

KIRTANE & PANDIT

LIMITED REVIEW REPORT FOR QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

To the Board of Directors,
The Ugar Sugar Works Limited

1. We have reviewed the accompanying statement of unaudited financial results of The Ugar Sugar Works Limited ('the Company') for the quarter ended September 30, 2017 and year to date from April 1, 2017 to September 30, 2017 ('the statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, read with SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 1, 2016 (transition date) prepared in accordance with the Companies Indian Accounting Standards Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. 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 Engagement (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company personnel and 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. Based on our review conducted as 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 i.e. Indian Accounting Standards ('Ind AS') prescribed

Kirtane & Pandit LLP - Chartered Accountants
Pune | Mumbai | Nashik | Bangaluru | Hyderabad

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under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 Disclosures Requirements) Regulations, 2015 and SEBI Circular No: CIR/CFD/FAC/62/2016 dated 5th July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to the following matters:

- a. The Company has adopted Ind AS for the financial year commencing from April 1, 2017, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
- b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter and half year ended on September 30, 2016 and accordingly, we do not express any conclusion on the results in the Statement for the quarter and half year ended September 30, 2016.

Our conclusion is not qualified in respect of these matters.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Reg. No. 105215W/W100057



Parag Pansare

Partner
Membership No.: 117309

Panhala, November 10, 2017



THE UGAR SUGAR WORKS LIMITED

Regd. Office: Mahaveernagar, Sangli 416416

Administrative Offices: Ugarkhurd 591316 (Dist. Belgavi)

Factories: Ugarkhurd (Dist. Belgavi) and Nagarhalli-Malli Village (Dist. Kalburgi)

PART I

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2017

(Amount in Lakh Rs.)

Particulars	<< Quarter Ended As On >>			For the six months ended on	
	30/09/2017 (Unaudited)	30/06/2017 (Unaudited)	30/09/2016 (Unaudited)	30/09/2017 (Unaudited)	30/09/2016 (Unaudited)
1. Income from Operations					
(a) Net Sales / Income from operations	23,743.95	14,688.25	16,361.42	38,432.20	32,120.11
(b) Other Operating Income	-	-	-	-	99.40
Total income from Operations	23,743.95	14,688.25	16,361.42	38,432.20	32,219.51
2. Other Income	135.04	52.29	27.34	187.33	514.53
3. Total Income (1 + 2)	23,878.99	14,740.54	16,388.76	38,619.53	32,734.04
4. Expenses					
(a) Cost of materials consumed	3,527.34	406.81	2,188.83	3,934.15	2,654.96
(b) Other Manufacturing Expenses	602.54	443.20	678.62	1,045.74	957.42
(c) Purchase of Stock in trade	458.61	495.80	354.63	954.41	1,074.08
(d) Change in inventories of finished goods, work-in-progress and stock-in-trade	17,500.47	8,595.76	8,177.48	26,096.23	15,934.66
(e) Employee benefit expenses	1,519.22	1,298.68	1,790.34	2,817.90	3,018.50
(f) Finance costs	587.62	914.15	670.96	1,501.77	1,465.93
(g) Depreciation & amortisation expense	385.02	370.80	345.54	755.82	690.93
(h) Excise Duty	2,957.95	4,179.79	4,055.89	7,137.74	8,139.43
(i) Other expenses	413.50	398.95	713.66	812.45	1,157.16
Total Expenses	27,952.27	17,103.94	18,975.95	45,056.21	35,093.07
5. Profit before tax (3 - 4)	(4,073.28)	(2,363.40)	(2,587.19)	(6,436.68)	(2,359.03)
6. Tax Expense					
Current Tax (Net of MAT Credit)	-	-	-	-	-
Deferred Tax	416.06	59.01	(90.95)	475.07	(65.66)
Total Tax Expense	416.06	59.01	(90.95)	475.07	(65.66)
7. Profit after Tax (5 - 6)	(4,489.34)	(2,422.41)	(2,496.24)	(6,911.75)	(2,293.37)

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PART I

(Amount in Lakh Rs.)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2017

Particulars	<< Quarter Ended As On >>			For the six months ended on	
	30/09/2017 (Unaudited)	30/06/2017 (Unaudited)	30/09/2016 (Unaudited)	30/09/2017 (Unaudited)	30/09/2016 (Unaudited)
8. Other Comprehensive Income					
A. (i) Items that will not be reclassified to Profit or Loss					
Remeasurement of defined benefit Plans	-	252.19	(92.08)	252.19	(184.16)
(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss	-	-	-	-	-
B. (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-
(ii) Income Tax relating to Items that will be reclassified to Profit or Loss	-	-	-	-	-
Total Other Comprehensive Income, Net of Tax	-	252.19	(92.08)	252.19	(184.16)
9.. Total Comprehensive income for the period	(4,489.34)	(2,170.22)	(2,588.32)	(6,659.56)	(2,477.53)
10. Paid-up equity share capital (Face Value per Share - Re. 1)	1,125.00	1,125.00	1,125.00	1,125.00	1,125.00
11. Other Equity	...	...	...	...	...
12. Earnings per share of Re. 1 (not annualised)	Rs. (3.99)	Rs. (1.93)	Rs. (2.30)	Rs. (5.92)	Rs. (2.20)
Basic & Diluted					

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PART I

UNAUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED 30th SEPTEMBER, 2017

(Amount in Lakh Rs.)

