



Uttam Sugar Mills Limited

UTTAM SUGAR

DOUBLE REFINED
SULPHURLESS SUGAR

Fill Sweetness in your life



The Desire

To Excel

The Determination

To Deliver

**20th
Annual Report 2014-15**

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CORPORATE INFORMATION

[CORPORATE IDENTITY NO. (CIN)

L99999UR1993PLC032518]

BOARD OF DIRECTORS

Mr. Raj Kumar Adlakha

Mr. Ashok Kumar Agarwal

Mr. R. Vasudevan

Mr. G. S. Matta

Mr. Narendra Kumar Sawhney (Appointed w.e.f 14.05.2015)

Mrs. Rutuja Rajendra More (Appointed w.e.f 05.06.2015)

Mr. Bikash Narayan Mishra

Mr. Kumar Neel Lohit

Managing Director

Executive Director

Independent Director

Independent Director

Independent Director

Independent Director

Nominee Director-PNB

Nominee Director-IDBI Bank Ltd.

REGISTERED OFFICE

Village Libberheri, Tehsil Roorkee,

District Haridwar, Uttarakhand – 247667

Tel. : 01332 – 229445

Fax : 01332 – 229194

Website : www.uttamsugar.in

E-mail : investorrelation@uttamsugar.in

CORPORATE OFFICE

A-2E, 3rd Floor, C.M.A. Tower, Sector – 24,

Noida – 201 301 (U.P.)

Tel. : 0120 – 4525000

Fax : 0120 – 4525020

E-mail : uttamsugarnoida@gmail.com

uttamnoida@gmail.com

FACTORIES

Unit - 1 :

Village Libberheri, Tehsil Roorkee,

District Haridwar, Uttarakhand - 247667

Unit – 2 :

Village Barkatpur, Tehsil Nazibabad

District Bijnor (U.P.)

Unit - 3 :

Village Khaikheri,

Tehsil & District Muzaffarnagar (U.P.)

Unit - 4 :

Village Shermau, Tehsil Nakur,

District Saharanpur (U.P.).

STATUTORY AUDITORS

B.K. Kapur & Co.

Chartered Accountants

CHIEF – LEGAL AND CORPORATE AFFAIRS &

COMPANY SECRETARY

G. Ramarathnam

BANKERS

Punjab National Bank

IDBI Bank Ltd.

Indian Overseas Bank

State Bank of India

Oriental Bank of Commerce

Uttarakhand State Co-operative Bank Ltd.

Zila Sahkari Bank Limited

NOTICE OF 20TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 20th Annual General Meeting of the Members of Company will be held at the Registered Office of the Company at Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand on Wednesday, 30th day of December, 2015 at 12.00 Noon to transact the following business(es):-

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To receive, consider and adopt the financial statements of the Company for the financial year ended 30th June, 2015 including the audited Balance Sheet as at 30th June, 2015, Profit & Loss Statement for the Financial Year ended on that date together with the Reports of Board of Directors and Auditors thereon.

2. Re-appointment of Mr. Raj Kumar Adlakha (DIN: 00133256) as a Director liable to Retire by Rotation

To appoint a Director in place of Mr. Raj Kumar Adlakha (DIN: 00133256), who retires by rotation and is eligible for re-appointment.

3. Ratification of Appointment of Statutory Auditors

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of section 139 and all other applicable provisions of the Companies Act, 2013, if any, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the continuance of appointment of M/s B. K. Kapur & Company, Chartered Accountants (Firm Registration No.000852C) as Statutory Auditors of the Company, be and is hereby ratified till the conclusion of the Twenty First AGM of the Company to be held in the year 2016 at a remuneration to be fixed by the Board of Directors on the recommendation of Audit Committee plus service tax payable thereon and reimbursement expenses, if any, incurred by them in connection with the Audit.”

SPECIAL BUSINESS:

4. Re-appointment of Dr. Ramasamy Vasudevan (DIN: 00109908) as Independent Director

To consider and if thought fit, to pass with or without modifications, the following resolution as **SPECIAL RESOLUTION:-**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Dr. Ramasamy Vasudevan, who was appointed as an Independent Director in the last Annual General Meeting to hold office upto the date of this Annual General Meeting be and is hereby re-appointed as Independent Director in terms of provisions of Section 149 of the Companies Act, 2013 to hold office for a period of 5 (Five) years commencing from this Annual General Meeting upto the conclusion of Annual General Meeting to be held in calendar year 2020 and whose office shall not be liable to retire by rotation.”

5. Re-appointment of Mr. Gurbachan Singh Matta (DIN: 02612602) as Independent Director

To consider and if thought fit, to pass with or without modifications, the following resolution as **SPECIAL RESOLUTION:-**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Gurbachan Singh Matta, who was appointed as an Independent Director in the last Annual General Meeting to hold office upto the date of this Annual General Meeting be and is hereby re-appointed as Independent Director in terms of provisions of Section 149 of the Companies Act, 2013 to hold office for a period of 5 (Five) years commencing from this Annual General Meeting upto the conclusion of Annual General Meeting to be held in calendar year 2020 and whose office shall not be liable to retire by rotation.”

6. Appointment of Mr. Narendra Kumar Sawhney (DIN: 00109853) as Independent Director

To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION**:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Narendra Kumar Sawhney, who was appointed as an Additional Director w.e.f. 14.05.2015 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company upto the conclusion of Annual General Meeting to be held in calendar year 2019 and whose office shall not be liable to retire by rotation.”

7. Appointment of Mrs. Rutuja Rajendra More (DIN: 07201928) as Independent Director

To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION**:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Rutuja Rajendra More, who was appointed as an Additional Director w.e.f. 05.06.2015 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company upto the conclusion of Annual General Meeting to be held in calendar year 2019 and whose office shall not be liable to retire by rotation.”

8. Adoption of new set of Articles of Association

To consider and if thought fit, to pass with or without modifications, the following resolution as **SPECIAL RESOLUTION(S)**:-

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to substitute the existing Articles of Association of the Company by a new set of Articles of Association.”

“**RESOLVED FURTHER THAT** Mr. G. Ramarathnam (FCS 1021), Chief – Legal and Corporate Affairs & Company Secretary of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. Revision/Increase in Remuneration of Mr. Ashok Kumar Agarwal (DIN: 05199585), Whole Time Director

To consider and if thought fit, to pass with or without modifications, the following resolution as **SPECIAL RESOLUTION(S)**:-

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) (the “Act”) read with Schedule V of the said Act and subject to Articles of Association of the Company and subject to the approval of the Central Government, the consent of the Company be and is hereby accorded for revision/increase the Remuneration payable to Mr. Ashok Kumar Agarwal, Whole Time Director of the Company w.e.f 01st January 2016 for his remaining tenure, as recommended by Nomination and Remuneration Committee of Directors and approved by the Board of Directors on 14th November, 2015 as detailed below:

Salary :

- (i) Salary: Rs. 2,08,000/- p.m. (Rupees Two Lac Eight Thousands Only).

Other Terms & Conditions of his appointment including perquisites will remain the same as approved by Shareholders in the Annual General Meeting on 15th December, 2014 and approved by Ministry of Corporate Affairs, New Delhi vide its approval letter dated 07th October 2015.”

“RESOLVED FURTHER THAT the above remuneration will be payable to him as minimum remuneration in case of absence or inadequacy of profits in any financial year as permissible under Section II of Part II of Schedule V of the Companies Act, 2013 including such amendment(s), modification(s) and/or revision(s) as may be made by the Central Government in the said limits from time to time.”

10. Approval of Remuneration of Cost Auditor

To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION (S):-**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 2,50,000/- (Rupees Two Lacs and Fifty Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses for the Financial Year 2015-16, as approved by the Board of Directors on the recommendation of Audit Committee, to be paid to M/s. M.K. Singhal & Co., Cost Accountants (Firm Registration No. 00074) to conduct the audit of the cost records of the Company be and is hereby ratified and confirmed.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Directors of the Company
FOR UTTAM SUGAR MILLS LIMITED**

(G. RAMARATHNAM)

**Chief – Legal and Corporate Affairs &
Company Secretary**

Membership No. FCS1021

Place: Noida

Date: 14th November, 2015

NOTES:

1. Explanatory Statement setting out all material facts relating to special businesses contained in item No. 4 to 10 as required under Section 102 of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of this meeting. A proxy shall not vote except on a poll. A proxy form is appended with the admission slip.
3. Corporate Members intending to send their authorized representatives to attend this General Meeting are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at this Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 23rd December, 2015 to Wednesday, 30th December, 2015 (both days inclusive).
5. Members are requested to bring their copies of Annual Report to the Meeting.
6. Any query relating to Accounts must be sent to Company’s Corporate Office: A-2E IIIrd Floor, C.M.A. Tower Sector –24, Noida (U.P.) at least 10 days before the date of the meeting.

7. Members are informed that in the case of joint holders attending the meeting; only such joint holder whose name appears first in the order will be entitled to vote.
8. Members / Proxies are requested to bring the attendance slip sent with Annual Report duly filled in for attending the meeting.
9. The Company has paid the Annual Listing Fees for the year 2015-16 to the following Stock Exchanges, viz. BSE Limited and National Stock Exchange of India Limited on which the Company's Securities are presently listed.
10. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Company's RTA.
11. Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send their share certificates to our RTA, for consolidation into a single folio.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. Notice of the Annual General Meeting along with the Annual Report 2014-15 of the Company is being sent to all the members in the electronic mode, whose email address are registered with the Depository Participant, unless any member has requested for a hard copy of the same and for members who have not registered their email address, physical copy of above documents is being sent.
14. As per the green initiative of Ministry of Corporate Affairs (MCA), members are requested to provide their e-mail addresses to the Registrar & Share Transfer Agent of the Company namely M/s Link Intime India Private Limited, in order to receive the various Notices and other Notifications from the Company, in electronic form.
15. Members may also note that the Notice of this Annual General Meeting and the Annual Report for the financial year 2014-15 are also be available on Company's website: www.uttamsugar.in.

16. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Clause 35B of Listing Agreement, the Company is pleased to provide the facility to members to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

That the facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by e-voting shall be able to vote at the meeting through Ballot Paper.

The instructions for shareholders voting electronically are as under:

- (i) The e-voting period commences on Sunday, 27th December, 2015 (9.00 am) and ends on Tuesday, 29th December, 2015 (5.00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/record date i.e. Wednesday, 23rd December, 2015 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab.



- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for “**UTTAM SUGAR MILLS LIMITED**”
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
17. Mr. Naveen Kumar Rastogi, Practicing Company Secretary (Membership No. 3685) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
The Results of e-voting shall be declared on or after the AGM of the Company and the Results declared with Scrutinizer Report shall be placed on the website of the Company viz. www.uttamsugar.in and also on the website of CDSL viz. www.cdslindia.com within two days of passing of the Resolution of the AGM of the Company.
18. The Chairman shall, at the Annual General Meeting, at the end of discussion on the Resolutions on which voting is to be held, allow voting, with the assistance of Scrutinizer, by use of “ballot paper” for all those Members who are present at the annual general meeting but have not cast their votes by availing the remote e-voting facility.
19. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make not later than three days of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.
20. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
21. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date/record date i.e. Wednesday, 23rd December, 2015.
22. Members are requested to always quote their Folio No. / Client ID & DP ID in all correspondence with the Company’s Registrars and the Company. Members are also requested to notify any change of address to their Depository Participants. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agent of the Company at the following address :-

Link Intime India Private Limited

44, Community Center, 2nd Floor,
Naraina Industrial Area, Phase I,
New Delhi – 110028
Tel.:- 011-41410592-93



RE-APPOINTMENT / APPOINTMENT OF DIRECTORS (ANNEXURE TO NOTICE)

(A brief resume in respect of the proposed re-appointment/appointment of Directors is given below in terms of Clause 49 of the Listing Agreement)

Particulars	Mr. Raj Kumar Adlakha	Dr. Ramasamy Vasudevan	Mr. Gurbachan Singh Matta	Mr. Narendra Kumar Sawhney	Mrs. Rutuja Rajendra More
DIN	00132356	00109908	02612602	00109853	07201928
Date of Birth	22 nd January, 1956	27 th April, 1938	24 th March, 1948	01 st February, 1942	26 th May, 1969
Date of Appointment in the Board	28 th July, 1998	04 th January, 2006	12 th September, 2009	14 th May, 2015	05 th June 2015
Qualifications	B.E.(Mach.)	B.E.(Hons) (Mech), Ph.D (Moscow)	B.Sc.(Hons.) & CAIIB	B. Tech., M.B.A, A.N.S.I. (Tech.)	M.Sc Microbiology
Experience	<p>Mr. Adlakha is having more than 36 years of industrial experience in managing the operations of industrial undertakings. He started his career in 1979 by joining his family business of manufacturing parts for sugar mill machinery and expanded the business to carry out turnkey sugar mill projects. He was instrumental in setting up of our four sugar manufacturing units. Co-generation Unit and one Distillery Units under his leadership.</p>	<p>Dr. Ramasamy Vasudevan aged 77 Years, is a Doctorate and Qualified Ph.D. He has an overall experience of over 53 years. He has served Bharat Heavy Electricals Limited for a total period of 31 years and retired as General Manager (Engineering). He is Founder Director of Bharathidasan School of Energy and Retired Director, Bharathidasan Institute of Technology (Now Anna University, Tiruchirappalli). He has won various awards in the field of engineering such as –</p> <ol style="list-style-type: none"> Business Leadership Award in the field of Bio-Energy for the year 2003 by International Congress on Renewable Energy. World Environmental Congress Award for the manufacture of compost from the municipal waste for the Tiruchirappalli City Corporation. Nations best research award for developing and commercialising Fluid bed boilers and Fluid bed combustion Technology. Best University Teacher Award (Dr. Radhakrishnan Award). Scientist award of Tamilnadu Government. Best Engineer award of Uttar Pradesh State Govt. by Indian Society of Technical education. <p>He has chaired various committees such as:-</p> <ol style="list-style-type: none"> Past Chairman of Institution of Engineers – Trichy Chapter. Past Chairman Computer Society of India – Trichy Chapter. Past Chairman, cogeneration R&D Committee, MNES Past Chairman, Mechanical Engineering Divisional Council BIS <p>Dr. R. Vasudevan also introduced High pressure, high temperature Cogeneration system in Indian sugar mills and also introduced Biomass power generation systems in India (6 MW & 12 MW).</p>	<p>Mr. Matta is an ex-banker with over 43 years of experience. He was associated with Indian Overseas Bank since 1968 till 2005. In August 2005, he joined Punjab and Sind Bank and was promoted as Executive Director of the Bank in March 2006. He has also headed various committees for implementation of Basel II, Core Banking Solutions and Risk Management. He is also a visiting faculty at NIBSCOM (National Institute of Bank Studies and Corporate Management), Noida for lectures on various topics on the Banking Industry like Risk Management, Corporate Governance, Basel II norms, etc.</p>	<p>Mr. N.K. Sawhney aged 73 years, is an Engineer from IIT, Madras, Sugar Technologist from National Sugar Institute, Kanpur and MBA in Finance and MBA in Management Studies, University of Delhi. He has an overall experience of over 44 years with various industries in senior positions. Presently he is working as advisor to the various Sugar Companies. He has served as Advisor to the IFFCO Foundation, New Delhi from 2003 to 2012. He retired as the Executive Director of National Co-operative Development Corporation (NCDC) after serving for 18 years. He served as a manager in IFCI Limited during 1973-79. He has also worked with companies like Triveni Engg, Daurala Sugars of DCM and Ganga Sugar Corporation Ltd.</p>	<p>Mrs. Rutuja Rajendra More is having 20 years of experience in Vasantada Sugar Institute. Specialization in Agricultural microbiology with respect to BIOFERTILIZERS, biopesticides and composting of Agro industrial wastes and its enrichment. She is associated with the Vasantada Sugar Institute, (Bk), Pune since 1995. Initially she joined as 'Research Associate in Agri Microbiology section and over a period of years she has reached to the level of Scientist & Head Microbiology Laboratory in Vasantada Sugar Institute (Bk) Pune. She has authored several Articles relating to Sugarcane Cultivation / Development and also published Research papers from time to time. Besides, she has also attended several seminars (National and International)/ Conferences since 1997.</p>

<p>Directorship held in other Companies</p>	<p>a. Lipi Boilers Private Limited. b. Uttam Distilleries Limited. c. Shubham Sugars Limited. d. Uttam Housinginfra Limited (formerly known as Uttam Luxury Hotel & Resorts Limited) e. Telma Trading Private Limited f. Uttam Properties Private Limited. g. Shree Uttam Colonizers Private Limited. h. Divine Grace Enterprises Private Limited. i. Uttam Lifestyle Hotels Private Limited. j. Uttam Elite Hotels Private Limited k. Uttam Adlakh & Sons Holdings Private Limited. l. Uttam Chand Adlakh & Sons IPR Holdings Private Limited. m. Uttam Infra Projects & Engineering Company Private Limited</p>	<p>NIL</p>	<p>▲ ▲</p> <p>Bhandari Export Industries Ltd Chamak Holdings Ltd.</p>	<p>▲</p> <p>Indradhanush Agro Producer Company Ltd.</p>	<p>▲</p> <p>PureAg Private Limited India</p>
<p>Membership / Chairmanships of Committee across other Public Limited Companies</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>
<p>Number of Shares held in the Company</p>	<p>16,24,610 Equity Shares 51,000 Pref. Shares</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>
<p>Relationship with other Directors</p>	<p>None</p>	<p>None</p>	<p>None</p>	<p>None</p>	<p>None</p>

**Details of Shareholding/other convertible instruments of
Non-Executive Directors of the Company**

(Pursuant to Clause 49 of the Listing Agreement)

SI No.	Name of Director	No. of Equity Shares	Other Convertible Securities
1	Dr. Ramasamy Vasudevan	Nil	Nil
2	Mr. G S Matta	Nil	Nil
3	Mr. Narendra Kumar Sawhney	Nil	Nil
4	Mrs. Rutuja Rajendra More	Nil	Nil
5	Mr. Bikash Narayan Mishra	Nil	Nil
6	Mr. Kumar Neel Lohit	Nil	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED AND FORMING PART OF THE NOTICE

Item No. 4 & 5

Dr. Ramasamy Vasudevan and Mr. Gurbachan Singh Matta were appointed as Independent Directors on the Board of the Company in the last Annual General Meeting for a term of 1(one) year upto the date of this Annual General Meeting. They were appointed within the definition of Independent Directors under Clause 49 of the Listing Agreements entered with the Stock Exchanges.

Their term of appointment as Independent Directors expires on this Annual General Meeting. The Board recommended the re-appointment of Dr. Ramasamy Vasudevan and Mr. Gurbachan Singh Matta for a further term of 5 (five) years up to the conclusion of Annual General Meeting to be held in the year 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

Dr. Ramasamy Vasudevan and Mr. Gurbachan Singh Matta have already given a declaration to the effect that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these Directors fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Director. Copies of the letter of appointment of Dr. Ramasamy Vasudevan and Mr. Gurbachan Singh Matta as independent directors setting out the terms and conditions is available for inspection without any fee at the Company's registered office during the normal business hours on any working day up to the date of the AGM.

A brief profile of Dr. Ramasamy Vasudevan and Mr. Gurbachan Singh Matta has already been provided under the heading "*Re-Appointment / Appointment of Directors (Annexure to Notice)*".

The Board of Directors recommends the resolution as set out in the Item No. 4 & 5 for approval of Members by way of Special Resolutions.

Except, Dr. Ramasamy Vasudevan and Mr. Gurbachan Singh Matta being the appointees, none of the other Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the resolutions.

Item No. 6

Pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013, if any, read with (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Rules, 2015 and clause 49 of Listing Agreement, every listed company is required to have an optimum combination of Directors on the Board of the Company.

Therefore, as per the provisions of Section 161 of the Companies Act, 2013, Mr. Narendra Kumar Sawhney was appointed as an Additional cum Independent Director with effect from 14th May, 2015 and he holds office as an Additional Director till the conclusion of this Annual General Meeting. A notice under Section 160(1) of the Act has been received from a Member alongwith requisite deposit, signifying his intention to propose appointment

of Mr. Narendra Kumar Sawhney as a Director. The Company has already received a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Board recommended the confirmation of appointment of Mr. Narendra Kumar sawhney stating that it will be immense benefit to the Company and it is desirable to continue to avail his services and proposed his appointment for a period upto the conclusion of Annual General Meeting to be held in calendar year 2019. A copy of the letter of appointment of Mr. Narendra Kumar Sawhney as an independent director setting out the terms and conditions is available for inspection without any fee at the Company's registered office during the normal business hours on any working day up to the date of the AGM.

A brief profile of Mr. Narendra Kumar Sawhney has already been provided under the heading "*Details of Appointment / Re-Appointment of Directors at the forthcoming AGM (Annexure to the Notice)*".

The Board of Directors recommends the resolution as set out in the Item No. 6 by way of Ordinary Resolutions. Except, Mr. Narendra Kumar Sawhney being the appointee, none of the other Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the proposed resolutions.

Item No. 7

Pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013, if any, read with (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Rules, 2015 and clause 49 of Listing Agreement, every listed company is required to appoint a woman director on its Board.

Therefore, to comply the above provisions, Mrs. Rutuja Rajendra More was appointed as Additional cum Independent Director w.e.f. 05th June, 2015. She holds office as an Additional Director till the conclusion of this Annual General Meeting. A notice under Section 160(1) of the Act has been received from a Member alongwith requisite deposit, signifying his intention to propose appointment of Mrs. Rutuja Rajendra More as a Director. The Company has already received a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Board recommended the confirmation of appointment of Mrs. Rutuja Rajendra More stating that it will be immense benefit to the Company and it is desirable to continue to avail her services and proposed her appointment for a period upto the conclusion of Annual General Meeting to be held in calendar year 2019. A copy of the letter of appointment of Mrs. Rutuja Rajendra More as an independent director setting out the terms and conditions is available for inspection without any fee at the Company's registered office during the normal business hours on any working day up to the date of the AGM.

