

**B.K.Kapur & Company**  
Chartered Accountants

**17, Navyug Market**  
GHAZIABAD-201001  
Phones: 2790947, 2790951

**DRAFT LIMITED REVIEW REPORT**

To,  
**Uttam Sugar Mills Limited**  
Village Libberheri,  
Tehsil Roorkee  
District Haridwar  
Uttarakhand

1. We have reviewed the accompanying statement of unaudited financial results of **Uttam Sugar Mills Limited** for the period ended 31st December 2015. 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 these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure 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 opinion, we draw attention to note no.5 regarding significant accumulated losses incurred by the company which has eroded the Net worth. Losses indicates uncertainty as regards the company's ability to continue as going concern, however management believes that the going concern assumption is appropriate based on mitigating factors, as fully described therein. Accordingly, the financial statement has been prepared as a going concern basis.
4. Attention is also drawn to note no.6 regarding recognition of Deferred tax assets (DTA) of Rs 14104 Lacs in earlier years on unabsorbed business losses and unabsorbed depreciation up to 30.6.2015. The Company has not recognized Deferred Tax Assets (DTA) in respect of business losses and unabsorbed depreciation for the current and previous quarter which will be reviewed at the end of the year. Continuous losses in the last few years indicate the uncertainty as regards realization of such deferred tax assets. The Company's Management is of the view that it expects turnaround of sugar sector by view of Government initiatives and Cane Development Activities carried out by the company as supported by recovery in current season, it has become reasonable that sufficient taxable income will be available against which such deferred tax assets can be realized.

*M.S.*

5. We draw attention to note no 7- regarding recognition of cane price subsidy of Rs.23.30/- per quintal amounting to Rs 1322.29 lacs based on G.O.no.XIV-2/2016/7(6)/2013 dated 08.02.2016 issued by Government of Uttrakhand and Press release dated 18.01.2016 issued by the Government of Uttar Pradesh, which has lowered the loss for the quarter to the extent of Rs. 526.81 lacs. Due to non-declaration of average selling price of Sugar and by-products of the current season in the Government order and press release, company has recognized such subsidy based on average selling price as notified by the Governments in the previous crushing season.

*Since the recognition of aforesaid cane subsidy is based on future expected average selling price of sugar and its by products and in the absence of declaration regarding threshold average selling price for the current season on which subsidy is based, we are unable to comment on the extent of recognition of the above subsidy and its consequential impact on these results.*

6. Based on our review conducted as above, *except for the possible effect of our observation stated in para (5) 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 recognized 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 B.K.KAPUR & CO.,  
Firm Registration No. 000852c  
Chartered Accountants,

*M.S. Kapur*

(M.S.KAPUR) F.C.A.  
Partner.  
M.No.74615.

Place : Ghaziabad  
Dated: 13<sup>th</sup> February, 2016

**Utam Sugar Mills Limited**  
 Regd. Office : Village Libberhari, Tehsil Roorkee, Distt. Hardwar (Uttarakhand)  
 CIN : L99999UR1993PLC032518  
 Tel.No.0120-4525000  
 Website - www.utamnsugar.in, Email ID - investorrelation@utamnsugar.in

