



Birla Sugar

K.K. BIRLA GROUP OF SUGAR COMPANIES

UPPER/SE/2016-17/39

November 2, 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 : 530505

The Secretary
The Calcutta Stock
Exchange Ltd.
7, Lyons Range
Kolkata 700 001
Stock Code - 10031097

Stock Code : UPERGANGES

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 2:00 PM and concluded at 3:00 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

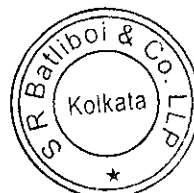
Registered Office : P.O. Seohara, District Bijnor, Uttar Pradesh - 246746

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

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

Particulars	Quarter ended			Six Months ended		(₹ in Lacs)
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
PART I						
1 Income from Operations						
(a) Gross Sales / Income from Operations	29,208.25	28,336.84	16,821.22	57,545.09	34,397.24	86,597.62
Less : Excise Duty & Cess	1,543.60	1,376.28	769.67	2,919.88	1,656.87	3,967.61
Net Sales / Income from Operations	27,664.65	26,960.56	16,051.55	54,625.21	32,740.37	82,630.01
(b) Other Operating Income	14.56	15.67	4.59	30.23	493.42	1,099.54
Total Income from Operations (net)	27,679.21	26,976.23	16,056.14	54,655.44	33,233.79	83,729.55
2 Expenses						
(a) Cost of raw materials consumed	51.48	4,456.87	51.70	4,508.35	7,602.98	66,388.95
(b) Purchases of stock-in-trade	44.70	146.82	43.29	191.52	259.12	852.87
(c) Decrease / (Increase) of finished goods, work-in-progress and stock-in-trade	18,854.38	14,196.22	11,928.60	33,050.60	21,314.62	(3,604.48)
(d) Employees benefits expense	1,738.96	1,257.75	1,268.33	2,996.71	2,547.22	5,736.53
(e) Depreciation & Amortization	401.13	397.60	217.84	798.73	612.53	1,397.93
(f) Stores, spares & packing materials consumed	68.52	264.83	86.14	333.35	496.18	2,428.76
(g) Other expenses	1,260.31	1,089.11	988.77	2,349.42	1,788.53	4,330.56
Total expenses	22,419.48	21,809.20	14,584.67	44,228.68	34,621.18	77,531.12
3 Profit / (Loss) from Operations before other income and finance costs (1-2)	5,259.73	5,167.03	1,471.47	10,426.76	(1,387.39)	6,198.43
4 Other Income	102.20	54.31	53.95	156.51	128.45	379.94
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	5,361.93	5,221.34	1,525.42	10,583.27	(1,258.94)	6,578.37
6 Finance costs	1,322.09	1,727.28	1,430.54	3,049.37	3,117.85	5,579.66
7 Profit / (Loss) from ordinary activities before tax (5-6)	4,039.84	3,494.06	94.88	7,533.90	(4,376.79)	998.71
8 Tax Expense :						
(a) Current Tax	854.49	5.83	59.08	860.32	63.56	55.52
(b) Deferred Tax Charge	1,346.22	1,202.95	-	2,549.17	-	199.75
(c) Provision for Income Tax no longer required written back			-	-	-	(375.82)
9 Net Profit / (Loss) after Tax (7-8)	1,839.13	2,285.28	35.80	4,124.41	(4,440.35)	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)	14.97 *	18.84 *	(0.63) *	33.81 *	(40.30) *	5.93

* Not annualised.