Particulars	<< Quarter Ended As On >>			For the six months ended on	
	30/09/2017 (Unaudited)	30/06/2017 (Unaudited)	30/09/2016 (Unaudited)	30/09/2017 (Unaudited)	30/09/2016 (Unaudited)
1. Segment Revenue					
a. Sugar	19,599.34	10,317.62	12,027.65	29,916.96	23,322.22
b. Co-generation	0.21	13.95	203.37	14.16	402.56
c. Industrial Alcohol	322.43	803.60	1,010.85	1,126.03	2,038.83
d. Potable Alcohol	4,068.98	4,617.79	4,408.06	8,686.77	8,805.43
e. Unallocated	-	-	-	-	-
Total	23,990.96	15,752.96	17,649.93	39,743.92	34,569.04
Less: Intersegment Revenue	247.01	1,064.71	1,288.51	1,311.72	2,349.53
Net Sales / Income from Operation	23,743.95	14,688.25	16,361.42	38,432.20	32,219.51
2. Segment Results					
Profit / (Loss) before interest & tax					
a. Sugar	(2,244.39)	(517.05)	241.41	(2,761.44)	1,626.24
b. Co-generation	(500.38)	(362.93)	(778.75)	(863.31)	(1,096.38)
c. Industrial Alcohol	(82.85)	37.41	(237.60)	(45.44)	(189.97)
d. Potable Alcohol	17.15	63.20	(34.31)	80.35	56.36
e. Unallocated	-	-	-	-	-
Total	(2,810.47)	(779.37)	(809.25)	(3,589.84)	396.25
Less:					
i. Finance Cost	587.62	914.15	670.96	1,501.77	1,465.93
ii. Other Unallocable Expenditure	810.23	722.17	1,134.32	1,532.40	1,803.88
iii. Unallocable Income	(135.04)	(52.29)	(27.34)	(187.33)	(514.53)
	1,262.81	1,584.03	1,777.94	2,846.84	2,755.28
Profit / (Loss) before tax	(4,073.28)	(2,363.40)	(2,587.19)	(6,436.68)	(2,359.03)
3. Capital Employed					
(Segment Assets minus Segment Liabilities)					
a. Sugar	19,828.82	34,195.77	31,873.81	19,828.82	31,873.81
b. Co-generation	5,221.97	5,209.56	5,328.20	5,221.97	5,328.20
c. Industrial Alcohol	1,621.00	1,964.75	1,405.68	1,621.00	1,405.68
d. Potable Alcohol	2,094.93	2,194.70	1,970.64	2,094.93	1,970.64
e. Others (Unallocated)	832.58	899.98	938.93	832.58	938.93
Total	29,599.30	44,464.76	41,517.26	29,599.30	41,517.26

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Notes:

1. The main business of the Company being seasonal, the figures of the current period are not indicative of the annual results.
2. Inter-segment Transfers of Bagasse and Molasses, the cost of which is unascertainable, are recorded at net realisable value. Inter-segment Transfers of other items are recorded at cost.
3. Figures for the corresponding quarter in the earlier year have been regrouped / recast, where necessary. Post applicability of Goods and Service Tax (GST), with effect from 1 July 2017, revenue from operations are required to be disclosed net of GST. Accordingly, the revenue from operations for the quarter and six months ended 30 September 2017 are not comparable with the previous periods presented in the results.
4. The format of unaudited financial results as prescribed in SEBI's circular dated 30-11-2015, has been modified to comply with the requirements of SEBI's circular dated 05-07-2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013, which are applicable to companies that are required to comply with Ind AS.
5. The Statutory Auditors of the Company have carried out a limited review of the accounts for the quarter & six months ended 30-09-2017. The Ind AS compliant corresponding figures for the quarter & six months ended 30-09-2016 have not been subjected to limited review / audit. However, the Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
6. Cost of Raw Material Consumed includes an amount of Rs.2,761.72 Lakh additional cane price provided at Rs.325 per MT for sugar season 2016-17 for Ugar Unit.
7. Crushing operations for the season 2017-18 have commenced at Ugar on 27-10-2017.

