	
6	Finance costs	2234	2804	2085	9024	12292	9080	
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items and prior period adjustments (5-6)	(6538)	(4553)	(1649)	(18507)	(15874)	(18759)	
8	Exceptional items expense/(income) (Refer Note 6)	(1370)	(505)	(12154)	(1875)	(7499)	(1990)	
9	Profit/ (Loss) from ordinary activities before prior period adjustments and tax (7-8)	(5168)	(4048)	10505	(16632)	(8375)	(16769)	
10	Prior period adjustment expense/(income) (Refer Note 6)	12154	-	-	12154	-	-	
11	Profit/ (Loss) from ordinary activities before tax (9-10)	(17322)	(4048)	10505	(28788)	(8375)	(16769)	
12	Tax expenses							
	Current Tax	-	-	-	-	-	1	
	Relating to earlier years	-	-	-	29	-	80	
	Provision for tax written back relating to earlier years	-	(10)	-	(10)	(271)	(271)	
13	Net Profit/ (Loss) from ordinary activities after tax (11-12)	(17322)	(4038)	10505	(28805)	(8104)	(16964)	
14	Extraordinary items (net of tax)	-	-	-	-	-	-	
15	Net Profit/ (Loss) from ordinary activities (13+14)	(17322)	(4038)	10505	(28805)	(8104)	(16964)	
16	Minority interest	-	-	-	-	-	(87)	
17	Net Profit/ (Loss) for the period after minority interest (15-16)	(17322)	(4038)	10505	(28805)	(8104)	(16877)	
18	Paid-up equity share capital (Face value of each share Rs. 10/-)	3912	3912	3496	3912	3496	3912	
19	Reserve excluding Revaluation Reserve as per balance sheet	-	-	-	(24200)	4392	(24514)	
20	Earning per share (of Rs. 10 each) (Not annualised)							
	- Basic/Diluted	(44.60)	(10.33)	30.05	(74.33)	(23.18)	(43.55)	
PART II								
A PARTICULARS OF SHAREHOLDING								
1	Public shareholding							
	- Number of shares	12780888	11885888	11885888	12760888	11885888		
	- Percentage of shareholding	32.87%	30.41%	34.03%	32.87%	34.03%		
2	Promoters and Promoter Group Shareholding							
a	Pledged/Encumbered*							
	- Number of shares	28117959	27002959	21908741	28117959	21908741		
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.17%	99.20%	95.00%	99.17%	95.00%		
	- Percentage of shares (as a % of the total share capital of the Company)	66.77%	69.03%	62.67%	68.77%	62.67%		
	* The Promoter of the Company has signed Non-disposal undertaking with the lender for 26,002,959 equity shares.							
b	Non - encumbered							
	- Number of shares	218017	218017	1154182	218017	1154182		
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.83%	0.80%	5.00%	0.83%	5.00%		
	- Percentage of shares (as a % of the total share capital of the Company)	0.56%	0.56%	3.30%	0.56%	3.30%		
B INVESTOR COMPLAINTS								
				3 months ended 30.09.2013				
Pending at the beginning of the quarter				0				
Received during the quarter				18				
Disposed of during the quarter				19				
Remaining unresolved at the end of the quarter				0				

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



(Rs. in Lacs)

S. No	Particulars	Standalone				Consolidated		
		Unaudited			Audited		Audited	
		Quarter ended			Year ended September 30, 2013	Eighteen Months ended September 30, 2012	Year ended September 30, 2013	Eighteen Months ended September 30, 2012
		September 30, 2013	June 30, 2013	September 30, 2012				
	1	2	3	4	5	6	7	
1.	Segment Revenue							
	a Sugar	21130	41364	20577	114921	141274	141274	
	b Power	82	4264	990	27619	27619	26720	
	c Chemical	5804	4496	5883	21811	29649	21811	
	d Distillery	1710	409	1858	2644	7298	7288	
	e Edible oils	-	-	-	-	-	5841	
	f Others	-	-	-	-	112	-	
	Total	28525	50533	29308	166894	204043	214472	
	Less: Inter-Segment revenue	548	6417	658	38274	34255	34255	
	Net Sales / Income from Operations	27979	44116	28650	128720	169788	180217	
2.	Segment Results							
	Profit / (Loss) (before tax, finance cost and exceptional items) from Segment							
	a Sugar	(3118)	(2691)	173	(17185)	(11047)	(11047)	
	b Power	(907)	1278	4	9420	7658	7658	
	c Chemical	(299)	(305)	362	(447)	875	875	
	d Distillery	613	29	528	566	1832	1832	
	e Edible oils	-	-	-	-	(182)	107	
	Total	(3711)	(1689)	1067	(7648)	(482)	(375)	
	Less: i) Finance costs	2234	2604	2085	9024	12292	9080	
	ii) Other un-allocable expenditure net off un-allocable income/expenditure	583	260	631	1837	3100	1851	
	iii) Exceptional items expense/(income) (Refer Note 6)	(1370)	(508)	(12154)	(1875)	(7499)	(1990)	
	iv) Prior period adjustment expense/(income) (Refer Note 6)	12154	-	-	12154	-	-	
	Total Profit/(Loss) before Tax	(17322)	(4048)	10505	(28786)	(8375)	(16789)	
3.	Segment Capital employed							
	a Sugar	14472	29187	14289	14472	14289	14289	
	b Power	19546	22866	20664	19546	20664	20664	
	c Chemical	8472	8032	8565	8472	8565	8565	
	d Distillery	6899	6422	5162	6899	5162	5162	
	e Edible oils	-	-	-	-	-	503	
	f Unallocated	370	16949	16445	370	16443	4364	
	Total Segment Capital Employed	49757	83456	65123	49757	65123	49601	