A brief profile of Mrs. Rutuja Rajendra More has already been provided under the heading "*Details of Appointment / Re-Appointment of Directors at the forthcoming AGM (Annexure to the Notice)*".

The Board of Directors recommends the resolution as set out in the Item No. 7 by way of Ordinary Resolutions. Except, Mrs. Rutuja Rajendra More being the appointee, none of the other Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the proposed resolutions.

Item No. 8

The existing Articles of Association ("AOA") of the Company are in line with the erstwhile Companies Act 1956 and no longer in conformity with the new Companies Act, 2013 ("2013 Act"). Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company need to be re-aligned as per the provisions of the new Act.

Therefore, it is considered expedient to adopt a new set of Articles of Association (primarily based on Table F set out under Schedule I to the Companies Act, 2013) in place of existing AOA, instead of amending it by alteration/ incorporation of provisions of 2013 Act.

In terms of Section 14 of 2013 Act, consent of Members by way of a Special Resolution is required for adoption of a new set of Articles of Association. The entire set of proposed new Articles of Association is also made



available on the website of the Company i.e. www.uttamsugar.in. The Members of the Company can also obtain a copy of the same from the Company's Registered Office.

The Board of Directors recommends the resolution as set out in Item No.8 of the Notice for approval of Members by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the resolutions.

Item No. 9

As per the provisions of the Companies Act and the provisions of the Articles of Association of the Company, Mr. Ashok Kumar Agarwal was appointed as an Additional cum Whole-Time Director w.e.f. 14.02.2012 for a period of three years. His tenure as Whole Time Director was further extended by the Board of Directors w.e.f. 14.02.2015 which were duly approved by the members of the Company in the Annual General Meeting held on 15th December, 2014 and Ministry of Corporate Affairs, New Delhi vide its approval letter dated 07th October, 2015.

Now, The Nomination and Remuneration committee has recommended an upward revision in the remuneration of Mr. Agarwal, as set out in the item no. 9, to retain his services, considering his vast experience and his contribution to improve the performance of the Company. The same was approved by the Board of Directors of the Company in their meeting held on 14.11.2015.

Pursuant to the provisions of Section 196,197, 203 and all other applicable provisions, if any of the Companies Act, 2013 read with Schedule V of the said Act, the revised remuneration of Mr. Ashok Kumar Agarwal, Executive/ Whole-Time Director is now been placed before the Members for their approval by way of a Special Resolution.

INFORMATION PURSUANT TO PROVISIO (ii) TO CLAUSE (B) OF SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.

I. GENERAL INFORMATION:

- (1) **Nature of industry:-**
Manufacturer of Sugar and other allied products.
- (2) **Date or expected date of commencement of commercial production:-**
Company commenced commercial production from January 2001.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:-**
Not applicable.
- (4) **Financial performance based on given indicators:-**

(Rs. in Lacs)

Financial Parameter	Financial Years		
	2012-13	2013-14	2014-15
Turnover	66,224.94	89,249.96	75,744.48
Net Profit/(Loss) (before Tax)	1,237.47	(9,014.55)	(11,166.85)

- (5) **Export performance and net foreign exchange collaborations:-**
Nil
- (6) **Foreign investments or collaborators, if any:-**
Nil

II. INFORMATION ABOUT THE APPOINTEE:

(1) **Background details:-**

Mr. Ashok Kumar Agarwal, is having overall 32 years of Techno Commercial Experience in sugar business which includes different areas like commercial, engineering, Process/Manufacturing, Project Management including Co-Generation Projects, cane supply and development etc. He started his

career in the year 1983 with Mawana Sugars Limited and worked in the Company/group till April, 2006 for 23 years and reached to the position of General Manager of Mawana Sugars Works. After that he joined Birla Group of Sugar Industries and worked till September 2008 and thereafter joined Sir Shadilal Enterprises Limited at the position of Chief Operating Officer cum President till October 2011 and further moved to Empee Sugars and Chemicals Limited and was appointed as Executive Director and worked till December 2011.

(2) **Past remuneration/Recognition or Awards:-**

During the financial year 2014-15, he has drawn Rs. 38.10 Lacs as remuneration from the Company.

(3) **Job profile and his suitability:-**

Subject to the superintendence, control and direction of the Board of Directors of the Company the Whole Time Director/Executive Director shall have substantial powers of management including day to day affairs of the Company and shall exercise other duties and functions as may be delegated/assigned to him by the Board of Directors/Committee of Directors from time to time.

(4) **Remuneration proposed:-**

As set out in the proposed resolutions as set out in Item No. - 9.

(5) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) :-**

The proposed remuneration is in line with prevailing industry remuneration structure for the similar position.

(6) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:-**

Apart from remuneration, Mr. Ashok Kumar Agarwal does not have any other pecuniary relationship with the Company. Further, Mr. Agarwal is not related with any other managerial personnel of the Company.

III. OTHER INFORMATION:

(1) **Reasons for loss/inadequate profit:-**

The Company has inadequate profit due to several external factors like (a) Irrational fixation of SAP by the State Government, (b) Inadequate availability of sugarcane resulting into lower capacity utilization, (c) Poor quality of sugarcane resulting in lower sugar recovery and (d) Lower Sugar Price resulting into lower sugar sales realization.

(2) **Steps taken or proposed to be taken for improvement:-**

To improve the financial viability of sugar manufacturing units, Company is providing the baggasse based Co-generation Capacity by 103 MW (55.5MW Exportable) by installation of Power Co-Generation facility at all four Sugar Factories. The power produced by our cogeneration plants utilized for running sugar mills and the surplus power have been exported. Further, the Company has installed a Distillery plant with capacity of 75 KLPD at Barkatpur Unit.

(3) **Expected increase in productivity and profits in measurable terms:-**

There is adequate production capacity and steps are being taken to improve the cost efficiency.

The Board of Directors recommends the resolution for approval of Members by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company including their relatives except Mr. Ashok Kumar Agarwal is concerned or interested in the proposed resolution.

Item No. 10

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s M.K. Singhal & Co., the Cost Accountants as the Cost Auditors to conduct the audit of the cost records



Uttam Sugar Mills Limited

of the Company for the Financial Year 2015-16 as per the following details:

Product	Factory
Sugar	Libberheri Unit, Barkatpur Unit, Khaikheri Unit & Shermau Unit
Power	Libberheri Unit, Barkatpur Unit, Khaikheri Unit & Shermau Unit
Ethanol Distillery	Barkatpur Unit

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 as amended upto date, the remuneration payable to the Cost Auditors is to be ratified by the shareholders for the Financial Year 2015-16 by way of an Ordinary Resolution.

The Board of Directors recommends the resolution as set out in Item No.10 of the Notice for approval of Members.

None of the Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the resolutions.

**By Order of the Board of Directors of the Company
FOR UTTAM SUGAR MILLS LIMITED**

(G. RAMARATHNAM)

**Chief – Legal and Corporate Affairs
& Company Secretary
Membership No. FCS-1021**

Place: Noida

Date: 14th November, 2015

Registered Office:

Village Libberheri, Tehsil Roorkee,
Distt. Haridwar, Uttarakhand.
CIN: L99999UR1993PLC032518
Website : www.uttamsugar.in

DIRECTORS' REPORT

To

The Shareholders of the Company,

Your Directors take pleasure in presenting this Twentieth Annual Report together with the Audited Accounts for the year ended 30th June, 2015.

FINANCIAL RESULTS

The financial results of the Company for the period/year ended on 30th June 2015 are as under:-

DETAILS	(Rs. in Lacs)	
	Period ended	Period ended
	30.06.2015 (12 months)	30.06.2014 (15 months)
Revenue from Operations	75,961.24	87,161.19
Profit/(Loss) before Depreciation, Tax & Prior Period Items	(8,728.99)	(4,998.24)
Less:		
Depreciation	2,329.20	4,082.50
Prior period items (Net)	10.49	(66.19)
Profit/(Loss) before Tax & Exceptional Items	(11,068.68)	(9,014.55)
Exceptional Items	98.17	-
Less: Provision for Taxation		
Current Tax	-	-
Deferred Tax (Credit) / Charge	(2,347.36)	(3,484.74)
Profit/(Loss) after Taxation	(8,819.49)	(5,529.81)
Add: Balance brought forward from Previous Year	(19,470.44)	(13,940.63)
Deficit transferred to Balance Sheet	(28,289.93)	(19,470.44)

REVIEW OF OPERATIONS

The Financial Results for the year 2014-15 are for a period of 12 months & hence, are not comparable with the results of 2013-14 which were for a period of 15 months.

Sugar Division

Operational data of the Company for the financial year 2014-2015 and 2013-2014 are as under:

Financial Year	Cane crushed (In Lakhs Qtls.)	Sugar produced (In Lakhs Qtls.)	Recovery %
2014-2015	234.33	22.81	9.73
2013-2014	216.33	19.90	9.20

Following are the season wise data of cane crushed and sugar produced:

Crushing Season	Cane crushed (In Lakhs qtls)	Sugar produced (In Lakhs qtls)	Recovery %
2014-2015	234.33	22.81	9.73
2013-2014	193.94	17.40	8.97

The Company registered a gross turnover of Sugar of Rs.65090 lacs for the 12 months ended 30th June, 2015 against Rs. 76109 lacs for the 15 months ended 30th June, 2014 (Gross Turnover of Sugar of Rs 59459 lacs for the 12 months ended 30th June, 2014), an increase of gross turnover of 9.47 % on Pro rata Basis. The sales realization at Rs.3179 per qtls was lower as compared to Rs.3183 per qtls for the previous year 15 months ended 30th June, 2014.



During the current season, Company commenced its crushing season on 1st December 2014. The results were better as compared to previous season both in terms of Recovery and Crushing mainly due to the following reasons:

- (i) Improved productivity, yield and sugar recovery, company's continuous effort in Cane Development activities like varietal replacement with proven high sugared varieties, Change in Pattern of Sowing, Ratoon Management, Encouraging use of Bio Fertilizers and Bio Pesticides etc.
- (ii) Recovery was higher on account of optimum mix of better Cane Varieties.

Sugar: The Company's aggregate sugar cane crushing was higher at 234.33 lakhs qtls during the season 2014-15 as against 193.94 lakhs qtls in 2013-14 season due to higher cane availability. The Company had a higher recovery of 9.73% as against 8.97% in previous season. The higher recovery was mainly due to Cane Development Activities. The Company continued to focus on cane development activities, comprising of varietal replacement and modern agricultural practices due to which the recovery and crushing will improve in the coming season.

The Uttar Pradesh Government announced a State Advised Price (SAP) for sugarcane at Rs.280 per quintal for season 2014-15, which was the same as in the previous season. SAP price of Rs.280 per quintal was unreasonable, unaffordable and irrational; most UP-based sugar companies were compelled to suspend crushing for season 2014-15 and commenced after extensive deliberations between millers and the State Government the following consensus was arrived at:

- i. The cane price of Rs.280 per quintal would be paid to farmers in two installments. The first installment of Rs.240 per quintal would be paid as per normal practice and the remaining Rs.40 per quintal would be paid within three months after the end of the crushing season.
- ii. State Govt. of U.P. / Uttarakhand had announced financial assistance of Rs. 28.60 per quintal of cane for the sugar season 2014-15 linked to average selling price of sugar and its by-products during the specified period from 1st October, 2014 to 31st May, 2015. However, this is subject to recommendation by the Committee constituted by the Government of Uttar Pradesh / Uttarkhand. The same has already been approved by the committee and payment of the same has already been made to the farmers directly by the government and adjusted in our cane dues in case of Uttar Pradesh. In case of Uttarkhand, part-payment has already made by the Government and remaining part is likely to be made in the month of November 2015.
- iii. U.P. Government also granted additional concessions/ reliefs of Rs.11.40 per quintal of cane to the millers for the season 2014-15 under the following heads:

	<u>Rs. (per qtls)</u>
- Waiver of Entry Tax on sugar	-
- Waiver of cane purchase tax	2.80
- Waiver/ reimbursement of Society Commission	2.00
	<u>6.60</u>
Total	11.40

Similar relief also provided by Uttarakhand Government for Season 2014-15.

Apart from the Cane Development Activities like varietal replacement, Change in Pattern of Sowing, Ratoon Management etc. company is further strengthening the Cane Development Activities by way of Development of In house Agri research centre, Integrated Pest Management Programme, Soil Testing Facilities, Encouraging use of Bio Fertilizers and Bio Pesticides and Training facilities for the farmers and the Cane Development staff. These efforts will produce the desired result in the form of improved recovery during the coming sugar season 2015-16.

Co-generation Division

During the period under review, your company produced 1842.64 Lakhs KWH units of power as compared to 1836.06 Lakhs units of power in the year 2013-2014 (15 Months). Out of total production, your company exported 992.49 Lakhs KWH units to UPPCL/UPCL for a total amount of Rs.4532.27 Lakhs against 955.72 Lakhs KWH for an amount of Rs. 4156.70 Lakhs in the previous year.

The company has been awarded 60012 units of REC for all the four units and these REC units are trade able and an additional source of revenue to your company. During the F.Y.14-15 Company traded 15583 units of REC for Rs.233.75 lacs.

Distillery Division

Your company has a Distillery with an installed capacity of 75 KLPD at Barkatpur (Distt. Bijnor) in State of Uttar Pradesh. During the year under review 120.42 lacs Bulk Litres (BL) of Industrial Alcohol produced as compared to 105.94 lacs Bulk Litres in the year 2013-14 (15 Months) and your company sold 90.87 lacs Bulk Litres Industrial Alcohol (including Ethanol) as compared to 108.45 lacs Bulk Litres in the previous year (15 Months).

Future Outlook

For the state of U.P., the industry have requested the State Government for fixing of cane price based on the revenue sharing of realisation from sugar and by-products. The State Government has already constituted a committee under the chairmanship of Chief Secretary of the state to submit its recommendations. Your company expects positive outcome on the same. The state of Maharashtra and Karnataka producing above 50% of country sugar production, have already implemented the Rangrajan Committee formula based on revenue sharing.

The Central Government is considering increasing the blending % of Ethanol in Petrol from 5% to 10%. This will improve the demand of Ethanol.

Industry through association is also approaching to the government regarding restructuring the accounts of the sugar companies by converting Working Capital into term loan with 2 year moratorium. This will enable the factories to clear cane arrears.

Compulsory export scheme has already been announced by the Central Government resulting in lower stock of sugar and realization will be better. It is also expected that subsidy on export of raw sugar will further be extended.

DIVIDEND

In view of the losses incurred during the financial year under review and carried forward losses, your Directors are unable to recommend any dividend.

The Dividend on Cumulative Redeemable Preference Shares (Series I - 6.5% and Series II - 10%) are being accumulated and will be paid in the year of profit.

FIXED DEPOSITS

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. There were no unclaimed deposits at the end of Financial Year i.e. 30th June, 2015.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Raj Kumar Adlakha, Managing Director (DIN 00133256) of the Company retire by rotation and being eligible, offers himself for reappointment.

During the year under review, Mr. Narendra Kumar Sawhney and Mrs. Rutuja Rajendra More have been appointed as Additional cum Independent Directors on the Board of the Company w.e.f 14th May, 2015 and 05th June, 2015 respectively.

In compliance of Section 149 of the Companies Act, 2013 it is proposed to re-appoint Dr. R. Vasudevan and Mr. G. S. Matta as Independent Directors to hold office for a period of 5 (five) years commencing from this Annual General Meeting upto the conclusion of Annual General Meeting to be held in calendar year 2020.

In compliance of Section 160 and 149 of the Companies Act, 2013 it is proposed to regularize Mr. Narendra Kumar Sawhney and Mrs. Rutuja Rajendra More as Independent Directors to hold office for a period commencing from this Annual General Meeting upto the conclusion of Annual General Meeting to be held in calendar year 2019.

Brief profile of the Directors proposed to be appointed / re-appointed and their Qualification, Experience alongwith the name of Companies in which they hold the Directorship and Public Companies in which they hold Chairmanship/membership of the Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given as Annexure to the Notice convening the Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 and Clause 49(III)(D)(4)(a) of the Listing

Agreement with the Stock Exchange in the preparation of Annual Accounts for the year ended 30th June, 2015 and state that:

- i. in the preparation of Annual Accounts for the year ended 30th June, 2015, the applicable accounting standards had been followed with proper explanation relating to material departures;
- ii. we have selected appropriate accounting policies and have applied them consistently and, made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June, 2015 and of the losses of the Company for the year ended on that date;
- iii. we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. we have prepared the annual accounts on a 'going concern' basis;
- v. we have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

M/s B. K. Kapur & Co., Chartered Accountants, Ghaziabad, Statutory Auditors of the Company will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. M/s B. K. Kapur & Co., was appointed as Statutory Auditors in the previous Annual General Meeting for a tenure of three years, i.e. till the conclusion of 22nd Annual General Meeting to be held in the year 2017. In view of due compliance of the provisions of Section 139(1), their continuance of appointment is required to be ratified by the members of the Company in the ensuing Annual General Meeting. Therefore, your Directors recommended the ratification of appointment of M/s B. K. Kapur & Co., Chartered Accountants as Statutory Auditors in the ensuing Annual General Meeting. The Company has received consent letters and certificate from the Auditors to the effect that their appointment, if made, shall be in accordance with the conditions as prescribed in the Companies (Audit and Auditors) Rules, 2014, and that they are not disqualified for appointment within the meaning of Section 139 and 141 of the Companies Act, 2013.

Auditors' Observations

Your Directors wish to clarify the certain observations reported by the Statutory Auditors, as under: -

- a) Observation in Para 8 of annexure to the Report regarding erosion of net worth of more than 50% as on 30th June, 2015, your Directors wish to state that the Company is incurring continuous losses due to fixation of unreasonable, unaffordable and irrational State Advised Price (SAP) by the State Government over the last several years. There is no transparent basis or formula for fixing SAP. The Indian Sugar Mills Association (ISMA) has already represented to State Government to implement the long term mechanism for determination of viable sugar cane price as per the recommendations of Dr. C. Rangarajan Committee. Unless the cane price is linked to sugar price it will be impossible for the sugar industry to improve the performance.
- b) Observation in Para 9 of annexure to the Report relating to delays in the repayment of installment/ interest to the Banks, there has been liquidity problems due to losses incurred by the company during the current financial year and previous financial years.

COST AUDITORS

The Board on the recommendation of the Audit Committee has re-appointed M/s M. K. Singhal & Company (Firm Regn. No. 00074), Cost Accountants, to audit the Cost Accounting records relating to Sugar, Cogeneration and Industrial Alcohol for Financial Year 2015-16.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. The Board recommends the same for approval of members in the ensuing Annual General Meeting.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, the Company has appointed M/s N K Rastogi & Associates (Firm Regn No.3785), Practicing Company Secretaries, to do

Secretarial Audit of the Company for the Financial Year 2014-15. The Secretarial Audit Report for the financial year ended 30th June, 2015 is attached and marked as “**Annexure-I**” and forms part of the Board Reports. The observation made by the Secretarial Auditors in their report are self explanatory and therefore do not call for any further explanations/comments. The Secretarial Auditors’ Report does not contain any qualification, reservation or adverse remark.

MEETINGS

The details of Board Meetings and Audit Committee Meetings held during the period under review are given in Corporate Governance Report.

AUDIT COMMITTEE

The Company has constituted Audit Committee as per the provisions of Companies Act and Listing Agreement. The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report. The Audit Committee satisfies the requirements of Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement. During the year there were no instances, where the Board had not accepted the recommendations of the Audit Committee.

EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return as per the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 is annexed herewith and marked as “**Annexure-II**” to this Report.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has in place a whistleblower policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any. The aforesaid policy can be accessed on the Company’s website www.uttamsugar.in and weblink of the same is <http://uttamsugar.in/pdf/whistle-blower-&-vigil-mechanism.pdf>.

NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder, the Board has constituted a Nomination & Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration. The aforesaid policy can be accessed on the Company’s website www.uttamsugar.in and weblink of the same is <http://uttamsugar.in/pdf/nrc-policy.pdf>.

BOARD EVALUATION

Pursuant to the provision of Company Act, 2013 and clause 49 of listing agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its committees comprising of audit, nomination, remuneration and other committees. The detailed analysis of performance evaluation is incorporated in Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any loan or made any investment during the period under review in terms of section 186 of the Companies Act, 2013. However, the Company has provided guarantee in favour of IDBI Bank Ltd. for the Crop Loan given to cane growers under Corporate Tie-up Scheme, the details whereof are given in the accompanying Financial Statement under Note. No. 33.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

There have been no materially significant related party transactions made by the Company with the promoters, key managerial personnel and/ or with any director of the Company. All related party transactions are negotiated on an arms-length basis and are in ordinary course of business. The suitable disclosure as required in AS-18 regarding Related Party transactions has been made in the notes to financial statements. The Company has formulated a policy for Related Party Transaction and placed it on Company website www.uttamsugar.in and weblink of the same is <http://uttamsugar.in/pdf/PolicyonRelatedPartyTransaction.pdf>.

PARTICULARS OF EMPLOYEES

The particulars of employees, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in a separate annexure attached hereto and forms part of this Report and marked as “**Annexure-III**”.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013, are given in a separate annexure attached hereto and forms part of this Report and marked as “Annexure-IV”.

INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of internal control relating to the nature of the business of the Company. A detailed note has been provided under Management Discussion and Analysis Report. The Company has an Audit Committee which ensures proper compliance with the provisions of the Listing Agreement with Stock Exchanges, Companies Act, reviews the adequacy and effectiveness of the internal control.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and Company's operations in future.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Directors confirm that during the year under review, there were no complaints received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having the net worth of Rs. 500 Crores or more or turnover of Rs.1000 Crores or more or net profit of Rs. 5 Crores or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

Therefore, a CSR Committee was constituted by the Company and details of the same are given separately in the attached Corporate Governance Report. The Committee had finalised the CSR policy which was approved by the Board. The CSR policy of the Company can be accessed on the Company's website: www.uttamsugar.in and weblink of the same is <http://uttamsugar.in/pdf/CorporateSocialResponsibilityPolicy.pdf>.