**Statement of Unaudited Financial Results for the Quarter and Six Months Ended 31st December 2015**

S.No.	Particulars	3 Months		3 Months		3 Months		6 Months		6 Months		12 Months	
		Ended 31.12.2015	Unaudited	Ended 30.09.2015	Unaudited	Ended 31.12.2014	Unaudited	Ended 31.12.2015	Unaudited	Ended 31.12.2014	Unaudited	Ended 30.06.2015	Audited
1	Income from Operations a) Net Sales/Income from Operations (Net of Excise Duty) b) Other Operating Income	23,717 162	15,513 320	23,745 957	39,230 482	23,745 957	36,560 996	38,138 1,152	36,560 996	38,138 1,152	73,184 2,777	75,961	
2	Total Income from Operations (Net)	23,879	15,833	24,702	39,712	24,702	37,556	39,712	37,556	39,712	75,961	75,961	
3	Expenses a) Cost of Material Consumed b) Changes in Inventories of Finished Goods, Work-in-Progress c) Employee Benefits Expenses d) Depreciation and Amortisation Expenses e) Other Expenses	15,156 4,938 1,079 567 2,035	14,793 796 553 1,248	15,105 8,503 960 590 1,852	15,156 19,731 1,835 1,120 3,283	15,105 8,503 960 590 1,852	15,105 24,027 1,604 2,329 2,599	15,105 24,027 1,604 2,329 2,599	15,105 24,027 1,604 2,329 2,599	15,105 24,027 1,604 2,329 2,599	15,105 24,027 1,604 2,329 2,599	61,168 6,031 3,910 2,329 6,325	61,168 6,031 3,910 2,329 6,325
4	Total Expenses	23,776	17,380	27,010	41,126	27,010	44,506	41,126	44,506	41,126	79,763	79,763	
5	Profit/(Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	104	(1,517)	(2,308)	(1,413)	(2,308)	(6,949)	(1,413)	(6,949)	(1,413)	(3,802)	(3,802)	
6	Other Income	27	32	30	59	30	143	59	143	59	275	275	
7	Profit/(Loss) from Ordinary Activities before Finance Cost and Exceptional Items (3+4)	131	(1,485)	(2,278)	(1,354)	(2,278)	(6,806)	(1,354)	(6,806)	(1,354)	(3,527)	(3,527)	
8	Finance Costs	1,689	1,802	1,862	3,491	1,862	3,922	3,491	3,922	3,491	7,541	7,541	
9	Profit/(Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (5-8)	(1,558)	(3,287)	(4,140)	(4,845)	(4,140)	(10,728)	(4,845)	(10,728)	(4,845)	(11,069)	(11,069)	
10	Exceptional Items	(1,558)	(3,287)	(4,140)	(4,845)	(4,140)	(10,728)	(4,845)	(10,728)	(4,845)	(11,069)	(11,069)	
11	Profit/(Loss) from Ordinary Activities after Tax (7-9)	82	277	116	359	116	4	359	4	359	(2,347)	(2,347)	
12	Tax Expense	(1,540)	(3,564)	(4,259)	(5,204)	(4,259)	(10,732)	(5,204)	(10,732)	(5,204)	(6,819)	(6,819)	
13	Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	(1,540)	(3,564)	(4,259)	(5,204)	(4,259)	(10,732)	(5,204)	(10,732)	(5,204)	(6,819)	(6,819)	
14	Extraordinary Items (Net of Tax Expense)	(1,540)	(3,564)	(4,259)	(5,204)	(4,259)	(10,732)	(5,204)	(10,732)	(5,204)	(6,819)	(6,819)	
15	Net Profit/(Loss) after Taxes (11-12)	(1,540)	(3,564)	(4,259)	(5,204)	(4,259)	(10,732)	(5,204)	(10,732)	(5,204)	(6,819)	(6,819)	
16	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	3,813.81	3,813.81	3,813.81	3,813.81	3,813.81	3,813.81	3,813.81	3,813.81	3,813.81	3,813.81	3,813.81	
17	Paid up 6.5% Redeemable Preference Share Capital (Face Value of Rs. 100/- each)	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	
18	Paid up 10% Redeemable Preference Share Capital (Face Value of Rs. 100/- each)	2,165.00	2,165.00	2,165.00	2,165.00	2,165.00	2,165.00	2,165.00	2,165.00	2,165.00	2,165.00	2,165.00	
19	a) Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	-	-	-	-	(10,872.11)	(10,872.11)	
20	b) Revaluation Reserves	(4.66)	(3.70)	(11.52)	(14.35)	(11.52)	(28.85)	(14.35)	(28.85)	(11.52)	8,240.48	8,240.48	
21	Earning Per Share - (Basic) (Not annualised) (Rs.)	(4.66)	(3.70)	(11.52)	(14.35)	(11.52)	(28.85)	(14.35)	(28.85)	(11.52)	(24.54)	(24.54)	
22	(Diluted) (Not annualised) (Rs.)	(4.66)	(3.70)	(11.52)	(14.35)	(11.52)	(28.85)	(14.35)	(28.85)	(11.52)	(24.54)	(24.54)	

(Rs. In Lacs)



## Statement of Assets and Liabilities

S.No.	Particulars	(Rs. In lacs)	
		As at 31.12.2015 Unaudited	As at 30.06.2015 Audited
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' Funds</b>		
	Share Capital	10,979	10,979
	Reserves and Surplus	(7,835)	(2,631)
	Sub Total: Share Holder's Fund	3,144	8,348
2	<b>Non Current Liabilities</b>		
	Long Term Borrowings	14,903	13,414
	Long Term Provisions	575	547
	Sub Total: Non Current Liabilities	15,478	13,961
3	<b>Current Liabilities</b>		
	Short Term Borrowings	41,359	44,635
	Trade Payables	24,209	39,573
	Other Current Liabilities	14,815	16,377
	Short Term Provisions	91	77
	Sub Total: Current Liabilities	80,474	100,662
	<b>TOTAL-Equity &amp; Liabilities</b>	<b>99,096</b>	<b>122,971</b>
<b>B</b>	<b>ASSETS</b>		
1	<b>Non Current Assets</b>		
	Fixed Assets	54,597	54,996
	Deferred Tax Assets (Net)	6,839	7,199
	Long Term Loans and Advances	1,032	1,029
	Sub Total: Non Current Assets	62,468	63,224
2	<b>Current Assets</b>		
	Inventories	26,634	46,492
	Trade Receivables	2,126	2,552
	Cash and Bank Balances	3,841	2,096
	Short Term Loans and Advances	1,109	773
	Other Current Assets	2,918	7,837
	Sub Total: Current Assets	35,628	59,750
	<b>TOTAL-Assets</b>	<b>99,096</b>	<b>122,971</b>



**Utam Sugar Mills Limited**

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 CIN : L99999UR1993PLC032518

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Website - www.utamugar.in, Email ID - investorrelation@utamugar.in

