



Birla Sugar

K.K. BIRLA GROUP OF SUGAR COMPANIES

UPPER/SE/2016-17/46

February 6, 2017

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

Symbol : UPERGANGES

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 : 530505

The Secretary
The Calcutta Stock
Exchange Ltd.
7, Lyons Range
Kolkata 700 001

Stock Code - 10031097

Dear Sir,

Re : Outcome of Board Meeting

Sub: Submission of Unaudited Financial Results and Limited Review Report of the Company for the third quarter ended 31st December, 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 third quarter ended 31st December, 2016, duly approved at the meeting of the Board of Directors of the Company held on 6th February, 2017. We are also arranging to upload the financial results on the 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 4:00 PM and concluded at 5:00 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 Upper Ganges Sugar & Industries Limited,

Santosh Kumar Poddar
Company Secretary



Upper Ganges Sugar & Industries Limited

Upper Ganges Sugar & Industries Limited

Registered Office : P.O. Seohara, District Bijnor, Uttar Pradesh - 246746

CIN : L15421UP1932PLC025141, Website : www.birla-sugar.com, Email : birlasugar@birla-sugar.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2016

Particulars	Quarter ended			Nine Months ended		(₹ In Lacs)
	31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)	31.12.2015 (Unaudited)	31.03.2016 (Audited)
PART I						
1 Income from Operations						
(a) Gross Sales / Income from Operations	25,833.26	29,208.25	26,079.54	83,378.35	60,476.78	86,597.62
Less : Excise Duty & Cess	1,439.41	1,543.60	1,121.39	4,359.29	2,778.26	3,967.61
Net Sales / Income from Operations	24,393.85	27,664.65	24,958.15	79,019.06	57,698.52	82,630.01
(b) Other Operating Income	26.46	14.56	31.00	56.69	524.42	1,099.54
Total Income from Operations (net)	24,420.31	27,679.21	24,989.15	79,075.75	58,222.94	83,729.55
2 Expenses						
(a) Cost of raw materials consumed	27,052.09	51.48	18,279.05	31,560.44	25,882.03	66,388.95
(b) Purchases of stock-in-trade	340.25	44.70	231.21	531.77	490.33	852.87
(c) Decrease / (Increase) of finished goods, work-in-progress and stock-in-trade	(12,288.58)	18,854.38	1,983.11	20,762.02	23,297.73	(3,604.48)
(d) Employees benefits expense	2,051.91	1,738.96	1,483.47	5,048.62	4,030.69	5,736.53
(e) Depreciation & Amortization	413.79	401.13	391.70	1,212.52	1,004.23	1,397.93
(f) Stores, spares & packing materials consumed	675.06	68.52	544.17	1,008.41	1,024.80	2,173.17
(g) Other expenses	1,617.56	1,260.31	1,503.07	3,966.98	3,307.15	4,586.15
Total expenses	19,862.08	22,419.48	24,415.78	64,090.76	59,036.96	77,531.12
3 Profit / (Loss) from Operations before other income and finance costs (1-2)	4,558.23	5,259.73	573.37	14,984.99	(814.02)	6,198.43
4 Other Income	51.85	102.20	82.49	208.36	210.94	379.94
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	4,610.08	5,361.93	655.86	15,193.35	(603.08)	6,578.37
6 Finance costs	940.06	1,322.09	1,065.70	3,989.43	4,183.55	5,579.66
7 Profit / (Loss) from ordinary activities before tax (5-6)	3,670.02	4,039.84	(409.84)	11,203.92	(4,786.63)	998.71
8 Tax Expense :						
(a) Current Tax	1,010.23	854.49	24.65	1,870.55	88.21	55.52
(b) Deferred Tax Charge	1,245.83	1,346.22	-	3,795.00	-	199.75
(c) Provision for Income Tax no longer required written back	-	-	-	-	-	(375.82)
9 Net Profit / (Loss) after Tax (7-8)	1,413.96	1,839.13	(434.49)	5,538.37	(4,874.84)	1,119.26
10 Paid up Equity Share Capital (Face value per Share ₹ 10)	1,155.73	1,155.73	1,155.73	1,155.73	1,155.73	1,155.73
11 Reserves excluding Revaluation Reserve						(221.50)
12 Basic & Diluted Earning per share (of ₹ 10/- each)	11.29 *	14.97 *	(4.70) *	45.10 *	(45.00) *	5.93

* Not annualised.



