



Birla Sugar

K.K. BIRLA GROUP OF SUGAR COMPANIES

OSML/SE/2016-17/20

August 8, 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

Symbol : OUDHSUG

Stock Code : 507260

Dear Sir,

Sub: Submission of Unaudited Financial Results and Limited Review Report of the Company for the quarter ended 30th June, 2016

In terms Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith a copy of the Unaudited Financial Results of the Company along with Segment-wise Revenue, Results and Capital Employed and the Limited Review Report for the quarter ended 30th June, 2016, duly approved by the Board of Directors of the Company at its meeting held on 8th August, 2016.

Please 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

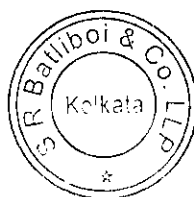
CIN : L15432UP1932PLC025186, Web-site : www.birla-sugar.com, E-mail : birlasugar@birla-sugar.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2016

(₹ in Lacs)

Particulars	Quarter ended			Year ended 31.03.2016 (Audited)
	30.06.2016 (Unaudited)	31.03.2016 (Audited)	30.06.2015 (Unaudited)	
1 Income from Operations				
(a) Gross Sales / Income from Operations	34,489.60	35,257.61	24,264.47	1,19,014.55
Less : Excise Duty & Cess	1,610.75	1,341.46	1,107.68	4,914.60
Net Sales / Income from Operations	32,878.85	33,916.15	23,156.79	1,14,099.95
(b) Other Operating Income	93.68	1,487.78	913.90	2,486.71
Total Income from Operations (net)	32,972.53	35,403.93	24,070.69	1,16,586.66
2 Expenses				
(a) Cost of Raw Materials consumed	1,577.85	54,943.53	8,238.10	89,088.23
(b) Purchases of stock-in-trade	72.65	346.90	115.92	759.54
(c) Decrease / (Increase) of finished goods, work-in-progress and stock-in-trade	21,764.28	(35,975.91)	15,305.88	(2,425.71)
(d) Employees benefits expense	1,207.83	1,711.38	1,190.59	5,462.31
(e) Depreciation and Amortization expense	647.75	647.30	673.97	2,649.66
(f) Stores, spares and packing materials consumed	330.43	1,785.78	656.77	3,817.49
(g) Other expenses	1,400.76	1,686.32	1,118.28	5,955.74
Total Expenses	27,001.55	25,145.30	27,299.51	1,05,307.26
3 Profit / (Loss) from Operations before other income and finance costs (1-2)	5,970.98	10,258.63	(3,228.82)	11,279.40
4 Other Income	27.49	98.31	55.80	212.98
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	5,998.47	10,356.94	(3,173.02)	11,492.38
6 Finance costs	3,078.88	2,796.63	3,015.46	10,774.46
7 Profit / (Loss) from ordinary activities before tax (5-6)	2,919.59	7,560.31	(6,188.48)	717.92
8 Tax Expense :				
Deferred Tax Charge	999.71	94.81	-	94.81
9 Net Profit / (Loss) for the period (7-8)	1,919.88	7,465.50	(6,188.48)	623.11
10 Paid-up Equity Share Capital (Face value per share ₹ 10/-)	2,604.43	2,604.43	2,604.43	2,604.43
11 Reserves excluding Revaluation Reserves				(14,478.84)
12 Basic & Diluted Earning per share (of ₹ 10/- each) (₹)	6.92 *	28.32 *	(24.52) *	0.28

* Not annualised





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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ in Lacs)

