



Refer: MSL/BSE/NSE

July 28, 2017

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

Sub: Submission of Annual Report for the Financial Year ended 2016-17

Dear Sir,

In terms of the Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations], we enclose herewith the Annual Report for the Year ended 31.03.2017 as approved and adopted in the 53rd Annual General Meeting of the company held on 27th July, 2017 (Thursday) at Kamani Auditorium, 1, Copernicus Marg, Mandi House, New Delhi-110001.

You are requested to take the same on your record and disseminate the same on your website.

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



**53rd
ANNUAL
REPORT**

2016-2017



MAWANA SUGARS LIMITED

Mawana Sugars Limited

BOARD OF DIRECTORS

Prof. Dinesh Mohan
Mrs. Parmjit Kaur
Mr. Piar Chand Jaswal
Mr. Ravinder Singh Bedi
Mr. Dharam Pal Sharma - Whole Time Director

COMPANY SECRETARY

Mr. Ashok Kumar Shukla

CHIEF FINANCIAL OFFICER

Dr. Anil Arora

AUDITORS

A.F. Ferguson & Co.
Chartered Accountants
9, Scindia House, Kasturba Gandhi Marg
New Delhi – 110001

BANKERS

Punjab National Bank
State Bank of India

REGISTERED OFFICE

5th Floor, Kirti Mahal, 19, Rajendra Place
New Delhi – 110125
Phone No: 91-11-25739103
Fax No: 91-11-25743659
CIN: L74100DL1961PLC003413
E-mail: corporate@mawanasugars.com
Website: www.mawanasugars.com

CORPORATE OFFICE

Plot No. 3, Institutional Area,
Sector-32, Gurgaon - 122001, Haryana
Phone No: 91-124-4298000
Fax No: 91-124-4298300

WORKS

- Mawana Sugar Works, Mawana
Distt. Meerut – 250402 (U.P.)
- Titawi Sugar Complex, Village & P.O. Titawi
Distt. Muzaffarnagar - 251301 (U.P.)
- Nanglamal Sugar Complex
Garh Road, Village Nanglamal
Distt. Meerut – 250001 (U.P.)
- Siel Chemical Complex,
Charatrapur, Vill. Khadauli/Sardargarh,
P.O. Box No. 52, Rajpura, Distt. Patiala, Punjab –140401

REGISTRAR & SHARE TRANSFER AGENT

Mas Services Limited
T-34, Okhla Industrial Area, Phase-II, New Delhi - 110020
Phone No. : 011-26387281-83, Fax: 011-26387384
E-mail : info@masserv.com, Website : www.masserv.com

NOTICE

Notice is hereby given that the 53rd Annual General Meeting of the members of Mawana Sugars Limited will be held as scheduled below:

Day : Thursday
Date : 27.07.2017
Time : 11.00 A.M.
Place : Kamani Auditorium 1, Copernicus Marg
New Delhi - 110001

to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - (a) the audited financial statements of the Company for the financial year ended 31st March, 2017 and the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2017 and the report of Auditors thereon.
2. To appoint a Director in place of Mr. Dharam Pal Sharma (DIN-07259344) who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No:301003E/ E300005), be appointed as statutory auditors of the Company, in place of retiring auditors M/s A.F. Ferguson & Co., Chartered Accountants (ICAI Registration Number 112066W), to hold office from the conclusion of this 53rd Annual General Meeting (AGM) until the conclusion of the 58th AGM, subject to ratification by members every year, as applicable, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.2,40,000/- (Rupees Two Lacs Forty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses for the financial year 2017-18, as approved by the Board of Directors on the recommendation of Audit Committee, to be paid to M/s Bahadur Murao & Co., Cost Accountants (Firm Registration No.4941) to conduct the audit of the cost records of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and including the provisions of previous Company Law and Rules made there under to the extent applicable and subject to the approval of Central Government and such other approvals, if any, as may be required, the approval of the members of the Company be and is hereby accorded to waive the recovery of excess managerial remuneration of Rs.70,39,214/- (Rupees Seventy Lacs Thirty Nine Thousand Two Hundred Fourteen) paid to Mr. Siddharth Shriram (DIN:00027750), Chairman and Managing Director of the Company during the period from 15th October, 2012 to 31st July, 2014.

RESOLVED FURTHER THAT the Company do file an application to the Central Government (Ministry of Corporate Affairs) for approval and accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Siddharth Shriram (DIN:00027750), Chairman and Managing Director of the Company, as may be suggested or advised or directed by the Central Government.

Notice (Contd.)

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dharam Pal Sharma, Whole Time Director and Mr. Ashok Kumar Shukla, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in their absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the Company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any document, application, affidavit, undertaking, power of attorney and other person to represent the Company and to do all such acts, things, deeds, as may be incidental and necessary thereto.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and including the provisions of previous Company Law and Rules made there under to the extent applicable and subject to the approval of Central Government and such other approvals, if any, as may be required, the approval of the members of the Company be and is hereby accorded to waive the recovery of excess managerial remuneration of Rs.1,73,32,166/- (Rupees One Crore Seventy Three Lacs Thirty Two Thousand One Hundred Sixty Six) paid to Mr. Sunil Kakria (DIN: 01975775), Managing Director of the Company during the period from 01st October, 2012 to 31st July, 2013.

RESOLVED FURTHER THAT the Company do file an application to the Central Government (Ministry of Corporate Affairs) for approval and accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Sunil Kakria (DIN: 01975775), Managing Director of the Company, as may be suggested or advised or directed by the Central Government.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dharam Pal Sharma, Whole Time Director and Mr. Ashok Kumar Shukla, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in their absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the Company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any document, application, affidavit, undertaking, power of attorney and other person to represent the Company and to do all such acts, things, deeds, as may be incidental and necessary thereto.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with chedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and including the provisions of previous Company Law and Rules made there under to the extent applicable and subject to the approval of the Central Government and such other approvals, if any, as may be required, the approval of the members of the Company be and is hereby accorded to waive the recovery of excess managerial remuneration of Rs. 1,85,57,960/- (Rupees One Crore Eighty Five Lacs Fifty Seven Thousand Nine Hundred Sixty) paid to Mr. Ashwani Kumar Mehra (DIN:00060254), Whole Time Director of the Company during the period from 01st October, 2012 to 31st July, 2014.

RESOLVED FURTHER THAT the Company do file an application to the Central Government (Ministry of Corporate Affairs) for approval and accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Ashwani Kumar Mehra (DIN:00060254), Whole Time Director of the Company, as may be suggested or advised or directed by the Central Government.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dharam Pal Sharma, Whole Time Director and Mr. Ashok Kumar Shukla, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in their absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the Company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any document, application, affidavit, undertaking, power of attorney and other person to represent the Company and to do all such acts, things, deeds, as may be incidental and necessary thereto.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and including the provisions of previous Company Law and Rules made there under to the extent applicable and subject to the approval of

Notice (Contd.)

the Central Government and such other approvals, if any, as may be required, the approval of the members of the Company be and is hereby accorded to waive the recovery of excess managerial remuneration of Rs. 66,12,760/- (Rupees Sixty Six Lacs Twelve Thousand Seven Hundred Sixty) paid to Mr. Rajendra Khanna (DIN: 00112534), Whole Time Director of the Company during the period from 01st February, 2014 to 31st December, 2014.

RESOLVED FURTHER THAT the Company do file an application to the Central Government (Ministry of Corporate Affairs) for approval and accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Rajendra Khanna (DIN: 00112534), Whole Time Director of the Company, as may be suggested or advised or directed by the Central Government.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dharam Pal Sharma, Whole Time Director and Mr. Ashok Kumar Shukla, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard and to appear, represent the Company before the appropriate authority and to sign, verify, execute, submit, collect, amend on behalf of the company any document, application, affidavit, undertaking, power of attorney and other person to represent the Company and to do all such acts, things, deeds, as may be incidental and necessary thereto."

By Order of the Board of Directors
For **Mawana Sugars Limited**

Place : New Delhi
Dated : 09.06.2017

(Ashok Kumar Shukla)
Company Secretary
ACS-29673

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the AGM as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21.07.2017 to 27.07.2017 (both days inclusive).
4. In compliance of SEBI requirements, Mas Services Limited has been appointed the Registrar and Share Transfer Agent of the Company, who handle share transfer work in Physical as well as in Electronic Form and other related activities at the following address:

Mas Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi - 110020
Phone No. : 011-26387281-83
Fax No. : 011-26387384
Website: www.masserv.com
E-mail: info@masserv.com

5. Members are requested to notify immediately any change in their address to Mas Services Ltd. quoting their folio numbers.
6. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
8. In terms of Section 72 of the Companies Act, 2013 the Shareholder of the Company may nominate a person to whom the shares held by him/her shall vest in the event of death.

In case any member wishes to avail the nomination facility in respect of shares held by him/her, please write to the Company to obtain the nomination form.

9. The equity shares of the Company have been notified for compulsory trading in demat form by all investors and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Notice (Contd.)

Shareholders are requested to avail this facility and get their shareholding converted into dematerialized form by sending the Dematerialization Request Form (DRF) along with the share certificates to their Depository Participant (DP).

10. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members a facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through such voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited. E-Voting is optional.

Shareholders are requested to please read the instructions/procedures on remote E-Voting carefully which is given on the back side of the Attendance Slip.

11. **The Ministry of Corporate Affairs, vide its Circular No.18/2011 dated 29th April, 2011, clarify that as a measure of "Green initiative in Corporate Governance" it will be in compliance, if the Annual Report (i.e. documents listed in section 219(1) of the Companies Act, 1956) is sent through e-mail, to support this green initiative, members holding shares in demat form are requested to provide their e-mail ID to the depository through their concerned depository participant and members holding shares in physical form are requested to provide e-mail ID to the Company's RTA, M/s Mas Services Limited by filling the form available on the Company's website and also update the e-mail address as and when there is any change.**

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

Though not mandatory, this statement is provided for reference.

M/s A.F. Ferguson & Co., Chartered Accountants (ICAI Registration Number 112066W) are statutory auditors of the Company since last 30 years.

As per Section 139(2) of the Companies Act, 2013 ('the Act'), a transition period of three years from the commencement of the Act is provided to appoint a new auditor when the existing auditor's firm has completed two terms of five consecutive years.

Accordingly, M/s A.F. Ferguson & Co. is holding office of the auditors up to the conclusion of the 53rd AGM of the Company.

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No:301003E/ E300005) are proposed to be appointed as auditors for a period of 5 years, commencing from the conclusion of 53rd AGM till the conclusion of the 58th AGM, subject to ratification by members every year, as may be applicable.

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice.

The Board recommends the resolution set forth in item No. 3 of the notice for approval of the members.

ITEM NO. 4

The Board of Directors has appointed M/s Bahadur Murao & Co., Cost Auditor (Membership No. 4941), as the Cost Auditor for audit of the cost accounting records of the Company pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under for the financial year 2017-18. It is proposed to pay Rs.2,40,000/- as the remuneration, plus out of pocket expenses and applicable tax incurred/to be incurred by the auditors during the course of audit.

Accordingly, resolution set out under Item No.4 is recommended for approval of the members of the Company as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution.

Notice (Contd.)

ITEM NO. 5

The members of the Company in their general meeting held on 19.12.2012 unanimously approved the re-appointment of Mr. Siddharth Shriram as the Managing Director (MD) of the Company for a period of five years and payment of remuneration for a period three years commencing from 15th October, 2012 till 14th October, 2015 and also approved his remuneration as recommended by the Nomination and Remuneration Committee and Board of Directors of MSL.

The Company has made default in repayment of debts to the lenders in the preceding year of the appointment/re-appointment of MD, approval of the Central Government is required in this regard.

Accordingly, the Company filed an application dated 11.1.2013 with Ministry of Corporate Affairs (MCA) seeking its approval for payment of Rs.70,39,214/- to MD by way of remuneration for the period 15th October, 2012 till 14th October, 2015.

MCA vide its letter dated 21st April, 2014 approved the remuneration of MD in the sum of Rs.18,00,000/- per annum only for a period from 15th October, 2012 till 14th October, 2015 on the ground that "Company has not submitted No Objection Certificate (NOC) from all of its lenders to whom it had defaulted in repayment of debts.

Mr. Siddharth Shriram has resigned as Chairman and Managing Director of the Company w.e.f. 31.7.2014.

The Company vide its letter dated 4th November, 2014 made a representation to MCA for waiver of excess remuneration paid to MD during the above said period.

MCA vide its letter dated 16th November, 2016 informed the Company that application made by the Company has been rejected, closed and directed the Company to recover the entire excess remuneration paid to MD on the following grounds:

- i) The Company did not file prescribed E-Form for making application for waiver of recovery of excess remuneration.
- ii) The Company has made default in repayment of debts in the preceding years of appointment/reappointment of MD.

The Nomination and Remuneration Committee and the Board of Directors of the Company after having considered the contribution made by Mr. Siddharth Shriram during his tenure as MD, subject to necessary statutory approvals, have approved the waiver of recovery of excess remuneration as state above.

The waiver of the recovery of excess remuneration paid to Mr. Siddharth Shriram, as Managing Director of the Company is for the approval of the members of the Company by way of special resolution.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution, Except Mr. Siddharth Shriram and his relatives, if any, in the Company.

Accordingly, the Board recommends the Special Resolution as set out at Item No.5 of this Notice for approval of the members of the Company.

Additional disclosures as required under part II Section II of the Schedule V of the Companies Act, 2013 is attached at the end of this notice after item no. 8

ITEM NO. 6

The members of the Company in their general meeting held on 16.12.2013 unanimously approved the re-appointment of Mr. Sunil Kakria as the Managing Director (MD) of the Company for the period from 7.1.2013 to 24.06.2017 (his retirement date) and remuneration package for a period of 3 years with 5% increase in his remuneration every year w.e.f. 7.1.2013 subject to the approval of the MCA.

Central Government vide its notification dated 14.7.2011, granted exemption for appointment of managerial person who is not having any interest in the capital of the or its holding company, directly or indirectly or through any other statutory structures and not having any direct or indirect interest or related to the directors or promoters of the company or its holding company at any time during last two years before or on the date of appointment and is having a graduate level qualification with expert and specialization knowledge in the field of his profession.

Mr. Sunil Kakria was appointed as Managing Director of the Company under the professional category. In view of the above circular issued by the MCA, the Company did not file application for the approval of the Central Government.

Ministry of Corporate Affairs (MCA) vide its letter No. SRN C69460301/3/2015-CL-VII dated 16th November, 2016 has informed the Company that the Company has made default in repayment of debts in the preceding year of the appointment/re-appointment of Mr. Sunil Kakria, MD. Therefore, Central Government approval was required before making payment to Mr. Sunil Kakria. The MCA has directed the Company to recover the entire excess remuneration paid to Mr. Sunil Kakria during the period from 01.10.2012 to 31.07.2013.

Mr. Sunil Kakria has resigned as Managing Director of the Company w.e.f. 31.7.2013.

The Nomination and Remuneration Committee and the Board of Directors of the Company after having considered the contribution made by Mr. Sunil Kakria during his tenure as MD, subject to necessary statutory approvals, have approved the waiver of recovery of excess remuneration as state above.

Notice (Contd.)

The waiver of the recovery of excess remuneration paid to Mr. Sunil Kakria, as Managing Director of the Company is for the approval of the members of the Company by way of special resolution.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution, Except Mr. Sunil Kakria and his relatives, if any, in the Company.

Accordingly, the Board recommends the Special Resolution as set out at Item No.6 of this Notice for approval of the members of the Company.

Additional disclosures as required under part II Section II of the Schedule V of the Companies Act, 2013 is attached at the end of this notice after item no. 8.

ITEM NO. 7

The members of the Company in their general meeting held on 19.12.2012 unanimously approved the re-appointment of Mr. Ashwani Kumar Mehra as the Whole Time Director (WTD) of the Company for a period of five years and payment of remuneration for a period of three years w.e.f. 15th October, 2012 and also approved his remuneration as recommended by the Nomination and Remuneration Committee and Board of Directors of MSL.

Central Government vide its notification dated 14.7.2011, granted exemption for appointment of managerial person who is not having any interest in the capital of the or its holding company, directly or indirectly or through any other statutory structures and not having any direct or indirect interest or related to the directors or promoters of the company or its holding company at any time during last two years before or on the date of appointment and is having a graduate level qualification with expert and specialization knowledge in the field of his profession.

Mr. Ashwani Kumar Mehra was appointed as Whole-Time Director of the Company under the professional category. In view of the above circular issued by the MCA, the Company did not file application for the approval of the Central Government.

Ministry of Corporate Affairs (MCA) vide its letter No. SRN C69460301/3/2015-CL-VII dated 16th November, 2016 has informed the Company that the Company has made default in repayment of debts in the preceding year of the appointment/re-appointment of Mr. Ashwani Kumar Mehra, WTD. Therefore, Central Government approval was required before making payment to Mr. Ashwani Kumar Mehra, WTD. The MCA has directed the Company to recover the entire excess remuneration paid to Mr. Ashwani Kumar Mehra during the period from 1.10.2012 to 31.7.2014.

Mr. Ashwani Kumar Mehra has resigned as Whole Time Director of the Company w.e.f. 31.7.2014.

The Nomination and Remuneration Committee and the Board of Directors of the Company after having considered the contribution made by Mr. Ashwani Kumar Mehra during his tenure as WTD, subject to necessary statutory approvals, have approved the waiver of recovery of excess remuneration as state above.

The waiver of the recovery of excess remuneration paid to Mr. Ashwani Kumar Mehra, as Whole Time Director of the Company is for the approval of the members of the Company by way of special resolution.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution, Except Mr. Ashwani Kumar Mehra and his relatives, if any, in the Company.

Accordingly, the Board recommends the Special Resolution as set out at Item No.7 of this Notice for approval of the members of the Company.

Additional disclosures as required under part II Section II of the Schedule V of the Companies Act, 2013 is attached at the end of this notice after item no. 8.

ITEM NO. 8

The members of the Company in their meeting held on 27.11.2014 (through Postal Ballot) approved the appointment of Mr. Rajendra Khanna as the Whole Time Director (WTD) of the Company for a period of five years and payment of remuneration for a period three years commencing from 1st February, 2014 till 31st January, 2017 and also approved his remuneration as recommended by the Nomination and Remuneration Committee and Board of Directors of MSL.

The Company has made default in repayment of debts to the lenders in the preceding year of the appointment/re-appointment of WTD, approval of the Central Government is required in this regard.

Accordingly, the Company filed an application dated 15.01.2015 with Ministry of Corporate Affairs (MCA) seeking its approval for payment of Rs. 7.50 lacs per month to WTD by way of remuneration for the period 01st February, 2014 till 31st January, 2017.

MCA vide its letter dated 30th June, 2015 approved the remuneration of WTD in the sum of Rs.18,00,000/- per annum only for a period from 01st February, 2014 till 31st January, 2017.

Mr. Rajendra Khanna has resigned as Whole Time Director of the Company w.e.f. 31.12.2014.

The Company vide its letter dated 21st July, 2015 made a representation to MCA for waiver of excess remuneration paid to WTD during the period from 1st February, 2014 to 31st December, 2014.

Notice (Contd.)

MCA vide its letter dated 16th November, 2016 informed the Company that application made by the Company has been closed and directed the Company to recover the entire excess remuneration paid to WTD on the following grounds:

- iii) The Company did not file prescribed E-Form for making application for waiver of recovery of excess remuneration.
- iv) The Company has made default in repayment of debts in the preceding years of appointment/reappointment of WTD.

The Nomination and Remuneration Committee and the Board of Directors of the Company after having considered the contribution made by Mr. Rajendra Khanna during his tenure as WTD, subject to necessary statutory approvals, have approved the waiver of recovery of excess remuneration as stated above.

The waiver of the recovery of excess remuneration paid to Mr. Rajendra Khanna, as Whole Time Director of the Company is for the approval of the members of the Company by way of special resolution.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution, Except Mr. Rajendra Khanna and his relatives, if any, in the Company.

Accordingly, the Board recommends the Special Resolution as set out at Item No.8 of this Notice for approval of the members of the Company.

Additional disclosures as required under part II Section II of the Schedule V of the Companies Act, 2013 is attached at the end of this notice after item no. 8.

By Order of the Board of Directors
For **Mawana Sugars Limited**

(Ashok Kumar Shukla)
Company Secretary
ACS-29673

Place : New Delhi
Dated : 09.06.2017

ATTACHMENT TO THE EXPLANATORY STATEMENT FOR ITEM NO.5, 6, 7 & 8

The following information pertaining to Mr. Siddharth Shriram, Mr. Sunil Kakria, Mr. Ashwani Kumar Mehra and Mr. Rajendra Khanna are furnished pursuant to the provisions of Schedule V to the Companies Act, 2013:

I. GENERAL INFORMATION:

(i) Nature of Industry:

The Company is engaged in the manufacture and marketing of Sugar and related by products from Sugar Cane at its units at Mawana Sugar Works, Titawi Sugar Complex and Nanglamal Sugar Complex and Co-generation of Power and production of Ethanol. Producing and marketing Chlor Caustic at its Unit Siel Chemical Complex, Rajpura, Punjab.

(ii) Date or expected date of commencement of commercial production:

The Company is an existing Company and is into manufacturing operation since long.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not applicable.

(iv) Financial performance based on given indicators

Figure of Total Revenue, net Profit/(Loss) and Effective Capital recorded during the last five financial years/periods (on basis of Audited Balance Sheet of the Company) are as follows:

Particulars	Amount (Rs./Million)				
	As on 30.9.2012 (18 months)	As on 30.9.2013 (12 months)	As on 31.12.2014 (15 months)	As on 31.3.2016 (15 months)	As on 31.3.2017 (12 months)
- Total Revenue	17183.88	12962.42	14093.86	14941.87	12095.55
- Net Profit/(Loss)	(810.35)	(2880.55)	(1806.10)	22.14	4566.79
- Effective Capital	2941.20	391.17	(3218.32)	(1689.89)	2084.94

(v) Export performance and net foreign exchange collaborations (as on 31.3.2017):

Nil

(vi) Foreign investments or collaborators, if any (as on 31.3.2017):

None

Mawana Sugars Limited

Notice (Contd.)

II. INFORMATION ABOUT THE APPOINTEES:

S. No.	Particulars	Mr. Siddharth Shriram (Chairman and Managing Director)	Mr. Sunil Kakria (Managing Director)	Mr. Ashwani Kumar Mehra (Whole Time Director)	Mr. Rajendra Khanna (Whole Time Director)
(i)	Background Details	Mr. Siddharth Shriram, is a renowned Industrialist of the Country. He hails from Shriram family. He has experience in the fields of Management, Business Planning, Finance etc.	Mr. Sunil Kakria is a Management Graduate from Faculty of Management Studies, University of Delhi with specialization in marketing and Operation Research. He has over 28 year of professional experience in the field of Strategy, operations, project and marketing (both domestic and International) in Samtel Group out of which the last 9 years have been served by him as CEO of Samtel Color Limited, the Flagship Company of the group.	Mr. A.K. Mehra, holds a Masters degree in Chemical Engineering from Illinois Institute of Technology, Chicago (USA). He is associated with the Company for the last 44 years in various capacities such as Executive Director, Whole Time Director etc.	Mr. Rajendra Khanna is a Chartered Accountant and is a sound finance professional who has, over the years, also developed various other management skills. His experience of around 35 years with companies like the DCM Limited, Chambal Fertilizers and Chemicals, Birla Home Finance Limited, Mawana Sugars Ltd and his last assignment with Arcelor Mittal at Kazakhstan as CFO with some CEO responsibilities.
(ii)	Recognition or Awards	None	None	None	Performance Bonus received Rs.30 Lacs approx in equivalent Indian Rupees, Officiating CEO (in the absence of CEO) and running Management Committee Meeting in the absence of CEO.
(iii)	Job Profile and his Suitability	He was overall responsible for the operations and affairs of the Company under the superintendence, control and direction of the Board of Directors.	Mr. Sunil Kakria was recruited by MSL to lead a traditional sugar commodity company into a diversified sugar company.	Mr. A.K. Mehra has made significant contributions in the growth of chemical business of the company and under his leadership the company has made huge investments in the sugar business of the company by way of setting up of a distillery plant expansion of capacity of sugar plants etc.	Mr. Rajendra Khanna was designated as Whole Time Director (i.e. on the Board of the Company) and shall have the task of taking the company out of its present condition through different approaches. He has particularly lead the sugar sales function, all cost and financial control functions, strategic formulation with stakeholders for success in an extremely difficult situation, and work for H.R. management and development and coordinating technical and commercial functions etc.
(iv)	Remuneration Proposed/paid	Rs.70,39,214/- for the period from 15th October, 2012 to 31st July, 2014.	Rs.1,73,32,166/- for the period from 01st October, 2012 to 31st July, 2013.	Rs.1,85,57,960/- for the period from 01st October, 2012 to 31st July, 2014.	Rs.66,12,760/- for the period from 01st February, 2014 to 31st December, 2014.
(v)	Comparative remuneration Profile with respect to , Industry size of the Company, profile of the position and person	The remuneration paid was much below the prevailing remuneration in the industry of similar size for similarly placed persons.	The remuneration paid was much below the prevailing remuneration in the industry of similar size for similarly placed persons.	The remuneration paid was much below the prevailing remuneration in the industry of similar size for similarly placed persons.	The remuneration paid was much below the prevailing remuneration in the industry of similar size for similarly placed persons.
(vi)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Besides the remuneration paid to Mr. Siddharth Shriram as Chairman and Managing Director, he is presently a Promoter and Special Advisor of the Company.	Besides the remuneration paid to Mr. Sunil Kakria as Managing Director, does not have any other pecuniary relationship with the Company.	Besides the remuneration paid to Mr. Ashwani Kumar Mehra as Whole Time Director, he is presently a Special Advisor of the Company.	Besides the remuneration paid to Mr. Rajendra Khanna as Whole Time Director, does not have any other pecuniary relationship with the Company.

Notice (Contd.)

III. OTHER INFORMATION:

(a) Reasons of loss or inadequate profits

- (i) Sugar, which is the main business of the Company is a cyclical business and is largely dependent on climatic factors, supply-demand position and government policies, including sugarcane pricing. High sugar production in the country results in softening of sugar prices, which in turn adversely affects the profitability of the sugar mills. Conversely lower production generally results in strong sugar profitability due to higher sugar prices.
- (ii) The sugarcane price, is fixed by the Government of Uttar Pradesh (GoUP) on arbitrary manner (State Advised Price - SAP) without any reference, whatsoever, to the prevailing sugar price. The GoUP is yet to carry out reforms as advocated by Dr. Rangarajan Committee Report and thus there is a complete mismatch between the output and input prices. The Sugarcane prices have been rising much faster than sugar a sales price, which is resulting in loss suffered by sugar factories over last few years.
- (iii) Large amount on account of various incentives and subsidies in respect to the investments of about Rs.700 crores made by MSL under the UP Sugar Promotion Policy are held up since the GoUP has withdrew the incentive scheme after all investments were already made. Since these investments were funded mainly by raising debts, the interest cost has gone up without receiving the incentives provided by GoUP.

(b) Steps taken or proposed to be taken for improvement

The Company has been taking all measures within its control to maximize efficiencies and optimize costs to lower the cost of production of sugar, realizing that it has little control over Government policies. With a view to make its sugar operations more viable, the Company has chalked out a road map with ambitious cane development targets which will increase the recovery of sugar and to increase the profitability of sugar integrated businesses, such as cogeneration and distillery operations. The Company hopes to lower the financial cost by increasing production volumes, curtailing running cost, manpower reduction and reduced operational losses.

(c) Expected increase in productivity and profit in measurable terms.

In the sugar season 2017-2018 it is expected the production of sugarcane and recovery will be better than the previous sugar season. The much awaited reforms by the Government in the sugar sector and resumption of normal economic growth in the country may accelerate the turnaround of the Company. The fundamentals of the Company are sound and it has well balanced and diversified business and has the potential of not being just profitable but achieving significant growth. Recently the Government has been notified mandatory export of sugar for the season 2015-16, it will help take pressure of prices by reducing domestic stockpiles.

In view of the facts stated above, it is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that the productivity and profitability may improve and would be comparable with the industry average.

Brief Profile of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (In pursuance to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	Mr. Dharam Pal Sharma
Age	64 years
Date of Appointment	13.8.2015
Qualification	B.Sc. (Ag) (Hons)
Expertise	Mr. Dharam Pal Sharma having a sound knowledge of Sugar Industry. Over the years, he has developed various other management skills. His experience of more than 34 years with various sugars Company like Punjab Sugar Federation, Triveni Engineering, Piccadilly Agro Industrial Limited, RBNS Sugar Mills and from last 18 years he is associated with the Company.
Shareholding of Directors in the Company	Nil
Directorship held in other Public Companies excluding foreign and private companies	Nil
Chairmanships/Member-ships of Committee	Nil

DIRECTORS' REPORT

Your Directors hereby present the 53rd Annual Report along with Audited Accounts of the Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS

(Rs. Million)

Sl. No.	Particulars	Amount	
		31.03.2017 (12 months)	31.03.2016 (15 months)
1.	Profit/(Loss) before interest, depreciation, exceptional items and tax	1761.43	1169.24
2.	Interest	277.95	767.78
3.	Depreciation	291.96	379.32
4.	Exceptional Item	3375.27	-
5.	Profit/(Loss) before tax	4566.79	22.14
6.	Provision for taxation:		
	- Current tax	1.03	-
	- Provision relating to earlier year	-	-
	- Provision for tax written back relating to earlier year	-	-
7.	Profit/(Loss) after tax	4565.76	22.14

DIVIDEND

In view of absence of distributable profits, your Directors are unable to recommend any dividend for the year under review.

OPERATIONS

1. SUGAR DIVISION

The cane crush this season was 23.03 Lac Tons as compared to 21.73 Lac Tons in the last season. The key operational figures are as follows:

Particulars	Unit	Sugar Season				2016-17*
		2012-13	2013-14	2014-15	2015-16	
Cane Crush	Lac MT	34.06	25.58	26.77	21.73	23.03
Recovery	%	8.96	9.09	9.49	10.73	11.18
Sugar Production	Lac MT	3.07	2.33	2.54	2.37	1.21

* This production number is without the production of Titawi Sugar Complex which was sold to IPL during the last year.

Intensive cane development work done in the last 3 years has boosted the sugar recoveries significantly.

Higher recovery and increased sugar prices have generated cash profits after so many years and the same shall help in liquidating cane arrears to a large extent.

MSL is continuing its cane development program including distribution of cane seeds of new varieties, fertilizers and insecticides etc. These efforts will help in long term improvements in recoveries and yield.

2. CHLOR ALKALI DIVISION:

During the 12 months period Apr'16 – Mar'17, overall the business performed well with volatility in prices. The plant capacity utilization was matched as per the market requirements.

During quarters Q1 to Q4, the prices of Caustic increased gradually, whereas the prices of Chlorine kept on decreasing due to low operative levels of Chlorine consuming industries. The products and their quality were well accepted in the market during the entire period of 12 months.

Power contributes towards major portion of the input cost. The electricity requirement for the plant was met through Punjab State Power Corporation Limited.