Your Company has incurred losses for the financial year 2011-12, 2013-14 and meagre profit of Rs. 5.46 Crores for the financial year 2012-13. Since the aggregate of profit of previous three financial years is negative, your company is not required to spend any amount on Corporate Social Responsibility Activities.

RISK MANAGEMENT PLAN

The Company has a Risk Management plan to identify and evaluate Business Risk and opportunity of Risk Management to minimize the adverse impact on Business Objectives and enhancement the company's competitive advantage. The plan facilitates to identify the risk at appropriate time and necessary steps to be taken to mitigate the risk. The detailed risk analysis and their mitigation have already been incorporated in the Management discussions and analysis report.

SUBSIDIARY COMPANIES

The Company does not have any Subsidiary, Associate and/or any Joint Venture Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company to which this financial statement relate and on the date of this report.

CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance together with Certificate from a Practicing Company Secretary forms part of the Annual report are attached hereto and forms part of this Report and marked as “Annexure-V”.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A separate Report on Management Discussion and Analysis for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section and forms part of this Report and marked as “Annexure-VI”.

INDUSTRIAL RELATIONS

Industrial relations continued to remain cordial throughout the period under review.

ACKNOWLEDGEMENT

Your Directors thank the customers, suppliers, farmers, financial institutions, banks and shareholders for their continued support and co-operation. Finally, your Directors acknowledge the dedicated services rendered by all the employees of the Company.

By Order of the Board
for **UTTAM SUGAR MILLS LTD.**

Place: Noida
Date : 14th November, 2015

(**RAJ KUMAR ADLAKHA**)
CHAIRMAN OF THE BOARD
(DIN : 00133256)

(Annexure – I)

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 30.06.2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]*

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED JUNE 30TH, 2015

To,
The Members,
Uttam Sugar Mills Limited
Village Libberheri,
Tehsil Roorkee,
District Haridwar,
Uttarakhand – 247 667

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Uttam Sugar Mills Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on June 30th, 2015 complied with the Statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on June 30th, 2015 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period under review);**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period under review);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period under review);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company during the Audit Period under review);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period under review);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period under review);** and
- (vi) Laws specifically applicable to the industry to which the Company specifically belongs, as identified by the management are:-

Sugar Industry

- a) Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Rules, 1954;
- b) Uttar Pradesh Sheera Niyantaran Adiniyam, 1964;
- c) Uttar Pradesh Sheera Niyantaran Niyamavali 1974;
- d) Sugar Cess Act, 1982;
- e) Levy Sugar Price Equalization Fund Act, 1976;
- f) Food Safety And Standards Act, 2006;
- g) Essential Commodities Act, 1955;
- h) Sugar Development Fund Act, 1982;
- i) Export (Quality Control and Inspection) Act, 1963;
- j) Agricultural and Processed Food Products Export Act, 1985; and
- k) Cost Accounting Records (Sugar) Amended Rules, 1997.

Co-Generation of Power

- a) The Electricity Act, 2003;
- b) National Tariff Policy; and
- c) Explosives Act, 1884.

Industrial Alcohol

Cost Accounting Records (Industrial Alcohol) Rules, 1997.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable during the audit period under review)**
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the audit period under review all decisions at Board Meetings and Committee Meetings were carried out unanimously.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

- a) Passed, through Postal Ballot on 14th October, 2014, a Special Resolution, in terms of section 180(1)(a) of the Companies Act, 2013, to affirm powers to the Board of Directors for mortgaging, hypothecating and/or charging on all the immovable and/or movable properties of the Company, in favour of any public financial institutions, Banks, Central Government, State Government or any other Lending Institutions participating in extending financial assistance, to secure any term loans, working capital facilities, debentures or any other type of financial assistance, not exceeding Rs. 1,500 Crores (Rupees One Thousand Five Hundred Crores Only).
- b) Passed, through Postal Ballot on 14th October, 2014, a Special Resolution, in terms of section 180(1) (c) of the Companies Act, 2013, to affirm the borrowing powers to the Board of Directors to the extent of Rs.1,250 Crores (Rupees One Thousand Two Hundred Fifty Crores Only), outstanding at any time over and above the aggregate of the paid up capital of the Company and its free reserves;
- c) Passed, through Postal Ballot on 25th April, 2015, a Special Resolution, in terms of Sections 13 and 61 of the Companies Act, 2013 for Re-classification of the Authorised Share Capital of the Company from Rs. 1,60,00,00,000/- (Rupees One Hundred Sixty Crores only) divided into 6,00,00,000 (Six Crores) Equity Share of Rs.10/- (Rupees Ten) each and 1,00,00,000 (One Crore) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each to Rs. 1,60,00,00,000/- (Rupees One Hundred Sixty Crores only) comprising of 4,00,00,000 (Four Crores) Equity Share of Rs.10/- (Rupees Ten) each and 1,20,00,000 (One Crore Twenty Lacs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each.
- d) Passed, through Postal Ballot on 25th April, 2015, a Special Resolution, in terms of Section 42 and 55 of the Companies Act, 2013 for Issue of Preference Shares to affirm powers to the Board of Directors to create, offer, invite to subscribe, issue, allot and deliver, in parts or in full either in one or more tranches on a private placement and/or preferential basis for cash at par or premium, not exceeding 90,00,000 (Ninety Lacs) Redeemable Preference Shares of Rs. 100/- each of an aggregate nominal amount not exceeding Rs.90,00,00,000/- (Rupees Ninety Crores) in the aggregate out of the Authorized Capital of the Company, on such terms and conditions and to such persons, whether shareholders of the Company or not, as may be determined by the Board of Directors in its absolute discretion on the following terms and conditions:-
 - i. The Preference Shareholder(s) shall have priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares.
 - ii. The Preference Shareholder(s) shall not participate in the surplus fund.
 - iii. The Preference Shareholder(s) shall not participate in any surplus which may remain after the entire capital has been repaid.
 - iv. The payment of dividend to Preference Shareholders shall be on cumulative basis.
 - v. The preference shares shall not be eligible for any conversion into equity shares.
 - vi. The voting rights of the persons holding the said Preference Shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013.
 - vii. The Preference Shares shall be redeemed after completion of twelfth year but not later than fifteenth year from the date of allotment, on the call of the Company.

For N. K. Rastogi & Associate
Company Secretaries
Naveen Kumar Rastogi
FCS No. 3685
C. P. No. 3785
Proprietor

Place : Noida
Date : 14.11.2015

(Annexure – II)

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 30.06.2015

“Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.”

I. REGISTRATION & OTHER DETAILS:

i	CIN:	L99999UR1993PLC032518
ii	Registration Date:	4/10/1993
iii	Name of the Company:	Uttam Sugar Mills Ltd.
iv	Category/Sub-category of the Company:	Public/ Limited by Shares
v	Address of the Registered office & contact detail:	Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand - 247667
vi	Whether listed company:	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s Link Intime India Private Limited 44, Community Center, 2nd Floor, Naraina Industrial Area, Phase I, New Delhi – 110028

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :-

SL No	Name & Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Sugar	1701	85.93

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES-

SI No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% Of Shares held	Applicable Section
NIL					

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Phy-sical	Total	% of Total Shares	Demat	Phy-sical	Total	% of Total Shares	
A. Promoters									
(1) Indian	5,272,204	-	5,272,204	13.82	5,272,204	-	5,272,204	13.82	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-

c) Bodies Corporates	23,331,381	-	23,331,381	61.18	23,331,381	-	23,331,381	61.18	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	28,603,585	-	28,603,585	75.00	28,603,585	-	28,603,585	75.00	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	28,603,585	-	28,603,585	75.00	28,603,585	-	28,603,585	75.00	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	560,723	-	560,723	1.47	560,723	-	560,723	1.47	-
C) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	560,723	-	560,723	1.47	560,723	-	560,723	1.47	-
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	1,070,605	1,060,087	2,130,692	5.59	966,561	1,060,087	2,026,648	5.31	(0.27)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	3,996,526	28,067	4,024,593	10.55	4,079,325	27,668	4,106,993	10.77	0.22
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,892,605	816,500	2,709,105	7.10	1,836,740	816,500	2,653,240	6.96	(0.15)
c) Others (specify)									
i) Clearing Member	58,246	-	58,246	0.15	40,533	-	40,533	0.11	(0.05)

ii) Non-Resident (Repat)	42,112	-	42,112	0.11	38,769	-	38,769	0.10	(0.01)
ii) Non-Resident (Non-Repat)	9,044	-	9,044	0.02	107,619	-	107,619	0.28	0.26
iii) Trust	20	-	20	0.00	10	-	10	0.00	(0.00)
SUB TOTAL (B)(2):	7,069,158	1,904,654	8,973,812	23.53	7,069,557	1,904,255	8,973,812	23.53	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	7,629,881	1,904,654	9,534,535	25.00	7,630,280	1,904,255	9,534,535	25.00	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	36,233,466	1,904,654	38,138,120	100.00	36,233,865	1,904,255	38,138,120	100.00	-

B. Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
(A) Promoters								
1	Raj Kumar Adlakha	1,624,610	4.26	4.26	1,624,610	4.26	4.26	-
2	Rajan Adlakha	367,010	0.96	0.96	367,010	0.96	0.96	-
3	Ranjan Adlakha	1,492,550	3.91	3.91	1,492,550	3.91	3.91	-
4	Uttam Industrial Engineering Ltd	2,750,000	7.21	-	2,750,000	7.21	-	-
5	Uttam Sucrotech Limited	314,267	0.82	-	314,267	0.82	-	-
6	Lipi Boilers Private Limited	3,515,000	9.22	-	3,515,000	9.22	-	-
	Total (A)	10,063,437	26.39	9.14	10,063,437	26.39	9.14	-
(B) Promoter Group (Relatives & Associates)								
7	Sonia Adlakha	10	0.00	-	10	0.00	-	-
8	Shomna Adlakha	870,410	2.28	-	870,410	2.28	-	-
9	Ranjana Chopra	373,300	0.98	-	373,300	0.98	-	-
10	Balram Adlakha	3,100	0.01	-	3,100	0.01	-	-
11	Jai Adlakha	4,200	0.01	-	4,200	0.01	-	-
12	Bharat Adlakha	166,500	0.44	-	166,500	0.44	-	-
13	Saeesha Adlakha	166,500	0.44	-	166,500	0.44	-	-
14	Rajni Babbar	139,910	0.37	-	139,910	0.37	-	-
15	Shanta	60,000	0.16	-	60,000	0.16	-	-
16	Raj Kumar Adlakha Karta of Raj Kumar Adlakha	4,104	0.01	-	4,104	0.01	-	-
17	Uttam Adlakha & Sons Holdings Pvt Ltd.	16,301,224	42.74	-	16,301,224	42.74	-	-

18	Shubham Sugars Limited	70,240	0.18	-	70,240	0.18	-	-
19	New Castle Finance and Leasing Pvt. Ltd.	380,650	1.00	-	380,650	1.00	-	-
	Total (B)	18,540,148	48.61	-	18,540,148	48.61	-	-
	Total (A + B)	28,603,585	75.00	9.14	28,603,585	75.00	9.14	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	28,603,585	75.00	28,603,585	75.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change		No Change	
	At the End of the year	28,603,585	75.00	28,603,585	75.00

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

SI.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
1	Punjab National Bank	560,723	1.47	560,723	1.47
2	Vedicera Services Private Limited	566,000	1.48	566,000	1.48
3	NSM Consultants Private Limited	250,000	0.66	250,000	0.66
4	Lata Holdings Private Limited	247,444	0.65	247,444	0.65
5	Neoworth Vyapaar Private Limited	247,443	0.65	247,443	0.65
6	Yogesh Chopra	212,300	0.56	212,300	0.56
7	Jai Babbar	195,000	0.51	195,000	0.51
8	Virender Kumar	175,000	0.46	175,000	0.46
9	Rajat Dua	173,000	0.45	173,000	0.45
10	Rajesh Kakkar	170,000	0.45	170,000	0.45

	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
1	Vedicera services Pvt. Ltd.(380 Equity Shares sold on 07.07.2014)	-380	(0.00)	-380	(0.00)
At the End of the year (or on the date of separation, if separated during the year)					
1	Punjab National Bank	560,723	1.47	560,723	1.47
2	Vedicera Services Private Limited	565,620	1.48	565,620	1.48
3	NSM Consultants Private Limited	250,000	0.66	250,000	0.66
4	Lata Holdings Private Limited	247,444	0.65	247,444	0.65
5	Neoworth Vyapaar Private Limited	247,443	0.65	247,443	0.65
6	Yogesh Chopra	212,300	0.56	212,300	0.56
7	Jai Babbar	195,000	0.51	195,000	0.51
8	Virender Kumar	175,000	0.46	175,000	0.46
9	Rajat Dua	173,000	0.45	173,000	0.45
10	Rajesh Kakkar	170,000	0.45	170,000	0.45

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
	Raj Kumar Adlakha, Managing Director	1,624,610	4.26	1,624,610	4.26
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change		No Change	
At the End of the year					
	Raj Kumar Adlakha, Managing Director	1,624,610	4.26	1,624,610	4.26

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	73,432.86	809.49	-	74,242.35
ii) Interest due but not paid	255.57	247.53	-	503.10
iii) Interest accrued but not due	238.19	-	-	238.19
Total (i+ii+iii)	73,926.63	1,057.02	-	74,983.65
Change in Indebtedness during the financial year			-	
* Addition	16,245.93	26.27	-	16,272.20
* Reduction	(23,306.99)	-	-	(23,306.99)
Net Change	(7,061.06)	26.27	-	(7,034.79)
Indebtedness at the end of the financial year			-	
i) Principal Amount	66,041.50	809.49	-	66,850.99
ii) Interest due but not paid	555.96	273.80	-	829.76
iii) Interest accrued but not due	268.10	-	-	268.10
Total (i+ii+iii)	66,865.56	1,083.29	-	67,948.85

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Raj Kumar Adlakhia, MD	Ashok Kr Agarwal, WTD	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	39.00	24.59	63.59
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	6.62	13.51	20.13
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	45.62	38.10	83.72
	Ceiling as per the Act	Minimum Remuneration as per the Act		

B Remuneration to other directors:

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		R. Vasudevan	G. S. Matta	N.K. Sawhney*	Rutuja Rajendra More**	
1	Independent Directors					
	Fee for attending board & committee meetings	80,000	80,000	-	-	160,000
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
	Total (1)	80,000	80,000	-	-	160,000
2	Other than Non-Executive Directors	Bikash Nayaran Mishra	Kumar Neel Lohit	-	-	
	Fee for attending board & committee meetings	40,000	30,000	-	-	70,000
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
	Total (2)	40,000	30,000	-	-	70,000
	Total (B)=(1+2)	1,20,000	1,10,000	-	-	230,000
	Total Managerial Remuneration	1,20,000	1,10,000	-	-	230,000
	Overall Ceiling as per the Act	Minimum Remuneration as per the Act				

* Appointed w.e.f. 14th May, 2015

** Appointed w.e.f. 5th June, 2015

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	17.13	21.63	38.76
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	3.72	11.56	15.28
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	20.85	33.19	54.04

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY : NIL					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS : NIL					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT: NIL					
Penalty			NIL		
Punishment					
Compounding					

By Order of the Board
for UTTAM SUGAR MILLS LIMITED

RAJ KUMAR ADLAKHA
(Chairman of the Board)
DIN: 00133256

Dated: 14.11.2015
Place: Noida

(Annexure – III)

PARTICULARS OF REMUNERATION

STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company are as follows:-

- (a) The median remuneration of employees of the Company during the financial year was Rs. 1.94 Lacs. The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year 2014-15 are as under:

Directors	Designation	Remuneration of Directors in Financial Year 2014-15 (Rs. In Lacs)	Ratio of Remuneration to Median Remuneration of Employees
Mr. Raj Kumar Adlakha	Managing Director	45.62	23.53
Mr. Ashok Kumar Agarwal	Whole-Time Director	38.10	19.66
Dr. R. Vasudevan	Independent Director	0.80	0.41
Mr. G. S. Matta	Independent Director	0.80	0.41
Mr. Bikash Narayan Mishra	Nominee Director-PNB	0.40	0.21
Mr. Kumar Neel Lohit	Nominee Director-IDBI Bank	0.30	0.15

- (b) The percentage increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year;

Name of Person	Remuneration of KMP in Financial Year 2013-14 (12 Months)	Remuneration of KMP in Financial Year 2014-15	% Increase in remuneration
Mr. Raj Kumar Adlakha (MD)	40.61	45.62	12.32%
Mr. Ashok Kumar Agarwal (WTD)	38.00	38.10	0.27%
Mr. Sanjay Bhandari (CFO)	30.80	33.19	7.77%
Mr. Gopalaiyer Ramarathnam (CS)	19.42	20.85	7.35%

- (c) The percentage increase in the Median Remuneration of Employees in the financial year was 7.63%
- (d) The number of Permanent Employees on the Rolls of Company: The number of Permanent Employees on the Rolls of Company as on 30th June, 2015 was 659.
- (e) The explanation on the relationship between average increase in Remuneration and Company Performance: The total Revenue during the year 2014-15 (12 Months) was Rs. 76236.67 Lacs as compared to Rs. 87372.51 Lacs during 2013-14 (15 Months). During the Financial year 2014-15(12 Months) the Company incurred losses of Rs. 8819.49 Lacs as against loss of Rs. 5529.81 Lacs in 2013-14 (15 months). During the year under review there was an average increase in the median remuneration of 7.63%. The Increase in remuneration is reasonable.
- (f) Comparison of the Remuneration of the Key Managerial Personnel against the Performance of the Company: The total remuneration of Key Managerial Personnel's increased from Rs. 128.84 Lacs in 2013-14 (pro rata 12 months) to Rs. 137.76 Lacs in 2014-15, which works out to increase of about 6.93%. During the Financial year 2014-15 (12 Months) the Company incurred losses of Rs. 8819.49 Lacs as against loss of Rs. 5529.81 Lacs in 2013-14 (15 months).
- (g) (i) Variations in the market capitalisation of the Company:
The Market Capitalisation as on 30.06.2015 was Rs. 38.71 Crores as against Rs. 80.47 Crores as on 30.06.2014.
- (ii) Price Earnings ratio as at the closing date of the current financial year and previous financial year : Since the Company has incurred losses in the financial years 2013-14 and 2014-15, this is Not Applicable.
- (iii) Percentage increase over/ decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer: The Company had come out with the Initial Public Offer (IPO) in March, 2006 @ Rs. 340/- per share. An amount of Rs. 34,000/- invested in the IPO would be worth of Rs. 1030/- as on 30.06.2015.
- (h) Average percentage increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:
The average increase in salaries of employees in 2014-15 was **5.91%**. Percentage increase in the Managerial Remuneration for the year was **6.50%**. The Difference is not material.
- (i) The key parameters for any variable component of Remuneration availed by the Directors: There is no variable component in the remuneration of Directors.
- (j) The Ratio of the Remuneration of the highest paid Director to that of Employees who are not Directors but receive Remuneration in excess of the highest paid Director during the year: **Not Applicable**
- (k) Affirmation that the Remuneration is as per the Remuneration Policy of the Company
The Company affirms that the Remuneration paid during the year were as per the Remuneration Policy of the Company.

STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a) Name of employee employed throughout the financial year and was in receipt of remuneration sixty lakh rupees or more: **Nil**
- b) Name of employee employed for a part of the financial year and was in receipt of remuneration less than five lakh rupees per month: **Nil**
- c) Name of the employee employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: **Nil**

(Annexure-IV)

ANNEXURE TO THE DIRECTORS' REPORT

(A) CONSERVATION OF ENERGY

i) The steps taken or impact on conservation of energy;

- a) Installation of Screw type pumps (Drive 7.5 KW) at clear melt instead of centrifugal pumps (Drive 15 KW).
- b) Installation of 3-Phase capacitor (2 no.) one of 400 KVAR and other is 1500 KVAR for increasing the efficiency of electrical appliances and reducing the losses.
- c) Stoppage of Fibrizor and one Leveller Motor in Mill House and one ID Fan and one FD Fan motor in Boiler House, when there is reduced crushing.
- d) Insulation & Cladding done where-ever required to minimize thermal energy loss.
- e) Installation of capacitor in Boiling House to improve Power factor.
- f) Waste heat recovery system in sulphur melter to utilize the heat of sulphur while burning and this is being utilized to produce steam resulting in saving of steam.

ii) The steps taken by the company for utilizing alternate sources of energy;

- a) All the four sugar factories have bagasse based co-generation power plants, partly used for captive consumption and balance being exported to U.P./ Uttarakhand Power Corporation Ltd.

iii) The capital investment on energy conservation equipments : **Rs. 40.17 Lacs**

(B) TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption.

- a) The Company is using well proved indigenous technology.

ii) The benefits derived.

- a) Our Company has carried out extensive sugar cane development activities during the Financial Year 2014-15 :-
 - Rearing of speed nurseries of new improved varieties for varietal replacement;
 - Pest control measures to protect cane from disease;
 - Distribution of fertilizers and measures for healthy development & growth of sugarcane.
- b) In addition to sugar cane development the company has also started to produce Pharma Grade Sugar.



iii) Details regarding imported technology (imported during last three years reckoned from the beginning of the financial year) :

(a) The details of technology imported	Nil
(b) The year of import	Not Applicable
(c) Whether the technology been fully absorbed	Not Applicable
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable

iv) Expenditure incurred on Research & Development - Rs. NIL

(C) **FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Rs. In Lacs)

PARTICULARS	Period Ended	
	30.06.2015	30.06.2014
Earnings	Nil	Nil
Outgo:- Foreign Travelling	19.27	4.61

By Order of the Board
for **UTTAM SUGAR MILLS LTD.**

(**RAJ KUMAR ADLAKHA**)
CHAIRMAN OF THE BOARD
(DIN : 00133256)

Place: Noida
Date : 14th November, 2015

(Annexure-V)

CORPORATE GOVERNANCE REPORT 2014-2015

1. Company’s Philosophy on Corporate Governance

Uttam Sugar Mills Limited is committed to produce quality sugar and value added by-products and strives for continuous improvement in all its activities. Uttam Management strives to create long term value for its Shareholders. We also believe in good Corporate Governance which is essential for achieving long term corporate goals.

