

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



Statement of Standalone Unaudited Results for the quarter and six months ended March 31, 2013

Particulars	Unaudited					Audited
	Quarter ended			Six Months ended	Twelve months ended	Eighteen months ended
	March 31, 2013	December 31, 2012	March 31, 2012	March 31, 2013	March 31, 2012	September 30, 2012
PART I	1	2	3	4	5	6
1 Income from operations						
(a) Net sales/ Income from operations (net of excise duty)	32909	23531	33454	56440	109160	168619
(b) Other operating income	77	108	185	185	1029	1169
Total Income from operations (net) (a+b)	32986	23639	33639	56625	110189	169788
2 Expenses						
(a) Cost of materials consumed	62886	30152	47405	93038	87485	89533
(b) Changes in inventories of finished goods and work-in-progress	(40956)	(14476)	(21983)	(55432)	(6287)	35117
(c) Employee benefits expense	2286	2054	1980	4340	7644	11241
(d) Depreciation and amortisation expenses	1240	1278	1246	2518	5130	7663
(e) Power and fuel	3186	3587	2648	6773	10098	16506
(f) Stores, spares and components	1810	1982	1529	3792	5820	8476
(g) Other expenses	3365	1979	2787	5344	5942	6885
Total Expenses (a to g)	33817	26556	35612	60373	115832	175421
3 Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)	(831)	(2917)	(1973)	(3748)	(5643)	(5633)
4 Other income	66	452	568	518	1399	2051
5 Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(765)	(2465)	(1405)	(3230)	(4244)	(3582)
6 Finance costs	2327	1859	2145	4186	7993	12292
7 Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(3092)	(4324)	(3550)	(7416)	(12237)	(15874)
8 Exceptional items expense/(income) (Refer Note 4)	-	-	-	-	4655	(7499)
9 Profit/ (Loss) from ordinary activities before tax (7-8)	(3092)	(4324)	(3550)	(7416)	(16892)	(8375)
10 Tax expenses						
Relating to earlier years	-	29	-	29	-	-
Provision for tax written back relating to earlier years	-	-	-	-	-	(271)
11 Net Profit/ (Loss) from ordinary activities after tax (9-10)	(3092)	(4353)	(3550)	(7445)	(16892)	(8104)
12 Extraordinary items (net of tax)	-	-	-	-	-	-
13 Net Profit/ (Loss) for the period (11+12)	(3092)	(4353)	(3550)	(7445)	(16892)	(8104)
14 Paid-up equity share capital (Face value of each share Rs. 10/-)	3912	3912	3496	3912	3496	3496
15 Reserve excluding Revaluation Reserve as per balance sheet						4392
16 Earning per share (of Rs. 10 each) (Not annualised)						
- Basic/Diluted	(7.84)	(11.56)	(10.16)	(19.40)	(48.32)	(23.18)
PART II						
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	11895888	11895888	11895888	11895888	11895888	11895888
- Percentage of shareholding	30.41%	30.41%	34.03%	30.41%	34.03%	34.03%
2 Promoters and Promoter Group Shareholding						
a) Pledged/Encumbered*						
- Number of shares	26066794	26066794	NIL	26066794	NIL	21906741
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	95.76%	95.76%	NIL	95.76%	NIL	95.00%
- Percentage of shares (as a % of the total share capital of the Company)	66.64%	66.64%	NIL	66.64%	NIL	62.67%
* The promoter i.e. M/s. Usha International Limited have pledged 10,00,000 equity shares and also has signed Non-disposal undertaking with the lender for the remaining 2,50,66,794 equity shares.						
b) Non - encumbered						
- Number of shares	1154182	1154182	23060923	1154182	23060923	1154182
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	4.24%	4.24%	100%	4.24%	100%	5.00%
- Percentage of shares (as a % of the total share capital of the Company)	2.95%	2.95%	65.97%	2.95%	65.97%	3.30%
B INVESTOR COMPLAINTS						
			3 months ended 31.03.2013			
Pending at the beginning of the quarter				0		
Received during the quarter				11		
Disposed of during the quarter				11		
Remaining unresolved at the end of the quarter				0		

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

(Rs. in Lacs)

