



Refer: MSL/BSE/NSE

May 10, 2016

BSE Limited
1st Floor, New Trading Ring
Rotunda Building
P.J. Towers,
Dalal Street
Fort, Mumbai - 400001

National Stock Exchange of India Limited
'Exchange Plaza'
Bandra – Kurla Complex
Bandra (E)
Mumbai – 400051

Dear Sir,

In terms of the Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the followings of the Company for the year ended on 31.03.2016 :

1. Audited Financial Results
2. Independent Auditor's Report and
3. Form A (For Audit Report with unmodified opinion)

These have been approved by the Board of Directors in their meeting held today.

The Financial results are being published in the newspapers.

Thanking you,

Yours faithfully,

(ASHOK KUMAR SHUKLA)
COMPANY SECRETARY

Encl : a/a

MAWANA SUGARS LIMITED

CIN : L74100DL1961PLC003413

Corporate Office:

Plot No. 3, Institutional Area

Sector-32, Gurgaon-122 001 (India)

T 91-124-4298000 F 91-124-4298300

Registered Office:

5th Floor, Kirti Mahal, 19 Rajendra Place

New Delhi-110 125 (India)

T 91-11-25739103 F 91-11-25743659

E corporate@mawanasugars.com
www.mawanasugars.com



Statement of Standalone and Consolidated Audited Financial Results for the fifteen months period ended March 31, 2016

(Rs. in Lacs except earning per share)

S.No.	Particulars	Quarter ended				Standalone				Audited				Consolidated			
		Audited		Unaudited		Unaudited		Unaudited		Audited		Audited		Audited		Audited	
		(Refer Note 7)	March 31, 2016	December 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Income from operations																
	(a) Net sales/ income from operations (net of excise duty)	46138	17636	36476	148302	139773	148302	139773	148302	148302	148302	148302	148302	148302	148302	148302	148302
	(b) Other operating income	48	29	32	162	293	162	293	162	162	162	162	162	162	162	162	162
	Total Income from operations (net) (a+b)	46186	17665	36508	148464	140066	148464	140066	148464	148464	148464	148464	148464	148464	148464	148464	148464
2	Expenses																
	(a) Cost of materials consumed	40231	25490	48573	110500	111428	110500	111428	110500	110500	110500	110500	110500	110500	110500	110500	110500
	(b) Purchase of stock in trade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Changes in inventories of finished goods and work-in-progress	(13843)	(17157)	(14107)	(12751)	(5219)	(12751)	(5219)	(12751)	(12751)	(12751)	(12751)	(12751)	(12751)	(12751)	(12751)	(12751)
	(d) Employee benefits expense	1932	1931	2012	8986	9388	8986	9388	8986	8986	8986	8986	8986	8986	8986	8986	8986
	(e) Depreciation and amortisation expenses	1132	665	678	3793	6096	3793	6096	3793	3793	3793	3793	3793	3793	3793	3793	3793
	(f) Power and fuel	3212	3057	3338	16308	16557	16308	16557	16308	16308	16308	16308	16308	16308	16308	16308	16308
	(g) Stores, spares and components	1670	1337	1192	6084	6324	6084	6324	6084	6084	6084	6084	6084	6084	6084	6084	6084
	(h) Other expenses	4036	1736	2257	8600	8736	8600	8736	8600	8600	8600	8600	8600	8600	8600	8600	8600
	Total Expenses (a to h)	38370	17059	41943	141520	151310	141520	151310	141520	141520	141520	141520	141520	141520	141520	141520	141520
3	Profit/ (Loss) from operations before other income, finance costs, exceptional items and prior period adjustments (1-2)	7816	606	(5435)	6944	(11244)	6944	(11244)	6944	6944	6944	6944	6944	6944	6944	6944	6944
4	Other income	192	91	95	955	873	955	873	955	955	955	955	955	955	955	955	955
5	Profit/ (Loss) from ordinary activities before finance costs, exceptional items and prior period adjustments (3+4)	8008	697	(5340)	7899	(10371)	7899	(10371)	7899	7899	7899	7899	7899	7899	7899	7899	7899
6	Finance costs	1516	1800	1502	7678	7689	7678	7689	7678	7678	7678	7678	7678	7678	7678	7678	7678
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items and prior period adjustments (5-6)	6492	(903)	(6842)	221	(18060)	221	(18060)	221	221	221	221	221	221	221	221	221
8	Exceptional items expense/(income)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Profit/ (Loss) from ordinary activities before prior period adjustments and tax (7-8)	6492	(903)	(6842)	221	(18060)	221	(18060)	221	221	221	221	221	221	221	221	221
10	Prior period adjustment expense/(income)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Profit/ (Loss) from ordinary activities before tax (9-10)	6492	(903)	(6842)	221	(18060)	221	(18060)	221	221	221	221	221	221	221	221	221
12	Tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Relating to earlier years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision for tax written back relating to earlier years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Net Profit/ (Loss) from ordinary activities after tax (11-12)	6492	(903)	(6842)	221	(18060)	221	(18060)	221	221	221	221	221	221	221	221	221
14	Extraordinary items (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Net Profit/ (Loss) from ordinary activities (13+14)	6492	(903)	(6842)	221	(18060)	221	(18060)	221	221	221	221	221	221	221	221	221
16	Minority Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Net Profit/(Loss) for the period after minority interest (15-16)	6492	(903)	(6842)	221	(18060)	221	(18060)	221	221	221	221	221	221	221	221	221
18	Paid-up equity share capital (Face value of each share Rs. 10/-)	3912	3912	3912	3912	3912	3912	3912	3912	3912	3912	3912	3912	3912	3912	3912	3912
19	Reserve excluding Revaluation Reserve as per balance sheet	-	-	-	(42,041)	(42,262)	-	-	-	-	-	-	-	-	-	-	-
20	Earning per share (of Rs. 10 each) (Not annualised)	16.60	(2.31)	(17.49)	0.57	(46.17)	0.57	(46.17)	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57
	- Basic/Diluted																