Your Company is fully compliant with all the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges. The details of compliance are as follows:-

2. Board of Directors

A. Composition of the Board: -

The Board of Directors of the Company comprises of 8 (Eight) Directors. Out of them two are Executive Directors, four Non-Executive Independent Directors and two Non-Executive Nominee Directors. The Board of the Company is duly constituted as per the requirements of Companies Act, 2013 read with rule made thereunder and Listing Agreement. The composition and category of Directors of the Company are as follows:

Name of Director(s)	Designation	Category
Mr. Raj Kumar Adlakha	Managing Director	Promoter/ Executive
Mr. Ashok Kumar Agarwal	Whole Time Director	Non-Promoter/Executive
Dr. R. Vasudevan	Director	Non-Executive/Independent
Mr. G. S. Matta	Director	Non-Executive/Independent
Mr. Narendra Kumar Sawhney*	Director	Non-Executive/Independent
Mrs. Rutuja Rajendra More*	Director	Non-Executive/Independent
Mr. Bikash Narayan Mishra	Nominee-Director – PNB	Non-Executive
Mr. Kumar Neel Lohit	Nominee-Director – IDBI Bank Limited	Non-Executive

* Mr. Narendra Kumar Sawhney (w.e.f 14.05.2015) and Mrs Rutuja Rajendra More (w.e.f 05.06.2015) appointed as an Additional-Cum Independent Directors on the Board of the Company.

All the Directors have given disclosures of Interest as required in the Companies Act, 2013 and rules made thereunder.

No Director is related to any other Director on the Board in terms of the definition of ‘relative’ given under the Companies Act, 2013. As mandated by Clause No.49, all the Independent Directors on the Company’s Board are Non-Executive.

B. Attendance at Board Meeting and last AGM and details of membership of Directors in other Boards and Board Committees (as on the date of Report): -

During the Financial Year 2014-15, 4 (Four) Board Meeting were held and all the meeting of the Board were convened as per the requirements of Companies Act and other applicable laws. Directors attendance at the Board meeting and in the Last AGM along with Directorship in other Companies and chairmanship/membership in other Committees are as follows

Name of Director(s)	No. of Board Meetings Attended	Last AGM Attended	No. of Other Directorships ¹ and Committee Memberships/Chairmanships		
			Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Raj Kumar Adlakha	4	Yes	3	3	3

Mr. Ashok Kumar Agarwal	4	Yes	-	2	-
Dr. R. Vasudevan	4	No	-	3	2
Mr. G. S. Matta	4	Yes	2	6	1
Mr. Narendra Kumar Sawhney	NA	NA	1	-	1
Mrs. Rutuja Rajendra More	NA	NA	-	-	-
Mr. Bikash Narayan Mishra	4	No	-	2	-
Mr. Kumar Neel Lohit	3	No	-	1	-

¹: Excludes viz. Private / Overseas Companies.

C. Details of Board Meetings held during the year ended 30th June, 2015 :

The Details of the meetings of Board of Directors held during the year are as follows:

S. No.	Date of Meeting	No. of Directors Present
1.	28.08.2014	6
2.	12.11.2014	6
3.	14.02.2015	5
4.	14.05.2015	6

- The time gap between any two meetings did not exceed four months.
- The last AGM was held on 15th December, 2014.

D. Details of the sitting fees paid to the Non-Executive Directors for the year ended June 30, 2015:-

The Company paid sitting fees to all the Independent Directors for attending the meetings of the Board and / or committees thereof amounting to Rs.2,30,000/-. The details are as under:-

S. No.	Name	Sitting Fee (Rs.)
1.	Dr. R. Vasudevan	80,000/-
2.	Mr. G. S. Matta	80,000/-
3.	Mr. Bikash Narayan Mishra	40,000/-
4.	Mr. Kumar Neel Lohit	30,000/-

E. Details of shareholding of Directors are as under:-

The details of shareholding of Directors in the Company are as under:-

S. No.	Name of Director	Shareholding
1.	Mr. Raj Kumar Adlakha	16,24,610 Eq. Shares 51,000 Pref. Shares
2.	Mr. Ashok Kumar Agarwal	Nil
3.	Dr. R. Vasudevan	Nil
4.	Mr. G. S. Matta	Nil
5.	Mr. Narendra Kumar Sawhney	Nil
6.	Mrs. Rutuja Rajendra More	Nil
7.	Mr. Bikash Narayan Mishra	Nil
8.	Mr. Kumar Neel Lohit	Nil

F. Meeting of Independent Directors

As required the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a Meeting of the Independent Directors of the Company was convened on 14th May, 2015 to overlook and review their own performance and of the Board.

G. Familiarization Programme for Directors

The Company has formulated a Familiarization Program Module (“the programme”) for the Independent Directors (“ID”) of the Company. The said programme has been duly adopted by the Board of Directors pursuant to Securities and Exchange Board of India vide Circular no. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014.

This programme seeks to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through this programme. Familiarization Programme for Directors is also placed on the website : www.uttamsugar.in and can be accessed at this weblink <http://uttamsugar.in/pdf/FamiliarisationProgrammeForIndependentDirectors.pdf>.

3. AUDIT COMMITTEE

A TERM OF REFERENCE:-

The scope of functions and terms of references of the Audit Committee are as prescribed under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

B COMPOSITION, NAME OF MEMBERS AND CHAIRMAN:-

The Audit Committee presently comprises of four members with three Independent Directors and one Executive Director. Mr. G. S. Matta (Independent Director) is the Chairman of the Committee. All the Members are financially literate and possess sound knowledge of accounts, audit, finance etc.

The following Directors are the present members of Audit Committee :-

S. No.	Name	Category
1.	Mr. G. S. Matta	– Chairman (Independent Director)
2.	Dr. R. Vasudevan	– Independent Director
3.	Mr. Ashok Kumar Agarwal	– Executive Director
4.	Mr. Narendra Kumar Sawhney	– Independent Director

C. MEETING AND ATTENDANCE:-

During the Financial Year 2014-15, 4 (Four) Audit Committee Meetings were held on 28.08.2014, 12.11.2014, 14.02.2015 and 14.05.2015. The attendance of the members is as follows:-

S.No.	Name	Attendance
1.	Mr. G. S. Matta	4
2.	Dr. R. Vasudevan	4
3.	Mr. Ashok Kumar Agarwal	4

Chief Financial Officer is a permanent invitee of the Audit Committee Meetings and representative of the Statutory Auditors of the Company is also invited to the Audit Committee Meetings.

Mr. G. Ramarathnam – Chief – Legal and Corporate Affairs & Company Secretary acts as secretary to the committee.

4. Nomination & Remuneration Committee

A. Term of Reference

The Nomination and Remuneration Committee has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company's Nomination & Remuneration committee is constituted to look into the matter relating to payment/review/revision of remuneration to the Directors.

B. Details of the Composition of Remuneration Committee and attendance of Members are as follows:

During the Financial Year 2014-15, 1 (One) remuneration committee meeting was held on 12th November, 2014.

Name	Designation	Category of Directorship	Attendance in meeting
Dr. R. Vasudevan	Chairman	Non-Executive & Independent	1
Mr. G. S. Matta	Member	Non-Executive & Independent	1
Mr. Bikash Narayan Mishra	Member	Non-Executive & Nominee	1

C. Remuneration Policy:

The Nomination and Remuneration Committee has framed a policy viz Nomination and Remuneration Policy. The Nomination and Remuneration Policy is also placed on the website: www.uttamsugar.in and can be accessed at this weblink <http://uttamsugar.in/pdf/NRC-Policy.pdf>.

D. Details of remuneration to directors

The Company has paid remuneration to Managing Director and Whole Time Director for the year 2014-15 as follows:

(Rs. in lacs)

Name of Director	Salary	Perquisites	Total
Mr. Raj Kumar Adlakha (Managing Director)	39.00	6.62	45.62
Mr. Ashok Kumar Agarwal (Executive Director)	24.59	13.51	38.10

5. Stakeholders Relationship Committee

The Board has constituted a Stakeholders Relationship Committee to look into redressal of Shareholders/ Investors complaints regarding transfer and transmission of shares, non receipt of Balance Sheet and dematerialization of shares and matters relating to issue of share certificates etc. The Company's Stakeholders Relationship Committee presently comprising of two members, headed by Dr. R Vasudevan, Non-Executive Independent Director of the Company.

Details of the Composition of Stakeholders Relationship Committee and attendance of Members are as follows:

During the Financial Year 2014-15, 6 (Six) committee meetings were held.

Name	Designation	Category of Directorship	Attendance in meetings
Dr. R. Vasudevan	Chairman	Non-Executive & Independent	6
Mr. G. S. Matta	Member	Non-Executive & Independent	6

During the year 2014-15, 2 (Two) complaints were received from Shareholders. All the Complaints have been resolved. There were no pending complaints as on 30th June, 2015. All valid share transfers received during the year 2014-15 have been duly complied with by the company.

Compliance Officer

Mr. G. Ramarathnam, Chief – Legal and Corporate Affairs & Company Secretary acts as Compliance Officer.

6. Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee, consisting of Mr. Raj Kumar Adlakha, Managing Director, Mr. Ashok Kumar Agarwal and Mr. G. S. Matta, Members. During the year, 1 (One) Committee Meeting was held on 28th August, 2014.

The Composition and attendance of the members of the CSR Committee are as follows:

Name	Designation	Category of Directorship	Attendance in meeting
Mr. Raj Kumar Adlakha	Chairman	Managing Director	1
Mr. Ashok Kumar Agarwal	Member	Executive Director	1
Mr. G. S. Matta	Member	Non-Executive & Independent	1

Mr. G. Ramarathnam, Chief – Legal and Corporate Affairs & Company Secretary acts as Secretary to the Committee

7. General Body Meetings

Details of last three Annual General Meetings:

Meeting	Date	Venue of AGM	Time	Special Resolution Passed
17 th AGM	21.09.2012	Village Libberheri, Tehsil Roorkee, Distt. Haridwar Uttarakhand	12.00 Noon	Appointment of Whole Time/ Executive Director for a period of 3 years w.e.f. 14 th February, 2012. Reappointment of Managing Director for a period of 3 years w.e.f. 1st September, 2012. Authorisation to Board of Directors to issue Redeemable Preference Shares pursuant to section 81(1A) of the Companies Act, 1956.
18 th AGM	19.09.2013	Village Libberheri, Tehsil Roorkee, Distt. Haridwar Uttarakhand	12.00 Noon	Increase in remuneration of Whole Time/Executive Director from 01.04.2013 to 13.02.2015.
19 th AGM	15.12.2014	Village Libberheri, Tehsil Roorkee, Distt. Haridwar Uttarakhand	12.30 P.M.	Re-appointment of Mr. Ashok Kumar Agarwal as an Executive/ Whole-time Director for a period w.e.f. 14 th February, 2015 to 31 st December, 2017. Re-appointment of Mr. Raj Kumar Adlakha as a Managing Director of for a period w.e.f. 01 st September, 2015 to 31 st March, 2018. Alteration in Articles of Association of the Company

8. Resolution passed through Postal Ballot

During the current financial year i.e. 2014-15, the Company has passed Special Resolutions through Postal Ballot. Details of the Special Resolution passed alongwith voting results thereof are following:

1) (a) Special Resolutions passed on 14th October 2014 under Section 180(1)(a) of the Companies Act, 2013.

Voting Results are as under:

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)] *100	% of Votes against on votes polled (7)=[(5)/(2)] *100
Promoter and Promoter Group	28603585	28603585	100.00	28603585	0	100.00	0
Public – Institutional Holders	560723	560723	100.00	560723	0	100.00	0
Public-Others	8973812	542620	6.05	462629	101	85.26	0.02
Total	38138120	29706928		29626937	101	99.73	0.0003

(b) Special Resolutions passed on 14th October 2014 under Section 180(1)(c) of the Companies Act, 2013.

Voting Results are as under:

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/ (2)] *100	% of Votes against on votes polled (7)=[(5)/(2)] *100
Promoter and Promoter Group	28603585	28603585	100.00	28603585	0	100.00	0
Public – Institutional Holders	560723	560723	100.00	560723	0	100.00	0
Public-Others	8973812	542620	6.05	462229	501	85.18	0.09
Total	38138120	29706928		29626537	501	99.73	0.0017

2) a) Special Resolutions passed on 25th April, 2015 under Section 13 & 61 for Re-classification of Authorise Share Capital.

Voting Results are as under:

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/ (2)] *100	% of Votes against on votes polled (7)=[(5)/(2)] *100
Promoter and Promoter Group	28603585	28230285	98.69	28230285	0	100	0
Public – Institutional Holders	560723	560723	100	560723	0	100	0
Public-Others	8973812	86326	0.96	85643	683	99.21	0.79
Total	38138120	28877334	75.72	28876651	683	99.9976	0.0024

b) Special Resolutions passed on 25th April, 2015 under Section 42 & 55 for Authorisation to Board to Issue Redeemable Preference Shares.

Voting Results are as under:

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/ (2)] *100	% of Votes against on votes polled (7)=[(5)/(2)] *100
Promoter and Promoter Group	28603585	28230285	98.69	28230285	0	100	0
Public – Institutional Holders	560723	560723	100	560723	0	100	0
Public-Others	8973812	86326	0.96	85643	683	99.21	0.79
Total	38138120	28877334	75.72	28876651	683	99.9976	0.0024

No special resolution is proposed to be conducted through postal ballot at the forthcoming AGM to be held on 30th December, 2015.

9. Disclosure

- a) There have been no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. which may have potential conflict with the interests of the Company at large.
- b) There have been no instances of non-compliance with any of the legal provisions of law made by the Company nor any penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last 3 years.
- c) No personnel have been denied access to the Audit Committee.
- d) The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. Constitution of Nomination and Remuneration Committee as per the Non-mandatory requirement has been complied with.
- e) A qualified Practicing Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd, (NSDL) and Central Depository Services (India) Ltd, (CDSL) and the total issued and listed capital. The said Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

10. Means of Communication

The Company is publishing quarterly unaudited / annual audited financial results and notice advertisement in the “The Financial Express” and “Himachal Times” (vernacular language) regularly. The results are also displayed/uploaded on the Company’s website: www.uttamsugar.in.

11. General Shareholder Information

i)	AGM Date, time and venue	Wednesday, 30 th December, 2015 at 12.00 Noon at Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand
ii)	Financial Year	1 st July, 2014 to 30 th June 2015
iii)	Financial calendar 2015-16 (Tentative Schedule) Results for quarter ending: i. 30 th September 2015 ii. 31 st December 2015 iii. 31 st March 2016	On or before 14 th day of November, 2015 On or before 14 th day of February, 2016 On or before 30 th day of May, 2016
iv)	Book Closure Date	23 rd December, 2015 to 30 th December, 2015(both days inclusive).
v)	Dividend Payment Date	N.A.
vi)	Listing on Stock Exchange	National Stock Exchange of India Ltd. Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051 BSE Limited. 1 st Floor, Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Note : Your Company has already paid the Listing fees to both the Stock Exchange for the F.Y. 2014-15 & F.Y. 2015-16
vii)	Stock Code National Stock Exchange of India Ltd BSE Limited	UTTAMSUGAR 532729

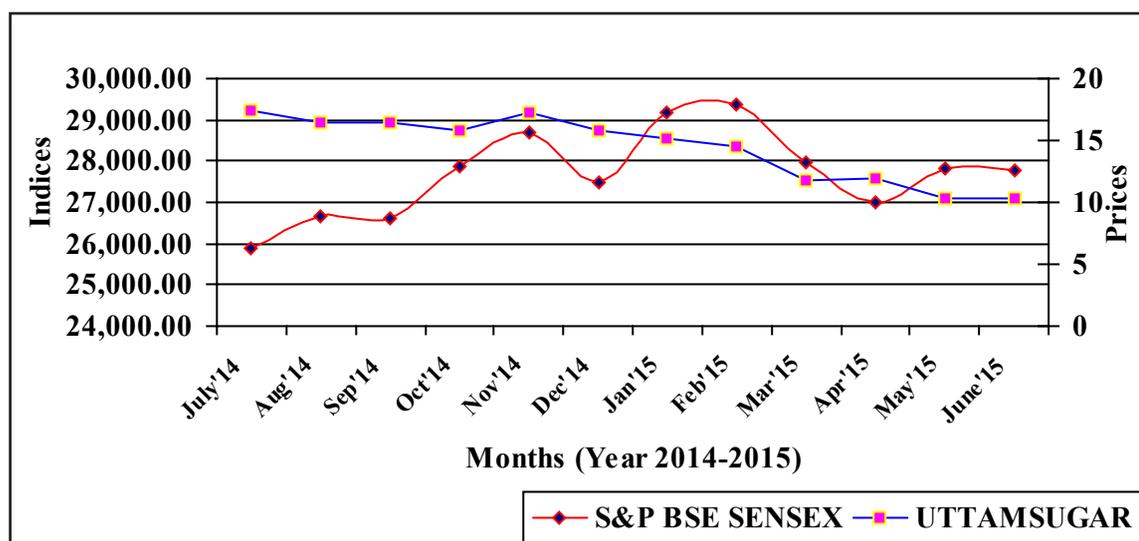


vii. Market Price Data High/ Low during each month of the Financial Year 2014-15:

(BSE Limited)

Month	High (Rs.)	Low (Rs.)
July'14	21.95	17.10
August'14	19.50	15.10
September'14	18.85	15.00
October' 14	17.50	15.00
November' 14	19.30	15.80
December' 14	19.20	15.20
January'15	18.75	14.35
February'15	15.70	13.00
March'15	15.29	9.14
April'15	15.00	10.51
May'15	12.95	9.20
June'15	11.98	9.30

viii. Relative performance of Uttam Sugar's Share versus S&P BSE SENSEX:



ix.	Registrars and Share Transfer Agents (for physical & demat shares)	Link Intime India Private Limited 44 Community Center, 2nd Floor, Naraina Industrial Area, Phase I, New Delhi – 110 028. Tel. :- 011-4141 0592-94 Telefax :- 011-4141 0591 Email: delhi@linkintime.co.in
x.	Share transfer system	Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are complete in all respects.

xi. Distribution of Equity Shareholding as on 30th June, 2015

(i) Category of Equity Shareholders as on 30.06.2015

S. No	Category of Shareholder	Total Number of Equity Shares	% of Shares
(A)	Shareholding of Promoter and Promoter Group		
(1)	Indian		
(a)	Individuals/ Hindu Undivided Family	52,72,204	13.82
(b)	Bodies Corporate	2,33,31,381	61.18
(2)	Foreign	-	-
	Total Shareholding of Promoter and Promoter Group (A)	2,86,03,585	75.00
(B)(1)	Public Shareholding Institutions		
(a)	Financial Institutions/ Banks	560,723	1.47
(b)	Foreign Institutional Investors	-	-
	Sub-Total (B)(1)	560,723	1.47
(B)(2)	Non-Institutions		
(a)	Bodies Corporate	20,26,648	5.31
(b)	Individuals :		
(i)	Individual Shareholders holding nominal share capital up to Rs. 1 lakh	41,06,993	10.77
(ii)	Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	26,53,240	6.95
(c)	Any others :		
(i)	Trust	10	0.00
(ii)	Foreign Nationals (Non Resident Indians)	1,46,388	0.39
(iii)	Clearing Members	40,533	0.10
	Sub-Total (B)(2)	89,73,812	23.53
	Total Public Shareholding (B) = (B)(1) + (B)(2)	95,34,535	25.00
	TOTAL (A) + (B)	3,81,38,120	100.00

(ii) Distribution of Equity Shareholding as on the 30.06.2015

Sl. No.	No. of Equity Shares held	Number of Shareholders holding shares in each category		No. of shares held in each category	% of Equity Capital held in each category
		No.	%		
01.	1 to 500	18,822	91.4844	17,67,439	4.6343
02.	501 to 1,000	896	4.3550	6,98,431	1.8313
03.	1,001 to 2,000	425	2.0657	6,15,196	1.6131
04.	2,001 to 3,000	134	0.6513	3,41,625	0.8958
05.	3,001 to 4,000	56	0.2722	1,94,093	0.5089
06.	4,001 to 5,000	62	0.3014	2,85,167	0.7477
07.	5,001 to 10,000	83	0.4034	5,68,012	1.4894
08.	10,001 to above	96	0.4666	3,36,68,157	88.2795
	TOTAL	20,574	100.000	3,81,38,120	100.000



<p>xii. Dematerialization of shareholding and liquidity</p>	<p>As on June 30, 2015, 19,04,255 Equity Shares of the Company (4.993% of the total issued Equity Capital) were held in physical form and 3,62,33,865 Equity Shares (95.007% of the total issued Equity Capital) were held in dematerialized form. Registrar and Transfer Agents are appointed for transfer of shares in physical mode.</p>
<p>xiii. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments</p>	<p>Not Applicable</p>
<p>xiv. Plant locations</p>	<p>Unit - I Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand Unit - II Village Barkatpur, Tehsil Nazibabad, District Bijnor, U.P. Unit - III Village Khaikheri, Tehsil & District Muzaffarnagar, U.P. Unit - IV Village Shermau, Tehsil Nakur, Distt: Saharanpur, U.P.</p>
<p>xv. Address for correspondence</p>	<p>Registrar & Share Transfer Agent (For Dematerialisation and Share Transfer related query) Link Intime India Private Limited 44 Community Center, 2nd Floor, Naraina Industrial Area, Phase I, New Delhi – 110 028. Tel. :- 011-4141 0592-94 Telefax :- 011-4141 0591</p> <p>Company (For Annual Report and any other related matters) Company Secretary, Uttam Sugar Mills Ltd. A-2E, IIIrd Floor, C.M.A. Tower, Sector – 24, Noida (U.P.)</p>

12. Disclosure regarding Shares in Suspense Account

(a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No of Shareholder : 08, No of outstanding Shares : 199 Equity Shares
(b)	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil
(c)	Number of shareholders to whom shares were transferred from suspense account during the year	Nil
(d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No of Shareholder : 08, No of outstanding Shares : 199 Equity Shares
(e)	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	We confirm that voting rights on these outstanding shares has been frozen.

