

THE UNITED PROVINCES SUGAR COMPANY LIMITED

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2018

(₹ in Lakhs, for except EPS)

Particulars	Quarter Ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	Audited	Unaudited	Audited	Audited	Audited
I. Revenue from Operations	13,578.73	1,641.33	5,727.43	29,537.57	27,047.51
II. Other Income	24.09	4.92	49.33	50.36	88.36
III. Total Income (I+II)	13,602.82	1,646.25	5,776.76	29,587.93	27,135.87
IV. Expenses:					
i. Cost of Materials Consumed	15,344.96	5,277.58	14,268.46	21,445.94	18,383.78
ii. Excise Duty Expenses	NIL	NIL	254.38	395.90	1,492.21
iii. Changes in Inventories of Finished Goods, By-Products and Work-in-Progress	(1,683.13)	(3,990.13)	(11,470.36)	6,991.90	1,992.92
iv. Employee Benefits Expenses	421.76	406.20	831.37	1,545.68	1,718.82
v. Finance Costs	236.16	260.69	213.40	1,158.13	1,174.26
vi. Depreciation and Amortisation Expense	131.71	131.61	130.46	526.83	521.83
vii. Other Expenses	588.74	366.24	500.46	1,382.93	1,361.41
Total Expenses	15,040.20	2,452.19	4,728.17	33,447.31	26,645.23
V. Profit/(Loss) before Exceptional Items and Tax (III-IV)	(1,437.38)	(805.94)	1,048.59	(3,859.38)	490.64
VI. Exceptional Items	NIL	NIL	NIL	NIL	NIL
VII. Profit/(Loss) Before Tax (V+VI)	(1,437.38)	(805.94)	1,048.59	(3,859.38)	490.64
VIII. Tax Expenses					
i. Current Tax	NIL	NIL	NIL	NIL	NIL
ii. Deferred Tax	32.03	(946.43)	(5.86)	(1,411.15)	163.66
Total Tax Expenses	32.03	(946.43)	(5.86)	(1,411.15)	163.66
IX. Profit/(Loss) for the Period (VII-VIII)	(1,469.41)	140.49	1,054.45	(2,448.23)	326.98
X. Other Comprehensive Income					
Items that will not be reclassified to Profit and Loss					
i. Gain/(Loss) on Remeasurement of Defined Benefits Plan	35.34	(17.31)	(115.83)	(16.58)	(114.78)
ii. Gain/(Loss) on Sale of Equity Instruments	NIL	NIL	0.94	NIL	0.94
iii. Income Tax on (i) above	(11.80)	5.78	38.30	5.54	37.95
Other Comprehensive Income	23.54	(11.53)	(76.59)	(11.04)	(75.89)
XI. Total Comprehensive Income (IX+X)	(1,445.87)	128.96	977.86	(2,459.28)	251.09
Paid up Equity Share Capital (Face value ₹ 10 each)	255.00	255.00	255.00	255.00	255.00
XII. Other Equity				3,432.25	5,890.01
XIII. Earnings per equity share (of ₹ 10 each) (Not Annualised)					
Basic and Diluted EPS (₹)	(57.62)	5.51	41.35	(96.01)	12.82



THE UNITED PROVINCES SUGAR COMPANY LIMITED

Balance Sheet as at March 31, 2018

Particulars	(in Lakhs)	
	As At March 31, 2018	As At March 31, 2017
ASSETS		
Non-current Assets		
(a) Property, Plant and Equipment	13,474.33	13,336.26
(b) Capital Work-in-Progress	908.30	NIL
(c) Other Intangible Assets	5.06	4.59
(d) Financial Assets		
(i) Investments	NIL	NIL
(ii) Loans	9.00	9.02
(iii) Other Financial Assets	4.16	2.52
(e) Deferred Tax Asset (Net)	694.34	NIL
(f) Other Non-current Assets	11.69	4.48
Total Non-current Assets	15,106.88	13,356.87
Current Assets		
(a) Inventories	6,605.25	14,169.71
(b) Financial Assets		
(i) Trade Receivables	29.68	3.43
(ii) Cash and Cash Equivalents	321.62	2,453.97
(iii) Other Financial Assets	14.02	9.26
(c) Other Current Assets	47.27	75.94
Total Current Assets	7,017.84	16,712.31
TOTAL ASSETS	22,124.72	30,069.18
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	255.00	255.00
(b) Other Equity	3,432.25	5,890.01
Total Equity	3,687.25	6,145.01
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		
(b) Provisions	2,977.00	4,399.00
(c) Deferred Tax Liabilities (Net)	547.32	548.15
Total Non-current Liabilities	3,524.32	5,669.50
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		
(ii) Trade Payables	5,573.44	10,606.91
(iii) Other Financial Liabilities	5,919.04	5,640.39
(b) Provisions	2,547.53	885.82
(c) Other Current Liabilities	159.92	131.28
Total Current Liabilities	14,913.15	18,254.67
Total Liabilities	18,437.46	23,924.17
TOTAL EQUITY AND LIABILITIES	22,124.72	30,069.18



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Notes :

