

THE UNITED PROVINCES SUGAR COMPANY LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF-YEAR ENDED SEPTEMBER 30, 2019

(₹ in Lakhs, except for EPS)

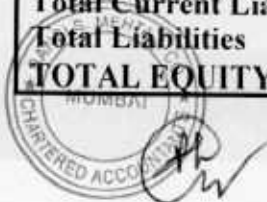
| | Particulars | Quarter Ended | | | Half-Year Ended | | Year ended |
|------|--|--------------------|-----------------|--------------------|--------------------|--------------------|------------------|
| | | September 30, 2019 | June 30, 2019 | September 30, 2018 | September 30, 2019 | September 30, 2018 | March 31, 2019 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| I | Revenue from Operations | 5,473.73 | 5,959.57 | 2,657.29 | 11,433.30 | 10,772.94 | 15,988.03 |
| II | Other Income | 144.48 | 97.49 | 14.95 | 241.97 | 24.01 | 257.09 |
| III | Total Income (I+II) | 5,618.21 | 6,057.06 | 2,672.24 | 11,675.27 | 10,796.95 | 16,245.12 |
| IV | Expenses : | | | | | | |
| | (a) Cost of Materials Consumed | 11.32 | 4,462.94 | 2.37 | 4,474.26 | 4,805.54 | 26,876.41 |
| | (b) Changes in Inventories of Finished Goods, By-Products and Work-in-Progress | 4,923.00 | 300.09 | 2,308.76 | 5,223.09 | 5,874.59 | (14,946.77) |
| | (c) Employee Benefits Expense | 318.07 | 394.52 | 353.83 | 712.59 | 745.03 | 1,635.35 |
| | (d) Finance Costs | 662.08 | 655.43 | 188.35 | 1,317.51 | 393.49 | 1,247.57 |
| | (e) Depreciation and Amortisation Expense | 153.06 | 152.69 | 136.74 | 305.75 | 273.47 | 567.75 |
| | (f) Other Expenses | 449.71 | 334.16 | 257.95 | 783.87 | 534.94 | 1,799.03 |
| | Total Expenses | 6,517.24 | 6,299.83 | 3,248.00 | 12,817.07 | 12,627.06 | 17,179.34 |
| V | Profit/(Loss) before Exceptional Items and Tax (III-IV) | (899.03) | (242.77) | (575.76) | (1,141.80) | (1,830.11) | (934.22) |
| VI | Exceptional Items | NIL | NIL | NIL | NIL | NIL | NIL |
| VII | Profit/ (Loss) before Tax (V+VI) | (899.03) | (242.77) | (575.76) | (1,141.80) | (1,830.11) | (934.22) |
| VIII | Tax Expenses | | | | | | |
| | i. Current Tax | NIL | NIL | NIL | NIL | NIL | NIL |
| | ii. Deferred Tax (Refer Note 4) | (221.01) | 55.99 | (243.79) | (165.02) | (543.46) | (347.64) |
| | Total Tax Expenses | (221.01) | 55.99 | (243.79) | (165.02) | (543.46) | (347.64) |
| IX | Profit/ (Loss) for the Period (VII-VIII) | (1,120.04) | (298.76) | (331.97) | (976.78) | (1,286.65) | (586.58) |
| X | Other Comprehensive Income | | | | | | |
| | Items that will not be reclassified to Profit and Loss | | | | | | |
| | i. Gain/(Loss) on Remeasurement of Defined Benefits Plan | (1.83) | (1.84) | (4.56) | (3.67) | (9.12) | (6.68) |
| | ii. Income Tax on (i) above | 0.51 | 0.51 | 1.52 | 1.02 | 3.04 | 2.22 |
| | Other Comprehensive Income | (1.32) | (1.33) | (3.04) | (2.65) | (6.08) | (4.46) |
| XI | Total Comprehensive Income (IX+X) | (1,121.36) | (300.09) | (335.01) | (979.43) | (1,292.73) | (591.05) |
| | Paid up Equity Share Capital (Face value ₹ 10 each) | 255.00 | 255.00 | 255.00 | 255.00 | 255.00 | 255.00 |
| XII | Other Equity | | | | | | 2,842.96 |
| XIII | Earnings per equity share (of ₹ 10 each) (Not Annualised) | | | | | | |
| | Basic and Diluted EPS (₹) | (43.92) | (11.72) | (13.02) | (38.31) | (50.46) | (23.00) |