100



**Segment wise Revenue Results and Capital Employed
under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

(Rs. in Lacs)

S. No	Particulars	Standalone				Audited			Consolidated	
		Quarter ended		Unaudited	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016	Fifteen Months ended March 31, 2016
		Audited (refer note 7)	Unaudited							
		March 31, 2016	December 31, 2015	March 31, 2015	4	5	6	7		
1.	Segment Revenue									
	a Sugar	47519	15968	37029	134746	124941	134746	124941		
	b Power	13831	8163	15294	39412	32791	39412	32791		
	c Chemical	5475	4773	5206	25785	26838	25785	26838		
	d Distillery	2804	1630	1985	11911	8768	11911	8768		
	Total	69629	30534	59514	211854	193338	211854	193338		
	Less: Inter-Segment revenue	23443	12869	23006	63390	53272	63390	53272		
	Net Sales / Income from Operations	46186	17665	36508	148464	140066	148464	140066		
2.	Segment Results									
	Profit / (Loss) (before tax, finance cost and exceptional items) from Segment									
	a Sugar	3347	(1896)	(10430)	(5738)	(17369)	(5738)	(17369)		
	b Power	5025	2422	5337	12593	7909	12594	7909		
	c Chemical	(469)	(196)	(230)	(1247)	(1125)	(1247)	(1125)		
	d Distillery	1030	512	301	3883	1830	3883	1830		
	Total	8934	842	(5022)	9491	(8755)	9491	(8755)		
	Less: i) Finance costs	1516	1600	1502	7678	7689	7678	7689		
	ii) Other un-allocable expenditure net off un-allocable income/expenditure	926	145	318	1592	1616	1733	1693		
	Total Profit/(Loss) before Tax	6492	(903)	(6842)	221	(18060)	80	(18137)		
3.	Segment Capital employed									
	a Sugar	(10346)	(32640)	(35574)	(10346)	(16846)	(10346)	(16846)		
	b Power	19755	17456	16707	19755	18078	19755	18078		
	c Chemical	4899	6273	5756	4899	7128	4899	7128		
	d Distillery	8337	8692	8441	8337	7823	8337	7823		
	e Unallocated	(12747)	3244	8862	(12747)	(4263)	(13123)	(4263)		
	Total Segment Capital Employed	9898	3025	4192	9898	11921	9522	11921		

