



BirlaSugar

K.K. BIRLA GROUP OF SUGAR COMPANIES

OSML/SE/2016-17/08

May 13, 2016

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

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

Stock Code : OUDHSUG

Stock Code : 507260

Sub : Outcome of the Board meeting held on 13.05.2016 and disclosures under Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sirs

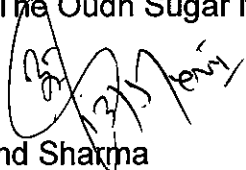
This is to inform you that Board of Directors at its meeting held on May 13, 2016, inter alia, have approved the Audited Financial Results for the financial year ended March 31, 2016 along with last quarter Audited Financial Results of the Company and have not recommended any dividend for the financial year 2015-16.

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, enclosed please find herewith statement of Audited Financial Results for the quarter and year ended 31st March 2016, with Auditors Report thereon and Form B (for Audit Report with modified opinion), as per the prescribed format.

Kindly acknowledge and take the above information on records and dissemination to all concerned.

Thanking you,

Yours faithfully,
For The Oudh Sugar Mills Limited,


Anand Sharma
Company Secretary

Encl – as above





THE OUDH SUGAR MILLS LIMITED

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

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH 2016

(₹ in Lacs)

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	
	31.03.2016 (Audited) (Refer Note 3)	31.12.2015 (Unaudited)	31.03.2015 (Audited) (Refer Note 3)	31.03.2016 (Audited)	31.03.2015 (Audited)	31.03.2016 (Audited)	31.03.2015 (Audited)
1 Income from Operations							
(a) Gross Sales / Income from Operations	35,257.61	33,298.71	33,820.09	1,19,014.55	1,40,695.88	1,19,014.55	1,40,695.88
Less : Excise Duty & Cess	1,341.46	1,347.87	1,215.83	4,914.60	4,751.80	4,914.60	4,751.80
Net Sales / Income from Operations	33,916.15	31,950.84	32,604.26	1,14,099.95	1,35,944.08	1,14,099.95	1,35,944.08
(b) Other Operating Income	1,487.78	69.19	1,256.77	2,486.71	2,269.41	2,486.71	2,269.41
Total Income from Operations (net)	35,403.93	32,020.03	33,861.03	1,16,586.66	1,38,213.49	1,16,586.66	1,38,213.49
2 Expenses							
(a) Cost of Raw Materials consumed	54,943.53	25,692.08	55,407.50	89,088.23	91,674.18	89,088.23	91,674.18
(b) Purchases of stock-in-trade	346.90	162.71	261.13	759.54	772.04	759.54	772.04
(c) Decrease / (Increase) of finished goods, work-in-progress and stock-in-trade	(35,975.91)	(2,123.60)	(31,568.51)	(2,425.71)	24,795.54	(2,425.71)	24,795.54
(d) Employees benefits expense	1,711.38	1,432.34	1,702.02	5,462.31	5,487.67	5,462.31	5,487.67
(e) Depreciation and Amortization expense	647.30	662.40	665.66	2,649.66	2,847.29	2,649.66	2,847.29
(f) Stores, spares and packing materials consumed	1,785.78	1,027.27	1,962.97	3,817.49	4,300.50	3,817.49	4,300.50
(g) Other expenses	1,686.32	1,794.29	1,956.12	5,955.74	6,787.08	5,976.89	6,794.79
Total Expenses	25,145.30	28,647.49	30,386.89	1,05,307.26	1,36,664.30	1,05,328.41	1,36,672.01
3 Profit from Operations before other Income and finance costs (1-2)	10,258.63	3,372.54	3,474.14	11,279.40	1,549.19	11,258.25	1,541.48
4 Other Income	98.31	26.22	100.19	212.98	173.11	591.03	415.45
5 Profit from ordinary activities before finance costs (3+4)	10,356.94	3,398.76	3,574.33	11,492.38	1,722.30	11,849.28	1,956.93
6 Finance costs	2,796.63	2,137.46	2,828.92	10,774.46	12,887.11	10,757.40	12,874.10
7 Profit / (Loss) from ordinary activities before tax (5-6)	7,560.31	1,261.30	745.41	717.92	(11,164.81)	1,091.88	(10,917.17)
8 Tax Expense :							
(a) Current Tax	-	-	-	-	-	3.18	3.79
(b) Deferred Tax Charge / (Credit)	94.81	-	246.80	94.81	(3,777.71)	94.81	(3,777.71)
9 Net Profit / (Loss) for the period (7-8)	7,465.50	1,261.30	498.61	623.11	(7,387.10)	993.89	(7,143.25)
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	2,604.43
11 Reserves excluding Revaluation Reserves				(14,478.84)	(15,107.97)	(11,847.14)	(12,847.05)
12 Basic & Diluted Earning per share (of ₹ 10/- each) (₹)	28.32 *	4.37 *	1.40 *	0.28	(30.47)	1.71	(29.53)