13. Vigil Mechanism/Whistle Blower Policy

As per the provisions of Section 177(9) of the Companies Act, 2013, every listed company will establish a vigil mechanism for directors and employee to report genuine concerns. The Company is also has Vigil Mechanism under which employees can report any violations of applicable laws and regulations and the Code of Conduct of the Company. Vigil Mechanism of the Company provide adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee.

14. Independent Directors

Clause 49 of the Listing Agreement with the stock exchanges and Section 149 of the Companies Act, 2013 requires every listed company to have the requisite number of Independent Directors on its Board and also sets out various criteria for a person to be eligible for appointment as an Independent Director. During the Financial Year the Company has appointed Mr. Narendra Kumar Sawhney w.e.f 14.05.2015 and Mrs Rutuja Rajendra More w.e.f 05.06.2015 as an Additional-Cum Independent Directors on the Board. Therefore, the Board of the Company comprises of 4 (Four) Independent Directors.

15. Performance Evaluation

During the financial year, the Board adopted a mechanism for evaluation of its performance and as well as that of its Committee and individual Directors, including Chairman of the Board. Separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on the parameters such as attendance, level of engagement and contribution, independence of judgement, competition challenges and meeting the risk management compliances and due diligence, financial control, safe guarding the interest of the company and its minority share holders.

16. Management Discussion and Analysis

A separate chapter on Management Discussion and Analysis is given in this Annual Report.

17. CEO/CFO Certification

Mr. Raj Kumar Adlakha, Managing Director, Mr. S.L. Sharma, Head Accounts & Commercial and Mr. Sanjay Bhandari, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Clause 49 of the Listing Agreement and the Board took the same on record.

18. Compliance Certification

Compliance Certificate for Corporate Governance obtained from a practicing Company Secretary is annexed herewith.

19. Code of Conducts

The Company has adopted following code of conducts which are available at company's website under the head "Investors":-

- a) Nomination and Remuneration Policy
- b) Terms of Appointment of Independent Director
- c) Code of practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (SEBI prohibition of Insider Trading) Regulations, 2015
- d) Corporate Social Responsibility Policy
- e) Code of Conduct & Business Ethics
- f) Familiarisation Programme for Independent Directors
- g) Whistle Blower Policy / Vigil Mechanism.
- h) Policy on Related Party Transaction

20. Adoption of Mandatory / Non- Mandatory Requirements of Clause 49:-

During the Financial Year ended 30th June, 2015, the Company has duly complied with all the mandatory requirements and has not adopted non-mandatory requirements of Clause 49 of the Listing Agreement except the following:

The Internal auditor may report directly to the Audit Committee.

CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Uttam Sugar Mills Limited
Uttarakhand.**

We have examined the compliance of conditions of Corporate Governance by **Uttam Sugar Mills Ltd.** for the period ended on 30th June, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For N.K. RASTOGI & ASSOCIATES
Company Secretaries
(C. P. No. - 3785)**

**Naveen K. Rastogi
Proprietor
Membership No. – FCS-3685**

**Place: Noida
Date: 14.11.2015**

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

The Shareholders,

I, Raj Kumar Adlakha, Managing Director, hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with code of conduct of the Company during the financial year 2014-15.

**Place: Noida
Date : 14.11.2015**

**(RAJ KUMAR ADLAKHA)
MANAGING DIRECTOR
(DIN : 00133256)**

CEO/CFO CERTIFICATION – FINANCIAL YEAR ENDED 30.06.2015

We, Raj Kumar Adlakha, Managing Director, Shankar Lal Sharma, Head Accounts & Commercial and Sanjay Bhandari, Chief Financial Officer of Uttam Sugar Mills Ltd. hereby certify that :-

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For UTTAM SUGAR MILLS LIMITED

(RAJ KUMAR ADLAKHA)
MANAGING DIRECTOR
(DIN: 00133256)

(S. L. SHARMA)
HEAD ACCOUNTS & COMMERCIAL
(PAN: AGMPS8068E)

(SANJAY BHANDARI)
CHIEF FINANCIAL OFFICER
(PAN: ACTPB6429P)

Place: Noida

Date: 14.11.2015

(Annexure-VI)

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present its Management Discussion and Analysis Report as per Clause 49 VIII (D) of the Disclosure guidelines for Corporate Governance.

A. INDUSTRY STRUCTURE & DEVELOPMENTS**Global Sugar Industry Scenario:**

Global Sugar production in SS 2014/15 is 172.10 Million MT with a drop of 5.17% over 181.48 Million MT in SS 2013/14, largely led by the top two sugar producing countries i.e. Brazil and India.

Industry Facts:

Sugar is one of the world's major agro-based industry and is also one of the most actively traded soft commodity on the exchanges.

More than 80% of sugar produced is from sugarcane while balance is from sugar beet.

Brazil & India are the largest sugar producers from Sugarcane & EU (European Union) and US are the major sugar producers from beet.

Brazil, India, China and Thailand rank amongst the top global producers of Sugar.

India, EU, China, Brazil & U.S are the major sugar consuming countries.

India is the 2nd largest producer of sugar in the world after Brazil.

India's share in the world production of sugar was approx. 17 percent in 2014-15.

Brazil was largest exporter of sugar followed by Thailand and Australia in 2014-15.

In 2014-15, India was the sixth largest exporter of sugar having a share of 2.76% (approx.) in total global exports.

China, United States, Indonesia, EU were the major sugar importing countries in the world during 2014-15.

The major export destinations for India in 2014-15 were Sudan, Somalia, UAE and Sri Lanka.

Substantial part of India's sugar imports (around 99.6%) came from Brazil in 2014-15.

Production, Consumptions and End Stocks:

The global sugar industry production is 172.10 Million MT in 2014/15 with a drop of 5.17% on 2013/14. There is drop in consumption also by 2.97% to 171.50 Millions MT in 2014/15, resulting into inventory levels for the 2013/14 and 2014/15 at 75.84 Million MT and 76.74 Million MT respectively. There is an increase in the closing stock to consumption ratio in 2014/15 at 44.75% as against 42.91% at the end of 2013/14.

World Sugar Balances (October/September)

(In Million MT, raw value)

Particulars	2014/15	2013/14	2012/13	Change in 2014/15 over 2013/14	
				(Million MT)	(%)
Production	172.1	181.48	183.63	-9.38	-5.17
Consumption	171.5	176.75	173.03	-5.25	-2.97
Surplus/(Deficit)	0.6	4.73	10.6	-4.13	-87.32
Import demand	56.4	52.87	55.3	3.53	6.68
Export availability	56.1	57.14	56.44	-1.04	-1.82
End Stocks	76.74	75.84	75.2	0.9	1.19
Stock/Consumption Ratio in %	44.75	42.91	43.46		

Source: International Sugar Organisation (ISO)



Uttam Sugar Mills Limited

The global sugar market continues to reel under price volatility. The ISA daily price (monthly average) fell from 16.19 cents/lb in November 2014 to 15.33 cents/lb in December 2014 and reached 15.34 cents/lb in January 2015. White Sugar price have also reached the lowest level in 6 years (17.50 cents/lb). The main reasons for the decrease in world sugar prices are:

- The fall of the Brazilian real;
- The high carry forward of sugar;
- Increase of net short position of hedge funds since the end of January 2015.

The rising level of incorporation of ethanol in gasoline in Brazil from 25 % to 27 % didn't change the global downward trend of sugar prices.

According to the ISO, the world production is almost equivalent to the consumption which would not reduce the pressure from global stocks accumulated over the last four seasons. However, short fall expected in 2015-16

INDIAN PERSPECTIVE OF SUGAR INDUSTRY

As compared to about 241 lakh tons of sugar produced in the last 2013-14 sugar season, the Indian sugar industry has produced a record 280 lakh tons of sugar in the current 2014-15 sugar season .

The sugar mills in Maharashtra have produced 105 lakh tons of sugar, followed by the sugar mills in Uttar Pradesh who have produced about 71 lakh tons and then mills in Karnataka who have produced 49 lakh tons.

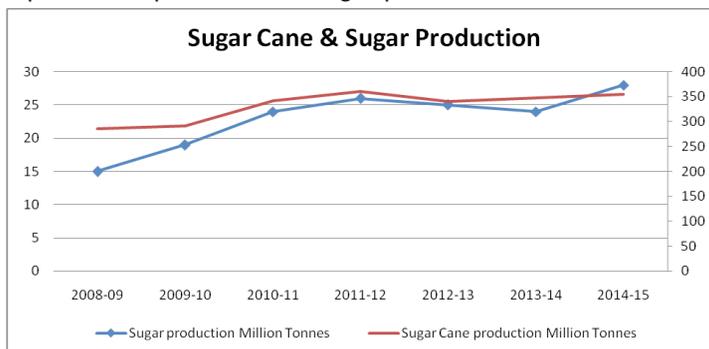
As compared to the previous sugar season, the sugar mills in Maharashtra, Uttar Pradesh and Karnataka have produced about 28 lac tons, 6 lac tons and 8 lac tons respectively, more than what they produced in 2013-14 SS .

In case of the fourth largest sugar producing State viz. Tamil Nadu, the production is significantly lower than last year when they had produced almost 12 lakh tons, but have produced 10 lakh tons in this sugar season.

Taking into consideration the estimated domestic consumption of 248 lac tons and estimated exports of 11 to 12 lac tons, the country would end the season with massive sugar stocks of 103 Lac tons on 30th September, 2015. This is 43 Lac tons more than the normative requirement of the Government for meeting the initial months' domestic requirement in the new sugar season.

In 2006-07 sugar season when the country produced 284 lac tons of sugar and was ending the season with 110 lac tons of sugar stocks, the Government, in order to help the sugar industry to dispose of the surplus stock and also to improve domestic sugar prices, took various measures which included:-

- Creation of buffer stock of 50 lac tons (in two tranches) for a period of 2 yrs.
 - Incentives on export of sugar for 60 lac tons and
 - Gave interest free loans for 4 years amounting to Rs. 3800 cr in 07-08 SS.
- As compared to the sugar season of 2006-07, the current sugar season is worse because of following reasons:
 - As cane price arrears of farmers are still pending at around Rs. 15,000 crore.
 - This is the 5th year of surplus sugar production.
 - There are no signs of farmers reducing their cane area, and
 - Sugar prices both in domestic and global market have fallen to the lowest levels in the last 6 to 7 years
 - The Following chart depicts cane production & sugar production data:



Source: DES and Directorate of Sugar, DFPD



Prices:

Domestic sugar prices have been on a downward trend on account of excess supply in the domestic market in the SS 2014-15 coupled with no exports (due to relatively lower international prices). Prices of sugar for the period from Oct 2014 to Aug 2015 are as under:



SOURCE : NCDEX Spot Price Delhi

High inventory level:

A snapshot of the inventory position movement in the last four years is tabulated below:

(in mln MT)

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15(E)
Opening stock (A)	4.7	5.7	6.7	9.2	8.3
Production (B)	24.4	26.3	25.1	24.4	28.1
Imports (C)	0	0	0.7	1.0	0.7
Total Availability (D = A+B+C)	29.1	32.1	32.5	34.6	37.1
Internal Consumption (E)	20.8	22	23	24.1	25
Exports (F)	2.6	3.4	0.3	2.2	1.1
Total Offtake (G = E+F)	23.4	25.4	23.3	26.3	26.1
Closing Stock (D-G)	5.7	6.7	9.2	8.3	11.0
Stock as % of consumption	27%	30%	40%	34%	44%
Surplus (B-E)	3.6	4.3	2.1	0.3	3.1

Source: CARE Ratings

Trade:

With the recent softening of international sugar prices and India’s rising domestic cost of production, Indian sugar exporters will face lower export price realization, especially in mills in northern India which face higher transport costs. However, mills in western and southern India will continue to benefit from their proximity to ports, relatively lower production costs and Export Benefits from the Central Government including of Export Incentive @ Rs. 4000/- MT.

Sugarcane Production and Pricing Policy:

The Government of India (GOI) supports research, development, training of farmers and transfer of new

varieties and improved production technologies to growers in its endeavour to raise cane yields and sugar recovery rates. Following Cane Development activities which improve the productivity, yield & Sugar Recovery Percentage of Sugarcane, are undertaken:

- a. Varietal Replacement with proven high recovery varieties.
- b. Ratoon management.
- c. Development of Agri Research Centres.
- d. Integrated Pest Management Programme.
- e. Soil testing facilities.
- f. Encouraging use of Bio Fertiliser & Bio pesticides.
- g. Training facilities to the Farmers.

The Indian Council of Agricultural Research (ICAR) conducts sugarcane research and development at the national level. State agricultural universities, regional research institutions, and state agricultural extension agencies support these efforts at the regional and state levels. The central and state governments also support sugarcane growers by ensuring finances and input supplies at affordable prices. To increase the area of cultivation and production in India, a centrally sponsored scheme called the Sustainable Development Fund of Sugarcane Based Cropping System Area under the Macro Management Mode of Agriculture is being implemented in various sugarcane growing states.

The GOI establishes a fair and remunerative price system (FRP) for sugarcane on the basis of recommendations by the Commission for Agricultural Costs and Prices (CACP) and after consulting state governments and associations of the sugar industry and cane growers. The CACP estimates the Sugar Price & based on the estimated Sugar Price the FRP being ascertained. Several state governments further augment the MSP/FRP, typically by 30-40 percent, due to political compulsions rather than market pricing.

Sugar mills are required to pay the “state advised price (SAP)” to sugarcane farmers irrespective of the market price of sugar. Softening sugar prices, coupled with apprehensions of a large cane crop, discouraged the sugar mills to pay higher cane prices.

Given below is a chart depicting the difference in the State Advised Cane Price (SAP) between 2013-14 and 2014-15 in the major sugar producing states:

State	2013-14 (SAP)	2014-15 (SAP)	2014-15 (FRP)*
Bihar	255	255	220
Uttar Pradesh	280	280	220
Punjab	280	285	220
Haryana	295	305	220
Maharashtra	255	-	220
Karnataka	250	250	220
Andhra Pradesh	251	-	220
Tamilnadu	235	265	220
Uttarakhand	285	280	220
<i>Source : ISMA/AGRIWATCH</i>			

Note: -

- 1.* FRP linked with basic recovery rate at 9.50% subject to a premium of Rs. 2.32/- per qtl for every 0.1% point increase in recovery above that level.
2. In Maharashtra & Andhra Pradesh the SAP & FRP are same.

Sugar Production and Marketing Policy:

Sugar Development Fund:

The GOI levies a sugar cess of Rs. 240 per ton of sugar produced by mills for the Sugarcane Development Fund (SDF), which is used to support research, extension, and technological improvement in the sugar sector. The SDF is also often used to support sugar buffer-stocks operations, provide a transport subsidy for sugar exports, and provide subsidised loans for the installation of power generation, ethanol production plants, pollution control equipments, Cane Development activities and interest benefit on the loans given to sugar mills equivalent to excise duty or Soft Loan. In March 2008, the GOI enacted the Sugar Development Fund (Amendment) Bill, 2008, that enables the government to include the use of the fund for debt restructuring and granting soft loans to sugar mills.

Ethanol Manufacture:

Brazil is one of the major Bio-ethanol (from sugarcane) producers and the exporter. USA is the major producer of ethanol from corn due to abundance production of corn in the country. Ethanol from sugar cane juice is not being produced in USA. .

Global ethanol production was dominated by the United States and Brazil, which retained their top spots, other significant producers of ethanol included China and Canada.

In India ethanol is produced mainly from molasses which is a by-product during production of sugar from sugar cane. India is the fourth largest Ethanol producer after Brazil, the U.S & China.

Ethanol is produced by the fermentation of Molasses in India, a by-product of Sugar.

45 kg of Molasses is produced from 1 ton of Cane, from which about 10 litre of Ethanol can be obtained. If the sugarcane is directly & fully used in Ethanol manufacturing, the yield of Ethanol is 70 litres per ton.

Ethanol Blending Programme (EBP):

The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 22nd November, 2012 decided that (i) 5% mandatory ethanol blending with petrol as already decided by CCEA in the past, should be implemented across the country; (ii) procurement price of ethanol will be decided henceforth between OMCs (Oil Manufacturing Companies) and suppliers of ethanol; and (iii) the 5% mandatory blending will be reckoned for the country as a whole and it be achieved by 30th June, 2013. Accordingly, a Gazette Notification was issued directing OMCs to sell ethanol blended Petrol with percentage of ethanol upto 10%.

Further, there are few constraints in implementation of EBP, possible solution to which is being provided by the Ministry.

India has an indigenous installed capacity to produce about 600 crore litres of Rectified Spirit/ Alcohol /Ethanol, out of which distilleries having approx 230 crore litre capacity are attached with Sugar Plants & remaining are Standalone Distilleries. The above capacity is sufficient to meet the requirement of 10 % Ethanol blending with petrol.

The meeting held on August 24, 2015 under the Chairpersonship of Secretary (Food & Public Distribution), Ministry of Consumer Affairs, Food & Public Distribution, Government of India to discuss the issues relating to implementation of EBP at the scaled up blending target of 10%. Following issues were discussed:

1. Government has decided to scale up Blending target to 10% commencing from next Sugar Season 2015-16 as against the current target of 5%. This would require proper planning of Logistics involved & resolving various transaction barriers of licences & permits.
2. Secretary highlighted the increasing of production of Ethanol & also offers opportunities of value addition which will help Industry to cope up with the present liquidity crisis.
3. Secretary requested the OMCs to plan for enhancing storage capacities in their depot.
4. A presentation was made by the government officials regarding explaining the government strategy which are as under:

To achieve capacities to enable conversion of surplus molasses & sugar into ethanol for achieving 10% blending targets under EBP.

Projected state – wise ethanol demand profile for 2015-16 season at 10 % blending. The total requirement was 268.62 cr litres.

Scope of using B- Hy Molasses to make up the shortfall.

Requested all ethanol suppliers to come on grid, mills to upgrade & access SDF for the purpose, rationalise trade barriers.

A detailed description of the “grid” was given which networked the distilleries to the OMC depots and detailed the quantities to be supplied.

- The secretary concluded that all distilleries which are presently only capable of producing alcohol, should upgrade their capacities for ethanol & access SDF funds. Secretary also asked to the State Government officials to facilitate creation of ethanol distillation capacities & avail of SDF financing for the purpose.

New Price mechanism for Ethanol:

The Government on 10 December, 2014 has fixed the delivered price of ethanol in the range of Rs.48.50 per litre to 49.50 per litre, depending upon the distance of distillery from the depot/installation of the OMCs, as per the slab given below:

Distance of distillery in Km.	Rs. per Litre
0-100	48.50
100-300	49.00
> 300	49.50

The above rates are inclusive of all central and statutory levies, transportation cost etc, which would be borne by the ethanol suppliers.

Key Government initiatives for the Sugar Sector

By Central Government/ Other State Governments

- Central excise duty on Ethanol has been exempted by Central Government for next crushing season (Season 2015-16).
- The Central Government, with a view to facilitate payment of cane dues of the farmers for the current SS 2014-15 , notified the scheme for extending soft loan to sugar mills for payment of cane arrears under interest subvention for one year.
- Import duty increased from 25% to 40% under OGL, due to which imported sugar prices will increase and to some extent there will be reduction in import. This measure will affect the domestic price of Sugar.
- To make the export competitive in the global market and reduction of carried over stocks, export subsidy @ Rs.4000/- qtls announced by the Central Government applicable up to September 30th 2015 and Rs.1000/- qtl by Maharashtra government is under planning stage and likely to be announced.
- Compulsory export scheme has already been announced by the Central Government to the extent of approx. 15% of the Sugar Production during the next SS 2015-16 which is approx 4 Million Ts.