1. The above audited Financial Results for the quarter and year ended March 31, 2018 were reviewed by the Board of Directors at its meeting held on June 22, 2018.
2. The Company has adopted Indian Accounting Standard (Ind AS) with effect from April 1, 2017. Accordingly, the results for the quarter and year ended March 31, 2018 and for the quarter ended December 31, 2017 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter, and presented in accordance with the requirement of SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The results for the quarter and year ended March 31, 2017 have been restated to comply with Ind AS.
3. The figures for the last quarter of the current year and previous year as reported in these financial results are balancing figures between the audited figures in respect of the Financial Year and published year-to-date figures upto the end of the third quarter of the relevant Financial Year, which were subjected to limited review.
4. Sugar being a seasonal industry, the performance of the Company varies from quarter to quarter and results for the quarter as such are not representative of the annual performance of the Company.
5. The Company has only one operating segment, i. e. Sugar' which is the single reporting segment as per Ind AS 108.
6. The Government of India introduced the Goods and Services Tax (GST) with effect from July 1, 2017. GST is collected on behalf of the Government and no economic benefit flows to the entity and does not result in an increase in Equity. Consequently, sales for the quarters ended December 31, 2017 and March 31, 2018 are presented net of GST. Sales of earlier periods included excise duty which now is subsumed in GST. The revenue for the year ended March 31, 2018 includes excise duty upto June 30, 2017. Accordingly, the related figures for the quarters ended December 31, 2017, March 31, 2018 and the year ended March 31, 2018 are not comparable with the previous periods presented in the results.
7. Sugar industry per se is agro-based as also cyclical and hence, the prices of sugar and consequently, the profits of the Company depend upon variety of factors such as agroclimatic conditions, availability of sugarcane, sugar recovery and international sugar scenario. Though the Company has made losses during the year in the preceding financial years, the Company made profits. In fact, in the last nineteen years, the Company made losses only in seven years. Thus, considering the cyclical nature of the Company's activities and its past records, as the losses incurred in one year gets generally recouped over a period of 2-3 years, the management of the Company expects that it is probable that future taxable profit will be available against which the unused tax losses can be utilised and accordingly, Deferred Tax Asset aggregating to ₹ 3455.47 lakhs for the year ended March 31, 2018 and ₹ 2034.52 lakhs for the year ended March 31, 2017 is recognised in respect of unabsorbed depreciation and business losses.

8. a. Reconciliation of the Net Profit/ (Loss) for previous periods as reported under the Previous GAAP to Total Comprehensive Income under Ind AS :

Particulars	₹ in Lakhs)	
	Quarter Ended March 31, 2017	Year Ended March 31, 2017
Net profit for the period (as per AS)	810.96	420.43
Add/(less) : Adjustments in statement of profit and loss		
a. (Gain)/ Loss on Remeasurement of Defined Benefit Plans	77.53	76.83
b. (Gain)/ Loss on Sale of Equity Instruments	(1.13)	(1.13)
c. Depreciation transferred from Revaluation Reserve	(87.57)	(253.94)
d. Deferred Tax	254.65	84.79
Net profit as per Ind AS	1,054.45	326.98
Other Comprehensive Income (Net of Tax)	(76.59)	(75.89)
Total Comprehensive Income	977.86	251.09



b. Reconciliation of the Equity for previous periods as reported under the Previous GAAP to Ind AS :

Particulars	₹ in Lakhs)	
	As at March 31, 2017	
Equity as per Previous GAAP	8,624.72	
Add / (Less): Adjustment on transition to Ind AS		
a. Deferred Tax Impact	(2,479.71)	
Equity as per Ind AS	6,145.01	

9. Figures for the previous period have been regrouped and/ or rearranged and/ or reclassified wherever necessary to make them comparable with those of current period.



Place : Mumbai
Dated : June 22, 2018

For and on behalf of the Board of Directors of
The United Provinces Sugar Company Limited



Arvind K. Kanoria
Arvind K. Kanoria
Managing Director

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BANSI S. MEHTA & CO.
CHARTERED ACCOUNTANTS

Bansi S. Mehta
(Chief Mentor)

D. I. SHAH	A. A. DESAI
K. R. GANDHI (Ms.)	H. G. BUCH
D. R. DESAI (Ms.)	Y. A. THAR
P. H. CLERK	R. G. DOSHI
M. V. SHAH	A. B. AGRAWAL
A. A. AGRAWAL (Ms.)	U. A. SHAH (Ms.)

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Independent Auditor's Report on Quarterly and Year to date Financial Results of The United Provinces Sugar Company Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
The United Provinces Sugar Company Limited**

1. We have audited the accompanying Statement of Financial Results of **THE UNITED PROVINCES SUGAR COMPANY LIMITED** ("the Company") for the quarter and year ended March 31, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement have been compiled on the basis of the Financial Statements of the Company as at and for the year ended March 31, 2018, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these Financial Results based on our audit of such Financial Statements, which have been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures of the financial results. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of financial results in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial results.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Financial Results of the Company:
 - a. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements Regulations, 2015), as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - b. give a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India, of the net profit, total comprehensive income and other financial information of the Company or the year ended March 31, 2018.
4. The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2017 included in these financial results, are based on the previously issued financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India and audited by the predecessor auditor (vide their unmodified audit report on August 7, 2017), as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.
5. The figures of the Financial Results as reported for the quarter ended March 31, 2018 and the corresponding quarter ended in the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the end of the third quarter of the relevant financial year. Also, the figures upto the end of the third quarter of the current financial year had only been subject to limited review by us, whereas the figures of the previous financial year had been subjected to limited review by the predecessor auditor. Our opinion is not modified in respect of this matter.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W



A handwritten signature in black ink, appearing to be "PH" followed by a long horizontal stroke.

PARESH H. CLERK
Partner
Membership No. 36148

PLACE : MUMBAI
DATED : JUNE 22, 2018