



Birla Sugar

K.K. BIRLA GROUP OF SUGAR COMPANIES

OSML/SE/2015-16/37

February 2, 2016

The Dy. General Manager
Corporate Relationship Department
BSE Ltd.
1st Floor, New Trading Ring,
Rotunda Building
P.J. Towers, Dalal Street, Fort
Mumbai 400 001
Company Code No. 507260

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051
Company Code No. OUDHSUG

Dear Sir,

Sub: **Submission of Unaudited Financial Results and Limited Review Report of the Company for the third quarter ended 31st December, 2015**

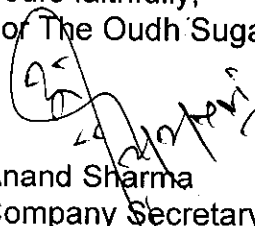
In terms Regulation 33(3)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Unaudited Financial Results of the Company along with Segment-wise Revenue, Results and Capital Employed for the quarter ended 31st December, 2015, duly approved by the Board of Directors of the Company at its meeting held on 2nd February, 2016.

Again, in pursuance to Regulation 33(1)(d) of SEBI(LODR) Regulations, 2015, we enclose herewith a copy of the 'Limited Review' Report of the Statutory Auditors of the Company on the aforesaid Results.

Please note that in terms of Regulation 47(3) of SEBI (LODR) Regulations, 2015, the Company shall be publishing the aforesaid Standalone Unaudited Financial Results for the quarter ended 31st December, 2015, in the newspapers.

Kindly acknowledge receipt.

Yours faithfully,
For The Oudh Sugar Mills Limited


Anand Sharma
Company Secretary

Encl : as above



The Oudh Sugar Mills Limited



THE OUDH SUGAR MILLS LIMITED

Registered Office : P.O. Hargaon, District Sitapur, Uttar Pradesh - 261 121
CIN : L15432UP1932PLC025186, Web-site : www.birla-sugar.com, E-mail : birlasugar@birla-sugar.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER 2015

Particulars	Quarter ended			Nine months ended		(₹ in Lacs)
	31.12.2015 (Unaudited)	30.09.2015 (Unaudited)	31.12.2014 (Unaudited)	31.12.2015 (Unaudited)	31.12.2014 (Unaudited)	Year ended 31.03.2015 (Audited)
1 Income from Operations						
(a) Gross Sales / Income from Operations	33,298.71	26,193.76	38,879.93	83,756.94	1,06,875.79	1,40,695.83
Less : Excise Duty & Cess	1,347.87	1,117.59	1,271.87	3,573.14	3,535.97	4,751.80
Net Sales / Income from Operations	31,950.84	25,076.17	37,608.06	80,183.80	1,03,339.82	1,35,944.03
(b) Other Operating Income	69.19	15.84	968.07	998.93	1,012.64	2,269.41
Total Income from Operations (net)	32,020.03	25,092.01	38,576.13	81,182.73	1,04,352.46	1,38,213.43
2 Expenses						
(a) Cost of Raw Materials consumed	25,692.08	214.52	23,100.24	34,144.70	36,266.68	91,674.18
(b) Purchases of stock-in-trade	162.71	134.01	227.36	412.64	510.91	772.04
(c) Decrease / (Increase) of finished goods, work-in-progress and stock-in-trade	(2,123.60)	20,367.92	11,050.39	33,550.20	56,364.05	24,795.54
(d) Employees benefits expense	1,432.34	1,128.00	1,329.34	3,750.93	3,785.65	5,487.67
(e) Depreciation and Amortization expense	662.40	665.99	746.41	2,002.36	2,181.63	2,847.29
(f) Stores, spares and packing materials consumed	1,027.27	347.67	1,038.42	2,031.71	2,337.53	4,300.50
(g) Other expenses	1,794.29	1,356.85	1,797.27	4,269.42	4,830.26	6,787.03
Total Expenses	28,647.49	24,214.96	39,289.43	80,161.96	1,06,276.71	1,36,664.32
3 Profit / (Loss) from Operations before other income and finance costs (1-2)	3,372.54	877.05	(713.30)	1,020.77	(1,924.25)	1,549.19
4 Other Income	26.22	32.65	23.74	114.67	72.22	173.11
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	3,398.76	909.70	(689.56)	1,135.44	(1,852.03)	1,722.30
6 Finance costs	2,137.46	2,824.91	3,028.24	7,977.83	10,058.19	12,887.11
7 Profit / (Loss) from ordinary activities before tax (5-6)	1,261.30	(1,915.21)	(3,717.80)	(6,842.39)	(11,910.22)	(11,164.81)
8 Tax Expense :						
Deferred Tax Charge / (Credit)	-	-	(1,260.60)	-	(4,024.51)	(3,777.71)
9 Net Profit / (Loss) for the period (7-8)	1,261.30	(1,915.21)	(2,457.20)	(6,842.39)	(7,885.71)	(7,387.10)
10 Paid-up Equity Share Capital (Face value per share ₹ 10/-)	2,604.43	2,604.43	2,604.43	2,604.43	2,604.43	2,604.43
11 Reserves excluding Revaluation Reserves						(15,107.97)
12 Basic & Diluted Earning per share (of ₹ 10/- each) (₹)	4.37 *	(7.89) *	(9.96) *	(28.04) *	(31.87) *	(30.47)