By State Government for the season 2014-15 (U.P./Uttarakhand)

- The U.P./ Uttarakhand Government had kept the State advised price (SAP) flat at last year’s level of Rs 280 per quintal for 2014-15 and mills have decided to make cane payment of Rs 240 per quintal in the first instalment to farmers and the remaining Rs 40 within 3 months after end of the crushing season.
- State Govt. of U.P. and State Govt. of Uttarakhand had announced financial assistance of Rs. 28.60/- per quintal of cane for the sugar season 2014-15 linked to average selling price of sugar and its by-products during the specified period from 1st October, 2014 to 31st May, 2015 which is to be recommended by the Committee constituted by the Government of Uttar Pradesh / Uttarakhand. The same has already been approved by the committee & payment of the same has already been made to the farmers directly by the government & adjusted in our cane dues in case of Uttar Pradesh. In case of Uttarakhand, partly payment made by the Government and partly is likely to be made in October 2015.
- The UP Government has waived of entry tax liability on sugar and purchase tax on sugarcane for the season 2013-14. Similarly Uttarakhand Government has waived the purchase tax liability.
- For Sugar season 2012-13 Government of Uttar Pradesh has reduced the society sugar commission rate from 3% of Fair Remunerative Price (Rs 5.10/-qtl)of cane to Rs.2/- per quintal on sugar cane.
- For Sugar season 2014-15 Government of Uttar Pradesh has reduced the society sugar commission rate from 3% of Fair Remunerative Price (Rs 6.60/-qtl) of cane to Rs.2/- per quintal on sugar cane and same will be reimbursed by the U.P/ Uttarakhand Government

Future Expectations/ Announcements

1. The state of Maharashtra and Karnataka producing above 50% of country sugar production, have already implemented the Rangrajan Committee formula. In U.P., industry have also requested to State Government for fixing of cane price based on the sharing of realisation from sugar and by-products. The State Government has already constituted a committee under the chairmanship of Chief Secretary of the state to submit its recommendations. We expect positive outcomes on the same and the effects of the same will come in next crushing seasons.
2. Central Government is considering increasing the blending % of Ethanol in Petrol from 5% to 10%. This will improve the demand of Ethanol and price of Ethanol will improve from these.
3. Industry through association is also approaching to the government regarding restructuring the accounts of the sugar companies by converting Working Capital into term loan with 2 year moratorium. This will enable the factories to clear old outstanding & farmers will get their cane dues in time.
4. It is expected that subsidy on export of sugar will further be extended

B. OPPORTUNITIES & THREATS

Opportunities:

- Utilization of downstream by-products.
- Huge potential for increasing the High yielding cane crop to increase the cane crushing & sugar recovery rate.
- Potential for new and upgrading Technology for improved utility consumption factors and utilization of by-products.
- Potential for added incentive for REC (Renewal Energy Certificate) mechanism to addressing mismatch between availability of renewable sources in state and to meet the obligation.
- Potential for downstream production of Ethanol.
- Utilisation of waste of the distilleries in a productive manner.

Threats:

- Vulnerability of sugar sector to inflation & unfavourable regulatory policies relating to fixation of higher cane prices.
- Weather conditions affecting yield and recovery.
- Deteriorating quality of soil due to overuse of fertilizer and pesticides.
- Fluctuations in selling price of finished product in domestic and global markets.

C. RISKS AND CONCERNS

Sugar industry being agro based is vulnerable to commodity cycles and is hence, fraught with several risks. Given below is a discussion on the risks as perceived by the Management. The list is not exhaustive and meant for information purpose only for Investors who are requested to rely on their own judgement while assessing the risks associated with the Sugar Industry and your Company.

- a) **Raw material risk** - Sugarcane is the principal raw material used for sugar production. Its availability, quality, growth and cost are affecting factors. These are in turn impacted by uncontrollable factors such as:-
- the area under sugarcane cultivation;
 - availability of water;
 - Adverse weather conditions and crop disease;
 - Availability of better and higher yielding seeds;
 - Shifting of farmers' preference to other crops;
 - Diversion of sugarcane to other industries like Gur, khandsari etc.;
 - Adequacy of harvesting and seasonal unskilled labour;
 - Un-remunerative cane procurement price;
 - High Local and State level taxes;
 - Short crop cycle;

- Fragmented land holding – low yields at farm level;
- Mounting cane arrears;

Risk mitigation

This risk can be mitigated by steps taken by the company through its Cane Development Programme which has yielded results in terms of high yields and recoveries. Government programme of Improved Infrastructure for roads and communication; Provision of better quality and higher yielding seeds as well as fertilizers and pesticides; Prompt clearance of the cane dues of farmers and steps to improve their goodwill by adoption of social development measures such as establishing schools and dispensaries in the command areas etc.; Diversifying into multiple locations etc.

b) Regulatory Risks –

i. Environmental Risks

The Industry & Company is subject to environmental regulations and may be exposed to liability as a result of our handling of hazardous materials and potential costs for environmental compliance.

ii. Government policy related Risks

The Industry is regulated and your Company operates in a regulated environment. Central and State Government policies and factors such as:-

- State Advised Price (SAP) and Fair and Remunerative Price (FRP) for sugarcane;
- Control on sale of Molasses;

affect the agricultural sector and related industries and in turn our operations and profitability.

Risk mitigation

The regulatory risks listed above are Government policy driven and beyond Company's control and cannot be alleviated unless the industry is completely decontrolled. Every effort is made to conform to regulatory requirements while judicial recourse is made when warranted. Various representations through the body of the industry like ISMA, UPSMA, and UPDA submitted to the government to come out with the solutions regarding above risks.

- c) Sugar Price Risk** - Sugar prices in the Domestic and International markets depend primarily on the supply and demand situation. Global prices influence and affect the domestic prices directly and sale of Molasses controlled by the respective States. Fluctuations in demand and supply arise on account of the changes in the availability and price of sugarcane, variances in the production capacities of our competitors, availability of substitutes for the sugar products and international demand and supply position.

Risk mitigation

Your Company is unable to mitigate this risk since one does not have any control on the market forces and the regulatory prices. The wholesale price of sugar has a significant impact on our profits. Like other agricultural commodities, sugar is subject to price fluctuations resulting from weather, natural disasters, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. Additionally, 15% to 30% of the total Global sugar production is traded on commodity exchanges which are speculative in nature and can adversely affect the global sugar prices and in turn the operations of your Company.

However, your Company is trying to reduce the impact of this risk by foraying into newer markets, entering the export market, more value addition by concentrating on downstream projects, increasing the quality and volume etc.

Branded Sugar

Uttam Sugar Mills Limited produces one of the finest quality sugars in India. The Sugar that we are currently packing is from our sugar plant situated at Libberheri, Roorkee. The quality/purity of sugar is one of the best in the country as we are packing the quality of sugar accepted by European Union Standard. From the last year onwards your company has entered into a very speciality products of Sugar in the aforesaid plant, these speciality product include sugar in the packaging of 1 Kg/5 Kg/ 10 Kg, Bura, Brown Sugar, Sachets (Both in institutional & retail trade) in different packaging, icing sugar, superfine, pharma sugar etc.

Our packaged sugar is already selling in J&K, Himachal Pradesh, Punjab, Haryana, Delhi, Uttarakhand,



Uttar Pradesh, Gujarat, Chandigarh, Rajasthan, Bihar, Assam and Madhya Pradesh through our distributors in the respective areas. We have already covered Modern Retails like Big Bazaar, Kendriya Bhandar, Easy Day, Mother Dairy, Bikanerwala, Britannia etc.

Uttam Sugar is a very quality centric company and the same will be reflected in our products to come. Our future plans are very ambitious and we want to push Packaged Sugar in Market very aggressively. We would like to inform you that very soon we will be introducing other products along with our existing products.

We have also increased our packaged sugar sale from 3% in 2011-12 to 5% in 2012-13 to 9% in 2013-14 to 16 % in 2014-15 and efforts are going on to increase it further.

- d) **Cyclical Risk** – The industry is dependent on monsoons for both production and price realisation. Moreover, switching to other crops by cane growers on account of better returns affect the Industry.

Risk mitigation

Your Company is unable to mitigate this risk since one does not have any control on the cyclical nature of the industry. However, Governmental initiatives to improve the irrigation by introducing various schemes as well as improvement in the distribution system by augmentation of the Canal Irrigation and tapping of the available surpluses of water are expected to mitigate this risk significantly.

- e) **Finance Risk** – The Industry is dependent on the availability of timely working capital at competitive interest rates and Long Term Finance for capacity enhancements / economic size of mills as well as for the manufacture of by-products.

Risk mitigation

Your Company is facing severe financial constraints. However, it is approaching Banks for funding/finance

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Broadly, the areas of operation have been classified as Procurement, Manufacture, Marketing and Finance, in the functioning of which, various checks and control systems have been incorporated as Standard Operating Procedures. Even though they are considered adequate to reasonable safeguard its interests, a continuous review is undertaken for further improvement since the management gives lot of emphasis on continuous up gradation of business processes and adherence to the designed system and processes.

Moreover, there is an adequate and effective internal audit system in place in your Company that employs periodic checks on the various systems and on-going process. The Audit Committee of the Board of Directors of your Company comprising of reputed professionals, regularly reviews the effectiveness of internal control system and suggests changes wherever necessary, to ensure due and proper compliance with applicable laws, accounting standards and regulatory guidelines presently in vogue.

E. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE (OPERATIONS)

The comparative operational figures of the Company are given below:

- a) Figures for operational performance other than power export for last three Seasons.

(in lacs quintals)

	SEASON 2014-15					SEASON 2013-14					SEASON 2012-13				
	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL
CAPACITY (TCD)	6250	7000	4500	6000	23750	6250	7000	4500	6000	23750	6250	7000	4500	6000	23750
CANE CRUSHING	46.52	91.02	42.81	53.98	234.33	44.79	69.41	32.47	47.27	193.94	60.07	82	41.49	55.09	238.65
RECOVERY (%)	9.33	10.35	9.44	9.27	9.73	8.94	9.42	8.77	8.5	8.97	9.43	9.6	9.63	9.42	9.52
PRODUCTION															
SUGAR	4.34	9.42	4.04	5.00	22.81	4.00	6.53	2.84	4.02	17.39	5.66	7.87	3.99	5.19	22.71
MOLASSES	2.18	4.24	2.17	2.62	11.21	2.04	3.41	1.62	2.4	9.47	2.82	4.08	2.08	2.64	11.62
WORKING DAYS	131	153	138	125	--	116	131	120	119	--	138	148	141	131	--

b) Figures for Power Export for last three Financial Years

(In Lacs Kwh)

	F.Y. 2014-15					F.Y. 2013-14 (15 Months)					F.Y. 2012-13				
	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL
POWER															
EXPORT	143.44	395.3	201.85	251.9	992.49	185.24	367.66	168.27	234.55	955.72	230.79	434.31	161.8	253.7	1080.6

F. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

Industrial relations in your Company have remained cordial throughout the year under review. As a result of huge gap between the cane price and the selling price of sugar, there is a severe financial crisis in the sugar industry on the whole. This has resulted into cost reduction measures but that has not affected harmonious human development relations.

Your Company has overcome all this by upgrading the process and the systems that help harmonize culture of the varied manpower arising out of diverse sources and backgrounds. The organization values human development as one of the cardinal principle in the growth of the Company. The organization has steadfastly stuck to its vision to enhance knowledge, skills and competencies of the human resources pool- helping them develop individually and collectively thereby improving productivity. To achieve all this, the Company is providing compensation by way of salary and wages which is at par with the prevailing standards in the industry. The Company is also in the midst of providing regular training to the employees for up-gradation of skills at various levels.

With these progressive steps, your Company has been able to maintain cordial relations with its employees even in this crucial time.

CAUTIONARY / FUTURISTIC STATEMENTS

Statements in this report detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable laws and regulations and are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate and can be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements in future on the basis of subsequent developments, information or events. Investors, are, therefore, requested to make their own independent judgments before taking any investment decisions.

(Data and figures relating to industry and future expected developments in the industry have been taken from industry and industry-related publications and web-sites)

INDEPENDENT AUDITORS' REPORT**TO THE SHAREHOLDERS OF UTTAM SUGAR MILLS LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **UTTAM SUGAR MILLS LIMITED** which comprise the Balance Sheet as at 30 June, 2015, the Profit and Loss Statement and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2015;
- b) In the case of the Profit and Loss Statement, of the Loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:-

- Note no 29, the State Governments of Uttar Pradesh and Uttarakhand has announced subsidy for Sugar Industry for season 2014-2015 which is linked to average selling price of Sugar and By Products during the period 01.10.2014 to 31.5.2015. Such subsidy as reduced from the cane cost by the Company is Rs. 6703.96 lacs up to 30.06.2015.
- Note no 45, the company has recognized Deferred tax Assets (DTA) of Rs. 2469 lacs for the year ended

30.6.2015 and Rs. 14103.80 lacs up to 30.6.2015 on unabsorbed business losses and unabsorbed depreciation. 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 expected assistance from Government and by way of Cane Development Activities carried out by the company as supported by report issued by Sugar Technical Expert, it has become reasonable that sufficient taxable income will be available against which such deferred tax assets can be realized.

- Note no 47, regarding preparation of account on going concern basis despite substantial erosion of net worth of the company and significant losses leading to material uncertainty about the company's ability to continue as going concern and based on mitigating factors as fully described therein.

Our opinion is not qualified in respect of above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of section 143(11) of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c. The Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ;
 - e. On the basis of written representations received from the directors as on June 30, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2015, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed in note no. 17 impact of pending litigations on financial positions in its financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For B.K.KAPUR AND CO.,
Chartered Accountants,
Firm Registration No. 000852C**

**Place : Noida
Dated : 19/08/2015**

**(B.K.KAPUR) F.C.A.
Partner
M.No.4578**

Annexure To The Auditors' Report

(Referred to in paragraph (1) of our Report on other legal and regulatory requirement of even date to the shareholders of **UTTAM SUGAR MILLS LIMITED** for the year ended 30th June 2015.)

1. The Company has maintained records showing particulars including quantitative details and situation of its principal fixed assets, accordingly the fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.



2. (a) The physical verification of inventory has been conducted by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination, in our opinion, the Company has maintained proper records of inventory. Discrepancies noticed on such physical verification of inventory as compared to the book records were not material.
3. According to information made available to us, the company has not granted any loan, secured or unsecured to companies, firm or other parties covered in the register maintained under section 189 of the Act, accordingly Para 3(iii)(a) & (b) of the Order are not applicable to the company.
4. In our opinion, and according to the information and explanations given to us, that some of items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparative quotations there is an adequate internal control system commensurate with the size of the Company and nature of its business, for purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. On the basis of information and explanations given to us and our scrutiny of company's records, in our opinion, the company has not accepted any public deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the company.
6. We have broadly reviewed the books of account maintained by the Company in respect of products pursuant to the order made by the Central Government for the maintenance of the cost records under section 148(1) of the Act and are of the opinion that, prima-facie, the prescribed account and records have been maintained and are being made up. We however as not required have not made a detailed examination of such records with a view to determine whether these are accurate or complete.
7. (a) According to the information and explanations given to us the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it. As explained to us, the provisions of Employees State Insurance are not applicable to the Company; no amount was due to be deposited under Investor Education and Protection Fund. Further, there was no arrears of undisputed statutory dues outstanding as at 30th June 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the disputed statutory dues of Income Tax, Sales Tax, Excise duty and Service Tax aggregating to Rs. 487.54 lacs that have not been deposited are given below:-

Name of Statute	Nature of Dues	Amount (Rs. In lacs)	Forum where dispute is pending
Sales Tax Laws	Sales Tax/ Entry Tax	21.20	Commissioner/ Commissioner(Appeal)
		17.23	Tribunal
		9.22	High Court
Central Excise Act, 1944	Excise Duty	2.20	Commissioner/ Commissioner(Appeal)
		406.81	CESTAT
		5.83	High Court
Income Tax Act	TDS	25.05	Commissioner(Appeal)
Total		487.54	

Further, in respect of Custom Duty, Wealth Tax and Cess, it has been informed that there are no dues, which have not been deposited on account of any dispute.

8. The accumulated losses of Rs. 28289.93 lacs after reducing Deferred Tax assets of Rs. 7198.45 lacs of the company have exceeded fifty percent of its net worth as at 30th June 2015. The company has incurred cash losses amounting to Rs. 8815.46 lacs during the financial year covered by our audit, and Rs. 4932.05 lacs cash losses in the immediately preceding financial period.
9. In our opinion and according to the information and explanations given to us, the Company has delayed in repayment of its dues to Banks. The particulars of delays which relates to interest/ installment during the year ended 30th June 2015 are as follows :-

Particulars	Amount (including interest) (Rs. In lacs)	Period of Delay (Days)
Banks	5297.03	1 - 30 days
	2563.18	31 - 60 days
	10304.83	61 - 90 days
Total	18165.04	

Out of above dues from Banks of Rs. 14240.29 lacs were paid during the year and out of balance Rs. 3924.75 lacs outstanding as on 30.06.2015 a sum of Rs. 2143.75 lacs was paid upto 12.08.2015

The company has not issued any debentures.

10. According to the information and explanations given to us, the Company has given corporate guarantees for loans taken by others from Banks. The term and conditions of the said guarantee are not prejudicial to the interest of the company
11. In our opinion and on the basis of information and explanations given to us and on overall basis, term loans availed by the Company were, applied by the Company for the purposes for which the loans were raised apart from Rs. 291.98 lacs not utilized up to balance sheet date
12. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially misstated.

**For B.K.KAPUR AND CO.,
Chartered Accountants,
Firm Registration No. 000852C**

**Place : Noida
Dated : 19/08/2015**

**(B.K.KAPUR) F.C.A.
Partner
M.No.4578**

Balance Sheet as at 30th June 2015

(Rs. In Lacs)

Particulars	Note No.	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	1	10,978.81	10,978.81
Reserves and Surplus	2	(2,631.63)	(2,052.62)
		<u>8,347.18</u>	<u>8,926.19</u>
2 Non Current Liabilities			
Long Term Borrowings	3	13,413.89	18,284.60
Long Term Provisions	4	546.63	460.24
		<u>13,960.52</u>	<u>18,744.84</u>
3 Current Liabilities			
Short Term Borrowings	5	44,634.54	45,170.38
Trade Payables	6	39,573.29	25,658.64
Other Current Liabilities	7	16,378.12	15,697.88
Short Term Provisions	8	77.13	52.98
		<u>100,663.08</u>	<u>86,579.88</u>
TOTAL (1+2+3)		<u><u>122,970.78</u></u>	<u><u>114,250.91</u></u>
II. ASSETS			
1 Non Current Assets			
Fixed Assets	9		
Tangible Assets		53,876.39	45,969.50
Intangible Assets		12.69	15.00
Capital Work-In-Progress		1,107.19	2,559.81
		<u>54,996.27</u>	<u>48,544.31</u>
Deferred Tax Assets (Net)	10	7,198.45	4,851.09
Long Term Loans and Advances	11	1,026.21	1,140.95
		<u>63,220.93</u>	<u>54,536.35</u>
2 Current Assets			
Inventories	12	46,491.62	51,836.10
Trade Receivables	13	2,552.05	1,650.04
Cash and Bank Balances	14	2,096.29	4,301.89
Short Term Loans and Advances	15	772.48	1,072.30
Other Current Assets	16	7,837.41	854.23
		<u>59,749.85</u>	<u>59,714.56</u>
TOTAL (1+2)		<u><u>122,970.78</u></u>	<u><u>114,250.91</u></u>
Contingent Liabilities & Commitments	17		
Significant Accounting Policies and Notes Forming Integral Part of Financial Statements (1 to 49)			

AS PER OUR REPORT OF EVEN DATE
Firm Registration No.000852C

(RAJ KUMAR ADLAKHA) (ASHOK KUMAR AGARWAL)
MANAGING DIRECTOR EXECUTIVE DIRECTOR

For B.K.Kapur & Co.
Chartered Accountants

(SANJAY BHANDARI) (G.RAMARATHNAM) (S.L.SHARMA) (B.K.KAPUR) F.C.A.
CHIEF FINANCIAL OFFICER CHIEF-LEGAL AND CORPORATE HEAD - A/C & COMMERCIAL PARTNER
AFFAIRS & COMPANY SECRETARY M.NO. 4578

Place : Delhi

Dated : 19th August 2015

Statement of Profit and Loss for the year ended 30th June 2015

(Rs. In Lacs)

Particulars	Note No.	Figures for the Current Reporting Period 30.06.2015	Figures for the Previous Reporting Period 30.06.2014
I. Revenue from Operations	18	75,961.24	87,161.19
II. Other Income	19	275.43	211.32
III. Total Revenue (I+II)		<u>76,236.67</u>	<u>87,372.51</u>
IV. Expenses			
Cost of Material Consumed	20	61,168.48	62,863.24
Changes in Inventories of Finished Goods, Work-In-Progress	21	6,031.18	8,495.13
Employee Benefits Expenses	22	3,910.46	4,084.05
Finance Costs	23	7,540.62	9,928.18
Depreciation and Amortisation Expenses		2,329.20	4,082.50
Other Expenses	24	6,314.92	7,000.15
Total Expenses		<u>87,294.86</u>	<u>96,453.25</u>
V. Prior Period Items (Refer Note No.40)		10.49	(66.19)
VI. Loss before Exceptional Items and Tax (III-IV-V)		<u>(11,068.68)</u>	<u>(9,014.55)</u>
VII. Exceptional Items (Refer Note No.32)		98.17	-
VIII. Loss before Tax (VI-VII)		<u>(11,166.85)</u>	<u>(9,014.55)</u>
IX. Tax Expense :			
Deferred Tax (Credit)		(2,347.36)	(3,484.74)
X. Loss for the period (VIII-IX)		<u>(8,819.49)</u>	<u>(5,529.81)</u>
XI. Earning per Share (Note No. 43)			
Nominal Value Rs. 10/-			
Basic		(24.54)	(16.25)
Diluted		(24.54)	(16.25)
Significant Accounting Policies and Notes			
Forming Integral Part of Financial Statements	(1 to 49)		

AS PER OUR REPORT OF EVEN DATE
Firm Registration No.000852C

(RAJ KUMAR ADLAKHA)
MANAGING DIRECTOR

(ASHOK KUMAR AGARWAL)
EXECUTIVE DIRECTOR

For B.K.Kapur & Co.
Chartered Accountants

(SANJAY BHANDARI)
CHIEF FINANCIAL OFFICER

(G.RAMARATHNAM)
CHIEF-LEGAL AND CORPORATE
AFFAIRS & COMPANY SECRETARY

(S.L.SHARMA)
HEAD - A/C & COMMERCIAL

(B.K.KAPUR) F.C.A.
PARTNER
M.NO. 4578

Place : Delhi

Dated : 19th August 2015

Cash Flow Statement for the year ended 30th June 2015

(Rs. In Lacs)

Particulars	Figures for the Current Reporting Period 30.06.2015	Figures for the Previous Reporting Period 30.06.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss) / Profit before Tax	(11,166.86)	(9,014.55)
Adjustments for:		
Depreciation / Amortisation	2,329.22	4,082.50
Financial Cost	7,540.62	9,928.18
Loss on sale/discard of assets (net)	-	0.99
Excess Depreciation Written Back for earlier years	(75.98)	-
Exceptional Items	98.17	-
Profit on sale of Assets	(4.39)	(0.12)
Interest Income	(116.22)	(205.61)
	<u>9,771.42</u>	<u>(205.61)</u>
Operating Profit before Working Capital Changes	(1,395.44)	4,791.39
Adjustments for:		
Trade & Other Receivables	(7,270.55)	1,347.49
Inventories	5,344.47	9,212.29
Trade Payables	16,631.90	(4,523.19)
	<u>14,705.82</u>	<u>6,036.59</u>
Cash generated from operations	13,310.38	10,827.98
Direct taxes (paid)	11.90	(21.62)
Net Cash flow from Operating Activities	13,322.28	10,806.36
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(750.53)	(1,056.28)
Sale/Adjustment of Fixed Assets	6.85	3.26
Sale of Assets held for Disposal	(325.00)	10.00
Interest Received	116.22	205.61
Net Cash used in Investing Activities	(952.46)	(837.41)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost Paid	(7,184.05)	(9,802.14)
Redeemable Preference Share Capital issued	-	122.50
Premium on Issue of Redeemable Preference Share Capital	-	122.50
Proceeds from Borrowings (Term Loans)	3,134.58	9,935.98
Proceeds from Borrowings (Short Term Loans)	5,597.00	1,276.72
Repayments of Borrowings (Term Loans)	(9,990.10)	(11,624.90)
Proceeds/ (Repayment) of Borrowings (Working Capital)	(6,132.85)	(1,532.25)
Net Cash flow from Financing Activities	(14,575.42)	(11,501.58)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(2,205.60)	(1,532.63)
Cash and Cash Equivalents as at Beginning	4,301.89	5,834.52
Cash and Cash Equivalents as at Closing	2,096.29	4,301.89

Notes:

- 1 Cash and Cash Equivalents represent Cash and Bank Balances (Refer Note No.14)
- 2 Previous year figures have been regrouped / rearranged wherever considered necessary.