2



Statement of Assets and Liabilities

Particulars	Standalone		Consolidated	
	Audited		Audited	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
	1	2	3	4
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	3912	3912	3912	3912
(b) Reserves and surplus	(42041)	(42262)	(42574)	(42653)
Sub-total - Shareholders' funds	(38129)	(38350)	(38662)	(38741)
2 Non-current liabilities				
(a) Long-term borrowings	24557	9094	24557	9094
(b) Other long-term liabilities	6800	1583	6800	1583
(c) Long-term provisions	1013	1110	1013	1110
Sub-total - Non-current liabilities	32370	11787	32370	11787
3 Current liabilities				
(a) Short-term borrowings	4684	19613	4841	19770
(b) Trade payables	71638	65549	71638	65549
(c) Other current liabilities	34679	34613	34689	34622
(d) Short-term provisions	441	456	441	455
Sub-total - Current liabilities	111442	120231	111609	120396
TOTAL - EQUITY AND LIABILITIES	105683	93668	105317	93442
B ASSETS				
1 Non-current assets				
(a) Fixed assets	44364	47479	44370	47484
(b) Non-current investments	3328	2928	0	-
(c) Long-term loans and advances	2361	1799	2507	1948
(d) Other non current assets	129	97	131	98
Sub-total - Non-current assets	50182	52303	47008	49530
2 Current assets				
(a) Inventories	41681	29055	44144	31335
(b) Trade receivables	7249	5135	7249	5135
(c) Cash and bank balance	4309	4140	4645	4400
(d) Short-term loans and advances	2181	2828	2183	2829
(e) Other current assets	81	207	88	213
Sub-total Current assets	55501	41365	58309	43912
TOTAL - ASSETS	105683	93668	105317	93442

Notes:

1. The above results have been taken on record by the Board of Directors in its meeting held on May 10, 2016.
2. The Company, inter-alia, manufactures Sugar which is produced during the season and sold throughout the period. As such the performance in any quarter may not be representative of the annual performance of the Company.
3. The Company over the last few years has been incurring cash losses due to which its net worth has been eroded and its current liabilities are 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.

The Company got registered with the Board for Industrial and Financial Reconstruction (BIFR) on 10th September 2013 under the provisions of Section 15 (1) of the Sick Industrial Companies (Special Provisions), Act, 1985 (SICA). 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, subsidy of Rs 28.60 per qtl on sugar cane purchase during the sugar season 2014-15 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.

During the current period, the industry has witnessed a steady increase in sugar prices and improved cane recoveries. This has resulted in the Company generating profits including cash profits during the period. The industry outlook is also positive in the short and long term with sugar prices expected to hold.

Pursuant to the assignment of all rights, titles and interests in the financial assistance granted by two term lenders to the Company with an asset reconstruction company, a major portion of the outstanding debts has been restructured for repayment, and the Company is in the process of negotiation with the remaining lenders. Further, the business restructuring plan as mentioned in the rehabilitation scheme is being pursued by the Company.

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.

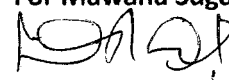


4. The Government of Uttar Pradesh had announced subsidy on sugar cane purchased during the sugar season 2014-15 linked to average selling price of sugar and its by-products during the period 1st October, 2014 to 31st May, 2015. As such, the Company had recognized the full subsidy of Rs. 28.60 per qtl. aggregating to Rs. 7662 lacs which had been netted off from the cost of material consumed for the Fifteen months ended March 31, 2016.
5. Pursuant to Companies Act, 2013 ('the Act') being effective from January 1, 2015, the Company has revised depreciation rates on fixed assets as per the useful life specified in Part 'C' of schedule II of the Act. As a result of this change, the depreciation charge for the quarter ended and the period ended March 31, 2016 is lower by Rs. 498 lacs and Rs. 2435 lacs. In respect of the assets whose useful life had already exhausted as at December 31, 2014 depreciation of Rs. 491 lacs has been adjusted in the statement of profit and loss in accordance with the requirement of the Schedule II of the Act.
6. a. The Central Government had approved the erstwhile Chairman and Managing Director's remuneration (w.e.f. October 15, 2012) vide letter dated April 21, 2014 at an amount lower than that approved by the shareholders in their general meeting. Consequent thereto, the Company had made a representation to the Central Government on November 5, 2014 for waiver of excess remuneration paid to Chairman and Managing Director (ceased to be Managing Director w.e.f. July 31, 2014). Pending outcome thereof, refund of excess remuneration amounting to Rs. 70 lacs paid in terms of shareholders' approval has not been obtained by the Company.

b. The Central Government had approved the former Whole time Director (WTD) Mr. Rajendra Khanna's remuneration (w.e.f. February 01, 2014) vide letter dated June 30, 2015 at an amount lower than that approved by the Shareholders. Consequent thereto, the Company had made a representation to the Central Government for waiver of excess remuneration paid to Mr. Rajendra Khanna, Whole Time Director. Pending outcome thereof, refund of excess remuneration amounting to Rs. 66 lacs paid in terms of shareholders' approval has not been obtained by the Company.

c. Remuneration amounting to Rs 10.84 lacs paid to Whole Time Director (WTD) up to March 31, 2016 is subject to the approval of shareholders and Central Government under the provision of the Companies Act, 2013.
7. The figures of the last quarter are the balancing figures between audited figures in respect of full fifteen month financial period and the published period to date figures up to the fourth quarter of the respective financial periods.
8. Figures for the previous corresponding period have been regrouped wherever necessary.