MATERIAL CHANGES AND COMMITMENTS

BUSINESS TRANSFER AGREEMENT WITH INDIAN POTASH LIMITED

Directors have been concerned about the outstanding cane dues of the farmers and have been exploring all possibilities to clear these dues at the earliest to ensure smooth and proper operations of sugar manufacturing units in the future years. To be able to do so, Your Company has entered into a Business Transfer Agreement (BTA) dated 18.11.2016 with Indian Potash Limited (IPL) pursuant to which one of the operating sugar manufacturing units of the Company operating under name and style of Titawi Sugar Complex (TSC) situated at village & P.O. Titawi, Distt. Muzaffarnagar-251301, U.P. is to be sold and transferred to IPL for a total sale consideration of Rs. 375.00 Crores. Pending completion of the sale transaction after completion of certain conditions precedents, a sum of Rs.275.44 crores has been received by your company from IPL during the year which has been substantially utilized to pay down cane dues of farmers and also to facilitate the debt restructuring of the debts owed by the company to the Lenders. The control and management of the affairs of TSC has been handed over to IPL and after completion of remaining conditions precedents necessary for Closure, formal transfer of undertaking of TSC shall be made and balance consideration of about Rs. 99.56 crores will be received by the Company in terms of the BTA.

STATUS UNDER BIFR

Reference was made by the Company under Section 15(1) with the Sick Industrial Companies (Special Provisions) Act 1985 (SICA) to the Board for Industrial and Financial Reconstruction (BIFR) which was registered as No. 63/2013 on 10.9.2013. However, pursuant to the Notifications S.O. 3568(E) & S.O. 3569 (E) dated 25.11.2016 issued by the Ministry of Finance, SICA has been repealed with effect from 1.12.2016 and all the references or inquiry pending before the BIFR and/or AAIFR have abated. Accordingly, the reference of the Company to BIFR stands abated.

DEBT RESTRUCTURING PROGRAMME

Under the debt restructuring programme, the Company has settled the total debt of Axis Bank, Rabo India Finance Limited and State Bank of Mysore. The Company has also restructured its liabilities with Punjab National Bank, State Bank of Hyderabad (now merged with SBI) and M/s Edelweiss Assets

DIRECTORS' REPORT (Contd.)

Reconstruction Company (which had taken over the debts of State Bank of India and State Bank of Travencore) and the amounts due to these lenders would be paid in interest free installments as per the agreements reached with each of these lenders.

SUBSIDIARY COMPANIES

The Company has three subsidiary companies viz. Siel Financial Services Limited, Siel Industrial Estate Limited and Siel Infrastructure & Estate Developers Pvt. Ltd.

Siel Financial Services Limited, a Listed Company is not doing any business since last 15 years. Siel Infrastructure & Estate Developers Private Limited is a Dormant Company and not carrying on any operations presently.

Pursuant to provisions of Section 129 and other applicable provisions of the Act read with Rules made thereunder, the performance and financial position of each of the subsidiary companies are annexed in Form AOC-I to the Annual Financial Statements.

There has been no change in relationship of any subsidiary Company during the financial year.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the financial year 2016-2017, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and SEBI (LODR) Regulations, 2015.

DIRECTORS

Mr. Dharam Pal Sharma, Director is liable to retire by rotation and being eligible, offers himself for re-appointment.

Particulars of Director/s seeking appointment/re-appointment have been given in the explanatory statement annexed to the notice for the Annual General Meeting.

All the Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL (KMP)

During the financial year ended March 31, 2017, following persons are Whole Time Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act, 2013:

Sl. No.	Name	Designation
1.	Mr. Dharam Pal Sharma	Whole Time Director
2.	Dr. Anil Arora	Chief Financial Officer
3.	Mr. Ashok Kumar Shukla	Company Secretary

MEETINGS OF THE BOARD

During the financial year ended March 31, 2017, seven Board Meetings were held. In addition to Board Meetings, Fourteen Resolutions by Circulation on various dates were also passed by the Board of Directors with requisite majority. The details of the Board Meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015.

DECLARATION FROM INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

INTERNAL FINANCIAL CONTROLS

The Company has over the years evolved effective systems and procedures to ensure internal financial controls in all its establishments. An internal audit process is in place under the overall supervision of the Audit Committee of the Board. The services for the internal audit are outsourced. Qualified and experienced professionals are engaged to ensure effective and independent evaluation of, inter alia, the internal financial controls. The appointment of internal auditors is approved by the Board on recommendations of the Audit Committee. The Audit Committee also lays down the schedule for internal audit. Internal audit reports are placed before the Committee with

DIRECTORS' REPORT (Contd.)

management comments. Suggestions are implemented and reported to the Audit Committee.

An effective communication/ reporting system operates between the Units and Corporate Office to keep various establishments abreast of regulatory changes and ensure compliances.

STATUTORY AUDITORS AND THEIR REPORT

M/s A.F. Ferguson & Co., Chartered Accountants (ICAI Registration Number 112066W) are statutory auditors of the Company since last 30 years.

As per second proviso to Section 139(2) of the Companies Act, 2013, (the Act), a transition period of three years from the commencement of the Act is provided to appoint a new auditor if the existing auditor's firm has completed two terms of five consecutive years.

Accordingly, as per the said requirements of the Act, M/s. S R Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No: 301003E/ E300005), are proposed to be appointed as auditors for a period of 5 years commencing from the conclusion of 53rd AGM till the conclusion of the 58th AGM, subject to ratification by shareholders every year, as may be applicable, in place of M/s A.F. Ferguson & Co., Chartered Accountants.

M/s. S R Batliboi & Co. LLP, Chartered Accountants, have consented to the said appointment, and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Audit Committee and the Board of Directors recommend the appointment of M/s. S R Batliboi & Co. LLP, Chartered Accountants, as statutory auditors of the Company from the conclusion of the 53rd AGM till the conclusion of 58th AGM, to the shareholders. Consequent to the aforesaid changes, re-appointment of M/s A.F. Ferguson & Co., Chartered Accountants, as Statutory Auditors is not recommended. Resolutions seeking your approval on these items are included in the Notice convening the Annual General Meeting.

Qualification of the Auditors in their report and the notes forming part of the Accounts are self-explanatory. A management representation to qualification is as follow:

"Consequent upon restructuring of debts of the Company, a part of the principal amount of the term loan amounting to Rs 640.78 million, that was availed in the past for acquisition of capital assets, has been written back and credited as an exceptional item in the statement of Profit and Loss of the Company for the year. Based upon decision of Income Tax Appellate Tribunal in respect of such matter rendered in another case and legal opinions obtained from expert tax consultants,

this amount is treated as capital receipt and not included in book profit for the purposes of calculation of tax under section 115 JB of the Income Tax Act 1961."

The Board of the Company, based on the precedent decision of the Income Tax Tribunal and legal advice, is confident that the Company's position will be upheld in the assessment process under the Income Tax Act, 1961 and accordingly no provision has been provided for the same in the financial statements.

COST AUDITORS

M/s Bahadur Murao & Co., Cost Accountants (Membership Number 4941) were re-appointed as Cost Auditors of the Company for conducting the audit of the cost records maintained by the Company for the products (Sugar, Caustic Soda, Industrial Alcohol, Power, SBP) for the financial year 2017-18 subject to the approval of the Members on the remuneration to be paid to the Cost Auditors.

A certificate from them has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Companies Act, 2013 and rules framed there under.

The Cost Audit Report for the financial period 2015-16 (15 months) had filed on 22.9.2016, which is within the time limit prescribed under the Companies (Cost Audit Report) Rules, 2011.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Nirbhay Kumar (CP No.7887), M/s Nirbhay Kumar & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2016-17.

The Secretarial Audit Report for the financial year ended 31st March, 2017 is attached as Annexure - I of this Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

FIXED DEPOSITS

The Company does not have any deposits and has neither accepted any deposits during the financial year ended March 31, 2017.

RISK MANAGEMENT

The Company has a Risk Management Committee to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

DIRECTORS' REPORT (Contd.)

AUDIT COMMITTEE

The Audit Committee comprises of three Directors, two directors are independent director and one is non-executive director, viz., Prof. Dinesh Mohan as Chairman, and Mr. Ravinder Singh Bedi and Mr. Piar Chand Jaswal as Members.

The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made there under, the Board has constituted a Nomination & Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration. The aforesaid policy can be accessed on the Company's website: www.mawanasugars.com

REMUNERATION POLICY

The Company has adopted a Remuneration Policy for executive and non-executive directors and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration as approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders and such other authorities as the case may be. The remuneration policy is also placed on Company's website.

The Non-Executive Directors do not draw any remuneration from the Company except sitting fee paid to them for each meeting of the Board/ Committee thereof attended by them.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The Company has adopted a CSR policy. The Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects. The CSR Policy of the Company has been placed on the Company's website.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3) (m) of the Companies (Accounts) Rules, 2014 is enclosed as Annexure – II and forms part of this Report.

PARTICULARS OF EMPLOYEES

As required under the provision of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are given in Annexure – III of this Board's Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note No. 12 & 13 to Financial Statements.

RELATED PARTY TRANSACTIONS

The transactions entered with related parties during the year under review were on Arm's Length basis and in the ordinary course of business. The provisions of Section 188 of the Companies Act, 2013 are therefore, not attracted. All related party transactions were approved by the Audit Committee and the Board. The relevant information regarding related party transactions has been set out in Note no. 35 of the Financial Statements for the financial year ended 31.3.2017. Thus, disclosure in Form AOC-2 is not required.

The Board has framed a Policy on related party transactions and placed the same on the Company's website.

VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website.

EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return (MGT-9) as per the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 is annexed herewith and marked as Annexure – IV to this Report.

CORPORATE GOVERNANCE

In accordance with SEBI (LODR), Regulations, 2015, Corporate Governance Report along with Auditors' certificate thereon and Management Discussion and Analysis Report form part of this report are enclosed as Annexure - V and forms part of the report.

SHARE CAPITAL

During the financial year ended 31.3.2017, the Company has not issued any share capital with different voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

DIRECTORS' REPORT (Contd.)

UNCLAIMED SHARES SUSPENSE ACCOUNT

In terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account, which were issued in physical form:

Balance as on 1.4.2016		No. of Members who approached the Company for transfer of shares and shares transferred from Suspense Account during the year		Balance as on 31.3.2017	
No. of holders	No. of shares	No. of holders	No. of Shares	No. of holders	No. of Shares
Nil	Nil	Nil	Nil	6,458	1,55,162

The voting rights on the shares in the suspense account as on 31st March, 2017 will remain frozen unless the rightful owners of such shares claim the shares.

The Company has uploaded the details of shareholders whose shares are lying in unclaimed shares suspense account on the website of the Company (www.mawanasugars.com). The shareholders who wish to claim their shares are requested to write to the Registrar of the Company immediately.

ACKNOWLEDGEMENTS

The Directors wish to thank and deeply acknowledge the cooperation, assistance and support extended by Central Government, State Governments, Banks, Financial Institutions, Dealers and Vendors of the Company. The Directors also wish to place on record their appreciation for the all-round co-operation and contribution made by the employees at all levels.

For & on behalf of the Board of Directors

Dharam Pal Sharma Whole Time Director DIN: 07259344	(Prof. Dinesh Mohan) Director DIN: 00077959
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Place : New Delhi
Dated : 09.06.2017

ANNEXURE - I TO DIRECTORS' REPORT

**FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Personnel) Rules, 2014]**

To
The Members
Mawana Sugars Limited,
5th Floor, Kirti Mahal, 19, Rajendra Place,
New Delhi Pin 110 125

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mawana Sugars Limited, (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)

Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the audit period**);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the audit period**)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**);

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- (a) Factories Act, 1948;
- (b) Industries (Development & Regulation) Act, 1951;
- (c) All Labour laws and such Other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis related to wages, gratuity, provident fund, ESIC, compensation, welfare etc.;
- (d) Acts prescribed under prevention and control of Pollution and Acts prescribed for Protection of Environment;
- (e) Acts as prescribed under Direct and Indirect Tax;
- (f) The Legal Metrology Act, 2009;
- (g) Indian Electricity Act, 2003;
- (h) The Food Safety and Standard Act, 2006;
- (i) Drugs & Cosmetic, 1940 & Rules;
- (j) Indian Boiler Act, 1923;
- (k) Essential Commodities Act, 1955;
- (l) Negotiable Instruments Act, 1881;
- (m) Sugar Cess Act, 1982;
- (n) Explosive Act, 1884/Rules 1983
- (o) Acts as prescribed under Shop and Establishment Act of

ANNEXURE - I TO DIRECTORS' REPORT (Contd...)

various local authorities;

- (p) Acts as prescribed by respective states and local authorities etc.

We have also examined compliance with the applicable clauses of the following:

- i. Listing Agreements entered into by the Company with Stock Exchange(s),
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
- iii. Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. subject to the following observations:

1. Non-Payment of Sugar Cane dues under UP Sugarcane (Regulation of Supply & Purchase) Act/Rules (1953/1954).

We further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at

least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has **not** undertaken any major activities like;

- (i) Public/Right/Preferential issue of shares/debentures/ borrowing/sweat equity/ESOP etc.
- (ii) Redemption/ buy-back of securities
- (iii) Major decisions has not been taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations/Joint Ventures etc.

For **Nirbhay Kumar & Associates**

Nirbhay Kumar

M. No. : 21093

C.P. No.: 7887

Place : New Delhi
Date : 25.05.2017

ANNEXURE - II TO DIRECTORS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY:	
<p>(a) Energy conservation measure taken:</p>	<p>a) Replaced 85 MT inefficient Chlorine compressor with Energy Efficient Chlorine Compressor</p> <p>b) Rationalized lighting (no. of lights reduced) by reorientation of light fittings and rationalising of motor HP with duty requirement.</p> <p>c) Refurbishment of electrolyzers in Cell House (9 Nos) operating at higher voltage.</p> <p>d) Phase wise change of plant lighting system to LED to reduce power consumption.</p> <p>e) Automation of cooling tower fan operation as per injection water temperature requirement.</p>
<p>(b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:</p>	<p>a) Modification of 82 kg/cm² to 2.5 kg/cm² PRDS Piping as per design of M/s De development engineers to eliminate frequent welding failure leads to physical loss of steam.</p> <p>b) Arrangement to boil C-masseccuite on 2nd vapor instead of 1st vapor by installing mechanical circulators in C masseccuite boiling pan.</p>

ANNEXURE - II TO DIRECTORS' REPORT (Contd...)

<p>(c) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.</p>	<p>c) Up gradation of SCADA at Pan control system for smooth working of Pans. d) VFD for control the flow in FCS system in U2. e) Retubing of worn out FFE tubes to facilitate its HS effectively. f) Installation of Bagasse Moisture control unit to reduce the bagasse moisture by 1.5 to 2%. g) Installation of Rotex screener for re-sieving of fine grain sugar. h) Refurbishment of electrolyser cells due in FY 2017-18. i) Use of Solar power lighting for road lights. j) Installation of solar panels for Management Block Lighting.</p> <p>a) Power saving b) Water Saving c) Steam Saving</p>
<p>B. TECHNOLOGY ABSORPTION:</p> <p>a) The efforts made towards technology absorption</p> <p>b) Benefits derived as a result of the above efforts</p> <p>c) In case of imported technology (Imported during the last 5 years reckoned from the beginning of the financial period), following information may be furnished:-</p> <p>(i) Technology Imported (ii) Year of Import. (iii) Has technology fully absorbed. (iv) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.</p>	<p>a) Installation of process condensate treatment plant. b) Installation of rain water harvesting system to harvest rain water. c) Modification/ alteration of ethanol tanks for storage/ loading as per PESO guidelines. d) Procurement & commissioning of bio compost turning machine from M/s Bachkus, Germany. e) Fabrication and erection of membrane shade covering 20 acres of bio compost yard, designed, supplied and erected by M/s Kubrir, Columbia.</p> <p>a) Water conservation. b) To meet the statutory requirement of PESO. c) Improved bio composting even with lesser area of bio compost yard. d) Better capacity utilization of distillery by continuous operation even during rainy season.</p> <p>(i) Bio compost turning machine and membrane shed. (ii) 2016-17 (iii) Technology is fully absorbed. (iv) N.A</p>
<p>C. FOREIGN EXCHANGE EARNINGS AND OUTGO</p> <p>(a) Activities related to exports initiative taken to increase export, development of new export markets for production and services.</p> <p>(b) Total foreign exchange used and earned</p>	<p>The information is given in Notes to Accounts.</p>

ANNEXURE - III TO DIRECTORS' REPORT

PARTICULARS OF REMUNERATION

STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required under Section 197 of the Companies Act 2013 and the Rules made there-under, in respect of employees of the Company are as follows:-

- (a) The median remuneration of employees of the Company during the financial year was Rs.251950.5 (12 months). The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year 2016-17 are as under:

Directors	Designation	Remuneration of Directors in Financial Period 2016-17 (Rs. in lacs)	Ratio of Remuneration to Median Remuneration of Employees
Mr. Ravinder Singh Bedi*	Non-Executive & Independent Director	N.A.	N.A.
Prof. Dinesh Mohan*	Non-Executive & Independent Director	N.A.	N.A.
Mrs. Parmjit Kaur*	Non-Executive & Independent Director	N.A.	N.A.
Mr. Piar Chand Jaswal*	Non-Executive Director	N.A.	N.A.
Mr. Dharam Pal Sharma	Whole Time Director	Rs. 17,73,000/-	7.14:1

* All the non-executive Directors of the Company were not paid any remuneration and were paid only sitting fee for attending the meetings of the Board/Committee of Directors. Therefore, the said ratio of remuneration of each director to median remuneration of the employees of the company is not applicable.

- (b) The percentage increase in Remuneration of each Director, Whole Time Director, Chief Financial Officer and Company Secretary in the financial year:

Directors

Directors	Remuneration of Director in Financial Period 2016-17	% Increase in remuneration
Mr. Ravinder Singh Bedi*	N.A.	N.A.
Prof. Dinesh Mohan*	N.A.	N.A.
Mrs. Parmjit Kaur*	N.A.	N.A.
Mr. Piar Chand Jaswal*	N.A.	N.A.
Mr. Dharam Pal Sharma, Whole Time Director	Rs.17,73,000/-	N.A.

* All the non-executive directors of the Company were not paid any remuneration and were paid only sitting fee for attending the meetings of the Board/Committee of Directors. Therefore, the said ratio of remuneration of each director to median remuneration of the employees of the company is not applicable.

Key Managerial Personnel's (KMPs)

Directors	Remuneration of KMP in Financial Period 2016-17	% Increase in remuneration
Mr. Dharam Pal Sharma, Whole Time Director	Rs. 17,73,000/-	N.A.
Dr. Anil Arora, Chief Financial Officer	Rs. 39,00,000/-	17%
Mr. Ashok Kumar Shukla, Company Secretary	Rs. 5,53,913/-	25%

- (c) The percentage increase in the Median Remuneration of Employees in the financial period was 16.62%
- (d) The number of Permanent Employees on the Rolls of Company: The number of Permanent Employees on the Rolls of Company as on 31st March, 2017 was 1656.

ANNEXURE - III TO DIRECTORS' REPORT (Contd...)

- (e) The explanation on the relationship between average increase in Remuneration and Company Performance:
The total Revenue during the year 2016-17 was Rs. 12094.55 Million as compared to Rs.14941.87 Million during 2015-16 (15 Months). During the Financial year 2016-17 the Company earned profit of Rs.4566.78 Million as against the profit of Rs.22.14 Million in 2015-16 (15 months). During the year under review there was an average increase in the median remuneration of 16.62%. The Increase in remuneration is reasonable.
- (f) Comparison of the Remuneration of the Key Managerial Personnel against the Performance of the Company:
See comments under item (e) above.
- (g) Variations in the market capitalisation of the Company: The Market Capitalisation as on 31.3.2017 was Rs.3260.39 Million as against Rs. 997.48 Million as on 31.3.2016 (15 months).
- (h) Average percentage increase already made in the salaries of employees other than managerial personnel in the last financial period and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:
The average increase in salaries of employees in 2016-17 was 16.62%.
- (i) The key parameters for any variable component of Remuneration availed by the Directors: There is no variable component in the remuneration of Directors.
- (j) The Ratio of the Remuneration of the highest paid Director to that of Employees who are not Directors but receive Remuneration in excess of the highest paid Director during the period is 1.20:1
- (k) Affirmation that the Remuneration is as per the Remuneration Policy of the Company: The Company affirms that the Remuneration paid during the period were as per the Remuneration Policy of the Company.

STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a) Name of employee employed throughout the financial year and was in receipt of remuneration rupees sixty lakh or more:
Nil
- b) Name of employee employed for a part of the financial year and was in receipt of remuneration not less than five lakh rupees per month are as under:

Name	Designation/ Nature of Duties	Remuneration Received	Qualification	Experience (Years)	Date of Commencement	Age (Years)	Particulars of last Employment
Ms. Vani Chandrashekhar	Sr. Vice President (Legal)	4,675,573.00	B.A., LLB	27	31.8.2016	52	General Counsel M/s Inter Globe Aviation Ltd.

- c) Name of the employee employed throughout the financial period or part thereof, was in receipt of remuneration in that period which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: Ms. Vani Chandrashekhar

ANNEXURE - IV TO DIRECTORS' REPORT

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2017

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L74100DL1961PLC003413
2	Registration Date	27.03.1961
3	Name of the Company	Mawana Sugars Limited
4	Category / Sub-Category of the Company	Manufacturing
5	Address of the Registered Office and contact details	5 th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi-110125 Contact Details: 011-25739103 Fax No. 011-25743659 E-Mail : Corporate@mawanasugars.com Website: www.mawanasugars.com
6	Whether listed company Yes / No	Yes
7	Name, address and contact details of Registrar and Transfer Agent, if any	Mas Services Limited T-34, Okhla Industrial Area, Phase-II, New Delhi-110020 TEL No. 011-26387281-83 Fax No.011-26387384 E-Mail : info@masserv.com, Website : www.masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The Company is engaged in the business of manufacture and marketing of Sugar and related by products from Sugar Cane at its Units Mawana Sugar Works, Nanglamal Sugar Complex situated in State of Uttar Pradesh and producing and marketing of Chlor Caustic at its Units Siel Chemical Complex, in the State of Punjab. The business activities contributing 10% or more of the total turnover of the Company shall be stated hereinbelow:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Sugar	1072	74.85%
2.	Chemicals	20119	17.45%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Siel Industrial Estate Limited	U45209DL1994PLC057359	Subsidiary	50.71*100**	2 (87) and 129 (3)
2	Siel Financial Services Ltd.	L65999MP1990PLC007674	Subsidiary	93.56	2 (87) and 129 (3)
3	Siel Infrastructure & Estate Developers Pvt. Ltd.	U74899DL1985PTC021191	Subsidiary	100.00	2 (87) and 129 (3)

*EQUITY CAPITAL **PREFERENCE CAPITAL

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the period (as on 01.04.2016)				No. of Shares held at the end of the period (as on 31.03.2017)				% change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	27334784	0	27334784	69.88	27334784	0	27334784	69.88	0.00
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	1192	0	1192	0.00	1192	0	1192	0.00	0.00
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0.00
SUB TOTAL:(A) (1)	27335976	0	27335976	69.88	27335976	0	27335976	69.88	0.00
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	27335976	0	27335976	69.88	27335976	0	27335976	69.88	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	11520	979	12499	0.03	11520	979	12499	0.03	0.00
b) Banks/FI	445982	11584	457566	1.17	505152	11039	516191	1.32	0.15
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	295208	0	295208	0.75	295208	0	295208	0.75	0.00
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Any Others (Foreign Banks)	3093	0	3093	0.01	3093	0	3093	0.01	0.00
SUB TOTAL (B)(1):	755803	12563	768366	1.96	814973	12018	826991	2.11	0.15
(2) Non Institutions									
a) Bodies corporate									
i) Indian	1580408	41783	1622191	4.15	2942152	24791	2966943	7.58	3.44
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	5995877	690269	6686146	17.09	5625334	539097	6164431	15.76	-1.33
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	2474661	0	2474661	6.33	1391871	0	1391871	3.56	-2.77
c) NBFC Registered with RBI	0	0	0	0.00	30158	0	30158	0.08	0.08
d) Others (NRIs/OCBs/ Pakistani Nationals/Trust/ Suspense A/c)	175609	53915	229524	0.59	347086	53408	400494	1.02	0.44
SUB TOTAL (B)(2):	10226555	785967	11012522	28.16	10336601	617296	10953897	28.01	-0.15
Total Public Shareholding(B)= (B)(1)+(B)(2)	10982358	798530	11780888	30.13	11151574	629314	11780888	30.13	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	38318334	798530	39116864	100	38487550	629314	39116864	100	

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

ii) Shareholding of promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the period (as on 01.04.2016)			Share holding at the end of the period (as on 31.03.2017)			% change in share holding during the period
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total share*	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total share*	
1	Siddharth Shriram	27117959	69.33	2.56	27117959	69.33	2.56	0.00
2.	Siddharth Shriram (Trustee of Enterprise Trust)	216289	0.55	0.00	216289	0.55	0.00	0.00
3.	Roula Shriram	536	0.00	0.00	536	0.00	0.00	0.00
4.	Siel Infrastructure & Estate Developers Pvt. Ltd.	1192	0.00	0.00	1192	0.00	0.00	0.00
	Total Shares	27335976	69.88	2.56	27335976	69.88	2.56	0.00

Note : *The % of shares pledged/encumbered represents % of shares pledged/encumbered as a % of the total shares of the Company.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in the Promoters' Shareholding during the period under review.

Sl. No.		Shareholding at the beginning of the period		Cumulative Shareholding during the period	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the period	27335976	69.88	#	
2.	Date wise Increase/Decrease in Promoters Shareholding during the period specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	#			
3.	At the End of the period	27335976	69.88	#	

Note : # There is no change in the Promoters' Shareholding during the period under review

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	ANAND RATHI SHARE & STOCK BROKERS LIMITED#	4637	0.01	1-Apr-2016						
				15-Apr-2016	-217	Sale	4420	0.01		
				22-Apr-2016	-2421	Sale	1999	0.01		
				6-May-2016	1246	Purchase	3245	0.01		
				13-May-2016	-1246	Sale	1999	0.01		
				20-May-2016	255	Purchase	2254	0.01		

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
				27-May-2016	-534	Sale	1720	0.00		
				3-Jun-2016	351	Purchase	2071	0.01		
				6-Jun-2016	-690	Sale	1381	0.00		
				10-Jun-2016	-101	Sale	1280	0.00		
				13-Jun-2016	10	Purchase	1290	0.00		
				17-Jun-2016	-385	Sale	905	0.00		
				24-Jun-2016	2315	Purchase	3220	0.01		
				30-Jun-2016	-2700	Sale	520	0.00		
				1-Jul-2016	299	Purchase	819	0.00		
				8-Jul-2016	-489	Sale	330	0.00		
				15-Jul-2016	1038	Purchase	1368	0.00		
				22-Jul-2016	-1050	Sale	318	0.00		
				29-Jul-2016	-18	Sale	300	0.00		
				5-Aug-2016	2175	Purchase	2475	0.01		
				12-Aug-2016	-1081	Sale	1394	0.00		
				19-Aug-2016	450	Purchase	1844	0.00		
				26-Aug-2016	-441	Sale	1403	0.00		
				2-Sep-2016	703	Purchase	2106	0.01		
				9-Sep-2016	350	Purchase	2456	0.01		
				16-Sep-2016	7190	Purchase	9646	0.02		
				23-Sep-2016	1901	Purchase	11547	0.03		
				30-Sep-2016	-5283	Sale	6264	0.02		
				7-Oct-2016	-1158	Sale	5106	0.01		
				14-Oct-2016	-4827	Sale	279	0.00		
				21-Oct-2016	-179	Sale	100	0.00		
				28-Oct-2016	-98	Sale	2	0.00		
				18-Nov-2016	600	Purchase	602	0.00		
				30-Dec-2016	9675	Purchase	10277	0.03		
				31-Dec-2016	-642	Sale	9635	0.02		
				6-Jan-2017	-8409	Sale	1226	0.00		
				13-Jan-2017	7775	Purchase	9001	0.02		
				20-Jan-2017	3335	Purchase	12336	0.03		
				27-Jan-2017	1621	Purchase	13957	0.04		
				3-Feb-2017	11493	Purchase	25450	0.07		
				10-Feb-2017	4457	Purchase	29907	0.08		
				17-Feb-2017	-261	Sale	29646	0.08		
				24-Feb-2017	13705	Purchase	43351	0.11		
				3-Mar-2017	-4001	Sale	39350	0.10		
				10-Mar-2017	5200	Purchase	44550	0.11		
				17-Mar-2017	-8504	Sale	36046	0.09		
				24-Mar-2017	21347	Purchase	57393	0.15		
				31-Mar-2017	84391	Purchase	141784	0.36	141784	0.36

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
2	MOTILAL OSWAL SECURITIES LTD-COLLATERAL ACCOUNT#	3454	0.01	1-Apr-2016						
				3-Jun-2016	-800	Sale	2654	0.01		
				10-Jun-2016	-1000	Sale	1654	0.00		
				30-Jun-2016	-250	Sale	1404	0.00		
				19-Aug-2016	-1000	Sale	404	0.00		
				23-Dec-2016	-250	Sale	154	0.00		
				3-Feb-2017	199063	Purchase	199217	0.51		
				10-Feb-2017	-21194	Sale	178023	0.46		
				17-Feb-2017	-11301	Sale	166722	0.43		
				24-Feb-2017	774	Purchase	167496	0.43		
				3-Mar-2017	-7833	Sale	159663	0.41		
				10-Mar-2017	227	Purchase	159890	0.41		
				17-Mar-2017	18595	Purchase	178485	0.46		
		24-Mar-2017	168	Purchase	178653	0.46				
		31-Mar-2017	-15591	Sale	163062	0.42	163062	0.42		
3	KUMAR MANGALAM LAMBORIA	331998	0.85	1-Apr-2016						
				9-Sep-2016	-9158	Sale	322840	0.83		
				4-Nov-2016	5976	Purchase	328816	0.84		
				11-Nov-2016	2168	Purchase	330984	0.85		
				30-Dec-2016	2864	Purchase	333848	0.85		
				3-Feb-2017	-166871	Sale	166977	0.43		
				31-Mar-2017					166977	0.43
4	SURESH KUMAR PRITHANI*	150000	0.38	1-Apr-2016						
				20-May-2016	-25000	Sale	125000	0.32		
				30-Jun-2016	-5000	Sale	120000	0.31		
				1-Jul-2016	-10000	Sale	110000	0.28		
				8-Jul-2016	-5000	Sale	105000	0.27		
				29-Jul-2016	-10000	Sale	95000	0.24		
				5-Aug-2016	-12218	Sale	82782	0.21		
				26-Aug-2016	-12000	Sale	70782	0.18		
				9-Sep-2016	-2656	Sale	68126	0.17		
				16-Sep-2016	-38126	Sale	30000	0.08		
		23-Sep-2016	-30000	Sale	30000	0.08				
		31-Mar-2017						NIL	NIL	
5	HAR GOVIND GUPTA*	400000	1.02	1-Apr-2016						
				20-May-2016	-50000	Sale	350000	0.89		
				3-Jun-2016	-10000	Sale	340000	0.87		
				10-Jun-2016	-40000	Sale	300000	0.77		
				17-Jun-2016	-50000	Sale	250000	0.64		
				1-Jul-2016	-10000	Sale	240000	0.61		
				15-Jul-2016	-40000	Sale	200000	0.51		

