



Mehrotra & Mehrotra
Chartered Accountants

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INDEPENDENT AUDITORS' REVIEW REPORT

TO THE BOARD OF DIRECTORS OF
K.M. SUGAR MILLS LTD.

We have reviewed the accompanying statement of unaudited financial results of K.M. Sugar Mills Ltd. for the quarter and 15 months ended 31st December, 2014 *except for disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholdings' which have been traced from disclosures made by the management and have not been audited by us.* This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

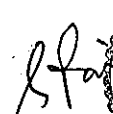
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above and subject to the following:

That the provision of deferred tax liability as per Accounting Standard-22 on "Accounting for taxes on Income" has not been considered in the unaudited quarterly result and will be considered at end of the financial year in audited results;

nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified under the Companies Act, 1956 read with the General Circular No. 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Mehrotra & Mehrotra
Chartered Accountants


Sanjay K. Ra
(Partner)
M.No. 507946



Date: 14th February, 2015
Place: New Delhi