For Mawana Sugars Limited



Place : New Delhi
Date : May 10, 2016



A. F. FERGUSON & CO.

CHARTERED ACCOUNTANTS

**9, SCINDIA HOUSE,
KASTURBA GANDHI MARG,
NEW DELHI - 110001.**

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF MAWANA SUGARS LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **MAWANA SUGARS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which is in accordance with Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

3. We did not audit the financial statements of subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs.2960.54 lacs as at March 31,2016, total revenues of Rs.28.79 lacs for the fifteen months period ended March 31, 2016 , and total (loss) after tax of Rs.141.80 lacs for the fifteen months period ended March 31, 2016, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
4. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred in paragraph 3 above, the Statement:

- i. Include the result of the following companies: Siel Infrastructure & Estate Developers Private Limited, Siel Financial Services Limited, Siel Industrial Estate Limited.

TELEPHONES : 91-11-2331 5884, 2331 5885, 2331 5704

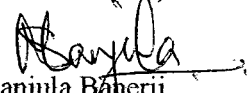
BANGALORE • CHENNAI • HYDERABAD • JAMSHEDPUR • KOLKATA • MUMBAI • PUNE • VADODARA

A. F. FERGUSON & CO.

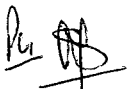
- ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - iii. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the net profit and other financial information of the Company for the fifteen months period ended March 31, 2016
- 5 a. Attention is invited to note 3 of the statement regarding the Holding Company being registered with Board for Industrial and Financial Reconstruction in September 2013 consequent to it becoming a "Sick Industrial Company" in terms of the provisions of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions), Act, 1985, as the Holding Company's net worth has been eroded and the Holding Company had incurred cash losses during the prior periods and its current liabilities are in excess of current assets. However during the current period the Holding Company has generated profits and has restructured a major portion of its outstanding debts as detailed in the said note. As such, the statement have been prepared by the Management of the Holding Company on a going concern basis for the reasons stated in the said note.
- b. Attention is invited to note 6(a) of the statement which sets out the position regarding remuneration paid in excess of remuneration approved by the Central Government to its former Chairman and Managing Director for which a refund of Rs. 70 lacs required in terms of Section 197(9) of the Companies Act, 2013 has not been obtained by the Holding Company.
- c. Attention is invited to note 6(b) of the statement which sets out the position regarding remuneration paid in excess of remuneration approved by the Central Government to its former whole time director for which a refund of Rs. 66 lacs required in terms of Section 197(9) of the Companies Act, 2013 has not been obtained by the Holding Company.
- d. Attention is invited to note 6(c) of the statement. As stated in the note, remuneration paid to whole time director of the Holding Company amounting to Rs.10.84 lacs is subject to the approval of shareholders' and Central Government under the provisions Companies Act, 2013.

Our opinion is not qualified in respect of these matters.

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


Manjula Banerji
Partner
(Membership No. 086423)

New Delhi, May 10, 2016



A. F. FERGUSON & CO.

CHARTERED ACCOUNTANTS

**9, SCINDIA HOUSE,
KASTURBA GANDHI MARG,
NEW DELHI - 110001.**

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF MAWANA SUGARS LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **MAWANA SUGARS LIMITED** ("the Company") for the quarter and fifteen months period ended March 31, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - ii. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the net profit and other financial information of the Company for the fifteen months period ended March 31, 2016
4. The Statement includes the results for the Quarter ended 31/03/2016 being the balancing figure between audited figures in respect of the full financial period and the published period to date figures up to the fourth quarter of the current financial period which were subject to limited review by us.