THE UNITED PROVINCES SUGAR COMPANY LIMITED
STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

| Particulars | As At September 30, 2019 (Unaudited) | As At March 31, 2019 (Audited) |
|---|--|--------------------------------------|
| ASSETS | | |
| Non-current Assets | | |
| (a) Property, Plant and Equipment | 14,283.60 | 14,588.35 |
| (b) Capital Work-in-progress | 697.27 | 352.07 |
| (c) Other Intangible Assets | 2.09 | 3.08 |
| (d) Financial Assets | | |
| (i) Investments | NIL | NIL |
| (ii) Loans | 9.66 | 9.66 |
| (iii) Other Financial Assets | 6.68 | 5.91 |
| (e) Deferred Tax Assets (Net) | 1,210.25 | 1,044.20 |
| (f) Other Non-current Assets | 26.60 | 26.51 |
| Total Non-current Assets | 16,236.15 | 16,029.78 |
| Current Assets | | |
| (a) Inventories | 16,389.57 | 21,608.74 |
| (b) Financial Assets | | |
| (i) Trade Receivables | 2.67 | 29.56 |
| (ii) Cash and Cash Equivalents | 58.02 | 53.77 |
| (iii) Bank Balance other than above (ii) | NIL | 4,204.41 |
| (iv) Other Financial Assets | 1,398.57 | 1,195.38 |
| (c) Other Current Assets | 282.88 | 293.38 |
| Total Current Assets | 18,131.71 | 27,385.24 |
| TOTAL ASSETS | 34,367.86 | 43,415.02 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share Capital | 255.00 | 255.00 |
| (b) Other Equity | 1,863.55 | 2,842.96 |
| Total Equity | 2,118.55 | 3,097.96 |
| Liabilities | | |
| Non-current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 3,953.89 | 4,404.32 |
| (b) Provisions | 573.41 | 552.86 |
| (c) Other Non-current Liabilities | 640.61 | 802.78 |
| Total Non-current Liabilities | 5,167.91 | 5,759.96 |
| Current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 15,861.28 | 20,065.57 |
| (ii) Trade Payables | | |
| A. total outstanding dues of micro enterprises and small enterprises | 26.22 | 7.42 |
| B. total outstanding dues of creditors other than micro enterprises and small enterprises | 6,588.04 | 12,774.43 |
| (iii) Other Financial Liabilities | 3,801.79 | 844.23 |
| (b) Other Current Liabilities | 639.71 | 701.09 |
| (c) Provisions | 164.36 | 164.36 |
| Total Current Liabilities | 27,081.40 | 34,557.10 |
| Total Liabilities | 32,249.31 | 40,317.06 |
| TOTAL EQUITY AND LIABILITIES | 34,367.86 | 43,415.02 |



THE UNITED PROVINCES SUGAR COMPANY LIMITED

STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2019

(₹ in Lakhs)

| Particulars | Half year ended September 30, 2019 | | Half year ended September 30, 2018 | |
|---|---------------------------------------|-------------------|---------------------------------------|-------------------|
| | | | | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit / (Loss) Before Exceptional Items and Tax | | (1,141.80) | | (1,830.10) |
| Adjustments to reconcile Profit Before Exceptional Items and Extra Ordinary Items and Tax to Net Cash Flow provided by Operating Activities : | | | | |
| Finance Costs | 1,317.67 | | 393.49 | |
| Depreciation and Amortisation Expense | 305.75 | | 273.47 | |
| Loss by Fire | - | | - | |
| Bad Debts written off | - | | - | |
| Doubtful Debts and Advances (Provision) | - | | - | |
| Unspent Liabilities / Balances Written Back | - | | (3.34) | |
| Interest Income | (2.04) | | (0.64) | |
| Government Grants | (184.30) | | - | |
| Profit on Sale of Property, Plant and Equipment | - | | - | |
| Transfer to Storage Fund for Molasses | - | 1,437.08 | - | 662.98 |
| Operating Profit before Working Capital Changes | | 295.29 | | (1,167.12) |
| Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital : | | | | |
| Increase in Trade Payables | (6,172.62) | | 1,421.44 | |
| Increase / (Decrease) in Other Financial & Current Liabilities | (57.87) | | (666.78) | |
| Increase / (Decrease) in Non-Current Liabilities and Provisions | 16.88 | | 44.28 | |
| Increase / (Decrease) in Short-Term Provisions | 0.00 | | 12.73 | |
| (Increase) / Decrease in Inventories | 5,219.17 | | 5,793.94 | |
| Decrease / (Increase) in Trade and Other Receivables | 31.90 | | 25.64 | |
| Decrease / (Increase) in Financial and Current Assets | 9.74 | | (192.52) | |
| Decrease / (Increase) in Other Non-Current and Current Assets | (203.28) | (1,156.08) | 21.22 | 6,459.95 |
| Cash Generated from / (Used in) Operations | | (860.79) | | 5,292.83 |
| Taxes Paid/ (Refund Received) | | NIL | | NIL |
| Cash Flow before Exceptional and Extra Ordinary Items | | (860.79) | | 5,292.83 |
| Net Cash Generated / (Used in) Operating Activities | | (860.79) | | 5,292.83 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | | | |
| Additions to Property, Plant and Equipment and Intangible Assets | - | | - | |
| Capital Work-in-Progress | (345.20) | | (368.55) | |
| Sale of Property, Plant and Equipment and Intangible Assets | - | | - | |
| Fixed deposits placed with banks | 4,204.41 | | - | |
| Sale of Investments | NIL | | NIL | |
| Interest Income | 2.04 | 3,861.25 | 0.64 | (367.91) |
| Net Cash Generated / (Used in) Investing Activities | | 3,861.25 | | (367.91) |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | | | |
| Proceeds of Long-Term Borrowings | - | | (1,276.00) | |
| (Repayment) of Long-Term Borrowings | (306.30) | | - | |
| Proceeds / (Repayment) of Short-Term Borrowings | (1,559.29) | | (3,448.44) | |
| Interest Expense (Net) | (1,130.62) | (2,996.21) | (408.85) | (5,133.29) |
| Net Cash Generated / (Used in) Financing Activities | | (2,996.21) | | (5,133.29) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C) | | 4.25 | | (208.37) |
| Cash in Hand | | 9.49 | | 4.99 |
| Balance with Banks on Current Accounts | | 44.28 | | 309.28 |
| Opening Balance of Cash and Cash Equivalents | | 53.77 | | 314.27 |
| Cash in Hand | | 2.98 | | 1.69 |
| Balance with Banks on Current Accounts | | 55.04 | | 104.21 |
| Closing Balance of Cash and Cash Equivalents | | 58.02 | | 105.90 |
| Net Increase / (Decrease) in Cash and Cash Equivalents | | 4.25 | | (208.37) |