* Not annualised





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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	Year ended
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	(Audited) (Refer Note 3)	(Unaudited)	(Audited) (Refer Note 3)	(Audited)	(Audited)	(Audited)	(Audited)
1 Segment Revenue							
a) Sugar	32,213.01	29,244.41	31,517.08	1,03,192.53	1,28,514.44	1,03,192.53	1,28,514.44
b) Distillery	4,647.43	4,081.36	4,337.17	16,832.87	12,957.71	16,832.87	12,957.71
c) Co-generation	6,588.18	2,771.62	6,558.03	10,370.88	11,003.13	10,370.88	11,003.13
d) Food Processing	697.30	1,024.51	648.12	3,875.00	3,778.30	3,875.00	3,778.30
Total	44,145.92	37,121.90	43,060.40	1,34,271.28	1,56,253.58	1,34,271.28	1,56,253.58
Less : Inter Segment revenue	8,741.99	5,101.87	9,199.37	17,684.62	18,040.09	17,684.62	18,040.09
Net Sale / Income from Operations	35,403.93	32,020.03	33,861.03	1,16,586.66	1,38,213.49	1,16,586.66	1,38,213.49
2 Segment Results [Profit / (Loss) from ordinary activities before finance costs]							
a) Sugar	6,712.11	1,291.03	65.98	3,897.34	(4,595.33)	3,897.34	(4,595.33)
b) Distillery	1,569.04	1,298.32	1,107.42	4,839.54	3,285.27	4,839.54	3,285.27
c) Co-generation	2,248.53	859.12	2,667.81	3,135.04	3,621.46	3,135.04	3,621.46
d) Food Processing	(5.36)	68.05	(20.10)	206.37	87.86	206.37	87.86
Total	10,524.32	3,516.52	3,821.11	12,078.29	2,399.26	12,078.29	2,399.26
Less :							
i) Finance Cost	2,796.63	2,137.46	2,828.92	10,774.46	12,887.11	10,757.40	12,874.10
ii) Other Un-allocable Expenditure net off Un-allocable income	167.38	117.76	246.78	585.91	676.96	229.01	442.33
Profit / (Loss) from ordinary activities before tax	7,560.31	1,261.30	745.41	717.92	(11,164.81)	1,091.88	(10,917.17)
3 Capital Employed [Segment Assets - Segment Liabilities]							
a) Sugar	60,141.24	26,204.77	51,633.03	60,141.24	51,633.03	60,141.24	51,633.03
b) Distillery	13,771.48	11,606.49	13,162.32	13,771.48	13,162.32	13,771.48	13,162.32
c) Co-generation	14,700.04	11,946.02	14,656.24	14,700.04	14,656.24	14,700.04	14,656.24
d) Food Processing	1,384.91	1,430.28	1,209.18	1,384.91	1,209.18	1,384.91	1,209.18
Total	89,997.67	51,187.56	80,660.77	89,997.67	80,660.77	89,997.67	80,660.77





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Notes:

1 Statement of Assets and Liabilities

Particulars	Standalone		Consolidated	
	As at 31.03.2016 ₹ in lacs	As at 31.03.2015 ₹ in lacs	As at 31.03.2016 ₹ in lacs	As at 31.03.2015 ₹ in lacs
Equity and Liabilities				
1. Shareholders' Funds				
Share Capital	7,604.43	7,604.43	7,604.43	7,604.43
Reserves and Surplus	(14,478.84)	(15,107.97)	(11,847.14)	(12,847.05)
Bearer Equity Share Coupons	-	0.06	-	0.06
	(6,874.41)	(7,503.48)	(4,242.71)	(5,242.56)
2. Non-current Liabilities				
Long-term borrowings	35,326.01	31,204.95	35,326.01	31,204.95
Other long-term liabilities	297.84	489.22	297.84	489.22
Long-term provisions	298.15	272.80	298.15	272.80
	35,922.00	31,966.97	35,922.00	31,966.97
3. Current Liabilities				
Short-term borrowings	66,754.45	65,163.43	66,638.95	65,163.43
Trade payables	30,685.66	51,988.71	30,686.09	51,988.71
Other current liabilities	26,737.76	13,516.98	26,742.27	13,519.53
Short-term provisions	329.33	348.05	340.21	358.50
	1,24,507.20	1,31,017.17	1,24,407.52	1,31,030.17
TOTAL	1,53,554.79	1,55,480.66	1,56,086.81	1,57,754.58
Assets				
1. Non-Current Assets				
Fixed Assets	52,384.43	53,526.58	52,492.48	53,634.63
Non-current Investments	1,080.25	1,080.23	3,407.18	3,407.16
Deferred tax assets (net)	12,810.10	12,904.91	12,810.10	12,904.91
Loans and advances	122.85	17.81	122.85	17.81
Other non-current assets	122.51	59.03	122.51	59.03
	66,520.14	67,588.56	68,955.12	70,023.54
2. Current assets				
Current Investments	17.50	17.50	17.50	17.50
Inventories	73,778.22	69,359.30	73,778.22	69,359.30
Trade Receivables	6,523.09	4,990.54	6,523.09	4,990.54
Cash and bank balances	264.00	426.88	316.74	524.95
Loans and advances	1,431.08	2,025.11	1,475.30	1,765.90
Other current assets	5,020.76	11,072.77	5,020.84	11,072.85
	87,034.65	87,892.10	87,131.69	87,731.04
TOTAL	1,53,554.79	1,55,480.66	1,56,086.81	1,57,754.58

- The Auditors in their Report on the Accounts for the year ended 31 March 2016 have commented upon recognition of Deferred Tax Asset (net) based on future profitability projections. The Company is certain that there would be sufficient taxable income in future, to claim the above tax credit.
- The figures of the last quarter for the current year and for the previous year are the balancing figures between the audited figures in respect of the full financial year ended 31 March and the unaudited published year to date figures upto the third quarter ended 31 December, which have been reviewed by the Statutory Auditors.
- The net-worth of the Company is completely eroded, due to losses in earlier years. However, the Company has earned profits during the current year consequent to improved realisation and sugar yields. Further, the Company is also in the process of business restructuring as mentioned in note 5 below. In view of the above, the management is certain that the Company would be in a position to generate positive cash flows and profits in future and accordingly, these financial results have been drawn as per the going concern assumption.
- The Company's Board of Directors 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 has been made in these financial results.
- There was no exceptional and extra-ordinary item during the quarter / year ended 31 March 2016.
- The previous period figures have been re-grouped, wherever necessary, to confirm to the current period figures.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 13 May 2016.

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

Place : Kolkata
Date : 13 May 2016



Chand Bihari Patodia
Whole-time Director
DIN : 01389238

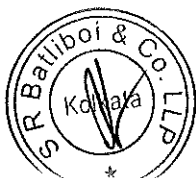
Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors of

The Oudh Sugar Mills Limited

1. We have audited the quarterly financial results of The Oudh Sugar Mills Limited ('the Company') for the quarter ended March 31, 2016 and the financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2016 and year to date ended March 31, 2016 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2015, the audited annual financial statements as at and for the year ended March 31, 2016, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2016; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



3. Basis for qualified opinion

As indicated in Note 2 to the accompanying results, the Company continues to carry Deferred Tax Asset (DTA) (net) of Rs.12,810.10 lacs (after reversal of Rs. 94.81 lacs during the quarter and year) up to March 31, 2016, based on the future profitability projections made by the management. In our opinion, in the absence of virtual certainty about the above projections, as required in terms of Accounting Standard – 22, had the above impact been considered, there would have been a loss of Rs. 5,344.60 lacs and Rs. 12,186.99 lacs for the quarter and the year respectively as against the reported profit of Rs.7,465.50 lacs and Rs.623.11 lacs for the quarter and the year respectively.