AS PER OUR REPORT OF EVEN DATE
Firm Registration No.000852C

(RAJ KUMAR ADLAKHA)
MANAGING DIRECTOR

(ASHOK KUMAR AGARWAL)
EXECUTIVE DIRECTOR

For B.K.Kapur & Co.
Chartered Accountants

(SANJAY BHANDARI)
CHIEF FINANCIAL OFFICER

(G.RAMARATHNAM)
CHIEF-LEGAL AND CORPORATE
AFFAIRS & COMPANY SECRETARY

(S.L.SHARMA)
HEAD - A/C & COMMERCIAL

(B.K.KAPUR) F.C.A.
PARTNER
M.NO. 4578

Place : Delhi

Dated : 19th August 2015

SIGNIFICANT ACCOUNTING POLICIES:

i. Basis of Accounting:

The Company follows the Mercantile System of Accounting and recognizes Income and Expenditure on Accrual Basis. The financial statements are prepared under the historical cost convention and are in accordance with the requirements of Companies Act, 2013, applicable Accounting Standards and accepted accounting principles.

ii. Tangible, Intangible Assets and Capital Work in Progress:

Tangible Assets are stated at cost, net of Cenvat and includes amount added on revaluation less accumulated Depreciation. Cost of acquisition or construction is inclusive of freight, duties, taxes and incidental expenses incurred during construction period.

Capital Work-in-Progress comprises cost of fixed assets that are not ready for its intended use at the reporting date. Expenditure during construction period that are directly attributable to the cost of bringing the assets to its working conditions and all common costs allocated on rational basis are treated as 'Pre-Operative Expenses' pending allocation and are shown under 'Capital Work-in Progress' and the same are allocated on pro-rata basis to the assets capitalized on commencement of commercial operations.

Items of expenditure that meet the recognition criteria as mentioned in Accounting Standard are classified as intangible Assets.

iii Depreciation/Amortization :

a) Depreciation on tangible fixed assets is provided on Straight Line basis so as to charge the cost of the assets or the amount substituted for costs in case of revalued assets less its residual value over the useful life of the respective asset as prescribed under part C of Schedule II to the Companies Act, 2013.

Residual value has been considered as 5% of the cost of the respective assets.

b) Leasehold Building Developments are amortized at lower of period of lease or ten years.

c) Intangible Assets are amortised over a period of economic benefits not exceeding ten years.

d) Depreciation/amortisation on assets added, sold or discarded during the year is provided on pro – rata basis.

iv Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

v Leases :

Assets acquired under finance lease are recognized at the lower of the fair value of leased assets at inception and the present value of minimum lease payments, lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are allocated to the period during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

In respect of fixed assets taken on finance lease, when there is reasonable certainty that the Company will obtain ownership by the end of the lease term, depreciation is provided in accordance with the policy followed by the Company for owned assets.

vi. Inventories:

Inventories (other than By-products) are valued at lower of cost or net realizable value.

Inventories of Renewal Energy Certificates (REC's) are valued at lower of cost or net realizable value.

Cost of inventories has been determined on current cost.

Cost of finished goods and Work in Progress has been worked out on absorption cost basis.

By- products and residuals are valued at net realizable value.

vii. Taxes on Income:

a) Current tax is determined on the amount of tax payable in respect of taxable income for the year.

b) Deferred tax assets/liabilities are provided on significant timing differences arising from the different treatments in accounting and taxation of relevant items. Deferred tax assets/liabilities shall be reviewed as at each Balance Sheet date, based on development during the year, to reassess realization/liabilities.

c) Deferred Tax Assets in respect of unabsorbed brought forward Business Losses and Unabsorbed Depreciation are recognized and carried forward only if there is virtual certainty of its realization.

d) Deferred Tax resulting from timing difference which originate during the tax holiday period but are expected to reverse after tax holiday period is recognized in the year in which the timing differences originate using the tax rates and laws enacted or substantively enacted by the balance sheet date.

- e) Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will be in a position to avail such credit under the provisions of the Income Tax Act, 1961.

viii **Revenue Recognition :**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. The Company recognizes sale of goods when the significant risks and rewards of ownership are transferred to the customer.

Sales include Excise Duty, Administrative Charges & Entry Tax etc and exclude Sales Tax/Value Added Tax.

Revenue from sale of power is recognized when the units generated are transmitted to the pooling station, in accordance with the terms and conditions of the power purchase agreement entered into by the Company with the purchasing parties.

Interest Income is accounted on accrual basis.

ix. **Expenses:**

All the expenses are accounted for on accrual basis.

x. **Government grants:**

- a) Grants and subsidies from the Government are recognised when there is reasonable assurance that the Company would comply with the conditions attached with them and the grant/subsidy would be received.
- b) Government grants related to specific fixed assets are adjusted with the value of the fixed asset.
- c) Government grants related to revenue items are adjusted with the related expenditure. If not related to a specific expenditure, it is taken as income.

xi. **Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets, when such asset is ready for its intended use. All other borrowing costs are charged to revenue.

xii. **Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year ended translated at the year ended rates which is likely to be realized from, or required to disburse at the balance sheet date. Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded / reported in financial statements are recognized as income or expense in the year in which they arise except exchange differences on liabilities/assets incurred for acquisition of fixed assets from outside India which are capitalized/ de-capitalized. Premium in respect of forward contract is accounted for over the period of the contract.

xiii. **Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in notes. Contingent assets are neither recognized nor disclosed in the financial statements.

xiv **Employee Benefits :**

- a) Short –term employee benefits are recognized as an expense at the undiscounted amount in the Profit & Loss Account of the period in which the related service is rendered.
- b) Long –term employee benefits are recognized as an expense in the Profit & Loss Account for the year in which the employee has rendered services. The expenses are recognized at the present value of the amount payable as per actuarial valuations, using Projected Unit Credit Method. Actuarial gains and losses in respect of such benefits are recognized in the Profit and loss Account.

xv **Segment Reporting :**

Segments are identified based on the dominant source and nature of risks and returns and the internal organization and management structure. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- a) Inter segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market led.
- b) Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expense, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been disclosed as 'Unallocable'.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2015

(Rs. In Lacs)

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
NOTE - 1 : SHARE CAPITAL		
Authorised:		
<u>Equity Share Capital</u>		
40000000 Equity Shares of Rs.10/- each (Previous Year 60000000 Equity Shares of Rs.10/- each)	4,000.00	6,000.00
<u>Redeemable Preference Share Capital</u>		
16500000 Preference Shares of Rs.100/- each (Previous Year 10000000 Preference Shares of Rs.100/- each)	16,500.00	10,000.00
Issued, Subscribed & Paid-up Capital		
<u>Equity Share Capital</u>		
38138120 Equity Shares of Rs.10/- each fully paid up (Previous Period 38138120 Equity Shares of Rs.10/- each fully paid up)	3,813.81	3,813.81
<u>6.5% Cumulative Redeemable Preference Share Capital - Series I</u>		
5000000 Preference Shares of Rs.100/- each (Previous Year 5000000 Preference Shares of Rs.100/- each)	5,000.00	5,000.00
<u>10% Cumulative Redeemable Preference Share Capital - Series II</u>		
2165000 Preference Shares of Rs.100/- each (Previous Year 2165000 Preference Shares of Rs.100/- each)	2,165.00	2,165.00
TOTAL	10,978.81	10,978.81

a) Terms & Conditions of Equity Shares

- 1 The Company has one class of Equity Shares having a par value of Rs.10/- each.
- 2 Each Shareholder is eligible for one vote per shares held.
- 3 The Dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in the case of interim dividend.
- 4 In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

b) Terms & Conditions of Preference Shares

(Series - I)

- 1 Rate of Dividend on these Preference Shares is 6.5% p.a.
- 2 The Preference Shares are Cumulative with reference to the dividend.
- 3 The Preference Shares shall be redeemed after completion of 12 years but not later than 15 years from the date of allotment on the call of the Company
- 4 The Preference Shareholders will have no voting rights except as provided in the Companies Act, 2013

(Series - II)

- 1 Rate of Dividend on these Preference Shares is 10% p.a.
- 2 The Preference Shares are Cumulative with reference to the dividend.
- 3 The Preference Shares shall be redeemed after completion of 12 years but not later than 15 years from the date of allotment at a premium of Rs.100/-per Share on the call of the Company
- 4 The Preference Shareholders will have no voting rights except as provided in the Companies Act, 2013

- c) There are Nil number of shares (Previous Year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2015

d) Shares in the Company held by each shareholders holding more than 5% shares

Name of Equity Shareholders	As at 30th June 2015		As at 30th June 2014	
	No. of Shares held	Percentage (%)	No. of Shares held	Percentage (%)
Uttam Adlakha & Sons Holdings Pvt. Limited	16,301,224	42.74%	16,301,224	42.74%
Lipi Boilers (P) Limited	3,515,000	9.22%	3,515,000	9.22%
Uttam Industrial Engineering Limited	2,750,000	7.21%	2,750,000	7.21%

Name of Preference Shareholders (Series - I)	No. of Shares held	Percentage (%)	No. of Shares held	Percentage (%)
Uttam Sucrotech Limited	1,700,000	34.00%	1,700,000	34.00%
Uttam Industrial Engineering Limited	1,310,000	26.20%	1,310,000	26.20%
Lipi Boilers (P) Limited	340,000	6.80%	340,000	6.80%
Sekhri Finance and Investments Pvt. Limited	600,000	12.00%	600,000	12.00%
Uttam Properties Pvt. Ltd.	800,000	16.00%	800,000	16.00%
New Castle Finance & Leasing (P) Ltd.	250,000	5.00%	250,000	5.00%

Name of Preference Shareholders (Series - II)	No. of Shares held	Percentage (%)	No. of Shares held	Percentage (%)
Uttam Sucrotech Limited	225,000	10.39%	225,000	10.39%
Uttam Industrial Engineering Limited	850,500	39.28%	850,500	39.28%
Lipi Boilers (P) Limited	620,500	28.66%	620,500	28.66%
Sekhri Finance and Investments Pvt. Limited	167,500	7.74%	167,500	7.74%
Uttam Properties Pvt. Ltd.	120,000	5.54%	120,000	5.54%

e) There are Nil number of shares (Previous Year Nil) reserved for issue under option and contracts/commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceeding the date at which the balance sheet is prepared

Particulars	No. of Shares
-------------	---------------

Aggregate number and class of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash Nil

Aggregate number and class of shares allotted as fully paid up by way of bonus shares Nil

Aggregate number and class of shares bought back Nil

g) There are no securities (Previous Year no) convertible into Equity/Preferential shares.

h) There are no calls unpaid (Previous Year no) including calls unpaid by Directors and Officers as on balance sheet date.

i) **Reconciliation of No. of Shares Outstanding:** **30.06.2015** **30.06.2014**

i) Equity Shares

At the beginning of the year **38138120** 38138120

Change during the year - -

At the end of the year **38138120** 38138120

ii) Preference Shares

a) 6.5% Cumulative Redeemable Preference Shares - Series I

At the beginning of the year **5000000** 5000000

Change during the year - -

At the end of the year **5000000** 5000000

b) 10% Cumulative Redeemable Preference Share - Series II

At the beginning of the year **2165000** 2042500

Change during the year - Preference Shares allotted - 122500

At the end of the year **2165000** 2165000

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
NOTE - 2 : RESERVES AND SURPLUS		
a) Securities Premium Reserve		
As per Last Balance Sheet	17,417.82	17,295.32
Add : Addition during the year	-	122.50
	<u>17,417.82</u>	<u>17,417.82</u>
	<u>17,417.82</u>	<u>17,417.82</u>
b) Revaluation Reserve		
Land Revalued during the Year	8,240.48	-
	<u>8,240.48</u>	<u>-</u>
c) Surplus		
Profit & Loss Statement		
As per Last Balance Sheet	(19,470.44)	(13,940.63)
Add: Loss during the year	(8,819.49)	(5,529.81)
	<u>(28,289.93)</u>	<u>(19,470.44)</u>
TOTAL	<u>(2,631.63)</u>	<u>(2,052.62)</u>

i) There is no reserve specifically represented by earmarked investments which can be termed as fund.

NOTE - 3 : LONG TERM BORROWINGS

a) Secured Loans		
Term Loans		
- From Banks	11,493.77	16,281.42
- From Govt. of India, Sugar Development Fund (SDF)	1,756.94	1,823.05
	<u>13,250.71</u>	<u>18,104.47</u>
Vehicle Loans		
- From Banks	10.37	27.32
	<u>10.37</u>	<u>27.32</u>
	<u>13,261.08</u>	<u>18,131.79</u>
b) Unsecured Loans		
Loans from Related Parties (Refer Note No.41)	152.81	152.81
	<u>152.81</u>	<u>152.81</u>
TOTAL	<u>13,413.89</u>	<u>18,284.60</u>

i) **Terms & Conditions of Secured Loans**

a) Security Clauses:

- (1) Term Loans from Banks (except Co-operative bank loan) are secured on first pari passu charge by way of joint equitable mortgage on Company's immovable properties and first charge by way of hypothecation of all movable properties of the Company on pari passu basis, subject to prior charge created / to be created in favour of Company's Bankers (except Co-operative bank loan) for securing borrowings for working capital requirements of the Company and third charge on pari passu basis on whole of the current assets (stock, book debts etc.) both present & future.
- (2) Term Loans from Banks (except Co-operative bank loan) are also guaranteed by Managing Director and two other promoters of the Company and corporate guarantees of three Promoter Companies.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2015

- (3) Term Loan from banks (except Co Operative Bank Loan) are also secured by way of pledge on parri passu basis of 3484170 (Previous Year 3484170) Equity Shares in the company held by individual promoters of the company viz. Mr. Rajkumar Adlakha, Rajan Adlakha & Ranjan Adlakha.
- (4) Term Loan from Govt. of India, Sugar Development Fund through Industrial Finance Corporation of India Ltd. is secured by an exclusive second charge on movable assets (except book debts) and Company's immovable properties.
- (5) Term Loan from Uttarakhand State Co-operative Bank Limited is secured on Residual charge basis on all movable assets forming part of fixed / block assets both present & future, situated at Village Libberheri, Distt Haridwar, Uttarakhand and also guaranteed by Managing Director.
- (6) Term loan from Zila Sahkari Bank Limited, Ghaziabad is secured on residual charge basis on movable assets forming part of fixed/block assets, both present & future, situated at village Shermau, Tehsil Nakur Distt. Saharanpur & also guaranteed by Managing Director.
- (7) Vehicle loans from banks are secured by way of hypothecation of vehicle financed by them.

b) Maturity Profile and Rate of Interest & No. of Instalments of Term Loans (Rs. In Lacs)

Rate of Interest	2016-2017		2017-2018		2018-2019		2019-2020		2020-2021		2021-2022	
	No. of Inst.	Amount	No. of Inst.	Amount	No. of Inst.	Amount	No. of Inst.	Amount	No. of Inst.	Amount	No. of Inst.	Amount
4.00%	1	150.00	-	-	-	-	-	-	-	-	-	-
6.50%		-	1	75.95	2	151.90	2	151.90	2	151.90	1	75.95
7.00%	2	222.26	-	-	-	-	-	-	-	-	-	-
7.50%	1	151.47	1	151.47	-	-	-	-	-	-	-	-
	2	118.54	2	118.54	2	118.54	2	118.54	-	-	-	-
10.65%	1	0.04	-	-	-	-	-	-	-	-	-	-
	6	1.86	-	-	-	-	-	-	-	-	-	-
	7	2.93	-	-	-	-	-	-	-	-	-	-
	9	5.54	-	-	-	-	-	-	-	-	-	-
11.50%	4	1,547.34	2	741.96	-	-	-	-	-	-	-	-
12.00%	12	176.67	12	176.67	12	176.67	-	-	-	-	-	-
	12	352.33	12	352.33	11	322.97	-	-	-	-	-	-
	12	424.33	12	424.33	9	318.25	-	-	-	-	-	-
	12	842.33	12	842.33	8	561.56	-	-	-	-	-	-
12.50%	4	800.00	4	473.32	-	-	-	-	-	-	-	-
	12	400.00	12	400.00	12	400.00	12	400.00	5.00	163.34	-	-
13.50%	2	39.55	-	-	-	-	-	-	-	-	-	-
13.55%	2	94.13	-	-	-	-	-	-	-	-	-	-
13.75%	2	450.00	-	-	-	-	-	-	-	-	-	-
14.10%	4	347.00	2	146.36	-	-	-	-	-	-	-	-
15.10%	2	120.00	-	-	-	-	-	-	-	-	-	-
Total		6,246.31		3,903.26		2,049.88		670.44		315.24		75.95

ii) Terms & Conditions of Unsecured Loans.

- a) Loans from Related Parties represents Interest Free Unsecured Loans.
- b) Unsecured Loans from Related Parties shall be repayable after a period of 3 years with the consent of Term Lenders (Banks) covered under Corporate Debt Restructuring (CDR).

iii) Continuing Default as on 30th June 2015 : (Refer Note No. 7)

- i) Interest on Term Loans from Banks Rs.543.75 lacs included in Other Current Liabilities was due as on Balance Sheet date and same has been paid upto 8th August 2015
- ii) SDF Loan installment of Rs.150 Lacs and interest of Rs.11.97 Lacs included in other current liabilities was due on balance sheet date and has been paid on 8th July'2015.
- iii) Unsecured Soft Loan from Uttarakhand State Government Rs.656.68 lacs and interest accrued & due thereon of Rs.273.80 lacs appearing in Other Current Liabilities (Note No.7) of Unsecured Loan was repayable in three years in quarterly instalments w.e.f. January 2008 and the same is still to be repaid.

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
NOTE - 4 : LONG TERM PROVISIONS		
Provision for Employees Benefits	546.63	460.24
TOTAL	546.63	460.24
NOTE - 5 : SHORT TERM BORROWINGS		
Secured Loans		
Loan Repayable on Demand		
Cash Credit from Banks	41,253.54	44,138.66
Short Term Loans from Banks	3,381.00	1,031.72
TOTAL	44,634.54	45,170.38

i) **Terms & Conditions of Secured Loans - Security Clause**

1. Cash Credit from Banks (except Co-operative bank loan) are secured/to be secured by first pari passu charges by hypothecation of stocks of raw materials, sugar, molasses, other stores and spares and book debts/receivables of the Company both present and future and third pari passu charge on immovable assets of the Company. Cash Credit from Banks (except Co-operative bank loan) are also guaranteed by Managing Director and two other promoters of the Company and corporate guarantees of three Promoter Companies.
2. SBI, IDBI and IOB Short Term Loans are secured/to be secured as follows :
 - (i) Secured on first pari passu charge by way of joint equitable mortgage on company's immovable properties & first charge by way of hypothecation of all movable properties of the company on pari passu basis & third charge on pari passu basis on whole of the current assets (Stock, Book Debts etc.), both present & future.
 - (ii) Guaranteed by Managing Director & Two Other Promoters of the Company and corporate guarantees of four Promoter Companies.
 - (iii) Secured by way of equitable mortgage of immovable property of Promoter group entity.
3. Cash Credit from banks (except Co Operative Bank Loan) and Short Term Loan are also secured by way of pledge on parri passu basis of 3484170 (Previous Year 3484170) Equity Shares in the company held by individual promoters of the company viz. Mr. Rajkumar Adlakha, Rajan Adlakha & Ranjan Adlakha.
4. Cash Credit facility from Uttarakhand State Co-Operative Bank Limited are secured on pledge of Stocks of sugar at Village Libberheri, Distt Haridwar, Uttarakhand.
5. Cash Credit facility from Zila Sahkari Bank Limited, Ghaziabad are secured on pledge of stocks of sugar at Village Shermau, Tehsil : Nakur, Distt. Saharanpur (U.P.) and also guaranteed by Managing Director of the company.