TELEPHONES : 91-11-2331 5884, 2331 5885, 2331 5704

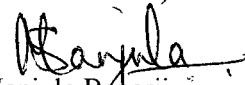
BANGALORE • CHENNAI • HYDERABAD • JAMSHEDPUR • KOLKATA • MUMBAI • PUNE • VADODARA

A. F. FERGUSON & CO.

5. a. Attention is invited to note 3 of the statement regarding the Company being registered with Board for Industrial and Financial Reconstruction in September 2013 consequent to it becoming a "Sick Industrial Company" in terms of the provisions of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions), Act, 1985, as the Company's net worth has been eroded and the Company had incurred cash losses during the prior periods and its current liabilities are in excess of current assets. However during the current period the Company has generated profits and has restructured a major portion of its outstanding debts as detailed in the said note. As such, the statement have been prepared by the Management of the Company on a going concern basis for the reasons stated in the said note.
- b. Attention is invited to note 6(a) of the statement which sets out the position regarding remuneration paid in excess of remuneration approved by the Central Government to its former Chairman and Managing Director for which a refund of Rs. 70 lacs required in terms of Section 197(9) of the Companies Act, 2013 has not been obtained by the Company.
- c. Attention is invited to note 6(b) of the statement which sets out the position regarding remuneration paid in excess of remuneration approved by the Central Government to its former whole time director for which a refund of Rs. 66 lacs required in terms of Section 197(9) of the Companies Act, 2013 has not been obtained by the Company.
- d. Attention is invited to note 6(c) of the statement. As stated in the note, remuneration paid to whole time director amounting to Rs. 10.84 lacs is subject to the approval of shareholders' and Central Government under the provisions Companies Act, 2013.

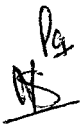
Our conclusion is not qualified in respect of these matters.

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


Manjula Banerji
Partner

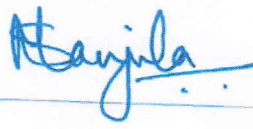
(Membership No. 086423)

New Delhi, May 10, 2016



FORM A (for audit report with unmodified opinion)

1.	Name of the company	Mawana Sugars Limited
2.	Annual Financial Statements for the year ended	March 31, 2016
3.	Type of Audit observation	Emphasis of Matter 1. Attention is invited to note 1(B) of the standalone financial statements regarding the Company being registered with Board for Industrial and Financial Reconstruction in September 2013 consequent to it becoming a "Sick Industrial Company" in terms of the provisions of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions), Act, 1985, as the Company's net worth has been eroded and the Company had incurred cash losses during the prior periods and its current liabilities are in excess of current assets. However during the current period the Company has generated profits and has restructured a major portion of its outstanding debts as detailed in the said note. As such, the financial statements have been prepared by the Management of the Company on a going concern basis for the reasons stated in the said note. 2. Attention is invited to note 39 (i) of the standalone financial statements which sets out the position regarding remuneration paid in excess of remuneration approved by the Central Government to its former Chairman and Managing Director for which a refund of Rs 7.04 million required in terms of Section 197(9) of the Companies Act, 2013 has not been obtained by the Company. 3. Attention is invited to note 39 (ii) of the standalone financial statements. which sets out the position regarding remuneration paid in excess of remuneration approved by the Central Government to its former whole time director for which a refund amounting to Rs 6.61 million required in terms of Section 197(9) of the Companies Act, 2013 has not been obtained by the Company. 4. Attention is invited to note 39 (iii) of the standalone financial statements. As stated in the note, remuneration paid to whole time director amounting to Rs. 1.08 million is subject to the approval of shareholders' and Central Government under the provisions of Companies Act 2013.

4.	Frequency of observation	Emphasis of Matter 1. This matter is appearing since 2011-12, the financial year in which Company's net worth was substantially eroded 2. This matter has been given in year ended December 2014 as remuneration paid in excess of remuneration approved by the Central Government to its chairman and managing director (ceased to be a director w e f July 31, 2014) for which a refund of Rs 7.04 million required in terms of section 197(9) of the Companies Act, 2013 has not yet been obtained by the Company 3. This matter has been given in the year ended December 2014 as remuneration paid to whole time director (ceased to be a director w e f closing hours of December 31, 2014) in excess of remuneration approved by the Central Government for which a refund of Rs 6.61 million required in terms of section 197(9) of the Companies Act, 2013 has not yet been obtained by the Company 4. This matter has been given in the current year as remuneration paid to whole time director amounting to Rs. 1.08 million is subject to the approval of the Central Government under the provisions of Companies Act, 2013.
5.	Signed by	
	• Whole Time Director	
	• CFO	
	• Auditor of the Company	
	• Audit Committee Chairman	