A M G *Meher*

Mawana Sugars Limited
Regd. Office : 5th Floor, Kirti Mahal, 19 Rajendra Place, New Delhi - 110125



Statement of Assets and Liabilities

(Rs. in lacs)

Particulars	Standalone		Consolidated	
	Audited		Audited	
	As at September 30, 2013	As at September 30, 2012	As at September 30, 2013	As at September 30, 2012
	1	2	3	4
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	3912	3496	3912	3496
(b) Reserves and surplus	(24200)	4392	(24514)	(7879)
Sub-total - Shareholders' funds	(20288)	7888	(20602)	(4383)
2 Share application money pending allotment	-	629	-	629
3 Minority Interest				193
3 Non-current liabilities				
(a) Long-term borrowings	14384	19759	14384	19759
(b) Other long-term liabilities	1572	1558	1572	1620
(c) Long-term provisions	1127	1118	1127	1146
Sub-total - Non-current liabilities	17083	22435	17083	22525
4 Current liabilities				
(a) Short-term borrowings	37185	19518	37343	20020
(b) Trade payables	30870	27863	30866	27969
(c) Other current liabilities	23743	22706	23765	22869
(d) Short-term provisions	561	508	561	514
Sub-total - Current liabilities	92359	70595	92535	71372
TOTAL - EQUITY AND LIABILITIES	89154	101547	89016	90336
B ASSETS				
1 Non-current assets				
(a) Fixed assets	53043	57439	53049	57448
(b) Non-current investments	2928	15625	0	230
(c) Long-term loans and advances	1956	5024	2105	5371
(d) Other non current assets	85	71	86	72
Sub-total - Non-current assets	58012	78159	55240	63121
2 Current assets				
(a) Inventories	23857	18020	26103	20607
(b) Trade receivables	4135	2832	4135	2966
(c) Cash and bank balance	1522	896	1770	1619
(d) Short-term loans and advances	1563	1583	1692	1960
(e) Other current assets	65	57	75	63
Sub-total Current assets	31142	23388	33776	27215
TOTAL - ASSETS	89154	101547	89016	90336

AUG 2013

[Signature]

**Notes:**

1. The above results have been taken on record by the Board of Directors in its meeting held on November 21, 2013.
2. The Company over the last few years 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.

During the current year, based on the Company's audited financial statements for the eighteen months ended September 30, 2012, the Company had filed Form 'C' with the Board for Industrial and Financial Reconstruction (BIFR), Government of India, about the "Potential Sickness" of the Company in line with the provisions of Section 23 of the Sick Industrial Companies (Special Provisions), Act, 1985 (SICA).

Subsequent to the aforesaid filing, as per communication received from BIFR vide its letter no. BIFR/Sec.23/2144/BC/2013 dated May 13, 2013, 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 under way in line with the prescribed procedure and rules under SICA.

The State and Central Government have initiated various steps to support the sugar industry like decontrol of free sale of sugar release mechanism, doing away with levy quota system and also considering linking the sugar cane price with sugar price. All the aforesaid measures are expected to support the industry and also the operations of the Company in the near future. The Company has also initiated various steps including cane development activities, enhancing plant efficiencies, costs reduction etc. to improve the performance of the Company.

As such, the Company 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, reschedulement 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 statements have been prepared on a going concern basis. (Refer paragraph 1 of "Emphasis of Matter" section of the Independent Auditors' Report for the year ended September 30, 2013)

3. 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.
4. The year to date figures (mentioned in column 4) for current period ended September 30, 2013 are not comparable with the year to date figures (mentioned in column 5) for the previous period ended September 30, 2012 as it includes result for 4 quarters of the current financial year as against 6 quarters of last financial year. This is due to the Company extending its last financial year by six months in a process to change the accounting year to October 01 to September 30, of every year.
5. 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 demand 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. (Refer paragraph in "Basis of qualified opinion" section of the Independent Auditors' Report for the year ended September 30, 2013)

6. a. A Memorandum of Understanding (MOU) was signed between the Company and Government of Punjab in 1993 for setting up an Industrial Estate in Punjab. Siel Industrial Estate Limited (Siel - IE) was incorporated in an earlier year as a wholly owned subsidiary of the Company for setting up the Industrial Estate. The clear and unencumbered title and possession of the land for the aforesaid Industrial Estate came to Siel IE in October, 2011 and now Siel - IE holds approximately 455 acres of land at Rajpura, Punjab.