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/Decrease in Shareholding	Reason for Increase/Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
				5-Aug-2016	-50000	Sale	150000	0.38		
				12-Aug-2016	-150000	Sale	150000	0.38		
				31-Mar-2017					NIL	NIL
6	MAWANA SUGARS LIMITED UNCLAIMED SUSPENSE ACCOUNT#	NIL	NIL	1-Apr-2016						
				31-Mar-2017	155162	Demated	155162	0.40	155162	0.40
7	ICICI SECURITIES LIMITED#	6122		1-Apr-2016						
				8-Apr-2016	1245	Purchase	7367	0.02		
				15-Apr-2016	-862	Sale	6505	0.02		
				22-Apr-2016	-6263	Sale	242	0.00		
				29-Apr-2016	1951	Purchase	2193	0.01		
				6-May-2016	6131	Purchase	8324	0.02		
				13-May-2016	-2470	Sale	5854	0.01		
				20-May-2016	-4277	Sale	1577	0.00		
				27-May-2016	475	Purchase	2052	0.01		
				3-Jun-2016	5479	Purchase	7531	0.02		
				6-Jun-2016	1580	Purchase	9111	0.02		
				10-Jun-2016	19567	Purchase	28678	0.07		
				13-Jun-2016	-10807	Sale	17871	0.05		
				17-Jun-2016	3162	Purchase	21033	0.05		
				24-Jun-2016	-13072	Sale	7961	0.02		
				30-Jun-2016	-2968	Sale	4993	0.01		
				1-Jul-2016	-1799	Sale	3194	0.01		
				8-Jul-2016	16214	Purchase	19408	0.05		
				15-Jul-2016	-6178	Sale	13230	0.03		
				22-Jul-2016	-10940	Sale	2290	0.01		
				29-Jul-2016	8500	Purchase	10790	0.03		
				5-Aug-2016	-9170	Sale	1620	0.00		
				12-Aug-2016	2756	Purchase	4376	0.01		
				19-Aug-2016	11277	Purchase	15653	0.04		
				26-Aug-2016	-15631	Sale	22	0.00		
				2-Sep-2016	278	Purchase	300	0.00		
				9-Sep-2016	2115	Purchase	2415	0.01		
				16-Sep-2016	7108	Purchase	9523	0.02		
				23-Sep-2016	-8501	Sale	1022	0.00		
				30-Sep-2016	8821	Purchase	9843	0.03		
				7-Oct-2016	-9000	Sale	843	0.00		
				14-Oct-2016	3059	Purchase	3902	0.01		
				21-Oct-2016	-2720	Sale	1182	0.00		
				28-Oct-2016	-282	Sale	900	0.00		
				4-Nov-2016	-650	Sale	250	0.00		
				11-Nov-2016	4201	Purchase	4451	0.01		

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/Decrease in Shareholding	Reason for Increase/Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017		
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
				18-Nov-2016	6719	Purchase	11170	0.03			
				25-Nov-2016	2055	Purchase	13225	0.03			
				2-Dec-2016	-9690	Sale	3535	0.01			
				9-Dec-2016	-3135	Sale	400	0.00			
				16-Dec-2016	1219	Purchase	1619	0.00			
				23-Dec-2016	-1319	Sale	300	0.00			
				30-Dec-2016	2231	Purchase	2531	0.01			
				6-Jan-2017	-436	Sale	2095	0.01			
				13-Jan-2017	3368	Purchase	5463	0.01			
				20-Jan-2017	517	Purchase	5980	0.02			
				27-Jan-2017	255	Purchase	6235	0.02			
				3-Feb-2017	10579	Purchase	16814	0.04			
				10-Feb-2017	-14182	Sale	2632	0.01			
				17-Feb-2017	21526	Purchase	24158	0.06			
				24-Feb-2017	-7228	Sale	16930	0.04			
				3-Mar-2017	-8662	Sale	8268	0.02			
				10-Mar-2017	15128	Purchase	23396	0.06			
				17-Mar-2017	-11737	Sale	11659	0.03			
				24-Mar-2017	-7102	Sale	4557	0.01			
				31-Mar-2017	362932	Purchase	367489	0.94	367489	0.94	
8	SIG ESTATE PRIVATE LIMITED	153425	0.39	1-Apr-2016							
				No change in shareholding during the year							
				31-Mar-2017					153425	0.39	
9	LIFE INSURANCE CORPORATION OF INDIA	170968	0.44	1-Apr-2016							
				No change in shareholding during the year							
				31-Mar-2017					170968	0.44	
10	THE ORIENTAL INSURANCE COMPANY LIMITED*	96917	0.25	1-Apr-2016							
				No change in shareholding during the year							
				31-Mar-2017					96917	0.25	
11	PUNJAB NATIONAL BANK	443649	1.13	1-Apr-2016							
				No change in shareholding during the year							
				31-Mar-2017					443649	1.13	
12	SHRI PARASRAM HOLDINGS PVT.LTD.#	14610	0.04	1-Apr-2016							
				8-Apr-2016	140	Purchase	14750	0.04			
				15-Apr-2016	672	Purchase	15422	0.04			
				22-Apr-2016	294	Purchase	15716	0.04			
				29-Apr-2016	-2	Sale	15714	0.04			
				6-May-2016	-94	Sale	15620	0.04			
				13-May-2016	-855	Sale	14765	0.04			
				20-May-2016	330	Purchase	15095	0.04			

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/Decrease in Shareholding	Reason for Increase/Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
				27-May-2016	1067	Purchase	16162	0.04		
				3-Jun-2016	-100	Sale	16062	0.04		
				6-Jun-2016	-90	Sale	15972	0.04		
				10-Jun-2016	2319	Purchase	18291	0.05		
				13-Jun-2016	-4310	Sale	13981	0.04		
				17-Jun-2016	8109	Purchase	22090	0.06		
				24-Jun-2016	4651	Purchase	26741	0.07		
				30-Jun-2016	-1495	Sale	25246	0.06		
				1-Jul-2016	-1632	Sale	23614	0.06		
				8-Jul-2016	-1707	Sale	21907	0.06		
				15-Jul-2016	828	Purchase	22735	0.06		
				22-Jul-2016	565	Purchase	23300	0.06		
				29-Jul-2016	976	Purchase	24276	0.06		
				5-Aug-2016	15105	Purchase	39381	0.10		
				12-Aug-2016	1396	Purchase	40777	0.10		
				19-Aug-2016	-14504	Sale	26273	0.07		
				26-Aug-2016	-5498	Sale	20775	0.05		
				2-Sep-2016	-392	Sale	20383	0.05		
				9-Sep-2016	-256	Sale	20127	0.05		
				16-Sep-2016	-3638	Sale	16489	0.04		
				23-Sep-2016	-930	Sale	15559	0.04		
				30-Sep-2016	1045	Purchase	16604	0.04		
				7-Oct-2016	-1550	Sale	15054	0.04		
				14-Oct-2016	10061	Purchase	25115	0.06		
				28-Oct-2016	-50	Sale	25065	0.06		
				4-Nov-2016	16	Purchase	25081	0.06		
				11-Nov-2016	1035	Purchase	26116	0.07		
				18-Nov-2016	-2117	Sale	23999	0.06		
				25-Nov-2016	975	Purchase	24974	0.06		
				2-Dec-2016	-21	Sale	24953	0.06		
				9-Dec-2016	2584	Purchase	27537	0.07		
				16-Dec-2016	267	Purchase	27804	0.07		
				23-Dec-2016	-461	Sale	27343	0.07		
				30-Dec-2016	-570	Sale	26773	0.07		
				6-Jan-2017	-3827	Sale	22946	0.06		
				13-Jan-2017	-1974	Sale	20972	0.05		
				20-Jan-2017	-530	Sale	20442	0.05		
				27-Jan-2017	-466	Sale	19976	0.05		
				3-Feb-2017	-9900	Sale	10076	0.03		
				10-Feb-2017	17958	Purchase	28034	0.07		
				17-Feb-2017	78234	Purchase	106268	0.27		
				24-Feb-2017	81200	Purchase	187468	0.48		

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/Decrease in Shareholding	Reason for Increase/Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
				3-Mar-2017	32940	Purchase	220408	0.56		
				10-Mar-2017	129383	Purchase	349791	0.89		
				17-Mar-2017	6329	Purchase	356120	0.91		
				24-Mar-2017	-86790	Sale	269330	0.69		
				31-Mar-2017	-31391	Sale	237939	0.61	237939	0.61
13	ISHWAR DAYAL MITTAL*	603365	1.54	1-Apr-2016						
				13-Jan-2017	-2000	Sale	601365	1.54		
				20-Jan-2017	-3000	Sale	598365	1.53		
				24-Mar-2017	-598365	Sale	0	0.00		
				31-Mar-2017					NIL	NIL
14	GUINNESS SECURITIES LIMITED*	109158	0.28	1-Apr-2016						
				8-Apr-2016	-250	Sale	108908	0.28		
				6-May-2016	11000	Purchase	119908	0.31		
				13-May-2016	8500	Purchase	128408	0.33		
				20-May-2016	25020	Purchase	153428	0.39		
				27-May-2016	-10	Sale	153418	0.39		
				3-Jun-2016	7	Purchase	153425	0.39		
				10-Jun-2016	5765	Purchase	159190	0.41		
				13-Jun-2016	1007	Purchase	160197	0.41		
				17-Jun-2016	-889	Sale	159308	0.41		
				24-Jun-2016	1900	Purchase	161208	0.41		
				8-Jul-2016	-2000	Sale	159208	0.41		
				15-Jul-2016	30	Purchase	159238	0.41		
				22-Jul-2016	250	Purchase	159488	0.41		
				29-Jul-2016	-160	Sale	159328	0.41		
				5-Aug-2016	-210	Sale	159118	0.41		
				12-Aug-2016	1500	Purchase	160618	0.41		
				19-Aug-2016	505	Purchase	161123	0.41		
				26-Aug-2016	500	Purchase	161623	0.41		
				16-Sep-2016	-505	Sale	161118	0.41		
				23-Sep-2016	-2060	Sale	159058	0.41		
				7-Oct-2016	4000	Purchase	163058	0.42		
				21-Oct-2016	-42000	Sale	121058	0.31		
				4-Nov-2016	500	Purchase	121558	0.31		
				25-Nov-2016	-2900	Sale	118658	0.30		
				2-Dec-2016	-100	Sale	118558	0.30		
				9-Dec-2016	-500	Sale	118058	0.30		
				13-Jan-2017	-1000	Sale	117058	0.30		
				3-Feb-2017	-15000	Sale	102058	0.26		
				10-Feb-2017	-6000	Sale	96058	0.25		
				17-Feb-2017	-100	Sale	95958	0.25		
				24-Feb-2017	-150	Sale	95808	0.24		

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
				10-Mar-2017	-5500	Sale	90308	0.23		
				31-Mar-2017					90308	0.23
15	GUINNESS SECURITIES LIMITED	164336	0.42	1-Apr-2016			164336	0.42		
				8-Apr-2016	-250	Sale	164086	0.42		
				6-May-2016	6000	Purchase	170086	0.43		
				13-May-2016	-750	Sale	169336	0.43		
				15-Jul-2016	-7	Sale	169329	0.43		
				17-Feb-2017	-66	Sale	169263	0.43		
				31-Mar-2017					169263	0.43

Note : 1. *Ceased to be part of top ten shareholders as on 31.03.2017
 2. # Not been part of top ten shareholders as on 01.04.2016

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholder's Name	Shareholding at the beginning of the period i.e. 01.04.2016		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the period		Shareholding at the end of the period i.e. 31.03.2017		
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
1	Dr. Anil Arora Chief Financial Officer	127	0.00								
				No change in shareholding during the period							
									127	0.00	

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. Million)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	4802.71	-	-	4802.71
ii) Interest due but not paid	858.02	-	-	858.02
iii) Interest accrued but not due	740.91	-	-	740.91
Total (i+ii+iii)	6401.64	-	-	6401.64
Change in Indebtedness during the financial year:				
• Addition	266.10	-	-	266.10
• Reduction	2569.67	-	-	2569.67
Net Change	(2303.57)	-	-	(2303.57)

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year:				
i) Principal Amount	2855.21	-	-	2855.21
ii) Interest due but not paid	198.29	-	-	198.29
iii) Interest accrued but not due	1044.57	-	-	1044.57
Total (i+ii+iii)	4098.07	-	-	4098.07

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors (WTD) and/or Manager:

Sl.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in Rs.)
1.	Mr. Dharam Pal Sharma, WTD		
	Gross salary	17,73,000.00	17,73,000.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,73,000.00	17,73,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5.	Others, please specify	-	-
	Total (A)	17,73,000.00	17,73,000.00
	Ceiling as per the Act	-	-

B. Remuneration to other Directors:

Sitting fee of Rs. 10000/- each Paid to the Non-Executive Directors for attending the Meetings of Board/Board Committee of the Company

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount In Rupees
		Prof. Dinesh Mohan	Mr. R.S. Bedi	Mr.Piar Chand Jaswal	Ms.Parmjit Kaur	
1.	Independent Directors					-
	• Fee for attending board / committee meetings	1,80,000	1,70,000	1,90,000	80,000	6,20,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	1,80,000	1,70,000	1,90,000	80,000	6,20,000
2.	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	1,80,000	1,70,000	1,90,000	80,000	6,20,000
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

ANNEXURE - IV TO DIRECTORS' REPORT (Contd...)

C. Remuneration to Key Managerial Personnel other than MD/Manager/Whole Time Director (WTD):

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (In Rupees)
		Company Secretary	CFO	
1.	Gross salary	5,53,913	39,00,000	44,53,913
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,53,913	38,78,400	44,32,313
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	21600	21600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify.	-	-	-
5.	Others, please specify	-	-	-
	Total	5,53,913	39,00,000	44,53,913

VII. PENALTIES / PUNISHMENT / COMPUNDING OF OFFENCES; Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

ANNEXURE - V TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

1. Company's Philosophy on Code of Corporate Governance

Good Corporate Governance is the adoption of best business practices which ensure that the Company operates within the regulatory framework. The adoption of such corporate practices ensures accountability of the persons in charge of the Company on one hand and brings benefits to investors, customers, creditors, employees and the society at large on the other. The Company believes in practicing good Corporate Governance and endeavours to improve on these aspects on an ongoing basis.

2. Board of Directors

(a) Composition

The Board of Directors of the Company consisting of 5 Directors. The Board has an ideal composition. It consists of One Executive Director and Four Non-Executive Directors. Three Non-Executive Directors are Independent including Woman Director. The Board of the Company is duly constituted as per the requirements of the Companies Act, 2013 read with rule made thereunder and Regulation 17 of SEBI (LODR) Regulations, 2015. The Board members possess the skills, experience and expertise necessary to guide the Company.

All the Directors have given necessary disclosures as required in the Companies Act, 2013 and rules made thereunder.

There is no relationship between the Directors inter-se.

The composition of Board of Directors, their attendance at the Board Meetings held during the financial year ended March 31, 2017 and at the last Annual General Meeting held on 13.6.2016 and also the other directorship and membership/ chairmanship of Board committees are as follows:

Director	DIN	Category	No. of Board Meetings Attended (Total meetings held 7)	Attended last AGM	No. of Directorship in other public companies#	No. of Committees position held in other public companies@	
						Member	Chairman
1	2	3	4	5	6	7	8
• Prof. Dinesh Mohan	00077959	Independent Non-Executive	7	Yes	1	NIL	NIL
• Mr. Ravinder Singh Bedi	01408189	Independent Non-Executive	5	No	1	NIL	NIL
• Mr. Piar Chand Jaswal	07100098	Non-Independent Non-Executive	7	Yes	NIL	NIL	NIL
• Mr. Dharam Pal Sharma (Whole Time Director)	07259344	Executive	7	Yes	NIL	NIL	NIL
• Mrs. Parmjit Kaur	06714249	Independent Non-Executive	7	Yes	NIL	NIL	NIL

Note:

Other directorships exclude directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

@ For this purpose only Audit and Stakeholders' Relationship Committees have been considered as defined under Regulation 26 of SEBI (LODR) Regulations, 2015.

(b) Number of Board Meetings

During the financial year ended March 31, 2017, seven board meetings were held on 10.5.2016, 13.6.2016, 11.8.2016, 11.11.2016, 18.11.2016, 14.2.2017 and 31.3.2017. A separate meeting of the Independent Directors of the Company was convened on 31.03.2017 to oversee and review performance of Non-Independent Directors and the Board as a whole. All the Independent Directors were present at the meeting.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

(c) Details of the shareholding of Non-Executive Directors

None of the Non-Executive Directors held any equity shares or convertible instrument of the Company during the financial year ended on March 31, 2017.

(d) Familiarization programme for Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has formulated a Familiarization Program Module ("the programme") for the Independent Directors ("ID") of the Company. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company.

The Board members are provided with necessary documents and reports to enable them to familiarize with the Company's procedures and practices.

(e) Information supplied to the Board

1. Annual operating plans and budgets, capital budgets, updates.
2. Quarterly results of the Company.
3. Minutes of meetings of Board committees and unlisted subsidiary companies.
4. Compliance of any regulatory, statutory nature or listing requirements and shareholder services

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company. The Board is presented with detailed notes along with the agenda papers.

3. Audit Committee

(a) Terms of Reference

The Company has an Audit Committee which was constituted in 1992 (thereafter reconstituted from time to time) and since then is dealing with the matters prescribed by the Board of Directors. The Committee deals with accounting matters, financial reporting and internal controls. The power, role, delegation, responsibilities and terms of reference of the Audit Committee are as prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

(b) Composition

The Audit Committee comprises of 3 Directors. One Director is Non-Executive and Non-Independent and two directors are Non-Executive and Independent Directors. All the Committee members have sound knowledge of finance and accounting.

The Chairman of the Committee attended the last Annual General Meeting.

The Company Secretary acts as the Secretary of the Committee. The Head of Finance, Internal Auditors and Statutory Auditors attend the meetings of the Committee on the invitation of the Company.

During the financial year ended March 31, 2017, the Audit Committee met 4 times on 10.5.2016, 11.8.2016, 11.11.2016 and 14.2.2017.

The composition of Committee and their attendance at the Committee meetings held during the financial year are as under:

Sl. No.	Name of Director	Category	No. of Meetings Attended (Total Meetings held 4)
1.	Prof. Dinesh Mohan - Chairman	Independent /Non-Executive	4
2.	Mr. Ravinder Singh Bedi	Independent / Non-Executive	4
3.	Mr. Piar Chand Jaswal	Non- Independent/Non-Executive	4

4. Nomination and Remuneration Committee

(a) Terms of Reference

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

(b) Composition

The Nomination and Remuneration Committee of the Board comprises of 3 Directors. One Director is Non-Executive and Non-Independent and two directors are Non-Executive and Independent Directors.

The Chairman of the Nomination and Remuneration Committee attended the last Annual General Meeting.

During the financial year ended March 31, 2017, 3 meetings of the Committee were held on 27.5.2016, 11.8.2016 and 11.11.2016.

The Company Secretary acts as the secretary of the committee.

The composition of the Committee and their attendance at the Committee Meetings held during the financial year are as under:

Sl. No.	Name of Director	Category	No. of Meetings Attended (Total Meetings held 3)
1.	Prof. Dinesh Mohan - Chairman	Independent /Non-Executive	3
2.	Mr. Ravinder Singh Bedi	Independent /Non-Executive	3
3.	Mr. Piar Chand Jaswal	Non- Independent/Non-Executive	3

(c) Remuneration Policy

The Company has adopted a Remuneration Policy for executive and non-executive directors and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration as approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders and such other authorities as the case may be.

The Non-Executive Directors do not draw any remuneration from the Company other than sitting fee of Rs.10,000/- (Rupees Ten Thousand) for each meeting of the Board/ Committee thereof attended by them.

The remuneration policy as approved by the Board is placed on the website of the Company: www.mawanasugars.com.

5. Remuneration to Directors

a) Remuneration to Executive Director

The details of the remuneration to the Executive Director/s provided as per accounts for the financial year ended March 31, 2017 is given below:

(Rupees)

Sl. No.	Name	Salary and Allowances	Perquisites	Contribution to Provident and other Funds	Total
1.	Mr. Dharam Pal Sharma	16,95,867	12,333	64,800	17,73,000.00

1. Refer note no.35 of the financial statements

b) Details of the sitting fees paid to the Non-Executive Directors

The details of the sitting fees to the Non-Executive Directors provided as per accounts for the financial year ended March 31, 2017 are given below:

Sl. No.	Name	Sitting Fees (Rs.)
1.	Prof. Dinesh Mohan	1,80,000/-
2.	Mr. Ravinder Singh Bedi	1,70,000/-
3.	Mr. Piar Chand Jaswal	1,90,000/-
4.	Mrs. Parmjit Kaur	80,000/-

The Company has not paid any fixed component and performance linked incentives to the Non -Executive Directors during the financial year ended March 31, 2017.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

The Company does not have any Stock Option Scheme.

6. Stakeholders Relationship Committee

(a) Terms of Reference

The Company has a Board Committee namely 'Stakeholders Relationship Committee' as required under the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 to look into various issues relating to shareholders including the redressal of shareholders complaints, share transfers/ transmission/ issue of duplicate shares etc.

The meeting of this Committee is held frequently to ensure completion of share transfer work within the stipulated period. Besides this, Director/s and Company Secretary have been delegated the power to approve severally the registration of transfer of shares and other related matters upto 500 shares per case.

(b) Composition

The Stakeholders Relationship Committee of the Board comprises of 3 Directors. One Director is Non-Executive and Non-Independent and two directors are Non-Executive and Independent Directors.

During the financial year ended March 31, 2017, the Committee met 5 times on 26.4.2016, 23.7.2016, 24.10.2016, 24.1.2017 and 22.3.2017.

The Company Secretary acts as the secretary of the Committee.

The composition of the Committee and their attendance at the Committee meetings held is under:

Sl. No.	Name of Director	Category	No. of Meetings Attended (Total Meetings held 5)
1	Prof. Dinesh Mohan - Chairman	Independent /Non-Executive	3
2	Mr. Ravinder Singh Bedi	Independent /Non-Executive	4
3	Mr. Piar Chand Jaswal	Non- Independent/Non-Executive	5

Mr. Ashok Kumar Shukla, Company Secretary is the Compliance Officer. The Compliance Officer can be contacted at:

Mawana Sugars Limited
Plot No.3, Institutional Area,
Sector-32, Gurgaon-122001 (Haryana)
Tel: 0124-4298000
E-mail: corporate@mawanasugars.com

During the financial year ended March 31, 2017, 32 complaints were received from the shareholders. All complaints were replied/resolved to the satisfaction of the shareholders. No complaints are pending as at the end of the financial year.

7. Corporate Social Responsibility Committee

(a) Terms of Reference

The Company has a Board Committee namely 'Corporate Social Responsibility Committee' (CSR Committee) as required under Section 135 of the Companies Act, 2013. The purpose of the Committee is to formulate and monitor the CSR policy of the Company.

The Company has adopted a CSR policy. The Committee is primarily responsible for formulating and recommending to the Board of Directors from time to time the CSR activities and the amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects. The CSR Policy of the Company has been placed on the Company's website www.mawanasugars.com.

(b) Composition

The CSR Committee of the Board comprises of 3 Directors. One Director is Non-Executive and Non-Independent and two directors are Non-Executive and Independent Directors.

No meetings of the Committee were held during the financial year.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

The composition of the Committee is as under:

Sl. No.	Name of the Director	Category
1.	Prof. Dinesh Mohan - Chairman	Independent /Non-Executive
2.	Mr. Ravinder Singh Bedi	Independent / Non-Executive
3.	Mr. Piar Chand Jaswal	Non- Independent/Non-Executive

The Company Secretary acts as the Secretary to the Committee.

8. Risk Management Committee

(a) Terms of Reference

The Company has a Board Committee namely 'Risk Management Committee' as required under Regulation 21 of SEBI (LODR) Regulations, 2015.

The Risk Management Committee is *inter-alia* responsible for risk identification, evaluation and mitigation and control process for such risks, oversight the Enterprise Risk Management System and internal control process; monitoring and reviewing risk management plan of the Company and reviewing the foreseeable trends that could significantly impact the Company's overall business objectives and mitigates thereof.

(b) Composition

The Risk Management Committee of the Board comprises of 3 Directors. One Director is Non-Executive and Non-Independent and two directors are Non-Executive and Independent Directors.

No meetings of the Committee were held during the financial year.

The composition of the Committee is as under:

Sl. No.	Name of the Director	Category
1.	Prof. Dinesh Mohan - Chairman	Independent /Non-Executive
2.	Mr. Ravinder Singh Bedi	Independent / Non-Executive
3.	Mr. Piar Chand Jaswal	Non- Independent/Non-Executive

The Company Secretary acts as the Secretary to the Committee.

9. Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistle Blowers

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to report instances of violations of laws, rules and regulations, unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The vigil mechanism also provides adequate safeguards against victimization of persons who use such mechanisms and also to ensure direct access to the Ethics Committee or Chairman of the Audit Committee in appropriate or exceptional cases.

10. General Body Meeting

(i). Details of the last three Annual General Meetings were held as under:

Financial Year	Location	Date & Time	Special Resolution Passed
2015-16 (15 months)	Shriram Bharatiya Kala Kendra(Lawn), 1, Copernicus Marg, Mandi House, New Delhi – 110001	13.6.2016 & 10.00 A.M.	i) Appointment of Mr. Dharam Pal Sharma, Whole Time Director of the Company for a period of 5 years w.e.f. 13.08.2015 to 12.08.2020 and payment of the remuneration for a period of 3 years w.e.f. 13.08.2015 to 12.08.2018. ii) Re-classification of authorized share capital of the Company.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

Financial Year	Location	Date & Time	Special Resolution Passed
2013-14 (15 months)	Shriram Bharatiya Kala Kendra(Lawn), 1, Copernicus Marg, Mandi House, New Delhi – 110001	23.3.2015 & 10.00 A.M.	No special resolution was passed during the financial period 2013-14.
2012-2013	Kamani Auditorium 1, Copernicus Marg New Delhi-110001	16.12.2013 & 11.30 A.M.	Ratification/approval for re-appointment and payment of the remuneration paid to Mr. Sunil Kakria, Managing Director of the Company during the period from 7.1.2013 to 31.7.2013 (his resignation date).

(ii) Resolution passed through Postal Ballot

During the financial year ended March 31, 2017, the Company has passed a Special Resolution through postal ballot process (including e-voting) as prescribed under Sections 108 & 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and the Companies (Management and Administration) Amendment Rules, 2015, and other applicable provisions, if any of the Companies Act, 2013.

The Company has appointed Mr. Nirbhay Kumar of M/s Nirbhay Kumar & Associates, Practicing Company Secretary (M. No. 21093) as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. The voting period for e-voting and postal ballot was commenced on 27.11.2016 (09.00 a.m. IST) and ends on 26.12.2016 (5.00 p.m. IST) and the CDSL e-voting platform was blocked thereafter. The last date of the receipt of Postal Ballot Forms by the Scrutinizer was 26.12.2016. The result of the Postal Ballot (including e-voting) was announced on 28.12.2016. The Resolution was approved and passed by the members of the Company with requisite majority.

The details of the Postal Ballot (including e-voting) Results are as under:

Particulars	Type of resolution (ordinary/special)	For the resolution			Against the resolution		
		No. of Voters	No. of votes	% of total valid votes cast	No. of Voters	No. of votes	% of total valid votes cast
To sell/dispose off Company's Sugar Unit operating under name and style of Titawi Sugar Complex situated at Titawi Sugar Complex, Titawi, Distt. Muzaffarnagar -251301(U.P.)	Special Resolution	302	27,362,116	99.996	18	1036	0.004

- iii) There is no item in the Notice for the forthcoming Annual General Meeting that is proposed to be passed through Postal Ballot.

11. Means of Communication

(a) Quarterly results

The Quarterly unaudited/Annual Audited Results are published in national and local newspapers, namely, The Business Standard (English and Hindi), having wide circulation. Since the Results of the Company are published in the newspapers, half yearly reports are not sent individually to the shareholders.

The Company's Results and official news releases are displayed on the Company's website namely www.mawanasugars.com

(b) The NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Corporate Compliance and Listing Centre (the 'Listing Centre') of the BSE Ltd. (BSE)

The NEAPS and the Listing Centre of BSE are web based application designed by NSE and BSE respectively for Corporates. All periodical compliance/filings are filed electronically on NEAPS and the Listing Centre of BSE.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

- (c) No presentations were made to institutional investors or to analysts.
- (d) A Management Discussion and Analysis report is annexed to the Directors' Report and forms a part of the Annual Report.

12. General Shareholders' Information

- (i) Annual General Meeting is proposed to be held on 27.07.2017 at 11.00 A.M. at Kamani Auditorium, 1, Copernicus Marg, New Delhi – 110001.

(ii) **Financial Calendar for the Year 2017-18:**

Accounting year	April 1, 2017 to March 31, 2018
First Quarter results	Upto 14 th August, 2017
Second Quarter results	Upto 14 th November, 2017
Third Quarter results	Upto 14 th February, 2018
Annual Results	Upto 30 th May, 2018 (Audited)

- (iii) **Date of Book Closure:** 21.7.2017 to 27.7.2017 (both days inclusive).

(iv) **Listing on Stock Exchanges:**

The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE), Mumbai.

Stock Code at BSE: 523371 and NSE: MAWANASUG

Listing fees upto the year 2017-2018 has been paid to BSE & NSE.

(v) **Stock Market Data for the financial year ended March 31, 2017**

Monthly High and Low quotation and volume of Company's Share on BSE/NSE and BSE Sensex/NSE Nifty are as under:

Month & Year	BSE			SENSEX		NSE			NIFTY	
	High (Rs.)	Low (Rs.)	Volume (Nos.)	High	Low	High (Rs.)	Low (Rs.)	Volume (Nos.)	High	Low
Apr-16	35.80	25.90	579821	26100.54	24523.20	36.00	26.00	1651388	7992.00	7516.85
May-16	49.05	28.15	1570507	26837.20	25057.93	49.15	28.20	4246770	8213.60	7678.35
Jun-16	71.05	40.95	2762931	27105.41	25911.33	71.15	39.70	8256550	8308.15	7927.05
Jul-16	71.40	58.00	1666152	28240.20	27034.14	71.80	56.65	5009965	8674.70	8287.55
Aug-16	66.45	36.60	1562948	28532.25	27627.97	66.65	35.70	4350151	8819.20	8518.15
Sep-16	65.80	41.90	1860595	29077.28	27716.78	65.70	40.75	6913288	8968.70	8555.20
Oct-16	60.55	52.20	534353	28477.65	27488.30	60.50	52.55	2509933	8806.95	8506.15
Nov-16	54.85	34.65	1388180	28029.80	25717.93	54.60	34.60	5270160	8669.60	7916.40
Dec-16	48.45	40.55	476809	26803.76	25753.74	48.40	40.20	2021574	8274.95	7893.80
Jan-17	62.80	46.55	2170574	27980.39	26447.06	63.00	46.50	6436365	8672.70	8133.80
Feb-17	82.00	56.00	3660695	29065.31	27590.10	81.80	55.75	15745360	8982.15	8537.50
Mar-17	92.70	75.55	3220269	29824.62	28716.21	92.75	75.80	16300992	9218.40	8860.10
			21453834					78712496		

(vi) **Registrar and Transfer Agent**

In compliance of SEBI requirements, Mas Services Limited has been appointed as the Registrar and Share Transfer Agent of the Company who handles share transfer work in Physical as well as in Electronic Form and other related activities at Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, Phone No.:011-26387281-83, Fax No.:011-26387384, *Website: www.masserv.com*, E-mail: info@masserv.com

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

(vii) Share Transfer System

All valid share transfers are registered and duly transferred share certificates are dispatched within a period of 15 days from the date of receipt.