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SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 (Unaudited)	31.12.2015 (Unaudited)	31.03.2016 (Audited)
1. Segment Revenue						
a) Sugar	22,897.14	25,260.15	22,736.86	73,008.12	51,046.52	73,756.75
b) Distillery	2,674.80	1,845.16	2,585.23	7,573.07	7,159.69	10,496.02
c) Co-Generation	3,277.98	42.97	2,530.65	4,006.88	3,995.59	9,925.45
d) Tea	645.58	668.70	699.56	1,628.44	1,882.08	2,246.64
e) Others	341.19	48.53	226.15	540.99	495.14	878.38
Total	29,836.69	27,865.51	28,778.45	86,757.50	64,579.02	97,303.24
Less : Inter Segment Revenue	5,416.38	186.30	3,789.30	7,681.75	6,356.08	13,573.69
Net Sale/Income from Operations	24,420.31	27,679.21	24,989.15	79,075.75	58,222.94	83,729.55
2. Segment Results						
[Profit/(Loss) before finance cost]						
a) Sugar	2,794.99	5,093.69	(1,236.10)	12,130.08	(3,965.21)	(573.43)
b) Distillery	660.54	315.06	812.74	2,068.19	1,906.95	3,239.42
c) Co-Generation	1,155.51	(190.53)	935.64	888.60	1,003.71	3,657.50
d) Tea	108.03	223.69	176.40	362.80	617.11	429.66
e) Others	8.78	0.48	5.72	16.82	10.53	19.33
Total	4,727.85	5,442.39	694.40	15,466.49	(426.91)	6,772.48
Less/Add :						
i) Finance Cost	940.06	1,322.09	1,065.70	3,989.43	4,183.55	5,579.66
ii) Other un-allocable expenditure net off un-allocable income	117.77	80.46	38.54	273.14	176.17	194.11
Profit/(Loss) before tax	3,670.02	4,039.84	(409.84)	11,203.92	(4,786.63)	998.71
3. Segment Assets						
a) Sugar	46,960.22	33,873.89	40,311.69	46,960.22	40,311.69	70,335.40
b) Distillery	5,703.14	5,301.36	6,499.14	5,703.14	6,499.14	6,673.42
c) Co-Generation	15,437.54	14,077.19	14,434.99	15,437.54	14,434.99	15,815.74
d) Tea	1,615.84	1,624.11	1,294.67	1,615.84	1,294.67	1,209.29
e) Others	22.00	3.24	15.73	22.00	15.73	11.39
f) Unallocated Assets	7,731.58	8,880.67	11,741.65	7,731.58	11,741.65	11,571.01
Total	77,470.32	63,760.46	74,297.87	77,470.32	74,297.87	1,05,616.25
3. Segment Liabilities						
a) Sugar	24,843.39	12,415.63	30,708.67	24,843.39	30,708.67	36,643.51
b) Distillery	467.08	326.33	594.93	467.08	594.93	449.96
c) Co-Generation	51.31	38.10	43.88	51.31	43.88	42.53
d) Tea	386.95	361.74	313.71	386.95	313.71	348.10
e) Others	0.14	-	0.01	0.14	0.01	0.19
f) Unallocated Liabilities	42,245.87	42,558.52	44,698.00	42,245.87	44,698.00	64,197.73
Total	67,994.74	55,700.32	76,359.20	67,994.74	76,359.20	1,01,682.02



Upper Ganges Sugar & Industries Limited

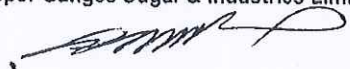
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Notes :

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 2016 and subsequent limited review report for the quarter ended 30th June 2016 and 30th September 2016 have commented upon recognition of Deferred Tax Assets (net) based on future profitability projections. Based on prevailing working, the Company is certain that there would be sufficient taxable income in future, to claim the above tax credit.
3. The Company's Board of Directors has approved a Composite Scheme of arrangement amongst the Company, The Oudh Sugar Mills 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.
4. There are no exceptional and extra-ordinary item during the quarter / nine months ended 31 December 2016.
5. The previous period figures have been re-grouped, wherever necessary, to confirm to the current period figures.
6. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 6th February 2017. Limited Review of the above results has been carried out by the Statutory Auditors of the Company.

For and on behalf of the Board
Upper Ganges Sugar & Industries Limited



Director

Place : Kolkata

Date : 6th February, 2017



Review Report to

The Board of Directors

The Upper Ganges Sugar and Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results of Upper Ganges Sugar and Industries Limited ('the Company') for the quarter and nine months ended December 31, 2016 (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. Attention is drawn to Note 2 to the accompanying unaudited financial results, the Company continues to carry Deferred Tax Asset (DTA) (net) of Rs. 3,222.61 lacs (after reversal of Rs. 1,245.83 lacs during the quarter) up to December 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 be a loss of Rs 1,808.65 lacs for the quarter as against the reported profit of Rs. 1,413.96 lacs.

In respect of above, our review report for the quarter ended June 30, 2016, September 30, 2016 and audit report for the year ended March 31, 2016 were similarly qualified.



S.R. BATLIBOI & Co. LLP

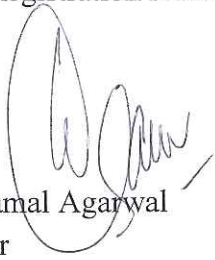
Chartered Accountants

4. Based on our review conducted as above, except for the effect of our observation stated in para (3) 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.
5. Without qualifying our conclusion we draw attention to Note 3 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 with effect from 1st April, 2015 subject to necessary approvals more fully described therein. Pending such approvals, no adjustment has been made in these results.

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E/E300005


per Kamal Agarwal
Partner



Membership Number: 58652

Place: Kolkata

Date: February 06, 2017