**Unaudited Segment Wise Revenue, Results and Capital Employed for the Quarter and Six Months Ended 31st December 2015**

(Rs. in Lacs)

S.No.	Particulars	3 Months Ended		3 Months Ended		3 Months Ended		6 Months Ended		6 Months Ended		12 Months Ended
		31.12.2015	30.09.2015	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	30.06.2015		
1	Segment Revenue											
	a) Sugar	22,910	14,369	24,535	37,279	37,024	74,079	37,024	74,079	7,230	8,818	75,951
	b) Cogeneration	1,618	28	1,736	1,646	1,755	3,470	1,755	3,470	969	1,136	2,720
	c) Distillery	2,041	1,792	437	3,833	38,748	84,779	38,748	84,779	2,192	8,818	1,136
	Total	26,569	16,189	26,708	42,758	77,527	162,228	77,527	162,228	11,181	18,772	80,807
	Less: Inter Segment Revenue	2,690	356	2,006	3,046	2,192	5,142	2,192	5,142	2,192	2,192	2,192
	Net Sales/Income from operations	23,879	15,833	24,702	39,712	75,335	157,086	75,335	157,086	8,989	16,580	78,615
2	Segment Results - Profit/(Loss) before Tax and Finance Cost and Exceptional Items											
	a) Sugar	(820)	(1,609)	(2,790)	(2,429)	(6,890)	(6,369)	(6,890)	(6,369)	423	2,720	1,136
	b) Cogeneration	591	(132)	555	459	423	2,720	423	2,720	1,136	1,136	2,720
	c) Distillery	603	482	196	1,085	129	1,136	129	1,136	468	468	98
	Total	374	(1,259)	(2,029)	(884)	(6,338)	(2,513)	(6,338)	(2,513)	3,922	7,541	1,014
	Add/less: i) Finance Cost	1,699	1,802	1,892	3,491	3,922	7,541	3,922	7,541	1,014	1,014	98
	ii) Other Un-allocable Expenditure net of	243	227	249	470	468	1,014	468	1,014	1,014	1,014	98
	iii) Exceptional Item	-	-	-	-	-	-	-	-	-	-	-
	Capital Employed (Segment Assets - Segment Liabilities)	(1,559)	(3,297)	(4,140)	(4,945)	(10,729)	(11,166)	(10,729)	(11,166)	48,551	9,313	10,001
3	a) Sugar	41,413	44,700	37,851	41,413	37,851	48,551	37,851	48,551	9,313	10,001	134
	b) Cogeneration	8,467	8,233	9,376	8,467	9,376	10,001	9,376	10,001	10,001	10,001	134
	c) Distillery	9,634	9,711	9,024	9,634	9,024	10,001	9,024	10,001	10,001	10,001	134
	e) Unallocable	560	405	100	560	100	134	100	134	100	134	134
	Total	60,074	63,049	56,351	60,074	56,351	67,999	56,351	67,999	20,429	20,136	20,136

*For Signature*

- Notes:**
- 1 The above financial results have been taken on record by the Board of Directors at their meeting held on 13th February, 2016 after being reviewed and recommended by Audit Committee.
  - 2 In compliance with requirement of Accounting Standard (AS)-17 on 'Segment Reporting' issued by The Institute of Chartered Accountants of India, the company has disclosed the information for reportable segments i.e. Sugar, Cogeneration & Distillery.
  - 3 Sugar being a seasonal industry, the performance of the quarter may not be representative of the annual performance of the Company.
  - 4 Figures stated above have been regrouped and/or reclassified wherever necessary.
  - 5 Due to decline in sugar realisation and other market factors, the company has incurred losses during the current quarter. The Management is hopeful of positive outcome due to Govt. Initiatives and cane development activities, the company expects to generate positive cash flow and profitability in future and accordingly, these financial results have been drawn upon the going concern assumption.
  - 6 During the current quarter the company has not recognised Deferred Tax Assets on business loss & depreciation and same will be reviewed at the end of the year. Deferred Tax Assets has been recognised in earlier years in respect of unabsorbed business losses & depreciation upto 30.06.2015 in view of various initiatives taken by the government and better recovery due to cane development activities carried out by the company.
  - 7 During the quarter Company has considered cane price of the season 2015-2016 in accordance with the G.O.No. XV-2/2016(76)/2013 dated 08.02.2016 issued by Uttarakhand Government and Press release dated 18.01.2016 issued by Uttar Pradesh Government. Pending announcement of average selling price of sugar and its by-products for the current season, subsidy of Rs.23.30/- per qtl amounting to Rs.1322.29 lacs has been recognized based on the average selling price of sugar and by-product which are presently lower than the threshold prices of sugar and by-products as notified by the Uttarakhand & Uttar Pradesh Government in the previous crushing season as well as lower than the corresponding quarter of the last year. Such subsidy has been deducted from cane cost. Due to such recognition of the subsidy the loss for the quarter has reduced to the extent of Rs.526.81 Lacs

For Uttam Sugar Mills Limited

  
Raj Kumar Adlakha  
Managing Director

Place : Noida  
Dated : 13th February 2016