(viii) Investors' Service

The Company has a system of attending and redressing all investors' grievances/ correspondence within a period of 10 days from the date of receipt of the same.

No complaints/grievances are pending as on date.

(ix) Distribution of shareholding as on March 31, 2017

No. of Equity Shares held	Folios		Shares	
	Numbers	%	Numbers	%
Up to 500	45543	95.13	2302387	5.89
501-1000	1066	2.23	854793	2.19
1001-2000	596	1.25	897720	2.29
2001-3000	205	0.43	530746	1.36
3001-4000	108	0.23	390244	0.99
4001-5000	97	0.20	461122	1.18
5001-10000	132	0.27	970813	2.48
10001 and above	128	0.26	32709039	83.62
Total	47875	100.00	39116864	100.00

(x) Categories of shareholders as on March 31, 2017

Sl. No.	Category	No. of Shares held	% of shareholding
1	Promoters' Shareholding	27335976	69.88
2	Non-Promoter shareholding		
(a)	Mutual Funds/Financial Institutions/ Banks/ Insurance Companies/Foreign Banks	826991	2.12
(b)	Bodies Corporate/NBFC	2997101	7.66
(c)	Individuals	7556302	19.32
(d)	NRIs/OCBs/Foreign Nationals/ Trusts/ Suspense A/c	400494	1.02
	Total	39116864	100.00

(xi) Dematerialization of shares and liquidity

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the Depository Systems in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2017, a total of 3,84,87,550 equity shares of the Company, which forms 98.39% of the equity share capital, stand dematerialized.

Under the depository system, the ISIN allotted to the Company's equity shares is INE636A01039.

(xii) Plant Location:

Sugar Factories:

- i) Mawana Sugar Works, Mawana, Distt. Meerut – 250402 (U.P.)
- ii) Nanglamlal Sugar Complex, Garh Road, Village Nanglamlal, Distt. Meerut – 250001 (U.P.)

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

- iii) **Titawi Sugar Complex (TSC):** A Business Transfer Agreement (BTA) dated November 18, 2016 has been entered into between Mawana Sugars Limited (MSL) and Indian Potash Limited (IPL) to sell and transfer one of MSL's sugar manufacturing undertaking operating under name and style of Titawi Sugar Complex (TSC) situated at village & P.O. Titawi, Distt. Muzaffarnagar-251301, U.P. for a total sale consideration of Rs.375.00 Crores including amount paid to cane farmers, basis certain terms and conditions, part of which have been fulfilled and the rest are under process. The sale is governed by the BTA which stipulates completion of these activities within a certain time frame as mutually agreed between the parties. A sum of Rs.275.44 crores has been received from IPL. Part of this advance has been used to facilitate the restructuring the debts of MSL and to pay down cane dues of farmers. The control of management affairs of TSC has been handed over to IPL and after completion of remaining conditions precedents necessary for closure, the formal transfer of undertaking of TSC shall be achieved and balance consideration of about Rs. 99.56 crores will be received by MSL.

Chemical Factory:

Siel Chemical Complex, Charatrapur, Vill. Khadauli/Sardargarh, P.O. Box No.52, Rajpura, Distt. Patiala, Punjab – 140401

(xiii) Investors' correspondence may be addressed to:

Mr. N. K. Rastogi, Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi –110020, Phone No. : 011-26387281-83, Fax No. : 011-26387384, website: www.masserv.com, E-mail: info@masserv.com

13. Disclosures

(i) Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosures) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standard (AS18) has been made in the notes to the Financial Statements.

The Board of Directors of the Company has formulated 'Related Party Transaction Policy', which is available on website of the Company at www.mawanasugars.com.

- (ii) There were no material instances of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange or SEBI or any statutory authority on any matter related to the capital markets, during the last three years.

(iii) Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 2013, as applicable, and are based on the historical cost convention.

(iv) Insider Trading

The Company has adopted the Code of Internal Procedures and Conduct framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, to inter alia, prevent insider trading in the shares of the Company.

(v) Code of Conduct

The Company has adopted a Code of Conduct (Code) for the members of Board of Directors and Senior Management Personnel of the Company. The essence of the Code is to conduct the business of the Company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes considerations of personal advantage.

The Code has also been posted on the Company's Website.

(vi) CEO/CFO Certification

Mr. Dharam Pal Sharma, Whole Time Director and Dr. Anil Arora, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under SEBI (LODR), Regulations, 2015 and the Board took the same on record.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

(vii) Directors with materially pecuniary or business relationship with the Company

There has been no materially relevant pecuniary transaction or relationship between the Company and its non-executive and / or independent Directors for the period under report.

14. Non-mandatory Clauses

The Company has not adopted any of the non-mandatory requirements as in SEBI (LODR), Regulations, 2015.

On behalf of the Board of Directors

(Dharam Pal Sharma)

(Prof. Dinesh Mohan)

Whole Time Director

Director

(DIN: 07259344)

(DIN: 00077959)

Place : New Delhi

Dated : 09.06.2017

DECLARATION

We, Dharam Pal Sharma, Whole Time Director and Dr. Anil Arora, Chief Financial Officer of the Company hereby declare that the Code of Conduct adopted by Mawana Sugars Limited for its Board Members and Senior Management Personnel has been duly complied by all Board Members and Senior Management Personnel of the Company.

(Dharam Pal Sharma)

(Dr. Anil Arora)

Whole Time Director

Chief Financial Officer

(DIN: 07259344)

Place : New Delhi

Dated : 09.06.2017

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF MAWANA SUGARS LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated July 26, 2016.
2. We, A.F.Ferguson & Co., Chartered Accountants, the Statutory Auditors of Mawana Sugars Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Manjula Banerji
Partner
(Membership No. 86423)

Place : New Delhi
Dated : 09.06.2017

CEO/CFO CERTIFICATION - FINANCIAL YEAR ENDED MARCH 31, 2017

We, the undersigned, in our respective capacities as Whole Time Director and Chief Financial Officer of Mawana Sugars Limited ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended 31.3.2017 and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the financial year ended 31.03.2017 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:
 - (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Mawana Sugars Limited

Place : New Delhi
Dated : 09.06.2017

(Dharam Pal Sharma)
Whole Time Director
(DIN: 07259344)

(Dr. Anil Arora)
Chief Financial Officer

ANNEXURE - V TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

SUGAR BUSINESS

Sugar Season 2016-17

Sugar season 2016-17 opened with stock of 7.7 Mn Tons with likely production in 2016/17 is at 20.0 Mn Tons, domestic consumption of 26.0 Mn Tons, imports of 0.5 Mn Tons, closing stock would be 4.2 Mn Tons as on 30th September, 2017.

Production in sugar season 2017-18 is expected to be at 25.0 Mn. Tons and with opening stocks of 4.2 Mn Tons, import of 1.0 Mn Tons, domestic consumption at 25.5 Mn Tons, closing stock will be at 4.7 Mn Tons, viz supply / demand will be balanced.

Government of India (GOI) in order to keep check on sugar prices and to maintain sufficient stocks at end of season announced zero duty import of 5.0 Lac Tons raw sugar with zonal restriction on quantities, East Zone 0.50 Lac Tons, South Zone 3.0 Lac Tons and West Zone 1.50 Lac Tons, the imports to be completed by 30th June, 2017. The importer shall convert raw sugar into white sugar within period not exceeding two months. Directorate General of Foreign Trade has allocated 60 per cent to mills in the south and 30 per cent to those in the west and remaining 10 per cent or 50,000 tonnes has been allocated to a single company in the east zone viz Renuka Sugars. In the south, 40 companies including EID Parry, Shree Renuka, Bannari Amman, Kothari Sugars, Dalmia Bharat and others had applied for total import of 1.95 million tonnes but have been allocated 300,000 tonnes collectively.

World sugar season 2016-17 had a deficit of 5 to 8 Mn Tons. Big Trading House are projecting that Season 2017/18 will have a surplus/minor deficit. Platts Kingsman has projected global surplus of 3.14 Mn Tons, ABARES anticipated sugar deficit of 1.1 Mn Tons and Rabobank is projecting global surplus of 2 to 3 Mn Tons, TRS 1.8 2Mn Tons.

World sugar average global price is projected by ABARES at 21 cents/lb for the season 2016-17 and expect price to slightly go up to 22 cents/lb in season 2017-18 and Rabobank estimating the global sugar prices to be averaged at 18 cents/lb in the fourth quarter of 2017.

Distillery Business:

Government of India (GOI) is committed to Ethanol blending program. But the blending program faces acute shortage of ethanol due to a deficient sugarcane output, steep increase in molasses price in Maharashtra and Karnataka and withdrawal of incentives such as the excise duty exemption by the government thereby making ethanol less remunerative.

This season, Oil Marketing Companies (OMCs) issued a tender for 2.8 billion litres of ethanol to be supplied between December 2016 and November 2017. Only 780 million litres (against 1.3 billion litres last year) was offered by the ethanol suppliers which correspond to less than 3%. Thus the blending, instead of rising,

is likely to fall from 5% of last year to maximum of 3% in this year.

GOI has also started focussing on cellulosic ethanol. About 5 cellulosic ethanol plants of 100 Kilo Liters Per Day (KLD) each are being planned by OMCs at various locations including one each Panipat and Bhatinda.

This year we have covered the compost yard at our distillery which would minimise the effect of unseasonal rains and also address the issue of tightening of pollution norms. We have also imported high capacity turning machines which will help us in producing compost of Fertilizer Control Order (FCO) specifications.

During the beginning of the season, while the condensate plant was being commissioned, the Central Pollution Control Board (CPCB) team visited and found spillage of condensate. Based on this, on 29th Nov 2016, National Green Tribunal (NGT) gave a very harsh decision asking the distillery to close till further inspections are done. Subsequently 3 inspections were done as per the orders of the court and our distillery was found fully compliant and non - polluting.

Based on this NGT court allowed the distillery to reopen on 19.4.2017.

We are approaching CPCB to allow us to operate our distillery round the year and enhance ethanol production to 30,000KL/yr from present level of 20,000 KL/yr. However this will have additional challenges such as procuring large quantity of molasses, press mud and bagasse besides meeting FCO norms and disposal of large quantity of bagged compost.

CHLOR ALKALI DIVISION

Industry Structure and Development

A). Products

The Chlor-Alkali is a basic heavy Chemical Industry comprising of products such as Caustic soda, Chlorine, Hydrogen and Hydrochloric acid. These products are basic building blocks in the Chemical processing industry and are used in diverse industrial sectors, either as raw materials or intermediates or auxiliary chemicals.

Caustic Soda is used in Alumina, Pulp & Paper, Textile, Soap, Edible Oil Refineries, Dyes & Chemicals, Drugs & Drug Intermediates, Thermal Power Plants etc. whereas Chlorine is used in PVC, CPW, Pulp & Paper, Pesticides, Chloromethanes, Water purification, Stable Bleaching Powder, Aluminium Chloride, Chlorinated Solvents etc. Hydrochloric Acid is used in Steel Pickling, Water Treatment and Effluent Treatment in Chemical Process industries, Thermal Power Plants etc., while Hydrogen is used in Hydrogenated Vegetable Oils, Sorbitol, Stearic Acid, Pesticides, Filament Lamps, Picture tubes, Steel units and Power Plants.

The Chlor-Alkali sector plays an important role in the overall development of the economy. It contributes

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

immensely to the manufacturing sector and to the external trade of the country. The Chlor-Alkali industry is a sector providing inputs to a large number of other end user industries and the demand of its products is linked to the performance of the end user products of these industries.

The prices of the products, especially Caustic Soda are influenced by import parity along-with domestic demand-supply situations

B) Industry Size

In India, as on 31.03.2016, there were a total of 32 Caustic Soda plants in operation. The installed capacity of Caustic Soda industry in the Country was 3.37 Million MT as on 31.03.2016, as compared to 3.39 Million MT on 31.03.2015. There was a decrease of 0.6% in the installed capacity during the year 2015-16 as compared to the previous year. During the year, the domestic production was 2.87 Million MT Caustic Soda representing 85.2% utilization of the installed capacity, an increase of around 4% over the previous year. There was an increase of 4.0% in production by 0.11 Million MT during the year 2015-16 as compared to the previous year. The total demand of Caustic Soda was 3.36 Million MT, which grew by 3.9% over the previous year.

The Caustic soda production and capacity utilization for last five years is as follows:

Year	2011-12	2012-13	2013-14	2014-15	2015-16
Capacity Utilisation %	81.8	81.1	79.1	81.5	85.2
Production (Million MT)	2.56	2.54	2.62	2.76	2.87

C). Market Scenario and Outlook

The Chlor-alkali markets during the financial period April'16 – March'17 remained stable. Caustic remained in short supplies however, Chlorine remained in surplus. Less imports of Caustic and good demand from Paper, Alumina, textile and soap industries, kept Caustic in short supplies as a result, prices remained high during the period. Whereas, low operative levels of Chlorine Consuming Units generated very less demand of Chlorine and Chlor-alkali capacity enhancement, especially in West India, kept Chlorine in surplus and as result there was extreme pressure on prices of Chlorine throughout the year.

The Caustic Soda consuming segments like Paper, Alumina and Textiles are expected to continue better performing in the coming year also. Improvement in Chlorine situation is also expected in next few months. However, pressure will remain on industry to increase capacity utilisation.

D). Power Scenario

Power is one of the main raw material for a Chlor-Alkali plant. Power cost is to the tune of 65-70% of the cost of production and has a major impact on final product. Now Punjab being a surplus power state due to new capacity additions making power availability good and stable. Peak load restrictions has been removed and introduction of TOD tariff has been introduced.

However due to different amendments of OA regulations and imposition of additional surcharge on power procured under open access, availability of OA power ceased due to unviable rates. Over all availability of power and quality of power is good. The tariff for the next year is awaited.

E). Risks and Concerns

The crude oil prices have stabilized at a lower level globally are not going down any further. Majority of power suppliers to Caustic Soda plants are coal based which is not eco friendly and therefore is subjected to levy of taxes and cess from Govt. Hence the coal based power cost is also going up thereby increasing the cost of Caustic Soda and Chlor, worldwide.

Distillery is supplying ethanol to Oil Marketing Companies (OMCs). Entire movement of product as well as raw material is very closely controlled by State Excise which keeps on putting hindrances in the movement of these goods, which affects our business adversely.

Distillery is classified as highly polluting industry. The pollutions norms are being constantly revised by the Government. This can result in loss of production and additional investment to meet the changing norms.

F) SWOT Analysis

Strengths

- Located in sugarcane rich belt of Western UP with high sugared varieties of cane
- Integrated sugar plants producing ethanol, supplying green power to the State grid
- Multiple product range with specialty sugars catering to food and pharma industry

Weaknesses

- Strong governmental control on cane prices
- High cane arrears resulting less cane supply
- Manpower constraint at senior management remain due to coercive action by State Government

Opportunities

- Higher value by-products
- Potential to increase cane productivity by varietal change to increase sugar recovery

ANNEXURE - V TO DIRECTORS' REPORT (Contd...)

- Technology up-gradation in sugar and by-product utilization
- Increasing ethanol demand

Threats

- Unfavourable Government regulations towards cane pricing, raw sugar imports and sugar exports and movement of molasses.
- Dependency on high sugared cane variety CO0238 in U.P may lead to monoculture.
- Constant up gradation of pollution norms.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has proper and adequate system of internal controls, which provide reasonable assurance regarding all financial and operating functions and compliance with statutory provisions.

The Company has an internal audit section besides an external firm which is carrying out internal audits. The internal auditors' reports are regularly reviewed by Senior Management and Audit Committee of the Board for its implementation and effectiveness.

The Company endeavours to constantly upgrade internal controls and periodic evaluation of the same is being undertaken.

Extensive use of SAP and other software systems have also resulted in strengthening the internal controls and accurate reporting of operational and financial data.

HUMAN RESOURCES

The Human Resources function plays a pivotal role to realizing business objectives by leading organizational change, fostering innovation and effectively mobilizing talent to sustain the organization's competitive edge.

At MSL, the HR philosophy evolve that people are the foremost factor in the success of an organization. Our people strategy and systems & process are aimed at making the Company an employer of choice. The Company continued its focus on development of its human resources to meet the present and future challenges with enhanced skills.

Industrial relations remain cordial during the year.

Various employees engagement and training & development activities were continued to motivate and upbeat the morale of the employees.

CAUTIONARY STATEMENT

Some of the statements in this Management Discussions & Analysis, describing the Company's objectives, projections, estimates, expectations and predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important developments that could alter your Company's performance include change in material costs, technology developments and significant changes in political and economic environment, tax laws and labour relations.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAWANA SUGARS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MAWANA SUGARS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation

of the standalone financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

Attention is invited to note 48 of the standalone financial statements which explains the basis on which the Company has deducted the loan waiver amount consequent to restructuring of loans in computation of Minimum Alternate Tax (MAT) under the provisions of Section 115JB of the Income-tax Act, 1961.

In our opinion, the aforesaid position of deducting the waiver of loan for capital purposes while computing book profits under MAT, in the absence of any express provisions under the Act and limited jurisprudence, may lead to litigation and hence the same should not be reduced while computing book profits under MAT. Consequent to the above, provision for current tax for the year ended March 31, 2017, is lower by Rs. 136.75 million, profit after tax and shareholders' funds for the year are higher by the like amount

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

- a. 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 (repealed w.e.f. December 1, 2016), as the Company's net worth had been eroded and the Company had incurred cash losses during the prior periods and its current liabilities were in excess of current assets. However, during the current year, the Company has generated profits, has restructured a major portion of its outstanding debts and sold off its Titawi unit on a slump sale basis as detailed in the aforesaid note, which has resulted in positive net worth. As such, the financial statements have been prepared by the Management of the Company on a going concern basis.
- b. 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.
- c. 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

INDEPENDENT AUDITORS' REPORT (Contd.)

- the Central Government to its former whole time director for which a refund of Rs.6.61 million 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 39(iii) of the Standalone Financial Statements which states that remuneration paid to whole time director amounting to Rs.2.89 million is subject to the approval of the Central Government under the provisions of the Companies Act, 2013.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) The going concern matter described in sub-paragraph (a) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - h) With respect to the adequacy of the internal financial controls over financial reporting of the Company, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 28(a) and (c) to the standalone financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 44 to the standalone financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 45 to the standalone financial statements.
 - iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer Note 47 to the standalone financial statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Manjula Banerji
Partner

Date : June 09, 2017
Place : New Delhi

(Membership No. 086423)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in clause (h) of paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mawana Sugars Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the

INDEPENDENT AUDITORS' REPORT (Contd.)

Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Date : June 09, 2017
Place : New Delhi

Manjula Banerji
Partner
(Membership No. 086423)

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets :-
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) With respect to immovable properties of land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories (excluding good in transit) were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

INDEPENDENT AUDITORS' REPORT (Contd.)

- (iv) In our opinion and according to the information and explanations given to us, during the current year the Company has not granted any loans, made investments or provided guarantee under the provisions of Section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
 - The details of dues of Income-tax, Sales Tax, Service Tax and Excise Duty which have not been deposited as on March 31, 2017 on account of disputes are given below :

S. No	Name of the Statute	Nature of dues	Amount involved (Rs. Million)	Amount Paid under Protest (Rs. Million)	Period to which the amount relates (various years covering the period)#	Forum where dispute is pending
1	Sales Tax Laws	Sales Tax	6.36 45.13	- 0.14	2009-10 to 2013-14 2006-07, 2012-13 & 2013-14	High Court Appellate Authority upto Commissioner's level
2	Income Tax Laws	Income Tax	30.28	30.28	1998-99	High Court
3	Central Excise Laws	Excise Duty	10.35 31.57 1.04 91.26	- - - 0.55	2007-08 to 2014-15 2007-08 to 2009-10 1999-00 to 2002-03 1994-95 to 1996-97, 1998-99, 1999-00, 2001-02 and 2004-05 to 2016-17	High Court Customs Excise and Service Tax Appellate Tribunal (CESTAT) Supreme Court Appellate Authority upto Commissioner's level
		Service Tax	17.91	0.03	2005-06 to 2014-15	Appellate Authority upto Commissioner's level

The following matters which have been excluded from the above table have been decided in favour of the Company but the department has preferred appeal at higher level:

S. No	Name of the Statute	Nature of dues	Amount involved (Rs. Million)	Period to which the amount relates #	Forum where dispute is pending
1	Income-tax laws	Income-tax	306.42	2001-02	Income-tax Appellate Tribunal (ITAT)

Period in respect of income tax represents assessment year.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government, except as under:-

Particulars	Amount of default in repayment (Rs. Million)		Period of default
	Principal	Interest	
Banks			
SBH	396.47	198.29	1-1339 Days
PNB*	778.93	385.64	1-1324 Days
Axis*	589.70	381.70	1-1153 Days

Particulars	Amount of default in repayment (Rs. Million)		Period of default
	Principal	Interest	
State Bank of Mysore*	4.78	-	1-1312 Days
Financial Institution			
RABO*	275.05	143.18	1-1184 Days

Further, the Company has not issued any debenture during the year.

INDEPENDENT AUDITORS' REPORT (Contd.)

*The aforesaid dues have been paid/settled during the year and there are no outstanding defaults as at March 31, 2017. Refer Note 4 to the financial statements.

- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in excess of the limits and approvals prescribed under section 197 read with Schedule V to the Companies Act, 2013 to the following managerial personnel:

Managerial Position	Excess amount of remuneration paid/ provided (Rs. Million)	Financial year ending	Treatment of the excess remuneration in the respective year financial statements	Steps taken by the Company for securing refund
Mr. Siddharth Shriram (Former Chairman & Managing Director)	7.04	12 Months Ended 30.09.2013 & 15 Months Ended 31.12.2014	Shown as Recoverable under Loans & Advances	Approval is pending from the Central Government
Mr. Rajendra Khanna (Former Whole Time Director)	6.61	15 Months Ended 31.12.2014	Shown as Recoverable under Loans & Advances	Approval is pending from the Central Government

Also, the remuneration amounting to Rs 2.89 million (previous period Rs. 1.08 Million) paid to Whole Time Director (WTD) (w.e.f. August 13, 2015) up to March 31, 2017 is subject to the approval of the Central Government under the provisions of the Companies Act, 2013.

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Date : June 09, 2017
Place : New Delhi

Manjula Banerji
Partner
(Membership No. 086423)

BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	391.17	391.17
Reserves and surplus	3	361.75	(4,204.01)
		<u>752.92</u>	<u>(3,812.84)</u>
Non - current liabilities			
Long - term borrowings	4	1,664.78	2,455.71
Other long term liabilities	5	1,039.41	679.95
Long - term provisions	6	83.94	101.31
		<u>2,788.13</u>	<u>3,236.97</u>
Current liabilities			
Short - term borrowings	7	-	468.44
Trade payables			
- Dues of micro and small enterprises	46	10.38	16.98
- Dues of Creditors other than micro and small enterprises	8	4,287.81	7,146.77
Other current liabilities	9	2,500.80	3,467.87
Short - term provisions	10	34.19	44.14
		<u>6,833.18</u>	<u>11,144.20</u>
TOTAL		<u>10,374.23</u>	<u>10,568.33</u>
ASSETS			
Non - current assets			
Fixed assets	11		
- Tangible assets		3,193.93	4,408.36
- Capital work in progress		43.86	28.05
		<u>3,237.79</u>	<u>4,436.41</u>
Non - current investments	12	332.76	332.76
Long - term loans and advances	13	176.85	236.10
Other non - current assets	14	3.87	12.94
		<u>3,751.27</u>	<u>5,018.21</u>
Current assets			
Inventories	15	4,405.87	4,168.12
Trade receivables	16	471.31	724.93
Cash and cash equivalents	17	595.30	430.88
Short - term loans and advances	18	1,137.40	218.09
Other current assets	19	13.08	8.10
		<u>6,622.96</u>	<u>5,550.12</u>
TOTAL		<u>10,374.23</u>	<u>10,568.33</u>

Accompanying notes 1 to 52 are an integral part of the financial statements

In terms of our report attached
For A.F. Ferguson & Co.
Chartered Accountants
(Firm's Registration No. 112066W)

For and on behalf of the Board of Directors

MANJULA BANERJI
Partner

ASHOK KUMAR SHUKLA
Company Secretary

PARMJIT KAUR
Director
(DIN: 06714249)

DHARAM PAL SHARMA
Whole Time Director
(DIN: 07259344)

Date : June 09, 2017
Place : New Delhi

DR. ANIL ARORA
Chief Financial Officer

PIAR CHAND JASWAL
Director
(DIN: 07100098)

DINESH MOHAN
Director
(DIN: 00077959)

Mawana Sugars Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
REVENUE			
Revenue from operations (Gross)	20	12,681.59	15,778.90
Less: Excise duty		768.54	932.53
Revenue from operations (Net)		11,913.05	14,846.37
Other income	21	181.50	95.50
TOTAL REVENUE		12,094.55	14,941.87
EXPENSES			
Cost of materials consumed	22	7,847.68	11,049.95
Changes in inventories of finished goods and work in progress	23	(468.80)	(1,275.11)
Employee benefits expense	24	749.69	898.60
Finance costs	25	277.95	767.78
Depreciation and amortization expense	11	291.96	379.32
Other expenses	26	2,204.55	3,099.19
TOTAL EXPENSES		10,903.03	14,919.73
Profit before exceptional items		1,191.52	22.14
Add: Exceptional items			
- Profit on sale of Titawi unit (refer note 1(B))		2,347.04	-
- Write back of Loan Liabilities/Interest Provision (refer note 1(B))		1,028.23	-
Profit before tax		4,566.79	22.14
Tax expense (net)		1.03	-
Profit for the year/period		4,565.76	22.14
Earnings per equity share - basic/diluted (Rs.) (Face value Rs. 10 per share)	34	116.72	0.57

Accompanying notes 1 to 52 are an integral part of the financial statements

In terms of our report attached

For A.F. Ferguson & Co.

Chartered Accountants

(Firm's Registration No. 112066W)

For and on behalf of the Board of Directors

MANJULA BANERJI

Partner

ASHOK KUMAR SHUKLA

Company Secretary

PARMJIT KAUR

Director
(DIN: 06714249)

DHARAM PAL SHARMA

Whole Time Director
(DIN: 07259344)

Date : June 09, 2017

Place : New Delhi

DR. ANIL ARORA
Chief Financial Officer

PIAR CHAND JASWAL
Director
(DIN: 07100098)

DINESH MOHAN
Director
(DIN: 00077959)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
A. Cash flow from operating activities :		
Profit before tax	4,566.79	22.14
Add: Depreciation and amortisation expense	291.96	379.32
Finance costs	266.10	752.66
Provision for doubtful trade and other receivables, loans and advances	-	6.61
Loss on sale / write off of assets	0.31	0.96
Less: Interest income	31.75	33.54
Liabilities / provisions no longer required written back	22.23	15.52
Profit on sale of fixed assets	-	0.04
Profit on sale of Titawi unit (refer note 1(B))	2,347.04	-
Write back of Loan Liabilities/Interest Provision (refer note 1(B))	1,028.23	-
Operating profit/(loss) before working capital changes	1,695.91	1,112.59
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(532.57)	(1,262.61)
Trade receivables	220.73	(218.01)
Short-term loans and advances	(80.36)	64.75
Long-term loans and advances	20.81	(16.78)
Other current assets	(6.78)	-
Other non-current assets	(0.55)	(3.27)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(1,285.21)	608.82
Other current liabilities	483.24	141.27
Other long-term liabilities	0.42	1.38
Short-term provisions	(9.95)	(1.39)
Long-term provisions	(17.37)	(9.72)
Cash generated from operations	488.32	417.03
Direct taxes (paid)/refund received	5.05	(5.90)
Net cash flow from/(used in) operating activities (A)	493.37	411.13
B. Cash flow from investing activities :		
Capital expenditure on fixed assets, including capital advances	(203.11)	(108.71)
Proceeds from sale of fixed assets	7.13	6.44
Bank balances not considered as Cash and cash equivalents	(48.08)	14.88
Consideration received on sale of Titawi unit on slump sale	1,384.44	-
Net (increase)/decrease of non-current investments	-	(40.00)
Interest received	30.42	46.13
Net cash flow from / (used in) investing activities (B)	1,170.80	(81.26)
C. Cash flow from financing activities :		
Repayment of long term borrowings- secured	(1,258.74)	(242.29)
Net increase / (decrease) in working capital borrowings	(15.00)	(30.01)
Finance costs paid	(267.69)	(25.81)
Net cash flow from / (used in) financing activities (C)	(1,541.43)	(298.11)
D. Net increase / (decrease) in Cash and cash equivalents (A+B+C)	122.74	31.76
E. Cash and cash equivalents (refer Note 17)	232.30	200.54
Cash and cash equivalents at the beginning of the year/period	232.30	200.54
F. Cash and cash equivalents pursuant to Titawi unit sale	6.40	-
G. Cash and cash equivalents (refer Note 17)	348.64	232.30
Cash and cash equivalents at the end of the year/period (D+E-F)	348.64	232.30

Note: The above Cash Flow Statement has been prepared under the "indirect methods" as set out in the Accounting Standard (AS-3) on "Cash Flow Statement"

In terms of our report attached
For A.F. Ferguson & Co.
 Chartered Accountants
 (Firm's Registration No. 112066W)

For and on behalf of the Board of Directors

MANJULA BANERJI
 Partner

ASHOK KUMAR SHUKLA
 Company Secretary

PARMJIT KAUR
 Director
 (DIN: 06714249)

DHARAM PAL SHARMA
 Whole Time Director
 (DIN: 07259344)

Date : June 09, 2017
 Place : New Delhi

DR. ANIL ARORA
 Chief Financial Officer

PIAR CHAND JASWAL
 Director
 (DIN: 07100098)

DINESH MOHAN
 Director
 (DIN: 00077959)

1. (A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous period.

b) Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management of the Company to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the years in which the results are known / materialise.

c) Fixed assets:

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project ready for its intended use.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

d) Depreciation and amortization:

i. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in the Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice.

S. No.	Category	Life
i)	Building-Greenhouse Type Shed of Bio Compost Yard	25 Years
ii)	Building-Polythene Membrane	5 Years

ii. Depreciation is calculated on a pro-rata basis from the date of acquisition/ installation of the asset and in case of assets costing up to Rs. 5,000, each such asset is fully depreciated in the year of purchase.

e) Investments:

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

f) Inventories:

Inventories are valued at lower of cost and net realisable value.

Cost of inventory is ascertained on the 'weighted average' basis. Further, in respect of manufactured inventories i.e. process stocks and finished goods, an appropriate share of manufacturing expenses is included on absorption costing basis including excise duty.

g) Revenue recognition:

Sale of goods is recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the dispatch of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Renewable Energy Certificate (REC) is to be recognised as income on sale of REC.

h) Research and development expenditure:

Revenue expenditure on research and development is expensed out under the respective heads of account in the year in which it is incurred.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

i) Employee benefits:

Defined contribution plans

The Company's contribution to provident fund, pension scheme, employee state insurance corporation, etc. are considered as defined contribution plans and are charged as an expense as it falls due based on the amount of contribution required to be made and when services are rendered by the employees. For the provident fund trusts administrated by the Company, it is liable to meet the shortfall, if any, in payment of interest at the rates prescribed by the Central Government and is recognised in the financial year of actual payment.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the statement of profit and loss in the year in which they occur. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

j) Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

k) Foreign exchange transactions:

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (i.e. receivables, payables, loans etc) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous financial statements are recognised as income/expense in the year in which they arise.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Accounting of forward contracts

In case of forward contracts, the premium or discount arising at the inception of such contracts is amortised as income or expense over the life of the contract. Further exchange difference on such contracts i.e. difference between the exchange rate at the reporting/settlement date and the exchange rate on the date of inception of contract/the last reporting date, is recognised as income/expense during the year.

l) Pre-operative expenses:

Pre-operative expenses, pending allocation represents indirect expenditure incurred during the construction years which are allocated to capital/revenue on commissioning of the project.

m) Operating Lease:

Operating Lease receipts and payments are recognized as income or expense in the Statement of Profit and Loss on a systematic basis over the lease term.

n) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

o) Earnings per share:

Basic earnings per share are computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

p) Impairment of assets:

The carrying values of assets/cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting years no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

q) Provisions and contingencies:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the 'Notes to the financial statements'.

r) Operating cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1. (B) The Indian sugar industry, particularly in the State of Uttar Pradesh, had faced difficulties on account of increased sugar cane prices and corresponding lower than expected recovery of sugar from cane, lower sugar prices and consequential under recovery of cost of production in recent times. These factors adversely affected the Company's operations and financial performance, resulting into eroded net worth, cash losses, mounting cane dues arrears due to which its current liabilities exceeded its current assets and defaults in debt obligations.

