



K. M. Sugar Mills Ltd.

Corporate Office and Works : Motinagar, Faizabad-224 201

Phone : 05278-254059/254173 Fax : 05278-254031

E-mail : director@kmsugar.com/admin@kmsugar.com

Dt:14.05.2012



The Assitt. Vice President (Listing)

The National Stock Exchange India Ltd.

Exchange Plaza

Bandra Kurla Complex

Bandra (E)

Mumbai-400051

Ref: Clause 41 of the Listing Agreement

Reg: Limited Review Report by the Statutory Auditors relating to Un-Audited Financial Results for the Quarter ended on 31st March 2012

Dear Sir(s),

With reference to the captioned subject matter please find the enclosures as Limited Review Report by the Statutory Auditors relating to Un-audited Financial Results for the Quarter ended on 31st March 2012.

Kindly take the above document on record.

Thanking You

For K M Sugar Mills Ltd.

Akhilesh Kumar Singh
Company Secretary

**Mehrotra & Mehrotra****CHARTERED ACCOUNTANTS**

C-561, Defence Colony, New Delhi - 110024
Tel.: 91-11-41092780-784, Fax :91-11-24337501
E-mail : mm@mmcharteredaccountants.com
Website : mmcharteredaccountants.com

LIMITED REVIEW REPORT

Review Report to K.M. Sugar Mills Ltd.

We have reviewed the accompanying statement of unaudited financial results of K.M. Sugar Mills Ltd. for the quarter ended 31st March, 2012 *except for the 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.

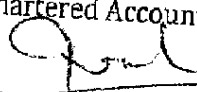
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial 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 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 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


Rajesh Jhalani
(Partner)
M.No. 074809



Date: 14th May, 2012
Place: Lucknow



K. M. Sugar Mills Ltd.

Corporate Office and Works : Motinagar, Faizabad-224 201

Phone : 05278-254059/254173 Fax : 05278-254031

E-mail : director@kmsugar.com/admin@kmsugar.com



To
The Assitt. Vice President (Listing)
The National Stock Exchange India Ltd.
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai-400051

Dt: 14.05.2012

Ref: Clause 41 of the Listing Agreement

Reg: Un-Audited Financial Results for the Quarter ended on 31st March 2012

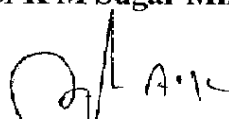
Dear Sir(s),

With reference to the captioned subject matter please find the enclosures as Un-audited Financial Results for the Quarter ended on 31st March 2012.

Kindly take the above document on record.

Thanking You

For K M Sugar Mills Ltd.


Akhilesh Kumar Singh
Company Secretary

K.M.SUGAR MILLS LIMITED

Regd. Office: 11, Moti Bhawan, Collector Ganj, Kanpur-208 001 (U.P.)
Corp. Office & Works: P.O. Moti Nagar, Faizabad-224 201 (U.P.)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED
31-Mar-12

Sl. no.	Particulars	Rs. In Lacs					
		Quarter ended	Preceding quarter ended	Quarter ended	For the six months ended		Previous year ended
		31.03.2012	31.12.2011	31.03.2011	31.03.2012	31.03.2011	30.09.2011
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	a) Net Sales/Income from Operations	10,144	4,869	9,441	15,013	15,560	30,676
	b) Other Operating Income	-	-	-	-	-	-
	Total (a+b)	10,144	4,869	9,441	15,013	15,560	30,676
2	Expenditure						
	a) (Increase)/decrease in stock in trade	(6,160)	(2,415)	(5,562)	(8,575)	(7,386)	(413)
	an work-in-progress						
	b) Consumption of raw materials	13,587	6,166	10,067	19,753	13,256	13,557
	c) Purchase of traded goods	587	269	2,744	856	6,180	12,022
	d) Employees cost	234	187	214	421	384	632
	e) Depreciation	261	254	349	515	645	1,229
	f) Other expenditure	1,207	608	1,116	1,815	1,737	3,117
	g) Total	9,716	5,039	8,925	14,785	14,826	30,144
3	Profit from Operations before other Income, Interest & Exceptional Items (1-2)	428	(200)	513	228	734	532
4	Other Income	40	23	9	63	51	344
5	Profit before Interest & Exceptional Items (3+4)	468	(177)	522	291	785	876
6	Interest	369	268	377	637	602	1,420
7	Profit after Interest but before Exceptional Items (5-6)	99	(445)	145	(346)	183	(544)
8	Exceptional Items	-	-	-	-	-	522
9	Profit (+)/Loss (-) from Ordinary Activities before tax (7+8)	99	(445)	145	(346)	183	(1,066)
10	Tax Expense (Including FBT)		-	-	-	-	-
	Deferred Tax		-	-	-	-	47
	Net Profit (+)/Loss (-) from ordinary Activities after Tax (9-10)	99	(445)	145	(346)	183	(1,113)
11	Extraordinary Item (net of tax exp. Rs.)/Prior period items	(1)	-	(1)	(1)	(1)	(9)
12	Net Profit (+)/Loss (-) for the period	98	(445)	144	(347)	182	(1,122)
13	Paid up equity capital (Face value of the share is Rs. 2 each)	1,840	1,840	1,840	1,840	1,840	1,840
14	Reserve excluding Revaluation Reserve as per balance Sheet of the previous accounting year						-
15	Earnings Per Share (EPS)						
	a) Basic and diluted EPS before Extraordinary Items for the period, for the year to date and for the previous year (not to be annualized)	0.11	(0.48)	0.16	(0.38)	0.20	(1.21)
	b) Basic and diluted EPS after Extraordinary Items for the period, for the year to date and for the previous year (not to be annualized)	0.11	(0.48)	0.16	(0.38)	0.20	(1.22)
16	Public Shareholding						
	Number of shares	30,380,845	30,380,845	30,380,845	30,380,845	30,380,845	30,380,845
	Percentage of shares	33.02	33.02	33.02	33.02	33.02	33.02
17	Promoters and Promoter Group shareholding						
	a) Pledged/Encumbered						
	Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
	Percentage of shares (as a % of the total share capital of the Company)	NIL	NIL	NIL	NIL	NIL	NIL
	b) Non-Encumbered						
	Number of shares	61,619,325	61,619,325	61,619,325	61,619,325	61,619,325	61,619,325
	Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	Percentage of shares (as a % of the total share capital of the Company)	66.98	66.98	66.98	66.98	66.98	66.98