8. Reconciliation of profit as previously reported	30/09/2016
<u>under Indian GAAP to Ind AS</u>	<u>Rs. Lakh</u>
Net profit as per Indian GAAP	(2,477.53)
Ind AS adjustments:	
Actuarial loss/(gain) on post-employment	(184.16)
defined benefit plans	-
Tax Effect thereon	<u>(184.16)</u>
Total Ind AS adjustments:	(2,293.37)
Net profit for the period as per Ind AS	

9. The above results are reviewed by the Audit Committee and were approved and taken on record by the Board of Directors at its meeting held on 10-11-2017.

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(Amount in Lakh Rs.)

STATEMENT OF ASSETS AND LIABILITIES

As at

30th September 2017

Particulars	As at 30.09.2017
ASSETS	
1. Non-current Assets	
a. Property, Plant and Equipment	15,906.39
b. Capital Work-in-progress	1,240.30
c. Investment Property	9.43
d. Other Intangible Assets	0.36
	-
f. Financial Assets	591.34
i. Investments	-
ii. Trade Receivables	51.84
iii. Loans	110.12
iii. Other	-
	317.38
g. Deferred Tax Assets (Net)	18,227.17
h. Other Non-current Assets	
	11,356.77
2. Current Assets	
a. Inventories	-
b. Financial Assets	2,828.40
i. Investment	210.88
ii. Trade Receivables	102.97
iii. Cash & Cash Equivalent	3.50
iv. Bank balances other than (iii) above	6.12
v. Loans	
vi. Other	352.13
	4,098.08
c. Current Tax assets (Net)	18,958.85
d. Other Current Assets	37,186.01

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(Amount in Lakh Rs.)

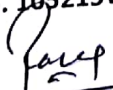
STATEMENT OF ASSETS AND LIABILITIES

As at

30th September 2017

Particulars	As at 30.09.2017
EQUITY AND LIABILITIES	
I Equity	1,125.00
a. Equity Share Capital	3,313.06
b. Other Equity	
II Liabilities	
1 Non-current Liabilities	
a. Financial Liabilities	3,114.65
i. Borrowings	-
ii. Other	
b. Provisions	1,390.84
c. Deferred Tax Liabilities (Net)	1,119.95
d. Other non-current liabilities	-
2 Current Liabilities	
a. Financial Liabilities	9,809.73
i. Borrowings	3,215.56
ii. Trade Payables	3,980.14
iii. Other	
b. Other Current Liabilities	9,711.88
c. Provisions	405.21
d. Current Tax Liabilities (Net)	-
	37,186.01

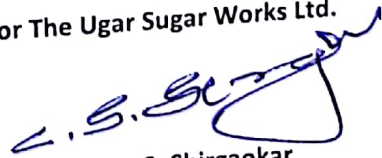
For M/s Kirtane and Pandit LLP
Chartered Accountants
Firm Regn. No. 105215W/W100057


Parag Pansare
Partner

Membership No. 117309



For The Ugar Sugar Works Ltd.


Chandan S. Shirgaokar
Managing Director
DIN - 208200

Place: Panhala
Date: 10-11-2017

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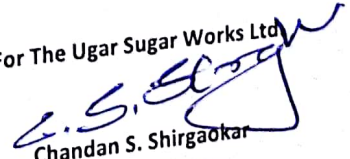
**STATEMENT OF UNAUDITED FINANCIAL RESULTS
 FOR THE QUARTER ENDED 30th SEPTEMBER, 2017**

Particulars	Rs. in Lakh (Except Earning per Share)		
	Quarter ended	Year to date Figures	Corresponding 3 months ended in the previous year
	30/09/2017	30/09/2017	30/09/2016
1. Total Income from Operations (Net)	23,743.95	38,432.20	16,361.42
2. Net Profit / (Loss) for the period (before tax, Exceptional and / or Extraordinary items)	(4,073.28)	(6,436.68)	(2,587.19)
3. Net Profit / (Loss) for the period before tax, (after Exceptional and / or Extraordinary items)	(4,073.28)	(6,436.68)	(2,587.19)
4. Net Profit / (Loss) for the period after tax (after Exceptional and / or Extraordinary items)	(4,489.34)	(6,911.75)	(2,496.24)
5. Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(4,489.34)	(6,659.56)	(2,588.32)
5. Equity Share Capital	1,125.00	1,125.00	1,125.00
6. Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of Previous Year)			
8. Earnings per share of Re. 1/- each (for continued and discontinued business) Basic and Diluted	(3.99)	(5.92)	(2.30)

Notes:

1. The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of SEBI (Listing and Other Disclosures Requirements) Regulations, 2015. The full format of the Quarterly Financial Results is available on the Stock Exchange websites (www.bseindia.com & www.nseindia.com) and Company's website (www.ugarsugar.com)

2. The above results are reviewed by the Audit Committee and were approved and taken on record by the Board of Directors at its meeting held on 10-11-2017.

For The Ugar Sugar Works Ltd

 Chandan S. Shirgaokar
 Managing Director
 DIN - 208200

Place: Panhala
 Date: 10-11-2017