S. NO	Particulars	Unaudited				Audited	
		Quarter ended			Six Months ended March 31, 2013	Twelve months ended March 31, 2012	Eighteen months ended September 30, 2012
		March 31, 2013	December 31, 2012	March 31, 2012			
	1	2	3	4	5	6	
1.	Segment Revenue						
	a Sugar	32870	19557	31140	52427	95671	141274
	b Power	15835	7438	13807	23273	23820	25720
	c Chemical	5717	5994	4953	11711	18443	29649
	d Distillery	77	448	1401	525	3816	7288
	e Others	-	-	-	-	112	112
	Total	54499	33437	51301	87936	141862	204043
	Less: Inter-Segment revenue	21513	9798	17662	31311	31673	34255
	Net Sales / Income from Operations	32986	23639	33639	56625	110189	169788
2.	Segment Results						
	Profit / (Loss) (before tax, finance cost and exceptional items) from Segment						
	a Sugar	(6485)	(4891)	(7677)	(11376)	(11977)	(11047)
	b Power	6445	2604	5613	9049	8104	7858
	c Chemical	118	39	174	157	447	875
	d Distillery	(103)	27	461	(76)	909	1832
	Total	(25)	(2221)	(1429)	(2246)	(2517)	(482)
	Less: i) Finance costs	2327	1859	2145	4186	7993	12,292
	ii) Other un-allocable expenditure net off un-allocable income	740	244	(24)	984	1727	3100
	iii) Exceptional items expense/(income) (Refer Note 4)	-	-	-	-	4,655	(7,499)
	Total Profit/(Loss) before Tax	(3092)	(4324)	(3550)	(7416)	(16892)	(8375)
3.	Segment Capital employed						
	a Sugar	40777	17619	36830	40777	36830	14289
	b Power	22537	21019	23349	22537	23349	20664
	c Chemical	8444	8205	9339	8444	9339	8565
	d Distillery	5271	4958	6078	5271	6078	5162
	e Unallocated	17344	17958	5077	17344	5077	16443
	Total Segment Capital Employed	94373	69759	80673	94373	80673	65123

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Statement of Assets and Liabilities

(Rs. in lacs)

	Particulars	Standalone	
		Unaudited	Audited
		As at March 31,	As at September 30,
		2013	2012
		1	2
A	EQUITY AND LIABILITIES		
	1 Shareholders' funds		
	(a) Share capital	3,912	3,496
	(b) Reserves and surplus	(2,840)	4,392
	Sub-total - Shareholders' funds	1,072	7,888
	2 Share application money pending allotment	-	629
	3 Non-current liabilities		
	(a) Long-term borrowings	16,755	19,759
	(b) Other long-term liabilities	1,565	1,558
	(c) Long-term provisions	1,131	1,118
	Sub-toal - Non-current liabilities	19,451	22,435
	4 Current liabilities		
	(a) Short-term borrowings	57,270	19,518
	(b) Trade payables	55,257	27,863
	(c) Other current liabilities	26,441	22,706
	(d) Short-term provisions	509	508
	Sub-total - Current liabilities	139,477	70,595
	TOTAL - EQUITY AND LIABILITIES	160,000	101,547
B	ASSETS		
	1 Non-current assets		
	(a) Fixed assets	55,400	57,439
	(b) Non-current investments	15,625	15,625
	(c) Long-term loans and advances	5,359	5,024
	(d) Other non current assets	77	71
	Sub-total - Non-current assets	76,461	78,159
	2 Current assets		
	(a) Inventories	73,669	18,020
	(b) Trade receivables	6,855	2,832
	(c) Cash and bank balance	1,333	896
	(d) Short-term loans and advances	1,591	1,583
	(e) Other current assets	91	57
	Sub-total Current assets	83,539	23,388
	TOTAL - ASSETS	160,000	101,547

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Sugar Industry in Uttar Pradesh. Higher finance costs have also added to the significant operating/ cash losses.


The Management is planning various initiatives to improve the operational performance including discussions with various Stakeholders. Accordingly, these financial results have been prepared by the Company on a going concern basis.

6. During the period ended March 31, 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.
7. The year to date figures (mentioned in column 4) for current period ended March 31, 2013 are not comparable with the year to date figures (mentioned in column 5) for the previous period ended March 31, 2012 as it includes result for 2 quarter of the current financial year as against 4 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.
8. The Ministry of Consumer Affairs, Food and Public Distribution, Government of India vide its notification 281(E) dated May 2, 2013 has dispensed away the levy obligation from sugar season 2012 – 13 onwards. Accordingly, all Sugar Stocks for the current sugar season have been valued as Free Sugar. The impact amounting to Rs. 3517 lacs has been accounted for during the quarter and six months ended March 31, 2013.
9. Figures for the previous corresponding period have been regrouped wherever necessary.