Upper Ganges Sugar & Industries Limited

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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Particulars	Quarter ended			Six Months ended		Year ended
	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
(₹ in Lacs)						
1. Segment Revenue						
a) Sugar	25,260.15	24,850.83	13,586.45	50,110.98	28,309.66	73,756.75
b) Distillery	1,845.16	3,053.11	1,659.23	4,898.27	4,574.46	10,496.02
c) Co-Generation	42.97	685.93	39.56	728.90	1,464.94	9,925.45
d) Tea	668.70	314.16	904.62	982.86	1,182.52	2,246.64
e) Others	48.53	151.27	44.57	199.80	268.99	878.38
Total	27,865.51	29,055.30	16,234.43	56,920.81	35,800.57	97,303.24
Less : Inter Segment Revenue	186.30	2,079.07	178.29	2,265.37	2,566.78	13,573.69
Net Sale/Income from Operations	27,679.21	26,976.23	16,056.14	54,655.44	33,233.79	83,729.55
2. Segment Results						
[Profit/(Loss) before finance cost]						
a) Sugar	5,093.69	4,241.40	1,151.54	9,335.09	(2,729.11)	(573.43)
b) Distillery	315.06	1,092.59	284.85	1,407.65	1,094.21	3,239.42
c) Co-Generation	(190.53)	(76.38)	(260.82)	(266.91)	68.07	3,657.50
d) Tea	223.69	31.08	407.66	254.77	440.71	429.66
e) Others	0.48	7.56	0.02	8.04	4.81	19.33
Total	5,442.39	5,296.25	1,583.25	10,738.64	(1,121.31)	6,772.48
Less/Add :						
i) Finance Cost	1,322.09	1,727.28	1,430.54	3,049.37	3,117.85	5,579.66
ii) Other un-allocable expenditure net off un-allocable income	80.46	74.91	57.83	155.37	137.63	194.11
Profit/(Loss) before tax	4,039.84	3,494.06	94.88	7,533.90	(4,376.79)	998.71
3. Segment Assets						
a) Sugar	33,873.89	54,032.08	41,989.60	33,873.89	41,989.60	70,335.40
b) Distillery	5,301.36	6,954.34	5,016.79	5,301.36	5,016.79	6,673.42
c) Co-Generation	14,077.19	14,800.83	14,173.47	14,077.19	14,173.47	15,815.74
d) Tea	1,624.11	1,481.86	1,483.77	1,624.11	1,483.77	1,209.29
e) Others	3.24	5.97	4.16	3.24	4.16	11.39
f) Unallocated Assets	8,880.67	10,204.33	11,302.22	8,880.67	11,302.22	11,571.01
Total	63,760.46	87,479.41	73,970.01	63,760.46	73,970.01	1,05,616.25
3. Segment Liabilities						
a) Sugar	12,415.63	20,182.87	25,401.29	12,415.63	25,401.29	36,643.51
b) Distillery	326.33	420.54	381.11	326.33	381.11	449.96
c) Co-Generation	38.10	39.18	62.97	38.10	62.97	42.53
d) Tea	361.74	454.89	258.70	361.74	258.70	348.10
e) Others	-	-	-	-	-	0.19
f) Unallocated Liabilities	42,558.52	60,161.30	49,493.76	42,558.52	49,493.76	64,197.73
Total	55,700.32	81,258.78	75,597.83	55,700.32	75,597.83	1,01,682.02



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Notes :

1. Statements of Assets and Liabilities

Particulars	As at 30 September 2016 ₹ in lacs	As at 31 March 2016 ₹ in lacs
Equity and liabilities		
1 Shareholders' funds		
(a) Share capital	4,155.73	4,155.73
(b) Reserves and surplus	3,904.41	(221.50)
	8,060.14	3,934.23
2 Non-current liabilities		
(a) Long-term borrowings	15,628.48	18,617.03
(b) Other long-term liabilities	380.59	540.23
(c) Long-term provisions	513.89	459.45
	16,522.96	19,616.71
3 Current liabilities		
(a) Short-term borrowings	19,321.18	38,910.17
(b) Trade payables	1,521.08	26,023.33
(c) Other current liabilities	17,259.09	16,862.55
(d) Short-term provisions	1,076.01	269.26
	39,177.36	82,065.31
TOTAL	63,760.46	1,05,616.25
Assets		
1 Non-current assets		
(a) Fixed assets	32,552.25	33,145.79
(b) Non-current investments	2,114.14	2,114.14
(c) Deferred Tax Assets (Net)	4,468.44	7,017.61
(d) Loans and advances	789.98	564.78
(e) Other Non current Assets	81.31	93.65
	40,006.12	42,935.97
2 Current assets		
(a) Current investments	17.50	17.50
(b) Inventories	16,965.72	52,921.77
(c) Trade receivables	2,133.14	4,209.96
(d) Cash and bank balances	1,464.86	1,692.43
(e) Loans and advances	1,645.97	1,112.18
(f) Other current assets	1,527.15	2,726.44
	23,754.34	62,680.28
TOTAL	63,760.46	1,05,616.25

- 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 and subsequent limited review report for the quarter ended 30th June 2016 have commented upon recognition of Deferred Tax Assets (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 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.
- There was no exceptional and extra-ordinary item during the quarter / six months ended 30th September 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 2nd November, 2016. 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 : 2nd November, 2016

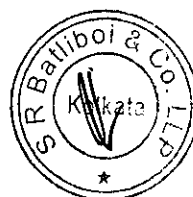


Review Report to

The Board of Directors
Upper Ganges Sugar & Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results of Upper Ganges Sugar & Industries 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 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 3 to the accompanying unaudited financial results, the Company continues to carry Deferred Tax Asset (DTA) (net) of Rs. 4,468.44 lacs (after reversal of Rs. 1,346.22 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 2,629.31lacs for the quarter as against the reported profit of Rs. 1,839.13 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/E3000005

per Kamal Agarwal

Partner

Membership Number: 58652

Place: Kolkata

Date: November 02, 2016