The Company got registered with the Board for Industrial and Financial Reconstruction (BIFR) on 10th September 2013 as sick industrial company (in terms of Section 3(1)(o)) under the provisions of Section 15 (1) of the Sick Industrial Companies (Special Provisions), Act, 1985 (SICA). Meanwhile, the Ministry of Finance issued Notifications S.O. 3568 (E) & S.O. 3569 (E) dated 25 November, 2016 to the effect that SICA has been repealed with effect from 1 December, 2016 and all the references or inquiry pending before the BIFR shall stand abated. With this Notification BIFR ceased to exist.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Since the previous sugar season, the industry has witnessed a steady increase in sugar prices and improved cane recoveries. This has resulted in the Company generating profits during the last financial period as well as in current year ended March 31, 2017.

The Company has taken the following steps to improve its financial position through a business and financial restructuring as indicated below:

- Executed a Business Transfer Agreement (BTA) on November 18, 2016 with Indian Potash Limited (IPL) to sell off its Agreed Assets and Liabilities excluding contingent liabilities of Titawi Sugar Complex (unit) as a going concern on an 'AS IS WHERE IS WHAT IS' basis by way of a slump sale. Such sale is on certain terms and conditions, part of which have been fulfilled and the rest are under process. The sale is governed by the BTA which stipulates completion of these activities within a certain time frame as mutually agreed between the parties.

Accordingly, IPL has taken control of the unit and these accounts reflect comprehensive sale of aforesaid assets/liabilities. The Company has recognised a net gain of Rs. 2347.04 million which has been reflected under exceptional item in the Statement of Profit and Loss.

- Effected one time settlement agreements with three lenders, which resulted in the waiver of principal and interest amounting to Rs. 1028.23 million which has been reflected as a gain under exceptional item in the Statement of Profit and Loss.
- Pursuant to the assignment of all rights, titles and interests in the financial assistance granted by two other lenders to the Company with an asset reconstruction company, a major portion of the outstanding debts has been restructured for repayment till 2021.
- The Company has resolved its debt liability with one more lender during the current year by way of one time settlement (OTS). In terms of the settlement, the OTS amount is payable till 30th June, 2018.

The above measures have resulted in positive new worth of the Company as on 31st March 2017.

In view of the above, the Management of the Company is confident that the Company would be in a position to realize its assets and discharge its liabilities successfully in the normal course of its business. Accordingly, these financial statements have been prepared on a going concern basis.

2. Share Capital

	As at 31.03.2017		As at 31.03.2016	
	Number of shares	Rs. Million	Number of shares	Rs. Million
Authorised				
- Equity shares of Rs. 10 each	100,000,000	1,000.00	175,000,000	1,750.00
- Preference shares of Rs. 100 each	7,500,000	750.00	-	-
	107,500,000	1,750.00	175,000,000	1,750.00
Issued, subscribed and fully paid up				
- Equity shares of Rs. 10 each fully paid up	39,116,864	391.17	39,116,864	391.17
	39,116,864	391.17	39,116,864	391.17

- (i) There are no changes in issue, subscribed and fully paid up capital during the year and in the previous period.
- (ii) The Company has changed its Authorised Share Capital from 175,000,000 Equity Shares of Rs. 10/- each to 100,000,000 Equity shares of Rs. 10/- each aggregating to Rs.1,000 million and 7,500,000 Preference Shares of Rs. 100/- each aggregating to Rs.750 million in AGM held on 13.06.2016. Each holder of equity shares is entitled to one vote per share except 1,192 equity shares held by Siel Infrastructure & Estate Developers Private Limited, a subsidiary which pursuant to second proviso of section 19(1) of the Companies Act, 2013, has no right to vote at the meetings of the Company. Each holder of equity shares have a right to receive per share dividend declared by the Company. In event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

Mawana Sugars Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(iii) Details of shareholders holding more than 5% equity shares in the Company:

Name of shareholders	No. of Shares held	% age of holding	As at	As at
			31.03.2017	31.03.2016
			No. of Shares held	% age of holding
Siddharth Shriram (including shares held as trustee of Enterprise Trust)	27,334,248	69.88	27,334,248	69.88

3. Reserves and surplus

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Capital reserves ¹	1,030.17	1,030.17
Capital redemption reserve	87.72	87.72
Securities premium account	1,495.04	1,495.04
Deficit in the Statement of Profit and Loss	(2,251.18)	(6,816.94)
	361.75	(4,204.01)

¹ Includes Rs. 991.46 million (previous period Rs. 991.46 million) representing the extinguishment of the debts of erstwhile Mawana Sugars Limited (MSL), which got discharged pursuant to the surplus arising on sale of shares of Shivajimarg Properties Limited.

Movement in reserves and surplus is as under:

(Deficit) in Statement of Profit and Loss

Opening balance	(6,816.94)	(6,839.08)
Add: Profit for the year/period	4,565.76	22.14
Closing balance	(2,251.18)	(6,816.94)

4. Long term borrowings ^{1#}

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Secured		
Term loans		
- From banks	928.29	1,377.50
- From others	1,922.42	2,909.12
Funded interest term loans		
- From banks	4.50	39.03
- From others	-	8.62
	2,855.21	4,334.27
Less : Current maturities of long term borrowings as disclosed under head "other current liabilities" (Note 9)²	1,190.43	1,878.56
	1,664.78	2,455.71

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

¹The period and amount of continuing default in repayment of borrowings as at the year/period end:

	As at 31.03.2017		As at 31.03.2016	
	Amount Rs. Million	Period of delay (in days) upto the period end	Amount Rs. Million	Period of delay (in days) upto the period end
Borrowings:				
Term loans				
- From banks	391.97	1-1339	1,155.07	1-974
- From others	-	-	244.51	1-974
Funded interest term loans				
- From banks	4.50	1-1339	39.03	1-974
- From others	-	-	8.62	1-974
Interest accrued and due on borrowings:				
Term loans				
- From banks	198.29	1-1339	572.74	1-974
- From others	-	-	122.52	1-974

² Details of current maturities of long term borrowings are as under:

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Secured		
Term loans		
- From banks	824.43	1,318.28
- From others	361.50	512.63
Funded interest term loans		
- From banks	4.50	39.03
- From others	-	8.62
	1,190.43	1,878.56

- # a) During the previous period, pursuant to an assignment of all rights, titles and interest in the financial assistance i.e Long term borrowings, Short term borrowing, cash credit and Funded Interest Term Loan granted by two term lenders to the Company with an Asset Reconstruction Company, Rs. 2210 million which was earlier restructured for repayment till 2023 has been rescheduled for repayment till 2021 in the current year*.
- b) The Company has resolved its debt liability with one more lender during the current year by way of one time settlement (OTS). In terms of the settlement, the OTS amount is payable till 30th June, 2018*.
- * Accordingly such Long term borrowings, Short term borrowings, cash credits and Funded Interest Term Loans which hitherto were classified under Long term borrowings, Short term borrowings and other current liabilities have now been reflected under Long term borrowings and Other current liabilities in Note 4 and 9 respectively.
- c) Effected one time settlement agreements with three lenders, which resulted in the waiver of principal and interest amounting to Rs. 1028.23 million which has been reflected as a gain under exceptional item in the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Secured

Term loans and funded interest term loans

1. From Banks

	As at March 31, 2017 Rs. Million	As at March 31, 2016 Rs. Million	Rate of interest	Security clause
i.	408.98	1377.50	11%	(i) The loans are secured by first pari-passu charge on all movable and immovable fixed assets of the Company inclusive of equitable mortgage of land and buildings. The loans are further secured by second pari-passu charge on all current assets of the Company.
ii.	519.30	-	0%	
iii.	4.50	39.03	0% (Funded Interest Term Loan)	(ii) The loans are also secured by corporate guarantee issued by Siel Industrial Estate Limited and equitable mortgage of its industrial estate land measuring 455.23 acres at Rajpura in the state of Punjab and personal guarantee of the erstwhile Chairman and Managing Director of the Company.

2. From others

i.	-	291.62	11%	(i) The loans are secured by first pari-passu charge on all movable and immovable fixed assets of the Company inclusive of equitable mortgage of land and buildings. The loans are further secured by second pari-passu charge on all current assets of the Company.
ii.	1838.80	2,165.00	0%	
iii.	-	8.62	0% (Funded Interest Term Loan)	(ii) The loans are also secured by corporate guarantee issued by Siel Industrial Estate Limited and equitable mortgage of its industrial estate land measuring 455.23 acres at Rajpura in the state of Punjab and personal guarantee of the erstwhile Chairman and Managing Director of the Company.
iv.	34.19	42.74	4%	The loans, taken from Government of India under Sugar Development Fund (SDF), are secured by an exclusive second charge on all movable and immovable properties of the Company's unit Mawana Sugar Works, situated at Mawana District Meerut in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts).
v.	-	253.04	4%	The loan, taken from Government of India under Sugar Development Fund (SDF), was secured by an exclusive second charge on all movable and immovable properties of the Company's unit Titawi Sugar Complex, situated at Titawi District Muzaffarnagar in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts).
vi.	-	63.02	6.50%	(i) The loan, taken from Government of India under Sugar Development Fund (SDF), was secured by first pari-passu charge on all movable and immovable properties of the Company's unit Titawi Sugar Complex, situated at Titawi District Muzaffarnagar in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts). (ii) This loan was further secured by personal guarantee of erstwhile Chairman and Managing Director of the Company.
vii.	-	11.30	4%	The loans, taken from Government of India under Sugar Development Fund (SDF), are secured by an exclusive second charge on all movable and immovable properties of the Company's unit Nanglamal Sugar Complex, situated at Nanglamal District Meerut in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts)
viii.	49.44	82.40	4%	

Repayment Schedule of Long Term Borrowings

	Rs. Million
12 months ending March 31, 2018	1,190.43
12 months ending March 31, 2019	568.89
12 months ending March 31, 2020	544.55
12 months ending March 31, 2021	551.34
April 1, 2021 onwards	-
	2,855.21

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

5. Other long term liabilities

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Interest accrued but not due on borrowings ¹	1,034.70	669.56
Others	4.71	10.39
	1,039.41	679.95

¹ Represent interest accrued on borrowing assigned to an Asset Reconstruction Company and one lender. Refer note 4 (#a & #b)

6. Long - term provisions

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Provision for employee benefits		
- Provision for gratuity ¹	64.70	79.51
- Provision for compensated absences ¹	19.24	21.80
	83.94	101.31

¹ Refer note 32

7. Short - term borrowings

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Secured		
Loans repayable on demand - Cash credit/overdrafts from banks	-	468.44
	-	468.44

- A**
- i) Cash credit / overdraft amounting to Nil (previous period Rs. 422.10 million) are secured by first pari-passu charge on the current assets of the Company and third pari-passu charge on the fixed assets of sugar units of the Company. This limit is also secured by second pari-passu charge on the fixed assets of chemical division of the Company. Further, these loans are also secured by corporate guarantee issued by Siel Industrial Estate Limited and equitable mortgage of its industrial estate land measuring 455.23 acres at Rajpura in the state of Punjab and personal guarantee of the former Chairman and Managing Director of the Company.
 - ii) Cash credit amounting to Nil (previous period Rs. 46.34 million) are secured by first pari-passu charge on the current assets of the Company and fixed assets of chemical division of the Company situated at Rajpura in the state of Punjab.
 - iii) Refer note 4 (#b)

B The period and amount of continuing default in repayment of borrowings as at the year/period end:

	As at 31.03.2017		As at 31.03.2016	
	Amount Rs. Million	Period of delay (in days) upto the period end	Amount Rs. Million	Period of delay (in days) upto the period end
Interest accrued and due on borrowings:				
Cash Credit/Overdraft				
- From banks	-		162.76	1-974

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

8. Trade payables

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Trade payables		
- Dues to other than micro and small enterprises	4,287.81	7,146.77
	4,287.81	7,146.77

9. Other current liabilities

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Current maturities of long term borrowings ¹	1,190.43	1,878.56
Interest accrued but not due on borrowings	9.87	71.35
Interest accrued and due on borrowings	198.29	858.02
Other payables		
- Taxes and other statutory dues	393.63	386.74
- Advances from customers	495.20	49.04
- Security deposits	38.18	48.88
- Capital creditors	28.46	23.15
- Miscellaneous	146.74	152.13
	2,500.80	3,467.87

¹ Refer Note 4

10. Short - term provisions

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Provision for employee benefits		
- Provision for gratuity ¹	10.05	20.41
- Provision for compensated absences ¹	3.00	2.59
Others		
- Provision for taxation	21.14	21.14
	34.19	44.14

¹ Refer note 32

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

11. FIXED ASSETS*

Particulars	Gross Block (At Cost)				Depreciation				Net Block	
	As at 31.03.2016	Additions	Deductions		As at 31.03.2016	For the year/period ¹	On deductions		As at 31.03.2017	As at 31.03.2016
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
TANGIBLE ASSETS-OWNED										
Land	273.48 (269.02)	1.03 (4.46)	-	252.86 (273.48)	-	-	-	-	252.86 (273.48)	273.48 (269.02)
Buildings	890.74 (870.35)	147.78 (20.39)	-	800.54 (890.74)	353.31 (283.05)	25.70 (70.26)	108.94	-	530.47 (537.43)	537.43 (587.30)
Plant and equipment	9,435.61 (9,409.62)	64.76 (31.01)	0.16 (5.02)	6,950.01 (9,435.61)	5,852.87 (5,573.85)	258.63 (282.93)	1,525.30	35.15	2,399.08 (3,582.74)	3,562.74 (3,635.77)
Office equipment	93.89 (99.74)	2.02 (3.14)	2.96 (8.99)	66.55 (93.89)	82.51 (72.47)	6.14 (17.42)	24.98	0.03	5.63 (11.38)	11.38 (27.27)
Furniture and fixtures	31.54 (40.80)	0.22 (0.18)	0.54 (9.44)	25.88 (31.54)	29.66 (27.84)	0.98 (6.62)	5.23	-	0.93 (1.88)	1.88 (12.96)
Vehicles	12.60 (12.60)	4.31	0.84	15.12 (12.60)	11.15 (9.06)	0.51 (2.09)	0.95	-	10.16 (11.15)	1.45 (3.54)
Current year	10,737.86 (10,702.13)	220.12 (59.18)	4.50 (23.45)	8,110.96 (10,737.86)	6,329.50 (5,966.27)	291.96 (379.32)	1,665.40	35.18	4,917.03 (6,329.50)	4,408.36
Previous period										
Capital work-in-progress										43.86

* Refer note 1(B)

- Rs. 1.07 million (previous period Rs. 1.07 million) received as advance against sale of land at Mawana will be adjusted after execution of conveyance deed.
- Includes plant and equipments and office equipments having gross block of Rs. 41.93 million and Rs. 0.03 million and net block of Rs. 6.78 million and ₹ (Rs. 2500) respectively have been reclassified as held for sale at lower of their net block and net realisable value.
- Refer Note 41.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

12. NON - CURRENT INVESTMENTS

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
VALUED AT COST UNLESS THERE IS DECLINE IN VALUE, OTHER THAN TEMPORARY		
TRADE INVESTMENTS		
Investment in Equity Instruments		
- Unquoted		
Capaxil Agencies Limited 5 (previous period 5) Equity shares of Rs.1,000 each fully paid-up	1 0.01	0.01
Agro Pumpsets & Implements Limited 10 (previous period 10) Equity shares of Rs. 500 each fully paid-up	0.01	0.01
Mawana Co-operative Development Union Limited 2 (previous period 2) Equity shares of Rs.10 each, Rs. 5 per share paid-up (# Rs. 10)	1 #	#
Ramraj Co-operative Cane Development Union Limited 2 (previous period 2) Equity shares of Rs.10 each, Rs. 5 per share paid-up (# Rs. 10)	1 #	#
OTHER INVESTMENTS		
Investment in Equity Instruments		
Subsidiaries		
- Quoted		
Siel Financial Services Limited 10,613,382 (previous period 10,613,382) Equity shares of Rs.10 each fully paid-up	203.13	203.13
Less: Provision for diminution in value	<u>(203.13)</u>	<u>(203.13)</u>
- Unquoted		
Siel Industrial Estate Limited 14,025,000 (previous period 14,025,000) Equity shares of Rs.10 each fully paid-up	140.25	140.25
Siel Infrastructure & Estate Developers Private Limited 13,761,617 (previous period 13,761,617) Equity shares of Rs.100 each fully paid-up	152.49	152.49
Investment in Preference Shares		
Subsidiary		
- Unquoted		
Siel Industrial Estate Limited 40,00,000 (previous period 40,00,000) 5% Redeemable Cumulative Preference shares of Rs.10 each fully paid-up ²	40.00	40.00
Siel Financial Services Limited ³ Nil (previous period 730,000) 5 % Redeemable Cumulative Preference shares of Rs.100 each fully paid-up	-	73.00
Less : Provision for diminution in value	-	(73.00)
	332.76	332.76
Aggregate value of investments		
Quoted (Market value Rs. Nil (previous period Rs. Nil))	-	-
Unquoted	332.76	332.76
	332.76	332.76

¹ Represent investments transferred from DCM Limited under the Scheme of Arrangement and are pending endorsement in the name of the Company.

² Refer Note 40.

³ During the current year, the Company has received Rs. 10.95 million towards full and final redemption of 730,000 5% Redeemable Cumulative Preference Share of Siel Financial Services Limited .

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

13. Long - term loans and advances (Unsecured and considered good unless otherwise stated)

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Capital advances	1.18	34.03
Security deposits		
- Good	116.27	85.50
- Doubtful	0.53	0.53
Loan and advances to related parties ¹		
- Doubtful	36.59	36.59
Other loans and advances		
- Advance tax	50.57	59.30
- Excise, Service Tax, VAT and other balances with government authorities	7.66	7.68
- Dues from employees	0.04	0.04
- Prepaid expenses	0.16	0.62
- Advances recoverable in cash or in kind or for the value to be received		
- Good	0.97	48.93
- Doubtful	117.78	117.78
	331.75	391.00
Less : Provision for doubtful advances	154.90	154.90
	176.85	236.10

¹ Refer note 35

14. Other non - current assets

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Fixed deposits with banks (Earmarked)	3.87	12.94
	3.87	12.94

15. Inventories¹

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Raw and packing materials	147.98	85.85
Work-in-progress ³	126.49	67.67
Finished goods ²	3,962.74	3,813.67
Stores and Spares	168.66	200.93
	4,405.87	4,168.12
¹ Refer note 1(A)(f)		
² For product wise details refer note 51		
³ Details of Work - in - progress are as under:		
Sugar	94.97	34.57
Molasses	9.56	2.64
Chemical	10.51	8.75
Others	11.45	21.71
	126.49	67.67

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

16. Trade receivables¹

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Receivables outstanding for a period exceeding six months from the due date		
Secured - good	0.20	0.23
Unsecured - considered good	23.63	8.62
- doubtful	1.25	53.75
	25.08	62.60
Less : Provision for doubtful debts	1.25	53.75
	(A) 23.83	8.85
Other Receivables		
Secured - good	8.43	5.71
Unsecured - considered good	439.05	710.37
	(B) 447.48	716.08
Total (A+B)	471.31	724.93

¹ Refer note 35

17. Cash and cash equivalents

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Cash and cash equivalents		
Cash on hand	2.46	1.71
Cheques, drafts on hand	0.28	-
Balances with banks		
- On current accounts	345.90	230.59
Other bank balances		
Earmarked balances		
Balance held as margin money or security against borrowings, guarantees and other commitments	246.66	198.58
	595.30	430.88
Of the above, the balances that meet the definition of Cash and cash equivalents as per Accounting Standard 3 - Cash Flow Statements	348.64	232.30

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

18. Short - term loans and advances (Unsecured and considered good)

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Security deposits	3.25	3.64
Other loans and advances		
- Excise, Service Tax, VAT and other balances with government authorities	65.64	138.23
- Dues from employees ¹	11.01	8.35
- Prepaid expenses	16.32	20.43
- Advances to vendors	14.74	14.26
- Advances recoverable in cash or in kind or for the value to be received		
- Good	1,026.44	33.18
- Doubtful ²	6.61	6.61
	1,144.01	224.70
Less : Provision for doubtful advances	6.61	6.61
	1,137.40	218.09

¹ Includes Rs. 7.04 million (previous period Rs. 7.04 million) recoverable from the former Chairman and Managing Director of the Company (refer note 39(i))

² Refer note 39(ii)

19. Other current assets

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Interest accrued on deposits	6.30	8.10
Fixed Assets Held for Sale*	6.78	-
	13.08	8.10
* Details of fixed assets held for sale are as under :		
Plant and equipment	6.78	-
Office equipment (Rs. 2500)	#	-
	6.78	-

20. Revenue from Operations

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Sale of products - finished goods ¹	12,561.68	15,762.20
Sub - Total (A)	12,561.68	15,762.20
Other Operating Revenues		
- Sale of scrap	13.98	14.27
- Duty draw back and other export benefits	72.56	-
- Other operating income	33.37	2.43
Sub - Total (B)	119.91	16.70
Total (A+B)	12,681.59	15,778.90

¹ For product wise particulars of sales refer note 51

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

21. Other Income

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Interest income ¹	31.75	33.54
Profit on sale of fixed assets	-	0.04
Provision / Liabilities no longer required written back	22.23	15.52
Rent received	0.49	0.68
Miscellaneous income ²	127.03	45.72
Total	181.50	95.50
¹ Interest income comprises of:		
- Interest from banks	8.27	22.90
- Interest on income tax refunds	2.01	-
- interest from others	21.47	10.64
	31.75	33.54

² Includes Rs. 126.35 million (previous period Rs. 32.48 million) received from Delhi Development Authority (DDA) pursuant to judgment of Honorable Supreme Court of India (refer note 42).

22. Cost of materials consumed ¹

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Opening stock	85.85	82.98
Add: Purchases	7,912.32	11,052.82
	7,998.17	11,135.80
Less: Closing stock	150.49	85.85
Cost of materials consumed	7,847.68	11,049.95
Particulars of materials consumed are as under:		
Sugar cane	7,287.25	10,298.87
Salt	245.60	350.60
Quick lime	53.97	75.24
Packing Materials	147.22	226.93
Others	113.64	98.31
Total	7,847.68	11,049.95

¹ Refer Note 43

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

23. Changes in inventories of finished goods and work in progress

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
<u>Inventories at the end of the year/period</u>		
Finished goods	3,962.74	3,813.67
Work-in-progress	126.49	67.67
Total (A)	4,089.23	3,881.34
<u>Transferred pursuant to the business transfer agreement (Refer note 1(B))</u>		
Finished goods	260.05	-
Work-in-progress	0.86	-
Total (B)	260.91	-
<u>Inventories at the beginning of the year/period</u>		
Finished goods	3,813.67	2,421.87
Work-in-progress	67.67	184.36
Total (C)	3,881.34	2,606.23
Net (increase)/decrease (C-B-A)	(468.80)	(1,275.11)

24. Employee benefits expense

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Salaries, wages etc	672.48	771.62
Contribution to provident and other funds	43.74	83.37
Staff welfare expenses	33.47	43.61
Total	749.69	898.60

25. Finance Costs

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
<u>Interest</u>		
- On borrowings	266.10	752.66
- On others	6.33	6.72
Other borrowing costs	5.52	8.40
Total	277.95	767.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

26. Other expenses

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Consumption of stores and spare parts	342.21	608.39
Power, fuel, water etc.	1,265.22	1,630.77
Repairs		
- Building	10.48	30.49
- Plant and machinery	78.66	95.83
- Other repairs	14.15	12.17
Rent paid	33.72	52.66
Auditors remuneration		
As auditors		
- Audit fee	2.00	2.40
- Out -of-pocket expenses	0.27	0.14
In other capacity		
- For limited review of unaudited financial results	2.10	3.40
- For verification of statement and other reports	1.50	1.91
Insurance	9.12	9.06
Rates and taxes	10.77	12.35
Jobs on contract	116.54	158.28
Freight and transport	53.84	67.30
Cash discount	-	5.33
Increase/(decrease) in excise duty on finished goods	26.10	125.66
Net loss on foreign currency transactions	0.86	0.39
Legal and professional expenses	75.12	79.25
Bad debts written off	104.34	6.25
Less: Charged against provisions	<u>50.11</u>	<u>0.24</u>
Provision for doubtful debts and advances	-	6.61
Loss on sale/write off of fixed assets	0.31	0.96
Miscellaneous expenses	107.35	189.83
Total	2,204.55	3,099.19

27 Commitments

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
a. Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Tangible assets (Net of advances)	3.30	95.92
b. Uncalled liability on shares and other investments partly paid (# Rs. 20)	#	#

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

28 Contingent liabilities:

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
a) Claims against the Company not acknowledged as debt in respect of*:		
- Income tax	336.70	336.70
- Sales tax	51.49	84.79
- Excise Duty/Service tax	150.74	291.40
- Others	2,251.06	1,561.38
- Interest on delay payment of cane dues	2,602.83	-
- Waiver of society commission for season 2012-2013 & 2014-2015-stayed by High Court of Allahabad and cane department were asked to raise demand.	228.97	-
*All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded, in the opinion of the management, will not have a material effect on the results of the operations or financial position of the Company.		
b) Guarantee given to bank for repayment of financial facilities provided to Mawana Foods Private Limited	70.00	70.00
Dues outstanding	32.84	22.4
c) The Company has provided bank guarantees aggregating Rs. 72.01 million (Previous period Rs. 72.01 million) to Tecumseh Products India Limited (TPIL), to whom it had sold the compressor business in a previous period, for any loss, damage, claim, action, suit etc., arising from various representations /breach of representations including for contingent liabilities existing as at March 31, 1997, or prior to March 31, 1997, which TPIL may eventually be liable to pay, against which demands in respect of sales tax, income tax and central excise matters aggregating Rs. 43.68 million (Previous period Rs. 43.68 million) have been received. These demands are presently under various stages of appeal.		
d) During the previous periods, the Company had given a counter indemnity/guarantee in favour of existing directors of Transiel India Limited to protect their interest against any loss/ future liabilities that may arise after the name of the said subsidiary has been struck off under the Easy Exit Scheme, 2011.		

29 Research and development expenses included under relevant heads in the Statement of Profit and Loss amounting to Rs. 6.00 million (previous period Rs. 4.21 million).

30 Accounting for taxes on income:-

In accordance with the Accounting Standard (AS) 22 'Accounting for Taxes on Income' specified under Section 133 of the Companies Act, 2013, deferred tax assets have been recognized only to the extent of deferred tax liabilities, the details of which are as under:

(Rs. Million)

	As at March 31, 2017 (DTL)/DTA	As at March 31, 2016 (DTL) / DTA
Accelerated depreciation	(664.20)	(972.62)
Expenses deductible on payment	457.93	744.23
Unabsorbed depreciation only to the extent of deferred tax liabilities	206.27	228.39
Net Amount	-	-

31 Sales are net of commission of Rs. 21.37 million (previous period Rs. 37.21 million).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

32 Employee Benefits:

Disclosures required under Accounting Standard (AS) - 15 "Employees Benefits" specified under Section 133 of the Companies Act, 2013.

- i) Defined Contribution Plan and amount recognized in the Statement of Profit and Loss.

	Year ended March 31, 2017 Rs. Million	15 Months ended March 31, 2016 Rs. Million
- Employers contribution to provident fund	45.50	60.16
- Employees State Insurance Corporation	0.21	0.09

- ii) Defined Benefits Plans

Gratuity and Compensated absences –In accordance with Accounting Standard 15, actuarial valuation was done and details of the same are given below:

(Rs. Million)

	Gratuity (Funded) @		Compensated absences	
	Year ended March 31, 2017	15 Months ended March 31, 2016	Year ended March 31, 2017	15 Months ended March 31, 2016
A. Change in the Present value of obligation				
Present value of obligation as at the beginning of the year/period	176.49	172.66	24.39	28.20
Current service cost	9.49	13.44	2.67	3.23
Interest cost	14.12	17.27	1.95	2.82
Benefits paid	(18.65)	(32.13)	(8.04)	(15.16)
Actuarial loss/ (gain)	(23.18)	5.25	1.27	5.30
Present value of obligation as at the end of the year/period	158.27	176.49	22.24	24.39
B. Change in the fair value of plan assets				
Fair value of plan assets as at the beginning of the year/period	76.57	65.44	-	-
Expected return on plan assets	6.39	6.83	-	-
Last year difference	-	3.56	-	-
Contribution by the Company	1.54	3.88	-	-
Benefits paid	(0.88)	(3.62)	-	-
Actuarial gain/(loss)	(0.10)	0.48	-	-
Fund Management Charges	-	-	-	-
Fair value of plan assets as at the end of the year/period#	83.52	76.57	-	-
C. Amount recognised in the balance sheet (A - B)	74.75	99.92	22.24	24.39
Short - term provision	10.05	20.41	3.00	2.59
Long - term provision	64.70	79.51	19.24	21.80
D. Expenses recognized in the Statement of Profit and Loss				
Current service cost	9.49	13.44	2.67	3.23
Interest cost	14.12	17.27	1.95	2.82
Expected Return on plan Assets	(6.39)	(6.83)	-	-
Actuarial loss/ (gain)	(23.07)	4.77	1.27	5.30
Net Cost	(5.85)	28.65	5.89	11.35
E. Best estimate contribution during the next period	20.21	23.18		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(Rs. Million)

	Gratuity (Funded) @		Compensated absences	
	Year ended March 31, 2017	15 Months ended March 31, 2016	Year ended March 31, 2017	15 Months ended March 31, 2016
F. Actuarial Assumptions				
Discount Rate (Per annum)	7.32%	8.00%	7.32%	8.00%
Future Salary increase	5.00%	5.00%	5.00%	5.00%
Expected Rate of return on plan assets	8.25%	8.35%	-	-
Mortality table	IALM (2006-08)			

@ Rs. 74.75 million (Previous period Rs. 99.92 million) has not been funded

The plan assets are maintained with Life Insurance Corporation of India (LIC) Gratuity Scheme. The details of investments maintained by LIC are not made available to the Company and therefore has not been disclosed.