Limited Review

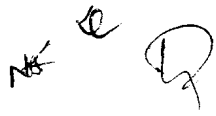
The Limited Review, as required under Clause 41 of the Listing Agreement has been completed and the related Report forwarded to the Stock Exchanges. This Report does not have any impact on the above 'Results and Notes' for the quarter ended March 31, 2013 which needs to be explained, except in respect of matters explained in notes 3 and 4 (a) above.

For Mawana Sugars Limited


SUNIL KAKRIA
MANAGING DIRECTOR

Place : New Delhi

Date : May 13, 2013





Notes:

1. The above results have been taken on record by the Board of Directors in its meeting held on May 13, 2013.
2. 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.
3. 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.
4. Exceptional items represent:
 - a. Eighteen months ended September 30, 2012: The Company had sold 13,475,000 equity shares of Rs. 10/- each of Siel Industrial Estate Limited (Siel IE), a wholly owned subsidiary of the Company to Siel Infrastructure & Estate Developers Private Limited (Siel IED) which became a wholly owned subsidiary w.e.f. September 13, 2012 for a consideration aggregating to Rs. 13502 lacs, as determined through an independent valuation for Siel IE based on the Net Asset Value method. The consideration had been 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 recognised a profit of Rs. 12154 lacs in the Statement of Profit and Loss.
 - b. Twelve months ended March 31, 2012 and Eighteen months ended September 30, 2012: 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.
5. The Company has informed the Board For Industrial and Financial Reconstruction (BIFR), Government of India, about the "Potential Sickness" of the Company in line with the provisions of the Section 23 of the Sick Industrial Companies (Special Provisions), Act, 1985 (SICA).

The Company's net worth has been substantially eroded and the Company has made cash losses during the current period and previous financial year. The Company's operations and financial performance were adversely affected by low sugar prices, lower than expected recoveries of sugar from cane, high sugar cane prices and consequential under recovery of cost of production, which factors have similarly affected the entire

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A. F. FERGUSON & CO.
CHARTERED ACCOUNTANTS
9, SCINDIA HOUSE,
KASTURBA GANDHI MARG,
NEW DELHI - 110001.

AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS OF
MAWANA SUGARS LIMITED**

1. We have reviewed the accompanying statement of Financial Results of **MAWANA SUGARS LIMITED** ("the Company") for the quarter and six months ended March 31, 2013 ("the Statement"). 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 of the Statement in accordance with the Standard on Review Engagements (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 misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. Without qualifying our report, attention is invited to note 5 of the Statement regarding the Company being considered as "Potential Sick" in terms of the provisions of the Section 23 of the Sick Industrial Companies (Special Provisions), Act, 1985, as the Company's net worth has been substantially eroded (fully eroded after giving effect to our qualification in paragraph 4 below, as applicable) and the Company has incurred cash losses during the current period. The ability of the Company to continue as a going concern is dependent upon the successful completion of initiatives to improve the operational performance and the Company's ability to generate sufficient cash flows to meet its future obligations. However, the financial results of the Company have been prepared by the Management of the Company on a going concern basis for the reasons stated therein.
4. a) Various matters arisen/arising out of the reorganization arrangement of DCM Limited will be settled and accounted for as and when the liabilities/benefits are finally determined as stated in note 3 of the Statement. The effect of these on the results has not been determined by the Company.

b) Attention is invited to note 4(a) of the Statement which explains the transaction underlying the recognition of profit on transfer of shares of Siel - IE, a wholly owned subsidiary of the Company, to Siel - IED, another wholly owned subsidiary of the Company in the previous period.

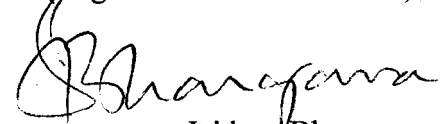
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In our opinion, as the amount recorded as profit on sale of shares of Siel - IE to Siel - IED represents surplus arising out of recognition of the fair value of Siel - IE shares exchanged for the additional shares acquired in Siel - IED and since this exchange of shares in Siel - IE for shares in Siel - IED is an exchange of shares in entities under common control without dilution in the Company's control over Siel -IE even after the non-monetary transfer of shares to Siel - IED, the Deficit in the Statement of Profit and Loss is understated by Rs. 12154 lacs.

5. Further to our comment in paragraph 3 above and except for the matters referred to in paragraph 4 above, based on our review nothing has come to our attention that causes us to believe that the Accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Management/Registrars.

For **A.F. Ferguson & Co.**
Chartered Accountants
(Registration No. 112066W)



Jaideep Bhargava
Partner

(Membership No. 090295)

NEW DELHI, May 13, 2013