For The United Provinces Sugar Company Limited



Place : Mumbai
Dated : November 14, 2019



Arvind K. Kanoria
Managing Director

Notes :

- 1 The above unaudited Financial Results for the quarter and half year ended September 30, 2019 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 14, 2019.
- 2 The main business of the Company is manufacture of sugar and all other activities of the Company revolve around its main activities. Accordingly, there is only one operating segment as per Ind AS 108.
- 3 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.
- 4 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. In fact, in the last twenty years, the Company made losses only in eight 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 against which the unused tax losses can be utilised and accordingly, Deferred Tax Assets of Rs.874.68 lakhs on unabsorbed depreciation and of Rs. 2,862.99 lakhs on business losses was recognized upto March 31, 2019.
Further, for the interim period, the Company recognises income tax expense (deferred tax, as there is no current tax) based on the best estimate of weighted average annual income tax rate; in view of the change in the estimates of the said weighted average annual income tax rate, accordingly, deferred tax expense recognised in the quarter ended June 30, 2019 is reversed and deferred tax credit aggregate to Rs. 222.03 lakhs is recognised.
- 5 The Company has adopted Ind AS 116 on "Leases" with effect from April 1, 2019, and applied to all contracts of leases existing on April 1, 2019 by using modified retrospective and accordingly, comparative information for the year ended March 31, 2019 have not to be restated. The Company has to recognize and measure the Right-to-Use (ROU) asset and the lease liability on the remaining lease period and payments discounted using the incremental borrowing rate as at the date of initial application. Since the Company did not have any contract of lease which requires application of Ind AS 116 and hence, there is no effect of adoption of Ind AS 116 on the results and earnings per share for the half year ended September 30, 2019.
- 6 Figures for the previous periods have been regrouped and / or rearranged and / or reclassified wherever necessary to make them comparable with those of current periods.

For The United Provinces Sugar Company Limited



Arvind K. Kanoria
Arvind K. Kanoria
Managing Director

Place : Mumbai
Dated : November 14, 2019



BANSI S. MEHTA & CO.
CHARTERED ACCOUNTANTS

Bansi S. Mehta
(Chief Mentor)

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

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Independent Auditor's Review Report on unaudited 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,
THE UNITED PROVINCES SUGAR COMPANY LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **THE UNITED PROVINCES SUGAR COMPANY LIMITED** ("the Company") for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations"), which has been initialed by us for the purpose of identification. Attention is drawn to the fact that the figures for cash flows (net) for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors in their meeting held on November 14, 2019, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

PLACE : MUMBAI
DATED : November 14, 2019



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

A handwritten signature in black ink, appearing to be "PH" followed by a long horizontal stroke that curves upwards at the end.

PARESH H. CLERK
Partner

Membership No. 036148
UDIN : 19036148AAAAEX7285