



BirlaSugar

K.K. BIRLA GROUP OF SUGAR COMPANIES

OSML/SE/2016-17/36

November 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,

Re : Outcome of Board Meeting

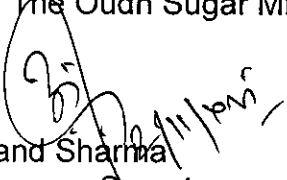
Sub: Submission of Unaudited Financial Results and Limited Review Report of the Company for the second quarter/half year ended 30th September, 2016

In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith a copy of the Unaudited Financial Results of the Company for the second quarter/half year ended 30th September 2016 along with the Statement of Assets and Liabilities as at 30th September, 2016, duly approved at the meeting of the Board of Directors of the Company held on 2nd November, 2016. We are also arranging to upload the financial results on Company's website www.birla-sugar.com and publish the same in the format published under clause 47 of the SEBI (LODR) Regulations, 2015. The meeting commenced at 11.30 AM and concluded at 12.30 PM.

A copy of the Limited Review Report of the Auditors in respect of the above results is also enclosed.

Please acknowledge receipt.

Yours faithfully,
For The Oudh Sugar Mills Limited


Anand Sharma
Company Secretary



The Oudh Sugar Mills Limited



THE OUDH SUGAR MILLS LIMITED

Registered Office : P.O. Hargaon, District Sitapur, Uttar Pradesh - 261 121

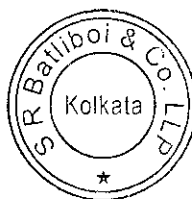
CIN : L15432UP1932PLC025186, Web-site : www.birla-sugar.com, E-mail : birlasugar@birla-sugar.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED & SIX MONTHS ENDED 30TH SEPTEMBER 2016

(₹ in Lacs)

Particulars	Quarter ended			Six months ended		Year ended 31.03.2016 (Audited)
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	
1 Income from Operations						
(a) Gross Sales / Income from Operations	34,845.76	34,489.60	26,193.76	69,335.36	50,458.23	1,19,014.55
Less : Excise Duty & Cess	1,816.49	1,610.75	1,117.59	3,427.24	2,225.27	4,914.60
Net Sales / Income from Operations	33,029.27	32,878.85	25,076.17	65,908.12	48,232.96	1,14,099.95
(b) Other Operating Income	19.21	93.68	15.84	112.89	929.74	2,486.71
Total Income from Operations (net)	33,048.48	32,972.53	25,092.01	66,021.01	49,162.70	1,16,586.66
2 Expenses						
(a) Cost of Raw Materials consumed	102.23	1,577.85	214.52	1,680.08	8,452.62	89,088.23
(b) Purchases of stock-in-trade	203.69	72.65	134.01	276.34	249.93	759.54
(c) Decrease / (Increase) of finished goods, work-in-progress and stock-in-trade	22,975.20	21,764.28	20,367.92	44,739.48	35,673.80	(2,425.71)
(d) Employees benefits expense	1,700.18	1,207.83	1,128.00	2,908.01	2,318.59	5,462.31
(e) Depreciation and Amortization expense	654.91	647.75	665.99	1,302.66	1,339.96	2,649.66
(f) Stores, spares and packing materials consumed	291.73	330.43	347.67	622.16	1,004.44	3,817.49
(g) Other expenses	1,701.13	1,400.76	1,356.85	3,101.89	2,475.13	5,955.74
Total Expenses	27,629.07	27,001.55	24,214.96	54,630.62	51,514.47	1,05,307.26
3 Profit / (Loss) from Operations before other income and finance costs (1-2)	5,419.41	5,970.98	877.05	11,390.39	(2,351.77)	11,279.40
4 Other Income	76.70	27.49	32.65	104.19	88.45	212.98
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	5,496.11	5,998.47	909.70	11,494.58	(2,263.32)	11,492.38
6 Finance costs	2,656.68	3,078.88	2,824.91	5,735.56	5,840.37	10,774.46
7 Profit / (Loss) from ordinary activities before tax (5-6)	2,839.43	2,919.59	(1,915.21)	5,759.02	(8,103.69)	717.92
8 Tax Expense :						
Deferred Tax Charge	976.38	999.71	-	1,976.09	-	94.81
9 Net Profit / (Loss) for the period (7-8)	1,863.05	1,919.88	(1,915.21)	3,782.93	(8,103.69)	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	2,604.43	2,604.43
11 Reserves excluding Revaluation Reserves						(14,478.84)
12 Basic & Diluted Earning per share (of ₹ 10/- each) (₹)	6.69 *	6.92 *	(7.89) *	13.61 *	(32.41) *	0.28

* Not annualised





THE OUDH SUGAR MILLS LIMITED

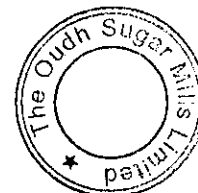
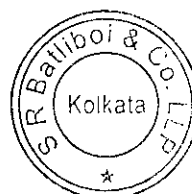
Registered Office : P.O. Hargaon, District Sitapur, Uttar Pradesh - 261 121

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

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ in Lacs)