Our review reports for the quarter ended 30th June, 2015, 30th September, 2015 and 31st December, 2015 and audit report for the year ended 31st March, 2015 were also qualified in respect of the above matter.

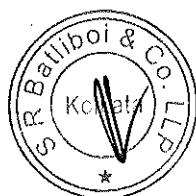
4. Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- ii. except for the effect of the matter stated in the Basis for Qualified Opinion paragraph above, give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2016 and for the year ended March 31, 2016.

5. Without qualifying our opinion, we draw attention to:

- i. Note 4 to the accompanying financial results regarding erosion of net worth of the Company. The Company has earned profits during the current quarter and year consequent to improved realisation and sugar yields. Further, the Company is also undergoing Business Restructuring as described in Note 5 to the accompanying financial results. Based on above factors, these financial results have been drawn as per the going concern assumption.
- ii. Note 5 to the accompanying financial results in respect of composite scheme of arrangement to re-structure and de-link the Company's multiple businesses into separate entities w.e.f 1st April, 2015 subject to necessary approvals more fully described therein. Pending such approvals, no adjustment has been made in these results.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

6. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2016 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

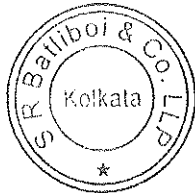
For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per Kamal Agarwal
Partner

Membership No.: 58652



Place: Kolkata

Date: May 13, 2016



BirlaSugar

K.K. BIRLA GROUP OF SUGAR COMPANIES

FORM B

1.	Name of the Company:	The Oudh Sugar Mills Limited
2.	Annual financial statements for the period ended	March 31, 2016
3.	Type of Audit qualification	"Except for"
4.	Frequency of observation	Repetitive since 2009-10
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<u>Audit Report on Standalone Financial Statements</u> As indicated in Note 14 to the financial statements, the Company continues to carry Deferred Tax Asset (DTA) (net) of Rs. 12,810.10 lacs (after reversal of Rs. 94.81 lacs during the year) up to March 31, 2016, based on the future profitability projections made by the management. In our opinion, in the absence of virtual certainty about the above projections, as required in terms of Accounting Standard – 22, had the above impact been considered, there would have been a loss of Rs.12,186.99 lacs during the year as against the reported profit of Rs.623.11 lacs and reserves & surplus as at the balance sheet date would have been (-) Rs. 27,288.94 lacs as against the reported figure of (-) Rs. 14,478.84 lacs. <u>Audit Report on Consolidated Financial Statements</u> As indicated in Note 14 to the consolidated financial statements, the Holding Company continues to carry Deferred Tax Asset (DTA) (net) of Rs. 12,810.10 lacs (after reversal of Rs. 94.81 lacs during the year) up to March 31, 2016, based on the future profitability projections made by the management. In our opinion, in the absence of virtual certainty about the above projections, as required in terms of Accounting Standard – 22, had the above impact been considered, there would have been a loss of Rs. 11,816.21 lacs during the year as against the reported profit of Rs.993.89 lacs and reserves & surplus as at the



The Oudh Sugar Mills Limited





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		balance sheet date would have been (-) Rs. 24,657.24 lacs as against the reported figure of (-) Rs.11,847.14 lacs. <u>Management Response:</u> The Company has earned profits during the current year consequent to improved realisation and sugar yields. In view of above, the management is certain that the Company would be in a position to generate positive cash flows and profitability and is certain that there would be sufficient taxable income in future to claim the above tax credit.
6	Additional comments from the board / audit committee chair	Nothing significant
7.	To be signed by - • Mr. Chand Bihari Patodia Whole-time Director • Mr. Dilip Patodia Chief Financial Officer • Mr. Kamal Agarwal Partner Membership no. 58652 For S. R. Batliboi & Co. LLP Chartered Accountants Firm Registration no. 301003E/E300005 (Statutory Auditors) • Mr. Anand Ashvin Dalal Audit Committee Chairman	




The Oudh Sugar Mills Limited