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sl. no.	Particulars	Rs. In Lacs				
		Quarter ended	preceding quarter ended	Quarter ended	For the six months ended	Previous year ended
		31.03.2012	31.12.2011	31.03.2011	31.03.2012	30.09.2011
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	SEGMENT REVENUE(INCLUDING EXCISE DUTY)					
a	Sugar including trading	8,273	4,471	7,756	12,744	13,644
b	Distillery	827	-	789	827	801
c	Power	1,332	536	1,080	1,868	1,421
	Sub-Total	10,432	5,007	9,625	15,439	15,866
	Less: Inter/Intra Segment Revenue	1,687	451	1,453	2,138	1,764
	Net Segment Revenue	8,745	4,556	8,172	13,301	14,102
2	SEGMENT RESULTS					
	(Profit(+)/Loss(-) before tax & interest)					
a	Sugar	(160)	(270)	45	(430)	378
b	Distillery	134	(35)	75	99	6
c	Power	494	128	402	622	401
	Sub-Total	468	(177)	522	291	785
	Less: (i) Interest	359	268	377	637	602
	(ii) Other unallocable expenditure net off un-allocable income	1	-	1	1	1
	Total Profit before Tax (after extraordinary items)	98	(445)	144	(347)	182
3	CAPITAL EMPLOYED					
	(Segment Assets-Segment Liabilities)					
a	Sugar	1,921	2,807	4,532	1,921	4,532
b	Distillery	328	198	615	328	615
c	Power	4,559	3,525	3,767	4,559	3,767
d	Unallocated	10	10	10	10	10
	Total	6,818	6,540	8,924	6,818	8,924

Particulars		Rs. in Lacs	
		As at 31.03.2012	As at 30.09.2011
		Unaudited	Audited
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital		1,840	1,840
(b) Reserves & Surplus		(1,815)	(1,465)
Sub-total of shareholder's fund		25	375
2. Non-current liabilities			
(a) Long term borrowings		1,567	2,098
(b) Deferred tax liabilities (Net)		246	246
(c) Other Long term liabilities		-	-
(d) Long term provisions		59	59
Sub-total of Non current liabilities		1,872	2,403
3. Current liabilities			
(a) Short term borrowings		8,291	5,982
(b) Trade payables		8,455	581
(c) Other current liabilities		3,928	3,077
(d) Short term provisions		218	212
Sub-total of current liabilities		20,892	9,852
Total Equity and Liabilities		22,789	12,630
II. Assets			
Non-current assets			
1. (a) Fixed Assets			
(i) Tangible Assets		6,286	6,653
(ii) Intangible assets		2	3
(iii) Capital Work-in-Progress		4	18
(b) Non current investments		10	10
(c) Deferred tax assets (Net)		-	-
(d) Long term loans and advances		492	545
(e) Other non current assets		202	194
Sub-total of Non current assets		6,996	7,423
2. Current Assets			
(a) Current investments		13,037	3,939
(b) Inventories		1,684	189
(c) Trade receivables		170	135
(d) Cash and cash equivalents		875	917
(e) Short term loans and advances		27	27
(f) Other current assets		27	27
Sub-total of current assets		15,793	5,207
Total assets		22,789	12,630

Notes:

- The above financial results for the quarter ended 31.03.2012 were approved and taken on record in the Board meeting held on 14.05.2012 after being reviewed and recommended by the Audit Committee.
- The Statutory Auditors have carried out a Limited Review of the results for the quarter ended on 31st March, 2012.
- Sugar being seasonal industry, the performance of any quarter may not represent of the annual performance of the company.
- Provision for the deferred tax, if any, will be considered in annual audited results.
- CDR-EG has approved the loan restructuring proposal of the company under Corporate Debt Restructuring Mechanism (CDR) in its meeting held on 24.02.2012 and issued Letter of Approval (LOA) on 27.03.2012. However, Lender banks approval is awaited, hence the effect of the same is not considered in the unaudited financial results.
- Previous period figures have been regrouped /rearranged, wherever considered necessary, to make them comparable with the current period.
- During the quarter, no complaint was received. No complaint was pending at the beginning and at the end of quarter.

By the order of the Board
For K.M. Sugar Mills Ltd

Sanjay Singhania
Jt. Managing Director

Place: Lucknow
Date: 14.05.2012