G. Net Assets/(Liabilities) in respect of gratuity recognized in the Balance Sheet

	As on 31.03.2017	As on 31.03.2016	As on 31.12.2014	As on 30.09.2013	As on 30.09.2012
Present Value of obligation	158.27	176.49	172.66	175.79	163.25
Fair value of plan assets	83.52	76.57	65.44	59.81	55.24
Net Assets/(liability)	(74.75)	(99.92)	(107.22)	(115.98)	(108.01)

Expenses on actuarial (gain)/loss for Benefit obligation and plan assets in respect of gratuity

	Year/Period ended				
	31.03.2017	31.03.2016	31.12.2014	30.09.2013	30.09.2012
On Present Value of obligation	(25.00)	5.26	(6.62)	11.56	4.33
On plan assets	0.10	(0.48)	1.84	3.57	(0.23)

33 Segment reporting

A. Business Segment

Based on the guiding principles given in Accounting Standard (AS) 17 "Segment Reporting" specified under Section 133 of the Companies Act, 2013, the Company's Business segments include Sugar, Power, Chemical and Distillery.

B. Geographical Segment

Since the Company's activities/operations are primarily within the country and considering the nature of products/services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note 1(A) above, the accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to the segments.

b) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities.

c) Inter segment revenues:

Inter segment revenues between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

D. Information about business segments

	(Rs. Million)													
	Sugar		Power		Chemicals		Distillery		Unallocated		Elimination		Total	
	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period
SEGMENT REVENUE														
External Sales (Net of excise duty)	8,827.05	10,449.78	291.15	632.41	2,570.65	1,176.83	616.59	1,176.83	-	-	-	-	11,793.14	14,829.67
Intra-segment revenue	1,985.28	3,013.40	1,824.48	3,308.76	4.48	2.51	5.81	14.29	-	-	(3,820.05)	(6,338.97)	-	16.70
Other Operating Revenues	114.12	11.40	-	-	5.56	5.30	0.23	-	-	181.50	95.50	-	119.91	16.70
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	181.50	95.50
Total revenue	10,926.45	13,474.58	2,115.63	3,941.17	2,088.39	2,578.46	622.63	1,191.12	181.50	95.50	(3,820.05)	(6,338.97)	12,094.55	14,941.87
EBIT/RESULTS														
Segment results	850.02	(573.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	-	-	-	-	1,318.49	949.12
Unallocated income/(expenses) (net of income/expenses)	-	-	-	-	-	-	-	-	119.23	(192.74)	-	-	119.23	(192.74)
Operating Profit/(loss)	850.02	(573.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	119.23	(192.74)	-	-	1,437.72	756.38
Finance Costs	-	-	-	-	-	-	-	-	277.95	767.78	-	-	277.95	767.78
Interest income	-	-	-	-	-	-	-	-	31.75	33.54	-	-	31.75	33.54
Net Profit/(Loss) before tax and exceptional items	850.02	(573.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	(126.97)	(925.98)	-	-	1,191.52	22.14
Exceptional Item- Income	-	-	-	-	-	-	-	-	3,375.27	-	-	-	3,375.27	-
Net Profit/(Loss) before tax	850.02	(573.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	3,248.30	(925.98)	-	-	4,566.79	22.14
Tax expenses	-	-	-	-	-	-	-	-	1.03	-	-	-	1.03	-
Net Profit/(Loss) after tax	850.02	(573.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	3,247.28	(925.98)	-	-	4,565.76	22.14
OTHER INFORMATION														
As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017
A. ASSETS														
Segment assets	5,291.07	6,269.73	1,764.21	1,987.06	736.35	799.97	845.98	871.37	-	640.20	-	-	8,637.61	9,928.13
Unallocated assets	-	-	-	-	-	-	-	-	1,736.62	640.20	-	-	1,736.62	640.20
Total Assets	5,291.07	6,269.73	1,764.21	1,987.06	736.35	799.97	845.98	871.37	1,736.62	640.20	-	-	10,374.23	10,568.33
B. LIABILITIES														
Segment liabilities	4,864.97	7,304.29	13.63	11.54	266.07	310.04	66.90	37.68	-	-	-	-	5,211.57	7,663.55
Share capital/reserves and surplus	-	-	-	-	-	-	-	-	752.89	(3,812.84)	-	-	752.89	(3,812.84)
Borrowings	-	-	-	-	-	-	-	-	2,855.21	4,802.72	-	-	2,855.21	4,802.72
Unallocated liabilities	-	-	-	-	-	-	-	-	1,554.56	1,914.90	-	-	1,554.56	1,914.90
Total Liabilities	4,864.97	7,304.29	13.63	11.54	266.07	310.04	66.90	37.68	5,162.66	2,904.78	-	-	10,374.23	10,568.33
C. OTHERS														
Capital expenditure	4.51	21.22	0.17	0.02	13.45	9.70	181.20	43.89	4.19	0.35	-	-	203.51	75.18
Depreciation	120.66	184.23	58.02	66.92	77.62	73.75	34.70	41.65	0.96	12.77	-	-	291.95	379.92

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

34 Earnings per share:

		Year ended March 31, 2017	15 Months ended March 31, 2016
Profit after tax	Rs. Million	4,565.77	22.14
Weighted average number of equity shares outstanding	No.	39,116,864	39,116,864
Basic and diluted earnings per share in rupees (face value – Rs. 10 per share)	Rs.	116.72	0.57

35 Related party disclosures under Accounting Standard 18

Name of related party and nature of related party relationship

Promoter:

Mr. Siddharth Shriram

Subsidiaries:

Siel Financial Services Limited,

Siel Industrial Estate Limited,

Siel Infrastructure & Estate Developers Private Limited

Key Management Personnel(KMP):

Mr. Dharam Pal Sharma – Whole Time Director (w.e.f. August 13, 2015)

Dr. Anil Arora – Chief Financial Officer (w.e.f. November 05, 2015)

Mr. Ashok Kumar Shukla – Company Secretary (w.e.f. July 04, 2015)*

Mr. Ritesh Jain – Company Secretary (resigned w.e.f. March 10, 2015)*

Enterprises over which key management personnel/Promoter have significant influence:

Usha International Limited

Mawana Foods Private Limited (Formerly known as Mawana Foods Limited) (subsidiary company of Usha International Limited).

Details of Related Party Transactions:

		Year ended March 31, 2017 Rs. Million	15 Months ended March 31, 2016 Rs. Million
A) Promoter			
Siddharth Shriram			
Advisory Fees		9.31	11.50
Excess remuneration paid in earlier period pending recovery			
Mr. Siddharth Shriram		7.04	7.04
Balance outstanding included under			
Loans and advances (also refer note 39(ii))		8.69	7.91
B) Subsidiaries			
Siel Financial Services Limited			
Expenses recovered		2.34	0.06
Redemption of Preference Shares		10.95	
Balances outstanding included under :			
Loans and advances #		36.59	36.59
Siel Industrial Estate Limited			
Expenses recovered		-	0.40
Investment in Nil (previous period 40,00,000) 5% Redeemable Cumulative Preference shares of Rs.10 each fully paid-up		-	40.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

	Year ended March 31, 2017 Rs. Million	15 Months ended March 31, 2016 Rs. Million
C) Key Management personnel and their relatives		
Remuneration to key management personnel:		
Dr. Anil Arora	3.90	2.04
Mr. Dharam Pal Sharma	1.77	1.12
Mr. Ashok Shukla	0.55	0.37
Mr. Ritesh Jain	-	0.21
D) Enterprises over which key management personnel/ Promoter have significant influence		
Usha International Limited		
Expenses recovered	-	0.07
Expenses reimbursed	6.72	6.90
Reimbursement of ERP expenses	5.20	6.05
Miscellaneous purchases	0.14	0.55
Rent paid	5.45	6.62
Royalty paid	11.18	11.69
Sale of Fixed Assets	-	6.26
Balances outstanding included under :		
Trade payables	17.58	6.95
Mawana Foods Private Limited (Formerly known as Mawana Foods Limited)		
Sale of Goods	474.62	427.33
Interest received	6.16	5.07
Expenses reimbursed	-	0.06
Expenses recovered	0.17	13.41
Miscellaneous purchases	0.08	-
Balances outstanding included under :		
Guarantee given by the Company	70.00	70.00
Loans and advances	-	0.01
Trade receivables	109.28	87.54

*KMP as per Section 203 of the Companies Act, 2013

includes Rs. 36.59 Million (previous period Rs. 36.59 Million) provided for as doubtful advances.

36 The following are particulars of disputed dues on accounts of sales tax, income-tax, service tax and excise duty matters as at March 31, 2017 that have not been deposited by the Company:

S. No	Name of the Statute	Nature of dues	Amount involved (Rs. Million)	Amount Paid under Protest (Rs. Million)	Period to which the amount relates (various years covering the period)#	Forum where dispute is pending
1	Sales Tax Laws	Sales Tax	6.36 45.13	- 0.14	2009-10 to 2013-14 2006-07, 2012-13 & 2013-14	High Court Appellate Authority upto Commissioner's level
2.	Income Tax Laws	Income Tax	30.28	30.28	1998-99	High Court

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

S. No	Name of the Statute	Nature of dues	Amount involved (Rs. Million)	Amount Paid under Protest (Rs. Million)	Period to which the amount relates (various years covering the period)#	Forum where dispute is pending
3.	Central Excise Laws	Excise Duty	10.35	-	2007-08 to 2014-15	High Court Customs Excise and Service Tax Appellate Tribunal (CESTAT) Supreme Court
			31.57	-	2007-08 to 2009-10	
			1.04	-	1999-00 to 2002-03	
			91.26	0.55	1994-95 to 1996-97, 1998-99, 1999-00, 2001-02 and 2004-05 to 2016-17	
		17.91	0.03	2005-06 to 2014-15	Appellate Authority upto Commissioner's level	
		Service Tax				Appellate Authority upto Commissioner's level

Period in respect of income tax represents assessment year.

The following matters which have been excluded from the above table have been decided in favour of the Company but the department has preferred appeal at higher level:

S No.	Name of the Statute	Nature of dues	Amount involved (Rs. Million)	Period to which the amount relates #	Forum where dispute is pending
1.	Income tax Laws	Income tax	306.42	2001-02	Income tax Appellate Tribunal (ITAT)

Period in respect of income tax represents assessment year.

37. Foreign currency exposures that are not hedged by derivative instruments or otherwise is as follows:

	As at March 31, 2017		As at March 31, 2016	
	Amount in foreign currency (Million)	Amount in (Rs. Million)	Amount in foreign currency (Million)	Amount in (Rs. Million)
Trade payables	USD 0.04	2.64	USD 0.09	5.80
	-	-	GBP 0.08	7.33

38. Operating lease:

The Company has taken properties on cancellable and non-cancellable operating lease and has recognized rent of Rs. 33.72 Million (Previous period Rs. 52.66 Million) during the year in the Statement of Profit and Loss.

The details of future minimum lease payments under non-cancellable leases are given below:

(Rs. Million)

	Year ended March 31, 2017	15 Months ended March 31, 2016
Not later than one year	11.89	23.78
Later than one year and not later than five years	4.81	21.95

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

39. i) 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. 7.04 million paid in terms of shareholders' approval has not been obtained by the Company.
- ii) The Central Government had approved the former Whole time Director (WTD) remuneration (w.e.f. February 01, 2014) vide letter dated June 30, 2015 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 July 21, 2015 for waiver of excess remuneration paid to the former Whole Time Director (ceased to be WTD w.e.f. December 31, 2014). Pending outcome thereof, refund of excess remuneration amounting to Rs. 6.61 million paid in terms of shareholders' approval has not been obtained by the Company.
- iii) The remuneration amounting to Rs 2.89 million (previous period Rs. 1.08 Million) paid to Whole Time Director (WTD)(w.e.f. August 13, 2015) up to March 31, 2017 is subject to the approval of the Central Government under the provisions of the Companies Act, 2013.
- 40 During the previous period ended March 31, 2016, pursuant to an Order of Hon'ble High Court of Punjab & Haryana , the Company's 100% subsidiary viz. Siel Industrial Estate Limited (Siel IE) was ordered to pay additional compensation to the farmers from whom the Land had been acquired. Having regard to the fact that Siel IE has no business activity/ income of its own, the Company paid Rs. 40.00 million to Siel IE by way of subscription to the Right Issue of 4,000,000 5 % Redeemable Cumulative Preference Shares of Rs 10 each fully paid.
- 41 In the previous period ended March 31, 2016, pursuant to Companies Act, 2013 ('the Act') being effective from January 1, 2015, the company had 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 charged for the period ended March 31, 2016 was lower by Rs. 243.53 Million. In respect of the assets whose useful life was already exhausted as at December 31, 2014, depreciation of Rs. 49.13 million had been adjusted in the Statement of Profit and Loss for the period ended March 31, 2016 in accordance with the requirement of the Schedule II of the Act.
- 42 Pursuant to judgment dated 10.5.1996 passed by the Hon'ble Supreme Court of India in a public interest litigation the Company surrendered 46.58 acres of land to the Delhi Development Authority ('DDA') and dedicated it exclusively for the development of green belt and open spaces. Consequently, the Company is no longer in physical possession of 46.58 acres owned by it.
- The Company had filed a Review Petition in the Hon'ble Supreme Court of India challenging the order of surrender of land to the DDA. During the pendency of this Review Petition, the DDA leased out some portion of the land surrendered by the Company to Delhi Metro Rail Corporation ('DMRC'). The Company filed an application before the Hon'ble Supreme Court of India in the pending Review Petition against the leasing of land by DDA to DMRC as this was contrary to the purpose for which the Company has surrendered and dedicated the land.
- Although the Hon'ble Supreme Court of India dismissed the aforesaid Review Petition by order dated 25.3.2010 but on the Company's application against the leasing of land by DDA to DMRC stated and directed as follows : "...the DDA which holds the surrendered and dedicated land in Trust cannot use it for any purpose other than as green belt or other spaces for the benefit of the community...In the event of any acquisition or development of surrendered land, the owner – dedicator will have the benefit of compensation on account of land ceasing to be 'land dedicated to the community purpose of lung/open space...' when such acquisition/alienation takes place, DDA and the land owner will be entitled to share the compensation at 50% each."
- In view of the aforesaid judgment, benefits earned by DDA from the surrendered land are to be shared equally with the Company.
- 43 In the previous period ended March 31, 2016, 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. 766.2 million which has been netted off from the cost of material consumed for period ended March 31, 2016.
- 44 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- 45 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- 46 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006
On the basis of supplier information available with the Company who have registered under the Micro Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006), the following are the details.

(Rs. Million)

	As at March 31, 2017	As at March 31, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the year/period	1.78	5.00
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year/period	8.60	11.98
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the year/period.	(3.38)	3.74
(v) The amount of interest accrued and remaining unpaid at the end of the year/period	8.60	11.98
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid	-	-
(vii) Interest remaining disallowable as deductible expenditure under the Income Tax Act, 1961	2.95	3.74

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

- 47 The disclosure of the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 by the Company as under:-

(Rs. Million)

	SBNs	Other	Total
Closing Cash In Hand as on 08.11.16	1.68	0.37	2.05
(+) Permitted Receipts	-	5.54	5.54
(-) Permitted Payments	-	4.79	4.79
(-) Amount Deposited in Bank	1.68	-	1.68
Closing Cash In Hand as on 30.12.16	-	1.12	1.12

- 48 Consequent upon restructuring of debts of the Company, a part of the principal amount of the term loan amounting to Rs 640.78 million, that was availed in the past for acquisition of capital assets, has been written back and credited as an exceptional item in the Statement of Profit and Loss of the Company for the year. Based upon decision of Income Tax Appellate Tribunal in respect of such matter rendered in another case and legal opinions obtained from expert tax consultants, this amount is treated as capital receipt and not included in book profit for the purposes of calculation of tax under section 115 JB of the Income Tax Act 1961.

The statutory auditors have expressed qualification in respect of the matter referred to in Note 48 above.

- 49 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.
- 50 The current financial year is for a period of 12 months and includes the operations of Titawi Sugar Complex (Unit) upto October 31, 2016 after which it has been sold to Indian Potash Limited (refer note 1(B)) whereas the previous financial period is for 15 months and includes the operations of Titawi Sugar Complex (Unit) for the full period. As such, the figures of the current financial year are not comparable with the figures of the previous period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

51 Particulars of stocks and sales

Description	Stocks				Sales	
	Opening		Closing		Year ended March 31, 2017 Rs Million	15 Months ended March 31, 2016 Rs. Million
	As at April 01, 2016 Rs Million	As at January 01, 2015 Rs. Million	As at March 31, 2017 Rs Million	As at March 31, 2016 Rs. Million		
Sugar	3,471.68	1998.11	3,555.91	3,471.68	9,033.83	10,480.75
Caustic Soda	7.10	16.58	2.66	7.10	1,857.48	2,308.86
Caustic Flakes	-	11.95	5.17	-	83.35	75.03
Chlorine (dry and liquid)	0.57	0.35	-	0.57	75.49	132.72
Hydrochloric acid	0.31	0.14	0.47	0.31	71.11	67.40
Hydrogen	-	-	-	-	45.60	64.00
Stable bleaching powder	0.76	0.95	0.59	0.76	138.71	187.15
Sodium hypochlorite	0.06	0.25	0.09	0.06	44.92	66.88
Industrial Alcohol	86.97	180.96	5.13	86.97	629.77	1,240.63
Others	246.22	212.58	392.72	246.22	581.42	1,138.78
Total	3,813.67	2421.87	3,962.74	3,813.67	12,561.68	15,762.20

52 Other Additional Information

Description	Year ended March 31, 2017		15 Months ended March 31, 2016	
	Rs. Million	%	Rs. Million	%
(a) Value of imports on CIF basis				
Stores, spares and components	69.82		105.85	
Capital goods	66.25		4.02	
(b) Expenditure in foreign currency				
Travel etc.	3.56		3.74	
Technical/Consultancy fees	56.11		7.74	
(c) Value of imported/indigenous raw materials, spare parts, components and stores consumed				
Imported	68.97	0.84	111.65	0.96
Indigenous	8,120.92	99.16	11,546.69	99.04
	8,189.89	100.00	11,658.34	100.00

For and on behalf of the Board of Directors

ASHOK KUMAR SHUKLA
Company Secretary

PARMJIT KAUR
Director
(DIN: 06714249)

DHARAM PAL SHARMA
Whole Time Director
(DIN: 07259344)

DR. ANIL ARORA
Chief Financial Officer

PIAR CHAND JASWAL
Director
(DIN: 07100098)

DINESH MOHAN
Director
(DIN: 00077959)

Date : June 09, 2017
Place : New Delhi

Form AOC-I
Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries:

S. No.	Name of Subsidiary Company	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit/(Loss) before taxation	Provision for taxation w/back	Profit/(Loss) after taxation	Amount Rs. in Million	
											Proposed dividend	% of shareholding
1	Siel Industrial Estate Limited *	316.55	(64.19)	323.50	71.14	-	1.45	(27.67)	-	(27.67)	-	100
2	Siel Financial Services Limited	113.23	(158.63)	6.96	52.36	-	7.23	4.62	1.40	3.23	-	93.56
3	Siel Infrastructure & Estate Developers Private Limited	1,376.16	(10.02)	1,366.24	0.10	1,365.70	0.03	(0.01)	-	(0.01)	-	100

*Includes 49.29% (Previous year 49.29%) held by Siel Infrastructure & Estate Developers Private Limited. (SIEL-IED), a wholly owned subsidiary.

For and on behalf of the Board of Directors

ASHOK KUMAR SHUKLA
Company Secretary

PARMJEET KAUR
Director
(DIN: 06714249)

DHARAM PAL SHARMA
Whole Time Director
(DIN: 07259344)

DR. ANIL ARORA
Chief Financial Officer

PIAR CHAND JASWAL
Director
(DIN: 07100098)

DINESH MOHAN
Director
(DIN: 00077959)

Date : June 09, 2017
Place : New Delhi



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAWANA SUGARS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MAWANA SUGARS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

Attention is invited to note 57 of the consolidated financial statements which explains the basis on which the Holding Company has deducted the loan waiver amount consequent to restructuring of loans in computation of Minimum Alternate Tax (MAT) under the provisions of Section 115JB of the Income-tax Act, 1961.

In our opinion, the aforesaid position of deducting the waiver of loan for capital purposes while computing book profits under MAT, in the absence of any express provisions under the Act and limited jurisprudence, may lead to litigation and hence the same should not be reduced while computing book profits under MAT. Consequent to the above, provision for current tax for the year ended March 31, 2017, is lower by Rs. 136.75 million, profit after tax and shareholder's funds for the year are higher by the like amount

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a. Attention is invited to note 2(B) of the Consolidated

INDEPENDENT AUDITORS' REPORT (Contd...)

Financial Statements 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(repealed w.e.f December 1, 2016), as the Company's net worth had been eroded and the Holding Company had incurred cash losses during the prior periods and its current liabilities were in excess of current assets. However, during the current year, the Holding Company has generated profits, has restructured a major portion of its outstanding debts and sold off its Titawi unit on a slump sale basis as detailed in the aforesaid note, which has resulted in positive net worth. As such, the consolidated financial statements have been prepared by the Management of the Holding Company on a going concern basis.

- b. Attention is invited to note 41(i) of the Consolidated 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.7.04million 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 41(ii) of the Consolidated 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 of Rs.6.61 million 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 41(iii) of the Consolidated Financial Statements which states that remuneration paid to whole time director of the Holding Company amounting to Rs.2.89 million is subject to the approval of the Central Government under the provisions of the Companies Act, 2013.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs.331 million as at March 31, 2017, total revenues of Rs.8.72 million and net cash outflow amounting to Rs.19.77 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is

not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company and subsidiary companies incorporated in India internal financial controls over financial reporting.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as

INDEPENDENT AUDITORS' REPORT (Contd...)

amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note 30(a) and (c) to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts. Refer note 50 to the consolidated financial statements.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies. Refer note 51 to the consolidated financial statements.
- iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us and the other auditors by the Management of the respective Group entities. Refer note 56 to the consolidated financial statements.

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

Manjula Banerji

Partner

Date : June 09, 2017

Place : New Delhi

(Membership No. 086423)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Mawana Sugars Limited (hereinafter referred to as "the Holding Company") and its subsidiary

companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in

INDEPENDENT AUDITORS' REPORT (Contd...)

terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

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

Manjula Banerji
Partner

Date : June 09, 2017

Place : New Delhi

(Membership No. 086423)

Mawana Sugars Limited

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	391.16	391.16
Reserves and surplus	4	272.96	(4,257.37)
		664.12	(3,866.21)
Non - current liabilities			
Long - term borrowings	5	1,664.78	2,455.71
Other long term liabilities	6	1,039.41	679.95
Long - term provisions	7	83.94	101.31
		2,788.13	3,236.97
Current liabilities			
Short - term borrowings	8	15.70	484.14
Trade payables			
-Dues of micro and small enterprises	53	10.38	16.98
-Dues of Creditors other than micro and small enterprises	9	4,287.81	7,146.77
Other current liabilities	10	2,572.13	3,468.86
Short - term provisions	11	34.19	44.14
		6,920.21	11,160.89
	TOTAL	10,372.46	10,531.65
ASSETS			
Non - current assets			
Fixed assets			
- Tangible assets	12	3,194.52	4,408.95
- Capital work in progress		43.86	28.05
		3,238.38	4,437.00
Non - current investments	13	0.02	0.02
Long - term loans and advances	14	178.07	250.68
Other non - current assets	15	4.01	13.08
		3,420.48	4,700.78
Current assets			
Inventories	16	4,720.68	4,414.39
Trade receivables	17	471.31	724.93
Cash and cash equivalents	18	609.20	464.54
Short - term loans and advances	19	1,137.41	218.26
Other current assets	20	13.38	8.75
		6,951.98	5,830.87
	TOTAL	10,372.46	10,531.65

Accompanying notes 1 to 59 are an integral part of the consolidated financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For A.F. Ferguson & Co.

Chartered Accountants

(Firm's Registration No. 112066W)

MANJULA BANERJI

Partner

ASHOK KUMAR SHUKLA

Company Secretary

PARMJIT KAUR

Director
(DIN: 06714249)

DHARAM PAL SHARMA

Whole Time Director
(DIN: 07259344)

DR. ANIL ARORA

Chief Financial Officer

PIAR CHAND JASWAL

Director
(DIN: 07100098)

DINESH MOHAN

Director
(DIN: 00077959)

Date : June 09, 2017

Place : New Delhi

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Year Ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
REVENUE			
Revenue from operations (Gross)	21	12,681.59	15,778.90
Less: excise duty		768.54	932.53
Revenue from operations (Net)		11,913.05	14,846.37
Other income	22	179.26	98.38
TOTAL REVENUE		12,092.31	14,944.75
EXPENSES			
Cost of materials consumed	23	7,847.68	11,049.95
Purchase of stock-in-trade	24	68.54	18.30
Changes in inventories of finished goods, work in progress and stock-in-trade	25	(537.34)	(1,293.41)
Employee benefits expense	26	749.69	898.60
Finance costs	27	277.95	767.78
Depreciation and amortization expense	12	291.96	379.33
Other expenses	28	2,236.35	3,116.24
TOTAL EXPENSES		10,934.83	14,936.79
Profit before exceptional items		1,157.48	7.96
Add: Exceptional item			
- Profit on sale of Titawi unit (refer note 2(B))		2,347.04	
- Write back of Loan Liabilities/Interest Provision (refer note 2(B))		1,028.23	-
Profit before tax		4,532.75	7.96
Tax expense (net)		2.42	
Profit after tax (before minority interest)		4,530.33	7.96
Minority Interest		-	
Profit after tax and minority interest		4,530.33	7.96
Earnings per equity share - basic/diluted (Rs.) (Face value Rs. 10 per share)	36	115.82	0.20

Accompanying notes 1 to 59 are an integral part of the consolidated financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For A.F. Ferguson & Co.

Chartered Accountants

(Firm's Registration No. 112066W)

MANJULA BANERJI

Partner

ASHOK KUMAR SHUKLA

Company Secretary

PARMJIT KAUR

Director
(DIN: 06714249)

DHARAM PAL SHARMA

Whole Time Director
(DIN: 07259344)

DR. ANIL ARORA

Chief Financial Officer

PIAR CHAND JASWAL

Director
(DIN: 07100098)

DINESH MOHAN

Director
(DIN: 00077959)

Date : June 09, 2017

Place : New Delhi

Mawana Sugars Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
A. Cash flow from operating activities :		
Profit before tax	4,532.75	7.96
Add : Depreciation and amortisation expense	291.96	379.33
Finance costs	266.10	752.66
Provision for doubtful trade and other receivables, loans and advances	-	6.61
Loss on sale / write off of assets	0.31	0.97
Less : Interest income	40.45	36.06
Liabilities / provisions no longer required written back	11.29	15.88
Profit on sale of Titawi unit (refer note 2(B))	2,347.04	-
Write back of Loan Liabilities/Interest Provision (refer note 2(B))	1,028.23	-
Profit on sale / write off of assets	-	0.04
Operating profit/(loss) before working capital changes	1,664.11	1,095.55
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(601.11)	(1,280.91)
Trade receivables	220.73	(218.01)
Short-term loans and advances	(80.52)	64.95
Long-term loans and advances	20.81	(16.13)
Other current assets	(7.90)	-
Other non-current assets	(0.55)	(3.30)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(1,285.21)	608.82
Other current liabilities	542.65	141.73
Other long-term liabilities	0.42	1.38
Short-term provisions	(9.95)	(1.39)
Long-term provisions	(17.37)	(9.72)
Cash generated from operations	446.11	382.97
Direct taxes (paid)/refund received	24.29	(6.08)
Net cash flow from/(used in) operating activities (A)	470.40	376.90
B. Cash flow from investing activities :		
Capital expenditure on fixed assets, including capital advances	(203.12)	(109.26)
Proceeds from sale of fixed assets	7.13	6.43
Bank balances not considered as Cash and cash equivalents	(48.08)	14.88
Consideration received on sale of Titawi unit on slump sale	1,384.44	-
Interest received	33.64	48.55
Net cash flow from / (used in) investing activities (B)	1,174.01	(39.40)
C. Cash flow from financing activities :		
Repayment of long term borrowings- secured	(1,258.74)	(242.29)
Net increase / (decrease) in working capital borrowings	(15.00)	(30.01)
Finance costs paid	(267.69)	(25.81)
Net cash flow from / (used in) financing activities (C)	(1,541.43)	(298.11)
D. Net increase / (decrease) in Cash and cash equivalents (A+B+C)	102.98	39.39
E. Cash and cash equivalents (refer Note 18)	265.96	226.57
Cash and cash equivalents at the beginning of the period	265.96	226.57
F. Cash and cash equivalents pursuant to Titawi unit sale	6.40	
G. Cash and cash equivalents (refer Note 18)	362.54	265.96
Cash and cash equivalents at the end of the period (D+E-F)	362.54	265.96

Note: The above Cash Flow Statement has been prepared under the "indirect methods" as set out in the Accounting Standard (AS-3) on "Cash Flow Statement"

In terms of our report attached
For A.F. Ferguson & Co.
Chartered Accountants
(Firm's Registration No. 112066W)

For and on behalf of the Board of Directors

MANJULA BANERJI
Partner

ASHOK KUMAR SHUKLA
Company Secretary

PARMJIT KAUR
Director
(DIN: 06714249)

DHARAM PAL SHARMA
Whole Time Director
(DIN: 07259344)

Date : June 09, 2017
Place : New Delhi

DR. ANIL ARORA
Chief Financial Officer

PIAR CHAND JASWAL
Director
(DIN: 07100098)

DINESH MOHAN
Director
(DIN: 00077959)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. BASIS OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS 21) – “Consolidated Financial Statements” specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act 2013.

- i) The subsidiaries (which along with Mawana Sugars Limited (MSL), the Holding Company, constitute the Group) considered in the preparation of these consolidated financial statements are:

Name	Country of Incorporation	Percentage of voting power, as at March 31, 2017	Percentage of voting power, as at March 31, 2016
Siel Industrial Estate Limited (SIEL-IE)*	India	100	100
Siel Financial Services Limited (SFSL)	India	93.56	93.56
Siel Infrastructure & Estate Developers Private Limited (Formerly Avro Sales Private Limited) (SIEL-IED)	India	100	100

*Includes 49.29% (Previous period 49.29%) held by Siel Infrastructure & Estate Developers Private Limited. (SIEL-IED), a wholly owned subsidiary.

- ii) The financial statements of the Holding Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- iii) These consolidated financial statements are based, in so far as they relate to amounts included in respect of the subsidiaries, on the audited financial statements prepared for consolidation in accordance with the requirements of AS- 21 by each of the aforesaid subsidiaries.

2. (A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting and preparation of consolidated financial statements:

The consolidated financial statements of the Holding Company and its subsidiaries and jointly controlled entities (together the ‘Group’) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous period.

b) Use of Estimates:

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management of the Holding Company and its subsidiaries to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the years in which the results are known / materialise.

c) Fixed assets:

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project ready for its intended use.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

d) Depreciation and amortization:

- i) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in the Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

S. No.	Category	Life
i)	Building-Greenhouse Type Shed of Bio Compost Yard	25 Years
ii)	Building-Polythene Membrane	5 Years

ii) Depreciation is calculated on a pro-rata basis from the date of acquisition/ installation of the asset and in case of assets costing up to Rs. 5,000 each such asset is fully depreciated in the year of purchase.

e) Investments:

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

f) Inventories:

Inventories are valued at lower of cost and net realisable value.

Cost of inventory is ascertained on the 'weighted average' basis. Further, in respect of manufactured inventories i.e. process stocks and finished goods, an appropriate share of manufacturing expenses is included on absorption costing basis including excise duty.

Stock in trade- shares, debentures and other securities are valued at lower of cost or market price/break-up value determined for each category of stock-in-trade. The cost is ascertained on the basis of annual weighted average purchase price.