* Not annualised





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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2015 (Unaudited)	30.09.2015 (Unaudited)	31.12.2014 (Unaudited)	31.12.2015 (Unaudited)	31.12.2014 (Unaudited)	31.03.2015 (Audited)
1 Segment Revenue						
a) Sugar	29,244.41	21,221.65	37,250.13	70,979.52	96,997.36	1,28,514.44
b) Distillery	4,081.36	3,058.23	2,705.29	12,185.44	8,620.54	12,957.71
c) Co-generation	2,771.62	41.66	2,220.58	3,782.70	4,445.10	11,003.13
d) Food Processing	1,024.51	1,248.25	713.05	3,177.70	3,130.18	3,778.30
Total	37,121.90	25,569.79	42,889.05	90,125.36	1,13,193.18	1,56,253.58
Less : Inter Segment revenue	5,101.87	477.78	4,312.92	8,942.63	8,840.72	18,040.09
Net Sale / Income from Operations	32,020.03	25,092.01	38,576.13	81,182.73	1,04,352.46	1,38,213.49
2 Segment Results [Profit / (Loss) from ordinary activities before finance costs]						
a) Sugar	1,291.03	551.17	(1,887.64)	(2,814.77)	(4,661.31)	(4,595.33)
b) Distillery	1,298.32	530.88	756.45	3,270.50	2,177.85	3,285.27
c) Co-generation	859.12	(149.91)	580.54	886.51	953.65	3,621.46
d) Food Processing	68.05	112.36	(0.08)	211.73	107.96	87.86
Total	3,516.52	1,044.50	(550.73)	1,553.97	(1,421.85)	2,399.23
Less :						
i) Finance Cost	2,137.46	2,824.91	3,028.24	7,977.83	10,058.19	12,887.11
ii) Other Un-allocable Expenditure net off Un-allocable income	117.76	134.80	138.83	418.53	430.18	676.96
Profit / (Loss) from ordinary activities before tax	1,261.30	(1,915.21)	(3,717.80)	(6,842.39)	(11,910.22)	(11,164.81)
3 Capital Employed [Segment Assets - Segment Liabilities]						
a) Sugar	26,204.77	32,646.85	42,723.00	26,204.77	42,723.00	51,633.03
b) Distillery	11,606.49	10,479.48	11,732.05	11,606.49	11,732.05	13,162.32
c) Co-generation	11,946.02	11,523.24	11,882.11	11,946.02	11,882.11	14,656.24
d) Food Processing	1,430.28	1,486.38	1,202.64	1,430.28	1,202.64	1,209.18
Total	51,187.56	56,135.95	67,539.80	51,187.56	67,539.80	80,660.77





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Notes:

- 1 Sugar is a seasonal industry where crushing normally takes place during the period between November and April, while sales are distributed throughout the year. As such, the above quarterly results are not indicative of the likely results for the year.
- 2 The Auditors in their Report on the Accounts for the year ended 31 March 2015 and subsequent limited review report for the quarter 30 June 2015 and 30 September 2015 have commented upon recognition of Deferred Tax Asset (net) based on future profitability projections. The Company, however, has not recognised any further DTA during the current nine months. The Company is reviewing the recoverability of DTA recognised till 31 March 2015 for suitable treatment thereof in the Annual Accounts for the year ended 31 March 2016.
- 3 Due to lower average sugar realisation, the Company has incurred losses and the net worth of the Company is completely eroded. Based on representation made by the Sugar Industry, the State and Central Governments have taken steps for revival of the sugar industry. The management is hopeful that with these measures, the Company would be in a position to generate positive cash flow and profitability in future and accordingly, these financial results have been drawn up on the going concern assumption.
- 4 The Board of Directors of the Company has approved a Composite Scheme of arrangement amongst the Company, Upper Ganges Sugar & Industries Limited, Palash Securities Limited, Allahabad Canning Limited, Ganges Securities Limited, Cinnatollah Tea Limited, Vaishali Sugar & Energy Limited, Magadh Sugar & Energy Limited, Avadh Sugar & Energy Limited in terms of the provisions of Section 391 to 394 and other applicable provisions of the Companies Act, 1956 & Companies Act, 2013 to the extent applicable, to restructure and de-link its multiple business in separate new entities w.e.f. 1 April 2015 subject to necessary approvals. The Company is in the process of obtaining necessary approvals from various concerned authorities and pending such approvals, no accounting adjustment thereof has been made in the above results.
- 5 There was no exceptional and extra-ordinary item during the quarter / nine months ended 31 December 2015.
- 6 The previous period figures have been re-grouped, wherever necessary, to confirm to the current period figures.
- 7 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 2nd February 2016. Limited Review of the above results has been carried out by the Statutory Auditors of the Company.

Place : Kolkata
Date : 2nd February, 2016



For and on behalf of the Board
The Oudh Sugar Mills Limited

Chandra Shekhar Nopany
Chairman

DIN : 00014587

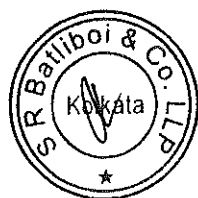


Review Report to
The Board of Directors
The Oudh Sugar Mills Limited

1. We have reviewed the accompanying statement of unaudited financial results of The Oudh Sugar Mills Limited ('the Company') for the quarter and nine months ended December 31, 2015 (the "Statement"). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our conclusion, we draw attention to Note 3 to accompanying unaudited financial results regarding significant losses leading to material uncertainty about the Company's ability to continue as a going concern and based on mitigating factor, as fully described therein, the accompanying financial results have been prepared under the going concern assumption.
4. Attention is drawn to Note 2 to the accompanying unaudited financial results, the Company has recognized Deferred Tax Asset (DTA) (net) of Rs.12,904.91 lacs up to March 31, 2015, based on the future profitability projections made by the management. The Company, however, has not recognised any further DTA during the current nine months as a matter of prudence. In our opinion, in the absence of virtual certainty about the above projections, as required in terms of Accounting Standard – 22, had the above DTA been reversed, there would be a loss of Rs.11,643.61 lacs & Rs.19,747.30 lacs for the quarter and nine months as against the reported profit of Rs.1,261.30 lacs and the reported loss of Rs.6,842.39 lacs respectively.

In respect of above, our review report for the quarter ended June 30, 2015, September 30, 2015 and audit report for the year ended March 31, 2015 were similarly qualified.

5. Based on our review conducted as above, except for the effect of our observation stated in para (4) above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance



S.R. BATLIBOI & Co. LLP

Chartered Accountants

with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E

per Kamal Agarwal
Partner

Membership Number: 58652

Place: Kolkata

Date: February 02, 2016