Particulars	Quarter ended			Year ended 31.03.2016 (Audited)
	30.06.2016 (Unaudited)	31.03.2016 (Audited)	30.06.2015 (Unaudited)	
1 Segment Revenue				
a) Sugar	30,244.86	32,213.01	20,513.46	1,03,192.53
b) Distillery	4,080.88	4,647.43	5,045.85	16,832.87
c) Co-generation	248.76	6,588.18	969.42	10,370.88
d) Food Processing	698.21	697.30	904.94	3,875.00
Total	35,272.71	44,145.92	27,433.67	1,34,271.28
Less : Inter Segment revenue	2,300.18	8,741.99	3,362.98	17,684.62
Net Sale / Income from Operations	32,972.53	35,403.93	24,070.69	1,16,586.66
2 Segment Results [Profit / (Loss) from ordinary activities before finance costs]				
a) Sugar	4,753.02	6,712.11	(4,656.97)	3,897.34
b) Distillery	1,439.50	1,569.04	1,441.30	4,839.54
c) Co-generation	(50.99)	2,248.53	177.30	3,135.04
d) Food Processing	10.10	(5.36)	31.32	206.37
Total	6,151.63	10,524.32	(3,007.05)	12,078.29
<u>Less / (Add):</u>				
i) Finance Cost	3,078.88	2,796.63	3,015.46	10,774.46
ii) Other Un-allocable Expenditure net off Un-allocable income	153.16	167.38	165.97	585.91
Profit / (Loss) from ordinary activities before tax	2,919.59	7,560.31	(6,188.48)	717.92
3 Capital Employed [Segment Assets - Segment Liabilities]				
a) Sugar	56,683.14	60,141.24	40,387.24	60,141.24
b) Distillery	14,964.34	13,771.48	12,790.91	13,771.48
c) Co-generation	13,661.44	14,700.04	12,651.08	14,700.04
d) Food Processing	1,394.59	1,384.91	1,290.96	1,384.91
Total	86,703.51	89,997.67	67,120.19	89,997.67

Notes:

- 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.
- 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 net worth of the Company is negative due to losses in earlier years. However the Company is earning profit during the current sugar season and is also in the process of business restructuring as mentioned in the note 4 below. The management is certain that there would be sufficient positive cash flow & profits in future also and accordingly, these financial results have been drawn as per the going concern assumption.





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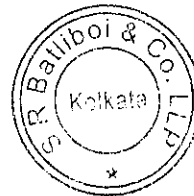
- 4 The Company's Board of Directors has approved a Composite Scheme of arrangement amongst the Company, Upper Ganges Sugar & Industries Limited, Palash Securities Limited, Allahabad Canning Limited, Ganges Securities Limited, Cinnatollah Tea Limited, Vaishali Sugar & Energy Limited, Magadh Sugar & Energy 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.
- 5 There was no exceptional and extra-ordinary item during the quarter ended 30 June 2016.
- 6 The previous period figures have been re-grouped, wherever necessary, to conform 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 8 August 2016. Limited Review of the above results has been carried out by the Statutory Auditors of the Company.

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

Chandra Shekhar Nopany
Chairman
DIN : 00014587



Place : Kolkata
Date : 8th August, 2016



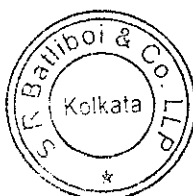
Review Report to

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 ended June 30, 2016. 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:
 - a) Note 3 to the accompanying unaudited financial results regarding negative net-worth of the Company. The Company has earned profits during the current sugar season and is also in the process of business restructuring as mentioned in Note 4 to the accompanying financial results. Based on the above factors, these financial results have been drawn as per the going concern assumption.
 - b) Note 4 to the accompanying unaudited financial results in respect of composite scheme of arrangement to re-structure and de-link the Company's multiple business 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.
4. Attention is drawn to Note 2 to the accompanying unaudited financial results, the Company continues to carry Deferred Tax Asset (DTA) (net) of Rs. 11,810.39 lacs (after reversal of Rs. 999.71 lacs during the quarter) up to June 30, 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 be a loss of Rs 9,890.51 lacs for the quarter as against the reported profit of Rs. 1,919.88 lacs.

In respect of above, our audit report for the year ended March 31, 2016 was similarly qualified.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

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 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/E300005

per Kamal Agarwal
Partner

Membership Number: 58652

Place: Kolkata

Date: August 08, 2016