Stock of land is valued at lower of cost and estimated realisable value.

g) Revenue recognition:

i) Sale of goods are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the dispatch of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Renewable Energy Certificate (REC) is to be recognised as income on sale of REC..

ii) Income from the non-performing assets is recognised in accordance with the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India on January 31, 1998 and as amended from time to time.

Further, provision for non-performing assets viz, investments, fixed assets, current assets and loans and advances is made in accordance with the said guidelines and are reduced against such assets.

iii) Income from sale of land is recognised on receipt of full consideration from the customers.

h) Research and development expenditure:

Revenue expenditure on research and development is expensed out under the respective heads of account in the year in which it is incurred.

i) Employee benefits:

Defined contribution plans

The group contribution to provident fund, pension scheme, employee state insurance corporation, etc. are considered as defined contribution plans and are charged as an expense as it falls due based on the amount of contribution required to be made and when services are rendered by the employees. For the provident fund trusts administrated by the Hoding Company, it is liable to meet the shortfall, if any, in payment of interest at the rates prescribed by the Central Government and is recognised in the financial year of actual payment

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the statement of profit and loss in the year in which they occur. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

j) Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Holding Company and its subsidiaries will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the Holding Company and its subsidiary companies.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

k) Foreign exchange transactions:

Initial recognition

Transactions in foreign currencies entered into by the group are accounted at the exchange rates prevailing on the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (i.e. receivables, payables, loans etc) of the Holding Company and its subsidiaries outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous consolidated financial statements are recognised as income/expense in the year in which they arise.

Accounting of forward contracts

In case of forward contracts, the premium or discount arising at the inception of such contracts is amortised as income or expense over the life of the contract. Further exchange difference on such contracts i.e. difference between the exchange rate at the reporting/settlement date and the exchange rate on the date of inception of contract/the last reporting date, is recognised as income/expense during the year.

l) Pre-operative expenses:

Pre-operative expenses, pending allocation represents indirect expenditure incurred during the construction years which are allocated to capital/revenue on commissioning of the project.

m) Operating Lease:

Operating Lease receipts and payments are recognized as income or expense in the Consolidated Statement of Profit and Loss on a systematic basis over the lease term.

n) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the group are segregated based on the available information.

o) Earnings per share:

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

p) Impairment of assets:

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting years no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss.

q) Provisions and contingencies:

A provision is recognised when the group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the 'Notes to the Consolidated financial statements'.

2. (B) The Indian sugar industry, particularly in the State of Uttar Pradesh, had faced difficulties on account of increased sugar cane prices and corresponding lower than expected recovery of sugar from cane, lower sugar prices and consequential under recovery of cost of production in recent times. These factors adversely affected the Holding Company's operations and financial performance, resulting into eroded net worth, cash losses, mounting cane dues arrears due to which its current liabilities exceeded its current assets and defaults in debt obligations.

The Holding Company got registered with the Board for Industrial and Financial Reconstruction (BIFR) on 10th September 2013 as sick industrial company (in terms of Section 3(1)(o)) under the provisions of Section 15 (1) of the Sick Industrial Companies (Special Provisions), Act, 1985 (SICA). Meanwhile, the Ministry of Finance issued Notifications S.O. 3568 (E) & S.O. 3569 (E) dated 25 November, 2016 to the effect that SICA has been repealed with effect from 1 December, 2016 and all the references or inquiry pending before the BIFR shall stand abated. With this Notification BIFR ceased to exist.

Since the previous sugar season, the industry has witnessed a steady increase in sugar prices and improved cane recoveries. This has resulted in the Holding Company generating profits during the last financial period as well as in current year ended March 31, 2017.

The Holding Company has taken the following steps to improve its financial position through a business and financial restructuring as indicated below:

- Executed a Business Transfer Agreement (BTA) on November 18, 2016 with Indian Potash Limited (IPL) to sell off its Agreed Assets and Liabilities excluding contingent liabilities of Titawi Sugar Complex (unit) as a going concern on an 'AS IS WHERE IS WHAT IS' basis by way of a slump sale. Such sale is on certain terms and conditions, part of which have been fulfilled and the rest are under process. The sale is governed by the BTA which stipulates completion of these activities within a certain time frame as mutually agreed between the parties. Accordingly, IPL has taken control of the unit and these accounts reflect comprehensive sale of aforesaid assets/liabilities. The Holding Company has recognised a net gain of Rs.2347.04 million which has been reflected under exceptional items in the Consolidated Statement of Profit and Loss.
- The Holding Company has effected one time settlement agreements with three lenders, which resulted in the waiver of principal and interest amounting to Rs.1028.23 million which has been reflected as a gain under exceptional item in the Consolidated Statement of Profit and Loss.
- Pursuant to the assignment of all rights, titles and interests in the financial assistance granted by two other lenders to the Holding Company with an asset reconstruction company, a major portion of the outstanding debts has been restructured for repayment till 2021.
- The Holding Company has resolved its debt liability with one more lender during the current year the way of one time settlement (OTS). In terms of the settlement, the OTS amount is payable till 30th June, 2018.

The above measures have resulted in positive new worth of the Holding Company as on 31st March 2017.

In view of the above, the management of the Holding Company is confident that the Holding Company would be in a position to realize its assets and discharge its liabilities successfully in the normal course of its business. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

3. Share Capital

	As at 31.03.2017		As at 31.03.2016	
	Number of shares	Rs. Million	Number of shares	Rs. Million
Authorised				
- Equity shares of Rs. 10 each	100,000,000	1,000.00	175,000,000	1,750.00
- Preference shares of Rs. 100 each	7,500,000	750.00		
	107,500,000	1,750.00	175,000,000	1,750.00
Issued, subscribed and fully paid up				
- Equity shares of Rs. 10 each fully paid up	39,115,672	391.16	39,115,672	391.16
	39,115,672	391.16	39,115,672	391.16

- (i) There are no changes in issue, subscribed and fully paid up capital during the year and in the previous period
- (ii) The Holding Company has changed its Authorised Share Capital from 175,000,000 Equity Shares of Rs. 10/- each to 100,000,000 Equity shares of Rs. 10/- each aggregating to Rs.1,000 million and 7,500,000 Preference Shares of Rs. 100/- each aggregating to Rs.750 million in AGM held on 13.06.2016.

Each holder of equity shares is entitled to one vote per share except 1,192 equity shares held by Siel Infrastructure & Estate Developers Private Limited, a subsidiary which pursuant to second proviso of section 19(1) of the Companies Act, 2013, has no right to vote at the meetings of the Company. Each holder of equity shares have a right to receive per share dividend declared by the Company. In event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) **Details of shareholders holding more than 5% equity shares in the Group:**

Name of shareholders	As at 31.03.2017		As at 31.03.2016	
	No. of Shares held	% age of holding	No. of Shares held	% age of holding
Siddharth Shriram (including shares held as trustee of Enterprise Trust)	27,334,248	69.88	27,334,248	69.88

4. Reserves and surplus

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Capital reserves ¹	1,030.17	1,030.17
Capital redemption reserve	87.72	87.72
Share premium	1,495.04	1,495.04
General Reserve	4.54	4.54
(Deficit) in the Statement of Profit and Loss	(2,344.51)	(6,874.84)
	272.96	(4,257.37)

¹ Includes Rs. 991.46 million representing the extinguishment of the debts of erstwhile Mawana Sugars Limited (MSL), which got discharged pursuant to the surplus arising on sale of shares of Shivajimarg Properties Limited.

Movement in reserves and surplus are as under

(Deficit) in Statement of Profit and Loss

Opening balance	(6,874.84)	(6,882.80)
Add : Profit for the year/period	4,530.33	7.96
Closing balance	(2,344.51)	(6,874.84)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

5. Long term borrowings^{1#}

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Secured		
Term loans		
- From banks	928.29	1,377.50
- From others	1,922.42	2,909.12
Funded interest term loans		
- From banks	4.50	39.03
- From others	-	8.62
	2,855.21	4,334.27
Less : Current maturities of long term borrowings as disclosed under head "other current liabilities" (Note 10)²	1,190.43	1,878.56
	1,664.78	2,455.71

¹The period and amount of continuing default in repayment of borrowings as at the year/period end:

	As at 31.03.2017		As at 31.03.2016	
	Amount Rs. Million	Period of delay (in days) upto the period end	Amount Rs. Million	Period of delay (in days) upto the period end
Borrowings:				
Term loans				
- From banks	391.97	1-1339	1,155.07	1-974
- From others	-	-	244.51	1-974
Funded interest term loans				
- From banks	4.50	1-1339	39.03	1-974
- From others	-	-	8.62	1-974
Interest accrued and due on borrowings:				
Term loans				
- From banks	198.29	1-1339	572.74	1-974
- From others	-	-	122.52	1-974

² Details of current maturities of long term borrowings are as under:

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Secured		
Term loans		
- From banks	824.43	1,318.28
- From others	361.50	512.63
Funded interest term loans		
- From banks	4.50	39.03
- From others	-	8.62
	1,190.43	1,878.56

#a) During the previous period, pursuant to an assignment of all rights, titles and interest in the financial assistance i.e Long term borrowings, Short term borrowing, cash credit and Funded Interest Term Loan granted by two term lenders to the Holding Company with an Asset Reconstruction Company, Rs 2210 million which was earlier restructured for repayment till 2023 has been rescheduled for repayment till 2021 in the current year*.

b) The Holding Company has resolved its debt liability with one more lender during the current year by way of one time settlement (OTS). In terms of the settlement, the OTS amount is payable till 30th June, 2018*.

* Accordingly such Long term borrowings, Short term borrowings, cash credits and Funded Interest Term Loans which hitherto were classified under Long term borrowings, Short term borrowings and other current liabilities have now been reflected under Long term borrowings and Other current liabilities in Note 5 and 10 respectively.

c) Effected one time settlement agreements with three lenders, which resulted in the waiver of principal and interest amounting to Rs. 1028.23 million which has been reflected as a gain under exceptional item in the Consolidated Statement of Profit and Loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Secured

Term loans and funded interest term loans

1. From Banks

	As at March 31, 2017 Rs. Million	As at March 31, 2016 Rs. Million	Rate of interest	Security clause
i.	408.98	1377.50	11%	(i) The loans are secured by first pari-passu charge on all movable and immovable fixed assets of the Company inclusive of equitable mortgage of land and buildings. The loans are further secured by second pari-passu charge on all current assets of the Holding Company.
ii.	519.30	-	0%	
iii.	4.50	39.03	0% (Funded Interest Term Loan)	(ii) The loans are also secured by corporate guarantee issued by Siel Industrial Estate Limited and equitable mortgage of its industrial estate land measuring 455.23 acres at Rajpura in the state of Punjab and personal guarantee of the erstwhile Chairman and Managing Director of the Holding Company.

2. From others

i.	-	291.62	11%	(i) The loans are secured by first pari-passu charge on all movable and immovable fixed assets of the Company inclusive of equitable mortgage of land and buildings. The loans are further secured by second pari-passu charge on all current assets of the Holding Company.
ii.	1838.80	2,165.00	0%	
iii.	-	8.62	0% (Funded Interest Term Loan)	(ii) The loans are also secured by corporate guarantee issued by Siel Industrial Estate Limited and equitable mortgage of its industrial estate land measuring 455.23 acres at Rajpura in the state of Punjab and personal guarantee of the erstwhile Chairman and Managing Director of the Holding Company.
iv.	34.19	42.74	4%	The loans, taken from Government of India under Sugar Development Fund (SDF), are secured by an exclusive second charge on all movable and immovable properties of the Company's unit Mawana Sugar Works, situated at Mawana District Meerut in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts).
v.	-	253.04	4%	The loan, taken from Government of India under Sugar Development Fund (SDF), was secured by an exclusive second charge on all movable and immovable properties of the Company's unit Titawi Sugar Complex, situated at Titawi District Muzaffarnagar in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts).
vi.	-	63.02	6.50%	(i) The loan, taken from Government of India under Sugar Development Fund (SDF), was secured by first pari-passu charge on all movable and immovable properties of the Company's unit Titawi Sugar Complex, situated at Titawi District Muzaffarnagar in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts). (ii) This loan was further secured by personal guarantee of erstwhile Chairman and Managing Director of the Holding Company.
vii.	-	11.30	4%	The loans, taken from Government of India under Sugar Development Fund (SDF), are secured by an exclusive second charge on all movable and immovable properties of the Company's unit Nanglamlal Sugar Complex, situated at Nanglamlal District Meerut in the state of Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to earth, both present and future (save and except book debts).
viii.	49.44	82.40	4%	

Repayment Schedule of Long Term Borrowings

	Rs. Million
12 months ending March 31, 2018	1,190.43
12 months ending March 31, 2019	568.89
12 months ending March 31, 2020	544.55
12 months ending March 31, 2021	551.34
April 1, 2021 onwards	-
	2,855.21

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

6. Other long term liabilities

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Interest accrued but not due on borrowings ¹	1,034.70	669.56
Others	4.71	10.39
	1,039.41	679.95

¹Represent interest accrued on borrowing assigned to an Asset Reconstruction Company and one lender. Refer note 5(#a & #b).

7. Long - term provisions

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Provision for employee benefits		
- Provision for gratuity ¹	64.70	79.51
- Provision for compensated absences ¹	19.24	21.80
	83.94	101.31

¹ Refer note 34.

8. Short - term borrowings

Secured

Loan repayable on demand - Cash credit/overdraft from banks - 468.44

Unsecured

Other Loans and Advances 15.70 15.70

15.70 484.14

- A**
- i) Cash credit / overdraft amounting to Nil (previous period Rs. 422.10 million) are secured by first pari-passu charge on the current assets of the Company and third pari-passu charge on the fixed assets of sugar units of the Company. This limit is also secured by second pari-passu charge on the fixed assets of chemical division of the Company. Further, these loans are also secured by corporate guarantee issued by Siel Industrial Estate Limited and equitable mortgage of its industrial estate land measuring 455.23 acres at Rajpura in the state of Punjab and personal guarantee of the former Chairman and Managing Director of the Company.
 - ii) Cash credit amounting to Nil (previous period Rs. 46.34 million) are secured by first pari-passu charge on the current assets of the Company and fixed assets of chemical division of the Company situated at Rajpura in the state of Punjab.
 - iii) Refer note 5(#b)

B. The period and amount of continuing default in repayment of borrowings as at the year/period end:

	As at 31.03.2017		As at 31.03.2016	
	Amount Rs. Million	Period of delay (in days) upto the period end	Amount Rs. Million	Period of delay (in days) upto the period end

Interest accrued and due on borrowings:

Cash Credit/Overdraft

- From banks - - 162.76 1-974

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

9. Trade payables

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Trade payables		
- Dues to other than micro and small enterprises	4,287.81	7,146.77
	4,287.81	7,146.77

10. Other current liabilities

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Current maturities of long term debts ¹	1,190.43	1,878.56
Interest accrued but not due on borrowings	9.87	71.35
Interest accrued and due on borrowings	198.29	858.02
Other payables		
- Taxes and other statutory dues	393.65	386.85
- Advances from customers	495.45	49.29
- Security deposits	38.18	48.88
- Capital creditors	28.46	23.15
- Others	217.80	152.76
	2,572.13	3,468.86

¹ Refer Note 5

11. Short - term provisions

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Provision for employee benefits		
- Provision for gratuity ¹	10.05	20.41
- Provision for compensated absences ¹	3.00	2.59
Others		
- Provision for taxation	21.14	21.14
	34.19	44.14

¹ Refer note 34.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

12. FIXED ASSETS*

Particulars	Gross Block (At Cost)				Depreciation				Net Block			
	As at 31.03.2016		As at 31.03.2017		For the year/period ¹		On account of deductions		As at 31.03.2017		As at 31.03.2016	
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
TANGIBLE ASSETS	Additions		Deductions		Reclassified as held for sale²		Eliminated on being reclassified as held for sale		On account of Slump sale³		Others	
Land	274.06 (269.60)	1.03 (4.46)	-	253.44 (274.06)	-	-	-	-	-	-	253.44 (274.06)	274.06 (269.60)
Buildings	890.74 (870.35)	147.78 (20.39)	-	800.54 (890.74)	353.32 (283.06)	25.70 (70.26)	-	108.94	-	270.08 (353.32)	530.46 (537.42)	537.42 (887.29)
Plant and equipment	9,435.70 (9,409.71)	64.76 (31.01)	0.16 (5.02)	9,950.10 (9,435.70)	5,852.96 (5,573.94)	258.63 (282.93)	0.12 (3.91)	1,525.30	35.15	4,551.02 (5,852.96)	2,399.08 (3,582.74)	3,582.74 (3,635.77)
Office equipment	94.41 (100.26)	2.02 (3.14)	2.96 (8.99)	26.37 (94.41)	83.04 (73.00)	6.14 (17.42)	2.72 (7.38)	24.98	0.03	61.45 (83.04)	5.62 (11.37)	11.37 (27.26)
Furniture and fixtures	31.59 (40.85)	0.22 (0.18)	0.54 (9.44)	5.34 (9.44)	25.93 (31.59)	0.98 (6.62)	0.46 (4.80)	5.23	-	25.01 (29.72)	0.92 (1.87)	1.87 (12.95)
Vehicles	12.93 (12.92)	4.31 (0.05)	0.84 (0.04)	0.95 (0.04)	15.45 (12.93)	11.44 (9.38)	0.55 (0.04)	0.95	-	10.45 (11.44)	5.00 (1.49)	1.49 (3.54)
Total (A)	10,739.43	220.12	4.50	8,112.53	41.96	291.96	3.85	1,665.40	35.18	4,918.01	3,194.52	4,408.95
INTANGIBLE ASSETS	Goodwill²		Goodwill²		Goodwill²		Goodwill²		Goodwill²		Goodwill²	
	135.25 (135.25)	-	-	135.25 (135.25)	135.25 (135.25)	-	-	-	-	135.25 (135.25)	-	-
Total (B)	135.25	-	-	135.25	135.25	-	-	-	-	135.25	-	-
Current year (A+B)	10,874.68	220.12	4.50	8,247.78	41.96	291.96	3.85	1,665.40	35.18	5,053.26	3,194.52	4,408.95
Previous period	(10,839.94)	(59.23)	(23.49)	(10,874.68)	(6,102.53)	(379.93)	(16.13)	-	-	(6,465.73)	-	-
Capital work-in-progress											43.86	28.05

* Refer note 2(B)

1. Rs. 1.07 million (previous period Rs. 1.07 million) received as advance against sale of land at Mawana will be adjusted after execution of conveyance deed.
2. Represents goodwill arising on consolidation and has been written off in an earlier period.
3. Includes plant and equipments and office equipments having gross block of Rs. 41.93 million and Rs. 0.03 million and net block of Rs. 6.78 million and Rs. 2500) respectively have been reclassified as held for sale at lower of their net book and net realisable value.
4. Refer Note 45

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

13. NON - CURRENT INVESTMENTS

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
VALUED AT COST UNLESS THERE IS DECLINE IN VALUE, OTHER THAN TEMPORARY		
TRADE INVESTMENTS		
Investment in Equity Instruments		
- Unquoted		
Capaxil Agencies Limited	1	
5 (previous period 5) Equity shares of Rs.1,000 each fully paid-up	0.01	0.01
Agro Pumpsets & Implements Limited		
10 (previous period 10) Equity shares of Rs. 500 each fully paid-up	0.01	0.01
Mawana Co-operative Development Union Limited	1	
2 (previous period 2) Equity shares of Rs.10 each, Rs. 5 per share paid-up (# Rs. 10)	#	#
Ramraj Co-operative Cane Development Union Limited	1	
2 (previous period 2) Equity shares of Rs.10 each, Rs. 5 per share paid-up (# Rs. 10)	#	#
OTHER INVESTMENT		
Investment in Equity Instruments		
- Unquoted		
SFSL Investments Limited		
54 Equity shares of Rs.10 each fully paid-up (# Rs 540)	#	#
Less : Provision for diminution in value (# Rs 540)	#	#
	-	-
MSD Industrial Enterprises Limited		
295,700 Equity Shares of Rs. 10 each fully paid- up	10.82	10.82
Less : Provision for diminution in value	(10.82)	(10.82)
	0.02	0.02
Aggregate value of investments		
Unquoted	0.02	0.02
	0.02	0.02

¹ Represent investments transferred from DCM Limited under the Scheme of Arrangement and are pending endorsement in the name of the Holding Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

14. Long - term loans and advances (Unsecured and considered good unless otherwise stated)

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Capital advances	1.18	34.03
Security deposits		
- Good ¹	116.28	85.51
- Doubtful	0.53	0.53
Other loans and advances		
- Advance Income tax	51.78	73.87
- Excise, service tax, VAT and other balances with government authorities	7.66	7.68
- Dues from employees	0.04	0.04
- Prepaid Expenses	0.16	0.62
- Advances recoverable in cash or in kind or for the value to be received		
- Good	0.97	48.93
- Doubtful	127.03	127.03
	305.63	378.24
Less : Provision for doubtful advances	127.56	127.56
	178.07	250.68

15. Other non - current assets

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Fixed deposits with banks (Earmarked)	4.01	13.08
	4.01	13.08

16. Inventories¹

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Raw and packing materials	147.98	85.85
Work-in-progress	126.49	67.67
Finished goods	3,962.74	3,813.67
Stores and spares	168.66	200.93
Stock in trade - shares (refer note 16A)	0.02	0.02
Land	314.79	246.25
	4,720.68	4,414.39

¹Refer note 2(A)f

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

16A. Stock In Trade: Shares

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Equity shares of Rs.10 each fully paid-up		
Unquoted		
110 Equity shares of Nagarjuna Fertilizers and Chemicals Limited (# Rs.110)	#	#
Quoted		
300 Equity shares of S. Mobility Limited (#Rs.4470)	#	#
140 Equity shares of Asian Hotels (North) Limited (#Rs.4590)	#	#
140 Equity shares of Asian Hotels (East) Limited (#Rs.4590)	#	#
140 Equity shares of Asian Hotels (West) Limited (#Rs.4590)	#	#
	0.02	0.02

Aggregate value of shares held as stock- in - trade

Quoted market value Rs. 0.06 million (previous period Rs. 0.08 million)

17. Trade receivables¹

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Receivables outstanding for a period exceeding six months from the due date		
Secured - good	0.20	0.23
Unsecured - considered good	23.63	8.62
- doubtful	1.25	53.75
	25.08	62.60
Less : Provision for doubtful debts	1.25	53.75
	(A) 23.83	8.85
Other Receivables		
Secured - good	8.43	5.71
Unsecured - considered good	439.05	710.37
	(B) 447.48	716.08
Total (A+B)	471.31	724.93

¹ Refer note 37

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

18. Cash and cash equivalents

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Cash and cash equivalents		
Cash on hand	2.47	1.71
Cheques and drafts on hand	0.28	-
Balances with banks		
- On current accounts	352.56	233.02
Other bank balances		
Earmarked balances		
- Current Account	-	-
Deposits with original maturity of more than three months but less than twelve months.	7.23	31.23
Balance held as margin money or security against borrowing and guarantee	246.66	198.58
	609.20	464.54
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements.	362.54	265.96

19. Short - term loans and advances (Unsecured and considered good unless otherwise stated)

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Security deposits	3.25	3.64
Loans and advances	-	-
Other loans and advances		
- Advance income tax	0.07	0.32
- Excise, service tax, VAT and other balances with government authorities	65.58	137.92
- Dues from employees ¹	11.01	8.35
- Prepaid Expenses	16.32	20.43
- Advances to Vendors	14.74	14.42
- Advances recoverable in cash or in kind or for the value to be received		
- Good	1,026.44	33.18
- Doubtful ²	6.61	6.61
	1,144.02	224.87
Less: Provision for doubtful advances	6.61	6.61
	1,137.41	218.26

¹ Includes Rs. 7.04 million (previous period Rs. 7.04 million) recoverable from the former Chairman and Managing Director of the Holding Company (refer note 41 (i))

² Refer note 41 (ii)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

20. Other current assets

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
Interest accrued on deposits	6.60	8.75
Fixed Assets Held for Sale*	6.78	-
	13.38	8.75

* Details of fixed assets held for sale are as under :

Plant and equipment	6.78	-
Office equipment (Rs. 2500)	#	-
	6.78	-

21. Revenue from Operations

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Sale of products - finished goods	12,561.68	15,762.20
Sub - Total (A)	12,561.68	15,762.20
Other Operating Revenues		
- Sale of scrap	13.98	14.27
- Duty draw back and other export benefits	72.56	-
- Other operating income	33.37	2.43
Sub - Total (B)	119.91	16.70
Total (A+B)	12,681.59	15,778.90

22 Other Income

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Interest income ¹	40.45	36.06
Profit on sale of fixed assets	-	0.04
Provision / Liabilities no longer required written back	11.29	15.88
Rent received	0.49	0.68
Miscellaneous income ²	127.03	45.72
Total	179.26	98.38

¹ Interest income comprises of:

- Interest from banks	10.01	25.40
- Interest on income tax refunds	8.96	0.02
- interest from others	21.48	10.64

Total	40.45	36.06
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² Includes Rs. 126.35 million (previous period Rs. 32.48) received from Delhi Development Authority (DDA) pursuant to judgment of Honorable Supreme Court of India (refer note 46)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

23. Cost of materials consumed¹

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Opening stock	85.85	82.98
Add: Purchases	7,912.32	11,052.82
	7,998.17	11,135.80
Less: Closing stock	150.49	85.85
Total	7,847.68	11,049.95

¹ Refer Note 49

24. Purchase of stock-in-trade

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Purchases		
- Land	68.54	18.30
Total	68.54	18.30

25. Changes in inventories of finished goods, work in progress and stock-in-trade

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Inventories at the end of the year/period:		
Finished goods	3,962.74	3,813.67
Work-in-progress	126.49	67.67
Land	314.79	246.25
Stock in trade - shares	0.02	0.02
Total (A)	4,404.04	4,127.61
Transferred pursuant to the business transfer agreement (Refer note 2(B))		
Finished goods	260.05	-
Work-in-progress	0.86	-
Total (B)	260.91	-
Inventories at the beginning of the year/period:		
Finished goods	3,813.67	2,421.87
Work-in-progress	67.67	184.36
Land	246.25	227.95
Stock in trade - shares	0.02	0.02
Total (C)	4,127.61	2,834.20
Net (increase)/decrease (C-B-A)	(537.34)	(1,293.41)

26. Employee benefits expense

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Salaries, wages etc	672.48	771.62
Contribution to provident and other funds	43.74	83.37
Staff welfare expenses	33.47	43.61
Total	749.69	898.60

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

27. Finance Cost

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Interest		
- On borrowings	266.10	752.66
- On others	6.33	6.72
Other borrowing costs	5.52	8.40
Total	277.95	767.78

28. Other expenses

	Year ended 31.03.2017 Rs. Million	15 Months ended 31.03.2016 Rs. Million
Consumption of stores and spare parts	342.21	608.39
Power, fuel, water etc.	1,265.22	1,630.77
Repairs		
- Building	10.48	30.49
- Plant and Machinery	78.66	95.83
- Other Repairs	14.15	12.17
Rent paid	33.75	52.69
Auditors' Remuneration ¹		
As auditors		
- Audit fee	2.12	2.55
- Out -of-pocket expenses	0.27	0.14
In other capacity		
- For limited review of unaudited financial results	2.10	3.40
- For verification of statement and other reports	1.56	1.97
Insurance	9.12	9.06
Rates and taxes	11.01	12.63
Jobs on contract	117.98	159.59
Freight and transport	53.84	67.30
Cash discount	-	5.33
Increase/(decrease) in excise duty on finished goods	26.10	125.66
Net Loss on foreign currency transactions	0.86	0.39
Legal and professional expenses	80.84	86.40
Bad debts written off	104.34	8.53
Less: Charged against provisions	<u>50.11</u>	<u>2.37</u>
Provision for doubtful debts and advances	-	6.61
Loss on cancellation of raw sugar contracts	-	-
Loss on sale/write off of fixed assets	0.31	0.97
Land Development Exp.	2.16	2.48
Enhancement of compensation in respect of Land sold in earlier years	21.19	4.96
Miscellaneous expenses	108.19	190.30
Total	2,236.35	3,116.24

¹Includes remuneration of Auditors of Holding Company and its subsidiaries.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

29 Commitments

	As at 31.03.2017 Rs. Million	As at 31.03.2016 Rs. Million
a. Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Tangible assets (Net of advances)	3.30	95.92
b. Uncalled liability on shares and other investments partly paid (# Rs. 20)	#	#

30 Contingent liabilities:

a) Claims against the Holding Company and its subsidiaries not acknowledged as debt in respect of*:		
- Income tax	336.70	336.70
- Sales tax	51.49	84.79
- Excise Duty/Service tax	150.74	291.40
- Others	2,251.06	1561.38
- Interest on delay payment of cane dues	2,602.83	-
- Waiver of society commission for season 2012-2013 & 2014-2015- stayed by High Court of Allahabad and cane department were asked to raise demand.	228.97	-
*All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded, in the opinion of the management, will not have a material effect on the results of the operations or financial position of the Holding Company/its subsidiaries.		
b) Guarantee given to bank for repayment of financial facilities provided to Mawana Foods Private Limited by the Holding Company	70.00	70.00
Dues outstanding	32.84	22.4
Other Bank Guarantee issued	0.05	0.05
c) The Holding Company has provided bank guarantees aggregating Rs. 72.01 million (previous period Rs. 72.01 million) to Tecumseh Products India Limited (TPIL), to whom it had sold the compressor business in a previous period, for any loss, damage, claim, action, suit etc., arising from various representations /breach of representations including for contingent liabilities existing as at March 31, 1997, or prior to March 31, 1997, which TPIL may eventually be liable to pay, against which demands in respect of sales tax, income tax and central excise matters aggregating Rs. 43.68 million (previous period Rs. 43.68 million) have been received. These demands are presently under various stages of appeal.		
d) During a previous period, the Holding Company had given a counter indemnity/guarantee in favour of existing directors of Transiel India Limited to protect their interest against any loss/ future liabilities that may arise after the name of the said subsidiary has been struck off under the Easy Exit Scheme, 2011.		

31 Research and development expenses included under relevant heads in the Consolidated Statement of Profit and Loss amounting to Rs. 6.00 million (previous period Rs. 4.21 million).

32 Accounting for taxes on income:-

In accordance with the Accounting Standard (AS) 22 'Accounting for Taxes on Income' specified under Section 133 of the Companies Act, 2013 ("the 2013 Act"). Accordingly, deferred tax assets have been recognized only to the extent of deferred tax liability, the details of which are as under:

Particulars	(Rs. Million)	
	As at March 31, 2017 (DTL)/DTA	As at March 31, 2016 (DTL) / DTA
Accelerated depreciation	(664.20)	(972.62)
Expenses deductible on payment	457.93	744.23
Unabsorbed depreciation only to the extent of Deferred tax liability	206.27	228.39
Net Amount	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

33 Sales are net of commission of Rs. 21.37 million (previous period Rs. 37.21 million).

34 Employee Benefits:

Disclosures required under Accounting Standard (AS) - 15 "Employees Benefits" specified under Section 133 of the Companies Act, 2013 ("the 2013 Act").

i) Defined Contribution Plan and amount recognized in the Statement of Profit and Loss.