Particulars	Quarter ended			Six months ended		Year ended 31.03.2016 (Audited)
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	
1 Segment Revenue						
a) Sugar	28,380.00	30,244.86	21,221.65	58,624.86	41,735.11	1,03,192.53
b) Distillery	4,355.56	4,080.88	3,058.23	8,436.44	8,104.08	16,832.87
c) Co-generation	52.89	248.76	41.66	301.65	1,011.08	10,370.88
d) Food Processing	1,215.07	698.21	1,248.25	1,913.28	2,153.19	3,875.00
Total	34,003.52	35,272.71	25,569.79	69,276.23	53,003.46	1,34,271.28
Less : Inter Segment revenue	955.04	2,300.18	477.78	3,255.22	3,840.76	17,684.62
Net Sale / Income from Operations	33,048.48	32,972.53	25,092.01	66,021.01	49,162.70	1,16,586.66
2 Segment Results [Profit / (Loss) from ordinary activities before finance costs]						
a) Sugar	4,848.37	4,753.02	551.17	9,601.39	(4,105.80)	3,897.34
b) Distillery	878.70	1,439.50	530.88	2,318.20	1,972.18	4,839.54
c) Co-generation	(197.47)	(50.99)	(149.91)	(248.46)	27.39	3,135.04
d) Food Processing	88.56	10.10	112.36	98.66	143.68	206.37
Total	5,618.16	6,151.63	1,044.50	11,769.79	(1,962.55)	12,078.29
Less / (Add):						
i) Finance Cost	2,656.68	3,078.88	2,824.91	5,735.56	5,840.37	10,774.46
ii) Other Un-allocable Expenditure net off Un-allocable income	122.05	153.16	134.80	275.21	300.77	585.91
Profit / (Loss) from ordinary activities before tax	2,839.43	2,919.59	(1,915.21)	5,759.02	(8,103.69)	717.92
3 Segment Assets						
a) Sugar	59,453.87	83,045.02	65,296.10	59,453.87	65,296.10	1,08,257.10
b) Distillery	13,866.61	15,620.35	10,848.32	13,866.61	10,848.32	14,265.81
c) Co-generation	12,651.61	13,793.33	11,601.94	12,651.61	11,601.94	14,854.81
d) Food Processing	2,290.37	2,136.33	2,400.76	2,290.37	2,400.76	1,976.02
e) Unallocable Assets	12,297.50	13,207.34	14,294.88	12,297.50	14,294.88	14,201.05
Total	1,00,559.96	1,27,802.37	1,04,442.00	1,00,559.96	1,04,442.00	1,53,554.79
4 Segment Liabilities						
a) Sugar	15,800.83	26,361.88	32,649.25	15,800.83	32,649.25	48,115.86
b) Distillery	640.58	656.01	368.84	640.58	368.84	494.33
c) Co-generation	65.66	131.89	78.70	65.66	78.70	154.77
d) Food Processing	670.00	741.74	914.38	670.00	914.38	591.11
e) Unallocable Liabilities	86,472.01	1,04,863.69	86,035.93	86,472.01	86,035.93	1,11,073.13
Total	1,03,649.08	1,32,755.21	1,20,047.10	1,03,649.08	1,20,047.10	1,60,429.20





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Notes:

1 Statement of Assets and Liabilities

(₹ in Lacs)

	As at 30.09.2016 (Unaudited)	As at 31.03.2016 (Audited)
Equity and Liabilities		
1. Shareholders' Funds		
Share Capital	7,604.43	7,604.43
Reserves and Surplus	(10,693.55)	(14,478.84)
	(3,089.12)	(6,874.41)
2. Non-current Liabilities		
Long-term borrowings	31,364.62	35,326.01
Other long-term liabilities	308.96	297.84
Long-term provisions	333.29	298.15
	32,006.87	35,922.00
3. Current Liabilities		
Short-term borrowings	44,189.77	66,754.45
Trade payables	2,963.47	30,685.66
Other current liabilities	24,153.48	26,737.76
Short-term provisions	335.49	329.33
	71,642.21	1,24,507.20
TOTAL	1,00,559.96	1,53,554.79
Assets		
1. Non-Current Assets		
Fixed Assets	52,342.95	52,384.43
Non-current Investments	1,080.25	1,080.25
Deferred tax assets (net)	10,834.01	12,810.10
Loans and advances	228.09	122.85
Other non-current assets	107.75	122.51
	64,593.05	66,520.14
2. Current assets		
Current Investments	17.50	17.50
Inventories	25,881.29	73,778.22
Trade Receivables	4,637.78	6,523.09
Cash and bank balances	332.33	264.00
Loans and advances	1,580.34	1,431.08
Other current assets	3,517.67	5,020.76
	35,966.91	87,034.65
TOTAL	1,00,559.96	1,53,554.79

2 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.

3 The Auditors in their Report on the Accounts for the year ended 31 March 2016 and subsequent limited review report for the quarter ended 30 June 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.

4 No provision for income tax is required as per computation under section 115JB of the Income Tax Act, 1961.

5 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 6 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.

6 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.

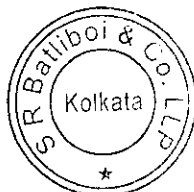
7 There was no exceptional and extra-ordinary item during the quarter / six months ended 30 September 2016.

8 The previous period figures have been re-grouped, wherever necessary, to conform to the current period figures.

9 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 2 November 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

Place : Kolkata
Date : 2nd November, 2016



Chairman

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 September 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 5 to the accompanying unaudited financial results regarding negative net-worth of the Company. The Company is earning profits during the current sugar season and is also in the process of business restructuring as mentioned in Note 5 to the accompanying financial results. Based on the above factors, these financial results have been drawn as per the going concern assumption.
 - b) Note 6 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 3 to the accompanying unaudited financial results, the Company continues to carry Deferred Tax Asset (DTA) (net) of Rs. 10,834.01 lacs (after reversal of Rs. 976.38 lacs during the quarter) up to September 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 8,970.96 lacs for the quarter as against the reported profit of Rs. 1,863.05 lacs.

In respect of above, our review report for the quarter ended June 30, 2016 and audit report for the year ended March 31, 2016 were 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: November 02, 2016