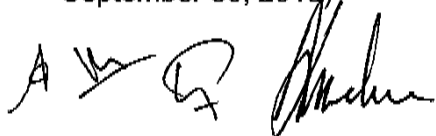
The Company, Siel - IE and Siel Infrastructure and Estate Developers Private Limited (Siel - IED), which was acquired, and consequently, became a wholly owned subsidiary of the Company during the financial year 2011-12, had entered into a Joint Development Agreement for the development of the Industrial Estate. During the financial year 2011-12, the Company had sold 13,475,000 equity shares of Rs. 10/- each of Siel - IE to Siel - IED for a consideration aggregating to Rs. 13502 lacs, as determined through an independent valuation of Siel - IE. The consideration was received by the Company in the form of 13,501,950 equity shares of Rs. 100/- each fully paid up of Siel - IED. Accordingly, the Company had recognized a profit of Rs. 12154 lacs in the Statement of Profit and Loss as an exceptional item. In the Auditors' report on the Company's financial statements for the period ended September 30, 2012, the Auditors' had qualified their

report regarding the recognition of a profit of Rs. 12154 lacs by the Company on the non-monetary transfer of shares held in Siel - IE on the grounds that the profit represents surplus arising out of recognition of the fair value of Siel - IE shares exchanged for the additional shares acquired in Siel - IED without dilution in the Company's control over Siel - IE, as both entities were under common control of the Company.

During the quarter ended September 30, 2013, in order to give effect to the Statutory Auditors' qualification as stated above, the profit of Rs. 12154 lacs has been eliminated from the value of the investments held by the Company in Siel-IED and the corresponding loss of Rs. 12154 lacs has been charged as a prior period adjustment in the Statement of Profit and Loss. (Refer paragraph 3 of "Emphasis of Matter" section of the Independent Auditors' Report for the year ended September 30, 2013)

However, in view of the consolidation procedures as enunciated in AS-21 "Consolidated Financial Statements", there is no impact of these entries in the consolidation financial results.

- b. The differential cane price of Rs.4655 lacs for the sugar season 2007-08 accounted for in the quarter ended December 31, 2011 pursuant to the Hon'ble Supreme Court's order dated January 17, 2012.
 - c. Quarter ended June 30, 2013 and year ended September 30, 2013: The Company has sold 3,130,000 equity shares of Rs. 10/- fully paid up (65.03% of paid up capital) held by it in Mawana Foods Limited (MFL), a subsidiary of the Company at a price of Rs. 26.12 per share to Usha International Limited (UIL) for a total consideration of Rs. 818 lacs. Consequently, MFL ceased to be subsidiary of the Company w.e.f. June 29, 2013 and the Company has recognized a profit of Rs. 505 lacs.
 - d. During the quarter ended on September 30, 2013, the Company has sold its entire investment in Ceratizit India Private Limited. (CIPL) i.e. 2,300,000 equity shares of Rs. 5/- each (5% paid up capital) for a total consideration of Rs. 1600 lacs and utilize the same towards payment of the term lenders.
7. During the year ended September 30, 2013: The Company has issued and allotted 4,160,053 equity shares of Rs. 10 each fully paid-up at a price of Rs. 15.12 per share (including premium of Rs. 5.12 per share) under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for preferential issue on November 02, 2012 to M/s Usha International Limited (Promoter) pursuant to requirement of CDR package.
 8. The remuneration paid to Chairman and Managing Director requires approval of Central Government under the provision of Schedule XIII of the Companies Act, 1956. The Company has filed an application with the Central Government to obtain necessary approval and is confident of receiving the same in due course. (Refer paragraph 2 of "Emphasis of Matter" section of the Independent Auditors' Report for the year ended September 30, 2013)

Handwritten signatures and initials, including the letters 'A', 'V', and 'G' followed by a cursive signature.

9. Figures for the quarter ended September 30, 2013 pertaining to the Company are the balancing figures between the audited figures in respect of the year ended September 30, 2013 and unaudited figures for the nine months period ended June 30, 2013.
10. Figures for the previous corresponding period have been regrouped wherever necessary.

For Mawana Sugars Limited



A.K. Mehra
Director

Place : New Delhi

Date : November 21, 2013