	Year ended March 31, 2017 Rs. Million	15 Months ended March 31, 2016 Rs. Million
- Employers contribution to provident fund	45.50	60.16
- Employees State Insurance Corporation	0.21	0.09

ii) Defined Benefits Plans

Gratuity and Compensated absences –In accordance with Accounting Standard 15, actuarial valuation was done and details of the same are given below:

(Rs. Million)

	Gratuity (Funded) @		Compensated absences	
	Year ended March 31, 2017	15 Months ended March 31, 2016	Year ended March 31, 2017	15 Months ended March 31, 2016
A. Change in the Present value of obligation				
Present value of obligation as at the beginning of the year/period	176.49	172.66	24.39	28.20
Current service cost	9.49	13.44	2.67	3.23
Interest cost	14.12	17.27	1.95	2.82
Benefits paid	(18.65)	(32.13)	(8.04)	(15.16)
Actuarial loss/ (gain)	(23.18)	5.25	1.27	5.30
Present value of obligation as at the end of the year/period	158.27	176.49	22.24	24.39
B. Change in the fair value of plan assets				
Fair value of plan assets as at the beginning of the year/period	76.57	65.44	-	-
Expected return on plan assets	6.39	6.83	-	-
Last year difference	-	3.56	-	-
Contribution by the Holding Company	1.54	3.88	-	-
Benefits paid	(0.88)	(3.62)	-	-
Actuarial gain/(loss)	(0.10)	0.48	-	-
Fair value of plan assets as at the end of the year/period#	83.52	76.57	-	-
C. Amount recognised in the balance sheet (A - B)	74.75	99.92	22.24	24.39
Short - term provision	10.05	20.41	3.00	2.59
Long - term provision	64.70	79.51	19.24	21.80
D. Expenses recognized in the Statement of Profit and Loss				
Current service cost	9.49	13.44	2.67	3.23
Interest cost	14.12	17.27	1.95	2.82
Expected Return on plan Assets	(6.39)	(6.83)	-	-
Actuarial loss/ (gain)	(23.07)	4.77	1.27	5.30
Net Cost	(5.85)	28.65	5.89	11.35

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		Gratuity (Funded) @		Compensated absences	
		Year ended March 31, 2017	15 Months ended March 31, 2016	Year ended March 31, 2017	15 Months ended March 31, 2016
E.	Best estimate contribution during the next year	20.21	23.18	-	-
F.	Actuarial Assumptions				
	Discount Rate (Per annum)	7.32%	8.00%	7.32%	8.00%
	Future Salary increase	5.00%	5.00%	5.00%	5.00%
	Expected Rate of return on plan assets	8.25%	8.35%	-	-
	Mortality table	IALM (2006-08)			

@ Rs.74.75 million (Previous period Rs.99.92 million) has not been funded.

The plan assets are maintained with Life Insurance Corporation of India (LIC) Gratuity Scheme. The details of investments maintained by LIC are not made available to the Holding Company and therefore has not been disclosed.

G. Net Assets/(Liabilities) in respect of gratuity recognized in the Balance Sheet

	As on 31.03.2017	As on 31.03.2016	As on 31.12.2014	As on 30.09.2013	As on 30.09.2012
Present Value of obligation	158.27	176.49	172.66	175.79	165.84
Fair value of plan assets	83.52	76.57	65.44	59.81	55.24
Net Assets/(liability)	(74.75)	(99.92)	(107.22)	(115.98)	(110.60)

Expenses on actuarial (gain)/loss for Benefit obligation and plan assets in respect of gratuity

	Year/Period ended				
	31.03.2017	31.03.2016	31.12.2014	30.09.2013	30.09.2012
On Present Value of obligation	(25.00)	5.26	(6.62)	11.56	4.51
On plan assets	0.10	(0.48)	1.84	3.57	(0.23)

35 Segment reporting

A. Business Segment

Based on the guiding principles given in Accounting Standard (AS) 17 "Segment Reporting" specified under Section 133 of the Companies Act 2013., - the Holding Company and its subsidiaries' business Segments includes Sugar, Power, Chemical and Distillery.

B. Geographical Segment

Since the Holding Company and its subsidiaries' activities/operations are primarily within the country and considering the nature of products/services it deals in, the risk and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note 2(A) above, the accounting policies in relation to segment accounting are as under:

- a) Segment revenue and expenses:
Segment revenue and expenses are directly attributable to the segments.
- b) Segment assets and liabilities:
Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities.
- c) Inter segment revenues:
Inter segment revenues between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

D. Information about business segments

	(Rs. Million)													
	Sugar		Power		Chemicals		Distillery		Unallocated		Elimination		Total	
	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period	This Year	Previous Period
SEGMENT REVENUE														
External Sales (Net of excise duty)	8,827.05	10,449.78	291.15	632.41	2,058.35	2,570.65	616.59	1,176.83	-	-	-	-	11,793.14	14,829.67
Intra-segment revenue	1,985.28	3,013.40	1,824.48	3,308.76	4.48	2.51	5.81	14.29	-	-	(3,820.05)	(6,338.96)	-	-
Other Operating Revenues	114.12	11.40	-	-	5.56	5.30	0.23	-	179.26	98.38	-	-	119.91	16.70
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	179.26	98.38
Total revenue	10,926.45	13,474.58	2,115.63	3,941.17	2,068.39	2,578.46	622.63	1,191.12	179.26	98.38	(3,820.05)	(6,338.96)	12,092.31	14,944.75
EBIT/RESULTS														
Segment results	850.02	(673.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	-	-	-	-	1,318.49	949.12
Unallocated income/(expenses) (net of income/expenses)	-	-	-	-	-	-	-	-	76.49	(209.44)	-	-	76.49	(209.44)
Operating Profit/(loss)	850.02	(673.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	76.49	(209.44)	-	-	1,394.98	739.68
Finance Cost	-	-	-	-	-	-	-	-	277.95	767.78	-	-	277.95	767.78
Interest income	-	-	-	-	-	-	-	-	40.45	36.06	-	-	40.45	36.06
Net Profit/(Loss) before tax and exceptional items	850.02	(673.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	(161.01)	(941.16)	-	-	1,157.48	7.96
Exceptional item- income	-	-	-	-	-	-	-	-	3,375.27	(941.16)	-	-	3,375.27	-
Net Profit/(Loss) before tax	850.02	(673.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	3,214.27	(941.16)	-	-	4,532.75	7.96
Tax expenses	-	-	-	-	-	-	-	-	2.42	-	-	-	2.42	-
Net Profit/(Loss) after tax	850.02	(673.78)	337.55	1,259.35	36.51	(124.74)	94.41	388.29	3,211.85	(941.16)	-	-	4,530.33	7.96
Minority Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) after tax and minority interest	-	-	-	-	-	-	-	-	3,211.85	(941.16)	-	-	4,530.33	7.96
OTHER INFORMATION														
As at 31.03.2017	As at 31.03.2016	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
5,291.07	6,269.73	1,764.21	1,987.06	736.35	799.97	845.98	871.37	1,734.85	603.52	1,734.85	603.52	8,637.61	9,928.13	
Segment assets	-	-	-	-	-	-	-	-	-	-	-	-	1,734.85	603.52
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	5,291.07	6,269.73	1,764.21	1,987.06	736.35	799.97	845.98	871.37	1,734.85	603.52	-	-	10,372.46	10,531.65
B. LIABILITIES														
Segment liabilities	4,864.97	7,304.29	13.63	11.54	266.07	310.04	66.90	37.68	-	-	-	-	5,211.57	7,663.55
Share capital/reserves and surplus	-	-	-	-	-	-	-	-	664.15	(3,866.19)	-	-	664.15	(3,866.19)
Borrowings	-	-	-	-	-	-	-	-	2,855.21	4,818.42	-	-	2,855.21	4,818.42
Unallocated liabilities	-	-	-	-	-	-	-	-	1,641.53	1,915.87	-	-	1,641.53	1,915.87
Total Liabilities	4,864.97	7,304.29	13.63	11.54	266.07	310.04	66.90	37.68	5,160.89	2,868.10	-	-	10,372.46	10,531.65
C. OTHERS														
Capital expenditure	4.51	21.22	0.17	0.02	13.45	9.71	181.20	43.89	4.19	0.35	-	-	203.51	75.18
Depreciation	120.66	184.23	58.02	66.92	77.62	73.75	34.70	41.65	0.96	12.77	-	-	291.95	379.92

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

36 Earnings per share:

		Year ended March 31, 2017	Year ended March 31, 2016
Profit/(loss) after tax	Rs. Million	4,530.36	7.96
Weighted average number of equity shares outstanding	No.	39,115,672	39,115,672
Basic and diluted earnings/(loss) per share in rupees (face value – Rs. 10 per share)	Rs.	115.82	0.20

37 Related party disclosures under Accounting Standard 18

Name of related party and nature of related party relationship

Promoter:

Mr. Siddharth Shriram

Key Management Personnel(KMP):

Mr. Dharam Pal Sharma – Whole Time Director (w.e.f. August 13, 2015)

Dr. Anil Arora – Chief Financial Officer (w.e.f. November 05, 2015)

Mr. Ashok Kumar Shukla - Company Secretary (w.e.f. July 04, 2015)*

Mr. Ritesh Jain - Company Secretary (resigned w.e.f. March 10, 2015)*

Enterprises over which key management personnel/Promoter have significant influence:

Usha International Limited

Mawana Foods Private Limited (Formerly known as Mawana Foods Limited) (subsidiary company of Usha International Limited)

Details of Related Party Transactions:

	Year ended March 31, 2017 Rs. Million	15 Months ended March 31, 2016 Rs. Million
A) Promoter		
Siddharth Shriram		
Advisory Fees	9.31	11.50
Excess remuneration paid in earlier years pending recovery		
Mr. Siddharth Shriram	7.04	7.04
Balance outstanding included under		
Loans and advances (also refer note 41(ii))	8.69	7.91
B) Key Management personnel and their relatives		
Remuneration to key management personnel:		
Dr. Anil Arora	3.90	2.04
Mr. Dharam Pal Sharma	1.77	1.12
Mr. Ashok Shukla	0.55	0.37
Mr. Ritesh Jain	-	0.21
C) Enterprises over which key management personnel/ Promoter have significant influence		
Usha International Limited		
Expenses recovered	-	0.07
Expenses reimbursed	6.72	6.90
Reimbursement of ERP expenses	5.20	6.05
Miscellaneous purchases	0.14	0.55
Rent paid	5.45	6.62
Royalty paid	11.18	11.69
Sale of Fixed Assets	-	6.26
Balances outstanding included under :		
Trade payables	17.58	6.95

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

	Year ended March 31, 2017 Rs. Million	15 Months ended March 31, 2016 Rs. Million
Mawana Foods Private Limited (Formerly known as Mawana Foods Limited)		
Sale of Goods	474.62	427.33
Interest received	6.16	5.07
Expenses reimbursed	-	0.06
Expenses recovered	0.17	13.41
Miscellaneous purchases	0.08	-
Balances outstanding included under :		
Guarantee given by the Holding Company	70.00	70.00
Loans and advances	-	0.01
Trade receivables	109.28	87.54

*KMP as per Section 203 of the Companies Act, 2013

- 38 The following are particulars of disputed dues on accounts of sales tax, income-tax, service tax and excise duty matters as at March 31, 2017 that have not been deposited by the Holding Company:

S. No	Name of the Statute	Nature of dues	Amount involved (Rs. Million)	Amount Paid under Protest (Rs. Million)	Period to which the amount relates (various years covering the period)#	Forum where dispute is pending
1	Sales Tax Laws	Sales Tax	6.36 45.13	- 0.14	2009-10 to 2013-14 2006-07, 2012-13 & 2013-14	High Court Appellate Authority upto Commissioner's level
2.	Income Tax Laws	Income Tax	30.28	30.28	1998-99	High Court
3.	Central Excise Laws	Excise Duty	10.35 31.57	- -	2007-08 to 2014-15 2007-08 to 2009-10	High Court Customs Excise and Service Tax Appellate Tribunal (CESTAT)
			1.04 91.26	- 0.55	1999-00 to 2002-03 1994-95 to 1996-97, 1998-99, 1999-00, 2001-02 and 2004-05 to 2016-17	Supreme Court Appellate Authority upto Commissioner's level
		Service Tax	17.91	0.03	2005-06 to 2014-15	Appellate Authority upto Commissioner's level

Period in respect of income tax represents assessment year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The following matters which have been excluded from the above table have been decided in favour of the Holding Company but the department has preferred appeal at higher level:

S No.	Name of the Statute	Nature of dues	Amount involved (Rs. Million)	Period to which the amount relates #	Forum where dispute is pending
1.	Income tax Laws	Income tax	306.42	2001-02	Income tax Appellate Tribunal (ITAT)

Period in respect of income tax represents assessment year.

39. Foreign currency exposures that are not hedged by derivative instruments or otherwise is as follows:

	As at March 31, 2017		As at March 31, 2016	
	Amount in foreign currency (Million)	Amount in (Rs. Million)	Amount in foreign currency (Million)	Amount in (Rs. Million)
Trade payables	USD 0.04	2.64	USD 0.09	5.80
	-	-	GBP 0.08	7.33

40. Operating lease:

The Holding Company and its subsidiaries have taken properties on cancellable and non-cancellable operating lease and have recognized rent of Rs. 33.75 Million (Previous period Rs 52.69 Million) during the year to the Consolidated Statement of Profit and Loss.

The details of future minimum lease payments under non-cancellable leases are given below:

(Rs. Million)

	Year ended March 31, 2017	15th Month ended March 31, 2016
Not later than one year	11.89	23.78
Later than one year and not later than five years	4.81	21.95

- 41) i) 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 Holding 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. 7.04 million paid in terms of shareholders' approval has not been obtained by the Holding Company.
- ii) The Central Government had approved the former Whole time Director (WTD) remuneration (w.e.f. February 01, 2014) vide letter dated June 30, 2015 at an amount lower than that approved by the shareholders in their general meeting. Consequent thereto, the Holding Company had made a representation to the Central Government July 21, 2015 for waiver of excess remuneration paid to former Whole Time Director (ceased to be WTD w.e.f. December 31, 2014). Pending outcome thereof, refund of excess remuneration amounting to Rs. 6.61 million paid in terms of shareholders' approval has not been obtained by the Holding Company.
- iii) Remuneration amounting to Rs 2.89 million (previous period Rs. 1.08 Million) paid to Whole Time Director (WTD)(w.e.f. August 13, 2015) of the Holding Company up to March 31, 2017 is subject to the approval of the Central Government under the provision of the Companies Act, 2013.

- 42) Pursuant to MOU signed with Govt. of Punjab, as at the close of the period, SIEL-IE has possession of 455.76 acres (Previous period 455.72 acres) of land, which has been conveyed in the name of SIEL-IE.

The Additional District Judge (ADJ), Patiala vide Order dated 12.11.2005, enhanced the amount of compensation of land from Rs. 1,45,000/- per acre to Rs. 1,75,000/- per acre i.e. Rs. 30,000 per acre in the basic land price compensation. Compensation towards Abadi land, Loss of Income, Superstructures, trees, etc. was also granted.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The Collector Land Acquisition (CLA) has confirmed a total liability of Rs. 71.60 million (previous period Rs. 71.60 million) towards the said enhancement and SIEL-IE has deposited this entire enhanced amount with the Additional District Judge, Patiala. Suitable adjustment entries in this regard have been made in the books of account of SIEL-IE.

Thereafter, SIEL-IE filed an appeal against the above Order before the Hon'ble Punjab & Haryana High Court in April'06, Land owners/ farmers also filed appeals against SIEL-IE claiming further enhancement towards land compensation. The Hon'ble High Court vide order dated 15.07.2015 dismissed the appeals filed by SIEL-IE and the appeals filed by the land owners were allowed. The Hon'ble High Court while upholding the order of ADJ, Patiala made modification in the order to the extent that the market value of acquired land was revised and fixed at Rs. 2,10,000/- per acre as against Rs. 1,75,000/- per acre assessed by reference court earlier.

Pursuant to the order of the Hon'ble Punjab and Haryana High Court, the Collector Land Acquisitions ('CLA') Department of Industries and Commerce, Punjab by letter dated 26.08.2016 asked SIEL-IE to deposit a sum of Rs. 107.52 million towards the basis enhanced compensation, CAC, AMV and interest. SIEL-IE has deposited a sum of Rs.29.67 million with the CLA. Thereafter, a further sum of Rs. 20.00 million towards enhanced compensation has been deposited by the Company in the Court of Hon'ble Additional District Judge ('ADJ') , Patiala where the landowners have filed execution petitions. On 6th March, 2017 the Hon'ble ADJ has granted the company a period of 6 months to pay the entire amount of compensation by making part installments at different periods. As on date, out of a sum of Rs. 107.52 million (plus interest till date of payment), SIEL-IE has paid a sum of Rs. 49.67 million up to 04.05.2017.

The landowners have filed Special Leave Petitions ('SLPs') in the Hon'ble Supreme Court of India, against the order dated 15.07.2015 passed by the Hon'ble High Court of Punjab and Haryana, seeking further enhance of compensation. SIEL-IE has also filed SLPs in the Hon'ble Supreme Court of India challenging the enhancement of compensation by order dated 15.07.2015 passed by Punjab and Haryana High Court. The SLPs are pending for hearing before the Hon'ble Supreme Court.

The legal challenges on 58.01 acres of land deterred potential customers and therefore the development of the land. These legal challenges were finally overcome and the unencumbered possession of the land has been achieved on October, 2011 upon final conclusion of all pending legal cases in the Punjab and Haryana Court in relation to the said land.

Accordingly, SIEL-IE is now in a position to undertake the development of the land in synchronization with the evolving needs of the State and customer interest, as earlier envisaged. The MOU mandates the development of the estate within ten years of receiving the unencumbered possession of the land. A letter has been received from the Government of Punjab, Department of Industries & Commerce (Land Acquisition Branch) confirming the period of ten years for development of Industrial Estate begins from 05th Oct. 2011 i.e. the date on which SIEL-IE received clear & unencumbered possession of land.

- 43** The State Government has exempted SIEL-IE from all the provisions of Punjab Apartment and Property Regulation Act, 1995 'PAPRA' subject to the terms and conditions as stated in Notification No. 2/14/2000-2HG(2)/895 dated 12.2.2004 and 2/14/2000-2HG(2)/3395-98 dated 25.5.2004.
- 44** As per the accounting policy of SIEL- IE, inventories are valued at lower of cost or estimated realizable value. During the accounting year ended 31st March 2017, as the estimated realizable value of land was higher than cost, SIEL- IE valued its inventories at cost Rs. 314.78 million (previous period Rs. 246.25 million) which is inclusive of enhanced compensation as per the Order of Additional District Judge, Patiala referred to in note 42 above. For the current year, in view of the current prevailing market condition, the value indicated by the valuer is higher than the cost hence, SIEL- IE valued its inventories at cost.
- 45** In the previous period ended March 31, 2016, pursuant to Companies Act, 2013 ('the Act') being effective from January 1, 2015, the Holding company had 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 charged for the period ended March 31, 2016 was lower by Rs. 243.53 Million. In respect of the assets whose useful life was already exhausted as at December 31, 2014 depreciation of Rs. 49.13 million had been adjusted in the Consolidated Statement of Profit and Loss for the period ended March 31, 2016 in accordance with the requirement of the Schedule II of the Act.
- 46** Pursuant to judgment dated 10.5.1996 passed by the Hon'ble Supreme Court of India in a public interest litigation the Holding Company surrendered 46.58 acres of land to the Delhi Development Authority ('DDA') and dedicated it exclusively for the development of green belt and open spaces. Consequently, the Holding Company is no longer in physical possession of 46.58 acres owned by it.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The Holding Company had filed a Review Petition in the Hon'ble Supreme Court of India challenging the order of surrender of land to the DDA. During the pendency of this Review Petition, the DDA leased out some portion of the land surrendered by the Holding Company to Delhi Metro Rail Corporation ('DMRC'). The Holding Company filed an application before the Hon'ble Supreme Court of India in the pending Review Petition against the leasing of land by DDA to DMRC as this was contrary to the purpose for which the Holding Company has surrendered and dedicated the land.

Although the Hon'ble Supreme Court of India dismissed the aforesaid Review Petition by order dated 25.3.2010 but on the Holding Company's application against the leasing of land by DDA to DMRC stated and directed as follows : "...the DDA which holds the surrendered and dedicated land in Trust cannot use it for any purpose other than as green belt or other spaces for the benefit of the community...In the event of any acquisition or development of surrendered land, the owner – dedicator will have the benefit of compensation on account of land ceasing to be 'land dedicated to the community purpose of lung/open space...' when such acquisition/alienation takes place, DDA and the land owner will be entitled to share the compensation at 50% each."

In view of the aforesaid judgment, benefits earned by DDA from the surrendered land are to be shared equally with the Holding Company.

- 47 Reserve Bank of India has issued a clarification vide its notification RBI/2006-07/158, DNBS (PD) C.C. No. 81/03.05.002/2006-07, Dated October 19, 2006 that a company will be treated as a non-banking financial company (NBFC) if its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) and income from financial assets is more than 50 per cent of the gross income. Both these tests are required to be satisfied as the determinant factor for principal business of a company for the purpose of identification of an NBFC. SIEL-IED has become non-banking financial company on the basis of financial assets & income from financial assets criteria. Since SIEL-IED was complying with the conditions laid down under "The Core Investment Companies (Reserve Bank) Directions, 2011", SIEL-IED submitted an application dated December 17, 2013 with Reserve Bank of India seeking exemption from registration with RBI as Core Investment Company (CIC). RBI vide letter no. DNBS.ND.NO.-2958/Regn. No. CIC./04.04.9999/2013-14 has granted exemption from registration of SIEL-IED as Core Investment Company (CIC).
- 48 Siel Financial Services Limited (SFSL) has severely curtailed its operations due to paucity of funds and adverse market conditions. The management is negotiating with certain parties for realizing some of the assets and is hopeful of generating funds for this business. In view of the above, the accounts of SFSL have been prepared on a going concern basis.
- 49 In the previous period ended March 31, 2016, 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 Holding Company had recognized the full subsidy of Rs. 28.60 per qtl. aggregating to Rs. 766.2 million which has been netted off from the cost of material consumed for period ended March 31, 2016.
- 50 The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 51 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- 52 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share of Profit & Loss	
	As % of consolidated net assets	Amount Rs. Million	As % of consolidated Profit & Loss	Amount Rs. Million
Holding Mawana Sugars Limited	63%	420.13	101%	4,554.79
Indian Subsidiaries				
Siel Industrial Estate Limited	38%	252.36	-1%	(27.67)
Siel Financial Services Limited	-1%	(8.81)	0%	3.23
Siel Infrastructure & Estate Developers Private Limited	0%	0.44	0%	(0.01)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

53 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of supplier information available with the Holding Company who have registered under the Micro Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006), the following are the details.

(Rs. Million)

	As at March 31, 2017	As at March 31, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the year/period	1.78	5.00
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year/period	8.60	11.98
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the year/period.	(3.38)	3.74
(v) The amount of interest accrued and remaining unpaid at the end of the year/period	8.60	11.98
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid	-	-
(vii) Interest remaining disallowable as deductible expenditure under the Income Tax Act, 1961	2.95	3.74

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

- 54 SIEL-IED is Systematically Important Non Deposit Taking Core Investment Company and it has invested in the equity share of SIEL Industrial Estate Limited which is its associate and also fellow subsidiary of Mawana Sugars Limited. SIEL Industrial Estate Limited, the investee intends to invest in estate business. The said estate business will include but not limited to conceiving, designing, promoting, investing, developing, constructing, managing integrated industrial estate, science parks, business parks, technology centres, research & development centres, export oriented units, software & hardware technology parks, residential houses, commercial building etc. SIEL-IED is still in the process of planning & charting out its course of action to commence its operations. Considering the time required & save government fees, it applied to registrar of companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs, Government of India to become dormant under Section 455 of the Companies Act 2013 till the time it actually operationalise its plans. SIEL-IED became dormant under Section 455 of the Companies Act 2013 on January 15th 2015. Under the said section, SIEL-IED can become active company within span of five years and it intends to become active at the earliest.

Considering SIEL-IED is Systematically Important Non Deposit Taking Core Investment Company and it is actively working in the direction to commence its operations which will enable SIEL-IED to start operating on a profitable basis, SIEL-IED is considered as going concern and the accounts of SIEL-IED have been prepared on a 'going concern basis'.

- 55 SIEL-IE is in the process of complying with the provisions of Section 203 (1) (i), (ii) & (iii) and Section 149 (4) of the Companies Act, 2013, for the appointment of Chief Executive Officer or Manager or whole-time director, Company Secretary, Chief Financial Officer and Independent director. Consequently, SIEL-IE is not in compliance with the above sections / clauses of the Companies Act, 2013.
- 56 The disclosure of the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 by the company as under:-

(Rs. Million)

	SBNs	Other Denomination Notes	Total
Closing Cash In Hand as on 08.11.16	1.68	0.38	2.05
(+) Permitted Receipts	-	5.54	5.54
(-) Permitted Payments	-	4.79	4.79
(-) Amount Deposited in Bank	1.68	-	1.68
Closing Cash In Hand as on 30.12.16	-	1.13	1.12

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

57 Consequent upon restructuring of debts of the Company, a part of the principal amount of the term loan amounting to Rs 640.78 million, that was availed in the past for acquisition of capital assets, has been written back and credited as an exceptional item in the Statement of Profit and Loss of the Company for the year. Based upon decision of Income Tax Appellate Tribunal in respect of such matter rendered in another case and legal opinions obtained from expert tax consultants, this amount is treated as capital receipt and not included in book profit for the purposes of calculation of tax under section 115 JB of the Income Tax Act 1961.

The statutory auditors have expressed qualification in respect of the matter referred to in Note 57 above.

58 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

59 The current financial year is for a period of 12 months and includes the operations of Titawi Sugar Complex (Unit) of Holding company upto October 31, 2016 after which it has been sold to Indian Potash Limited (refer note 2(B)) whereas the previous financial period is for 15 months and includes the operations of Titawi Sugar Complex (Unit) for the full period. As such, the figures of the current financial year are not comparable with the figures of the previous period.

For and on behalf of the Board of Directors

ASHOK KUMAR SHUKLA
Company Secretary

PARMJIT KAUR
Director
(DIN: 06714249)

DHARAM PAL SHARMA
Whole Time Director
(DIN: 07259344)

DR. ANIL ARORA
Chief Financial Officer

PIAR CHAND JASWAL
Director
(DIN: 07100098)

DINESH MOHAN
Director
(DIN: 00077959)

Date : June 09, 2017
Place : New Delhi

Mawana Sugars Limited

(CIN: L74100DL1961PLC003413)

Registered Office: 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi – 110125

Phone No: 011-25739103, Fax No:011-25743659

E-mail: corporate@mawanasugars.com, Website: www.mawanasugars.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Folio No./DP ID/Client ID	No. of Share(s)
Name of Member(s) :	
Registered Address :	

I/ We, being the Members(s), holding.....shares of the above named company, hereby appoint:

- 1) Name.....Address:.....
Email ID :Signature:.....or failing him/ her
- 2) Name.....Address:.....
Email ID :Signature:.....or failing him/ her
- 3) Name.....Address:.....
Email ID :Signature:.....

as my/ our Proxy to attend and vote (on a poll) for my/our and on my/our behalf at the 53rd Annual General Meeting of the Company, to be held on Thursday, the 27th July, 2017 at 11.00 A.M at Kamani Auditorium, 1, Copernicus Marg, New Delhi – 110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		FOR	AGAINST
Ordinary Business:			
1.	To consider and adopt: (a) the audited financial statements of the Company for the financial year ended 31st March, 2017, the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2017.		
2.	Re-appointment of Dharam Pal Sharma (DIN-07259344), Director who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	To appoint M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No:301003E/E300005), as Statutory Auditors and fix their remuneration.		
Special Business:			
4.	Appointment of Cost Auditors for 2017-18		
5.	Waiver of recovery of the excess Remuneration paid to Mr. Siddharth Shriram, Chairman and Managing Director (CMD) during the period from 15.10.2012 to 31.7.2014		
6.	Waiver of recovery of the excess Remuneration paid to Mr. Sunil Kakria, Managing Director (MD) during the period from 1.10.2012 to 31.7.2013		
7.	Waiver of recovery of the excess Remuneration paid to Mr. Ashwani Kumar Mehra, Whole Time Director (WTD) during the period from 1.10.2012 to 31.7.2014		
8.	Waiver of recovery of the excess Remuneration paid to Mr. Rajendra Khanna, Whole Time Director (WTD) during the period from 1.2.2014 to 31.12.2014		

Signed this.....Day of.....2017

Signature of Proxy holder(s).....

Email ID of Member(s).....

Signature of Member(s).....

Affix
Revenue
Stamp

- Note:**
1. This form of proxy in order to be effective should be duly completed and deposited at the Regd. office of the Company not less than 48 hours before the commencement of the Meeting.
 2. For Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 53rd Annual General meeting.
 - 3*. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Annual General Meeting Route Map



If undelivered, please return to:

Mawana Sugars Limited

(CIN: L74100DL1961PLC003413)

Registered Office: 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi – 110125

Phone No: 011-25739103, Fax No:011-25743659

E-mail: corporate@mawanasugars.com, Website: www.mawanasugars.com



Mawana Sugars Limited

(CIN: L74100DL1961PLC003413)

Regd. Office: 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi – 110125

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E-mail: corporate@mawanasugars.com, Website: www.mawanasugars.com

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REMOTE ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USER ID	PAN NO.	NO. OF SHARES

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	From 09:00 a.m. (IST) on July 24, 2017
End of remote e-voting	Upto 05:00 p.m. (IST) on July 26, 2017

The cut-off date (i.e. the relevant date) for the purpose of remote e-voting is July 20, 2017.

-----TEAR HERE-----



Mawana Sugars Limited

(CIN: L74100DL1961PLC003413)

Regd. Office: 5th Floor, Kirti Mahal, 19, Rajendra Place, New Delhi – 110125

Phone No: 011-25739103, Fax No:011-25743659

E-mail: corporate@mawanasugars.com, Website: www.mawanasugars.com

ATTENDANCE SLIP

Regd. Folio No./DP ID – Client ID	
Name & Address of First/Sole Shareholder	
No of Shares held	

I hereby record my presence at the 53rd Annual General Meeting of the Company to be held on Thursday, the 27th July, 2017 at 11.00 a.m. at Kamani Auditorium, 1, Copernicus Marg, New Delhi – 110001.

.....
Signature of the Member/Proxy

Notes:

- Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- Member/Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.

Instructions and other information relating to remote e-voting are as under:

- i. The remote e-voting facility can be availed by typing the link www.evotingindia.com in the internet browser.
- ii. Click on the “shareholders” tab.
- iii. Now select the Company name from the drop down menu and click on “SUBMIT”
- iv. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL : 8 character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are already registered with CDSL for remote e-voting than you can use your existing user Id and password for casting your vote.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) as given in the box.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio respectively in dd/mm/yyyy format.
Bank Account Details	Enter the Bank Account Details as recorded in your demat account or in the company records for the said demat account or folio respectively. Please enter the DOB or Bank Account Details in order to login. If the both details are not recorded with the depository or company please enter the member id / folio number in the Bank Account Details field.

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates and custodians respectively.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same and e-mail to nirbhaykumar77@gmail.com.

General Instructions:

- (A). The remote e-voting period commences on July 24, 2017 (9.00 a.m.) and ends on July 26, 2017 (5.00 p.m.). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 20, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (B). In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (C). The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date (i.e. the relevant date) of July 20, 2017.
- (D). M/s Nirbhay Kumar and Associates has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- (E). The Results shall be declared on or after the AGM of the Company. The Results declared Along with the Scrutinizer’s Report shall be placed on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the stock exchanges.