Continuing Default as on 30th June 2015 :

Short Term Loans of Rs.3381 Lacs from Banks including in Short Term Borrowings was due on Balance Sheet Date out of which Rs.1600 Lacs has been paid upto 12th August 2015.

NOTE - 6 : TRADE PAYABLES

Micro, Small and Medium Enterprises (Refer Note No.25)	73.72	35.07
Others	39,499.57	25,623.57
TOTAL	39,573.29	25,658.64

(Rs. In Lacs)

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
NOTE - 7 : OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term Debt (Refer Note No.3)		
Secured Loans		
Term Loans		
- From Banks	7,305.85	9,048.71
- From Govt. of India, Sugar Development Fund (SDF)	823.72	1,059.15
Vehicle Loans		
- From Banks	16.31	22.83
Unsecured Loans		
- Soft Loan from Uttarakhand State Government	656.68	656.68
	8,802.56	10,787.37
b) Interest Accrued But Not due on Borrowings	268.10	238.19
c) Interest Accrued and due on Borrowings	829.76	503.10
d) Creditors for Capital Expenditure	415.41	747.38
e) Supplier's Credit Balance against Farmer Crop Loan (Refer Note No.33)	2,353.18	-
f) Security Deposits	229.50	202.36
g) Due to Directors	6.54	10.80
h) Due to Scheduled Bank (Book Overdraft in reconciliation)	-	3.53
i) Other Payables		
Statutory Liabilities	2,157.42	1,441.60
Advance From Customers	768.52	1,251.28
Other Liabilities *	547.13	512.27
TOTAL	16,378.12	15,697.88

* Other Liabilities includes commission on sales, due to employees and employees benefits & Expenses Payable.

NOTE - 8 : SHORT TERM PROVISIONS

a) Provision for Employee Benefits	75.63	51.48
b) Provision for Wealth Tax	1.50	1.50
TOTAL	77.13	52.98

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2015

Note No. - 9 : FIXED ASSETS

(Rs. In Lacs)

Nature of Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION					NET BLOCK		
	As on 01.07.2014	Addition/ Revaluation during the Year	Sold/Adjustment during the Year	As on 30.06.2015	Upto 30.06.2014	For the Year	on Assets Where useful life Nil as on 01.07.2014	On Sale/Adjustment	UP TO 30.06.2015	As on 30.06.2015	As on 30.06.2014
A. Tangible Assets											
Freehold Land (Factory)	2,000.29	8,282.10**	1.92	10,280.47	-	-	-	-	-	10,280.47	2,000.29
Freehold Land (Others)	571.08	73.32	-	644.40	-	-	-	-	-	644.40	571.08
Building	5,783.23	159.91	-	5,943.14	1,381.45	176.61	-	-	1,558.06	4,385.08	4,401.78
Leasehold Building Developments	80.71	-	-	80.71	38.10	0.70	-	-	38.80	41.91	42.61
Plant and Machinery	58,148.60	1,620.43	-	59,769.03	20,117.23	1,859.33	5.77	-	21,982.34	37,786.70	38,031.37
Furniture and Fixtures	287.44	35.58	-	323.02	157.83	48.87	1.34	-	208.04	114.98	129.61
Office Equipments	524.91	52.07	-	576.98	353.92	82.23	62.86	47.06	451.95	125.03	170.99
Weigh Bridges	576.73	34.40	-	611.13	208.42	44.03	-	-	252.44	358.68	368.31
Vehicles & Tractors	780.73	0.62	10.85	770.50	529.14	115.14	28.20	39.24	633.24	137.26	251.58
Live Stock	1.88	-	-	1.88	-	-	-	-	-	1.88	1.88
B. Intangible Assets											
Software	23.08	-	-	23.08	8.08	2.31	-	-	10.39	12.69	15.00
Previous Period	68,778.68	10,258.43	12.77	79,024.34	22,794.17	2,329.20	98.17	86.30	25,135.26	53,889.08	45,984.50
Capital Work-in-Progress:											
Building, Plant & Machinery											
Expenditure during Construction Period (Pending Capitalisation) (Refer Note No.38)											
									Total		
									Previous Year		
										1,052.57	2,505.19
										54.62	54.62
										54,996.27	48,544.31
										48,544.31	50,114.53

Notes:

Vehicles includes Motor Cars having gross book value of Rs.47.21 Lacs (Previous Period Rs.110.54 lacs) which are purchased on Hire Purchases Basis.

Revaluation of Tangible Assets : ()**

The Company has revalued the land Block of its all the operational Units on the basis of present replacement value, valued by an Independent Certified Valuer accordingly, the above sum in cludes Rs.8240.48 Lacs being the excess of current replacement value of Rs.10240.77 Lacs over the existing book value of Rs.2000.29 Lacs has been credited to revaluation reserve.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2015

(Rs.in Lacs)

	As at 01.07.2014	During the Period	As at 30.06.2015
NOTE - 10 : DEFERRED TAX ASSETS (NET)			
DEFERRED TAX LIABILITY			
Difference between Book & Tax Depreciation	7,253.37	401.25	7,654.62
	7,253.37	401.25	7,654.62
DEFERRED TAX ASSETS			
Expenses Allowed U/s 43-B on paid basis	469.66	279.61	749.27
Unabsorbed Depreciation & Business Loss (Refer Note No.45)	11,634.80	2,469.00	14,103.80
	12,104.46	2,748.61	14,853.07
NET DEFERRED TAX ASSETS	4,851.09	2,347.36	7,198.45
Previous Year	1,366.35	3,484.74	4,851.09

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
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NOTE - 11 : LONG TERM LOANS AND ADVANCES

(Unsecured - Considered good)

a) Capital Advances		
Advances to Related Parties (Refer Note. No.41)	65.56	85.21
Other Capital Advances	538.28	631.66
b) Security Deposits (incl. Interest Accrued thereon)	78.32	72.13
c) Other Loans and Advances		
Tax Deducted at Sources	59.17	71.07
Balance with Income Tax Department (Under Protest)	51.16	47.16
MAT Credit Entitlements	233.72	233.72
TOTAL	1,026.21	1,140.95

NOTE - 12 : INVENTORIES

(As taken, valued and certified by the Management)

a) Raw Material	6.38	2.62
b) Work-in-Progress	197.46	350.96
c) Finished Goods		
Sugar	40,297.28	47,573.42
Industrial Alcohol	1,378.42	538.28
Banked Power	73.33	66.24
Renewal Energy Certificates (RECs)	448.73	301.98
d) By-Products	3,124.61	2,097.08
e) Stores, Spare Parts and Packing Materials	965.41	905.52
TOTAL	46,491.62	51,836.10

Mode of Valuation of Inventories:

Inventories of Raw Material, Work-in-Progress, Finished Goods, Stores, Spares Parts, Packing Materials and Renewal Energy Certificate (REC) are valued at lower of Cost or Net Realisable Value. By-Products and residuals are valued at Net Realisable Value.

Cost of Inventories is determined on cost. Cost of Finished Goods and Work - in - Progress has been worked out on absorption cost basis.

NOTE - 13 : TRADE RECEIVABLES

(Unsecured - Considered good)

a) Trade Receivables outstanding for a period exceeding six months	150.36	148.35
b) Others	2,401.69	1,501.69
TOTAL	2,552.05	1,650.04

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
NOTE - 14 : CASH AND BANK BALANCES		
i) Cash & Cash Equivalents		
a) Balance with Banks		
In Current Accounts	868.56	3,200.37
In Fixed Deposit Account	-	6.30
b) Cash in Hand	25.53	22.95
ii) Term Deposit having remaining maturity of more than 3 months but not more one year	261.96	473.25
iii) Term Deposit having remaining maturity of more than 1 Year (in Margin Money and interest accrued thereon)	940.24	599.02
TOTAL	2,096.29	4,301.89
NOTE - 15 : SHORT TERM LOANS AND ADVANCES		
(Unsecured - Considered good)		
a) Advances to Related Parties for Supply of Goods & Services (Refer Note No.41)	19.70	36.98
b) Other Loans & Advances		
Advances for Supply of Goods & Services	192.58	144.40
Due from Employees	18.81	18.22
Prepaid Expenses	91.78	65.47
Balance with Excise Department	93.99	289.82
Cenvat Receivable	7.51	13.89
Security Deposits	82.74	108.46
Others Loans & Advances	265.37	395.06
TOTAL	772.48	1,072.30
NOTE - 16 : OTHER CURRENT ASSETS		
(Unsecured - Considered good)		
Fixed Assets Held for Disposal	355.00	30.00
Claim Receivable *	7,482.41	824.23
TOTAL	7,837.41	854.23
* includes Rs.402.63 lacs Interest subvention recoverable (Previous Year Rs.138.32 lacs) (Refer Note No.37)		
* includes cane subsidy amounting to Rs.6703.96 lacs (Previous Year NIL) (Refer Note No.29)		
NOTE - 17 : CONTINGENT LIABILITIES AND COMMITMENTS		
Contingent Liabilities		
i) Excise Duty / Sales Tax demands and show cause notices against which Company / Department has preferred appeals / filed replies.	2,680.10	2,197.05
ii) Preference Dividend payable on cumulative Redeemable Preference Shares	2,646.57	2,105.07
iii) In respect of pending court cases by/against ex-employees amount not ascertainable at this stage	-	-
Capital Commitments		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	62.77	232.90
ii) Letter of Credit in favour of Suppliers and Bank Guarantees issued	1,432.06	1,012.29
TOTAL	6,821.50	5,547.31

(Rs.in Lacs)

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
NOTE - 18 : REVENUE FROM OPERATIONS		
a) Sale of Products	75,744.48	89,249.96
b) Other Operating Revenues	2,777.17	737.08
c) Less: Excise Duty	2,560.41	2,825.85
Net Sales	<u>75,961.24</u>	<u>87,161.19</u>
Particulars of Sale of Products		
Sugar	65,089.60	76,108.98
Molasses	2,012.97	4,607.80
Power	4,532.27	4,156.70
Distillery	3,815.09	3,955.25
Others	294.55	421.23
TOTAL	<u>75,744.48</u>	<u>89,249.96</u>
NOTE - 19 : OTHER INCOME		
a) Interest Income	116.22	205.61
b) Excess Depreciation Written Back for earlier years	75.98	-
c) Other Non Operating Income		
Profit on Sale of Assets	4.39	0.12
Miscellaneous Income	78.84	5.59
TOTAL	<u>275.43</u>	<u>211.32</u>
NOTE - 20 : COST OF RAW MATERIAL CONSUMED (Indigenous)		
Opening Stocks	2.62	220.00
Purchases	61,172.24	62,645.86
	<u>61,174.86</u>	<u>62,865.86</u>
Less : Closing Stocks	6.38	2.62
TOTAL	<u>61,168.48</u>	<u>62,863.24</u>
NOTE - 21 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
Opening Stocks		
Finished Goods	48,479.92	55,179.08
Work-in-Progress	350.96	1,180.21
By-products	2,097.08	3,402.19
	<u>50,927.96</u>	<u>59,761.48</u>
Closing Stocks		
Finished Goods	42,197.76	48,479.92
Work-in-Progress	197.46	350.96
By-products	3,124.61	2,097.08
	<u>45,519.83</u>	<u>50,927.96</u>
Excise & Other Duties on Increase / (Decrease) of Stocks	623.05	(338.39)
Decrease in Stocks	<u>6,031.18</u>	<u>8,495.13</u>

Particulars	Figures as at end of Current Reporting Period 30.06.2015	Figures as at end of Previous Reporting Period 30.06.2014
NOTE - 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	3,614.23	3,831.93
Contribution to Provident and other funds	148.77	115.25
Staff Welfare	147.46	136.87
TOTAL	3,910.46	4,084.05
NOTE - 23 : FINANCE COSTS		
Interest Expenses	7,336.76	9,584.04
Other Borrowing Costs	203.86	344.14
TOTAL	7,540.62	9,928.18
NOTE - 24 : OTHER EXPENSES		
a) Manufacturing Expenses		
Packing Materials Consumed	1,020.09	1,041.57
Consumption of Stores, Spares	720.20	673.07
Power and Fuel	286.38	543.05
Other Manufacturing Expenses	369.54	369.62
Repairs to:		
Plant and Machinery	1,371.35	1,633.02
Buildings	40.13	12.62
Others	78.70	76.46
	1,490.18	76.46
	3,886.39	4,349.41
b) Administrative and Other Expenses		
Rent	66.20	59.45
Rates and Taxes	40.02	39.58
Printing and Stationery	32.76	32.09
Postage, Courier and Telephones	45.30	43.83
Travelling and Conveyance	194.27	265.92
Fees and Subscription	92.53	53.38
Legal and Professional Charges	171.80	216.82
Auditors' Remuneration (Refer Note No.42)	21.44	19.05
Vehicle Running and Maintenance	156.02	186.53
Insurance	95.42	136.78
Cane Development Expenses	808.88	1,102.35
Loss on Sale/Discard of Fixed Assets	-	0.99
Office & Other Administration Expenses	38.13	39.35
	1,762.77	2,196.12
c) Selling & Distribution Expenses		
Business Promotion	26.81	17.65
Sugar Handling Expenses	60.22	55.07
Commission on Sales	234.90	237.49
Freight Outward	48.36	33.49
Other Selling Expenses	106.04	61.12
Rebate & Discount	189.43	49.80
	665.76	454.62
TOTAL	6,314.92	7,000.15

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2015

25. Based upon the information received from vendors regarding their status under the “Micro, Small and Medium Enterprises Development Act, 2006”, the relevant information is provided below:

Particulars	(Rs.in Lacs)	
	Current Year	Previous Period
(a) Amount due to Micro, Small and Medium Enterprises as on		
i) Principal amount	73.72	35.07
ii) Interest due on above	NIL	NIL
(b) i) Principal amount paid after due date or appointed day during the period	NIL	NIL
ii) Interest paid during the period on (i) above	NIL	NIL
(c) Interest due & payable (but not paid) on principal amounts paid during the period after the due date or appointed day	NIL	NIL
(d) Total interest accrued and remaining unpaid as on	NIL	NIL
(e) Further interest in respect of defaults of earlier years due and payable in current period upto the date when actually paid	NIL	NIL

26. Amount of borrowing cost capitalized to fixed assets during the year is Rs. NIL (Previous Period Rs. 40.98 Lacs).

27. All the Current Assets, Loans and Advances, in the opinion of the Board, have a value on realization which in the ordinary course of business shall at least be equal to the amount, at which it is stated in the Balance Sheet.

28. The Company has made an investment of the requisite amount for setting up New Projects in the State of Uttar Pradesh in accordance with the UP Sugar Industry Promotion Policy, 2004 and has accordingly filed application for eligibility under the above policy. However, the State Government has later on terminated the Policy with effect from June 4, 2007 and also rejected the application. During the Year Company has filed amended writ petition before Hon'ble Allahabad high court (Lucknow Bench) for enforcement of the scheme and settlement of incentive claims.

As per the erstwhile incentive policy, the Company claims to be eligible for capital subsidy of Rs. 3847 lacs (10 % of total investment) and remission / Exemption / Reimbursement of taxes, duties & other charges aggregating to Rs. 9277 lacs, which will be accounted for in the year of final decision of Hon'ble court.

29. State Govt. of U.P. vide its Order No. 2970-C.D./46-3-14-3(48)/98-99 dated 24th December, 2014, and State Govt. of Utrakhhand vide its order No. 04/XIV-2/2015/55/2010-T.C. dated 3rd January 2015 had announced certain financial assistance including Rs. 28.60/- per quintal of cane for the sugar season 2014-15 linked to average selling price of sugar and its by-products during the specified period from 1st October, 2014 to 31st May, 2015 which is to be recommended by the Committee constituted by the Government of Uttar Pradesh / Utrakhhand.

As the average selling price of sugar is significantly lower than the threshold specified in the above announcement, the Company has estimated and accounted for the above financial assistance aggregating to 6703.96 lacs during the year under audit. The aforesaid financial assistance has been included under the Cost of Raw Material Consumed under Note No. 20.

30. For Sugar Season 2013-14 financial assistance of Rs.6/- per quintal and Rs.14/- per quintal of cane subsidy were granted vide Govt. of U.P. Order No. 2195 C.D./46-3-14-3(35)/2013 T.C. dated 9th September, 2014 and Government of Utrakhhand Order No.106/C/B-purchase section/2013-14 dated 16th April 2015 respectively, accordingly, the Company has accounted for an amount of Rs. 1522.65 lacs during the year under review. The aforesaid financial assistances have been accounted for and included under Other Operating Revenue Note No. 18.

31. For Sugar season 2012-13 Government of Uttar Pradesh has reduced the society sugar commission rate vide their letter no.04/2015/620/12.06.2015, from 3% of Fair Remunerative Price of cane to Rs.2/- per quintal on sugar cane, accordingly the Company has accounted for an amount of Rs. 553.73 lacs during

the year under review. The aforesaid financial assistances included under Other Operating revenue under Note No. 18.

32. Depreciation for the current year has been aligned to meet the requirements of Schedule -II to the Companies Act, 2013 and accordingly an amount of Rs. 98.17 lacs in relation to the assets whose useful life has already exhausted has been shown under the heading-Exceptional Items in Profit and loss account.

Had the Company continued to charge deprecation based on rates and manner as specified under the erstwhile Schedule XIV to the Companies Act 1956, deprecation expenses and the Loss before Tax for the year ended 30 June 2015 would have been higher by Rs. 1018.21 lacs.

Further, losses and deferred tax liabilities would have been higher by Rs. 1018.21 lacs and Rs. 314.63 lacs respectively and net value of fixed assets as at the date would have been lower by Rs. 1018.21 lacs.

33. Supplier's Credit Balance against farmers crop loan appearing under Other Current Liabilities (Note No. 7) represent loan of Rs.2353.18 lacs (Previous year Nil) from IDBI Bank Ltd to the cane growers under Corporate Tie up scheme for Crop loans , wherein the company is acting as 'Business Facilitator' and the same is backed by indemnity / guarantee of the company and Personal guarantee of the Managing Director.

34. Disclosure in respect of Operating Lease:

The Company has entered into non-cancelable Operating Lease for premises and lease rent amounting to Rs. 66.20 Lacs (Previous Period Rs. 59.45 Lacs) has been charged to Profit & Loss account. The future minimum lease payments are as under:-

(Rs.in lacs)

Particulars	Current Year	Previous Period
(a) Not later than one Year	47.27	45.20
(b) Later than one year & not later than Five Years	6.09	30.04
(c) Later than Five years	-	-

35. In accordance with Accounting Standard (AS)-28 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, the Company has carried out an exercise to ascertain the impairment, if any, in the carrying value of its fixed assets. However, no such case was found.

36. As per the Accounting Standard (AS)-17 on 'Segment Reporting' issued by The Institute of Chartered Accountants of India, the Company has identified three business segment i.e. Sugar, Cogeneration and Distillery. The relevant disclosure is as under:

(Rs.in lacs)

S.No.	Particulars	Current Year	Previous Period
1	Segment Revenue		
	a) Sugar	74,079	85,520
	b) Cogeneration	7,230	6,735
	c) Distillery	3,470	3,579
	Total	84,779	95,834
	Less: Inter Segment Revenue	8,818	8,673
	Net Segment Revenue	75,961	87,161
2	Segment Results - Profit/(Loss) before Tax and Finance Cost and Exceptional Items		
	a) Sugar	(6,369)	(324)
	b) Cogeneration	2,720	1,716
	c) Distillery	1136	578
	Total	(2,513)	1,970
	Add/Less: i) Finance Cost	7,541	9,928
	ii) Other Un-allocable Expenses net off	1,014	1,057
	iii) Exceptional Items	98	-
	Profit/(Loss) before Tax	(11,166)	(9,015)

3	Segment Assets		
	a) Sugar	94,713	89,945
	b) Cogeneration	9,561	9,483
	c) Distillery	10,645	9,348
	d) Unallocable	853	624
	Total Assets	1,15,772	1,09,400
4	Segment Liabilities		
	a) Sugar	46,162	29,981
	b) Cogeneration	248	71
	c) Distillery	644	573
	d) Unallocable	719	455
	Total Liabilities	47,773	31,081
5	Capital Expenditure:		
	a) Sugar	522	775
	b) Cogeneration	-	4
	c) Distillery	481	1,701
	d) Unallocable	42	36
	Total Capital Expenditure:	1,046	2,516
6	Depreciation and amortisation:		
	a) Sugar	1,685	3,015
	b) Cogeneration	289	633
	c) Distillery	312	410
	d) Unallocable	43	25
	Total Depreciation and Amortisation:	2,329	4,083

37. Other Current Assets Note No. '16' includes interest of Rs. 59.54 Lacs (Previous Period Rs. 59.54 lacs) recoverable from Banks in respect of Scheme - "Extending Financial Assistance to Sugar Undertakings 2007" for clearance of cane dues wherein the Company had availed term loan of Rs. 3365.00 Lacs which has been fully repaid in earlier years, and includes interest of Rs. 343.09 Lacs (Previous Period Rs. 78.78 lacs) recoverable from Banks in respect of Scheme - "Extending Financial Assistance to Sugar Undertakings 2014" for clearance of cane dues wherein the Company had availed term loan of Rs. 5387.00 Lacs.

38. Statement of Expenses during construction period related to Distillery at Barkatpur and Karnataka as on 30th June 2015 given is as under :-

(Rs. in lacs)

Particulars	As on 01.07.14	For The Year	Capitalised	As on 30.06.15
Salary & Wages	28.18	-	-	28.18
Staff & Workers Welfare	1.60	-	-	1.60
Printing and Stationery	0.65	-	-	0.65
Postage, Telegram and Telephones	0.77	-	-	0.77
Travelling and Conveyance	10.42	-	-	10.42
Legal and Professional Charges	4.99	24.39	24.39	4.99
Auditors' Remuneration	0.06	-	-	0.06
Fringe Benefit Tax	0.47	-	-	0.47
Interest & Financial Charges	7.74	-	-	7.74
Office & Other Administration Expenses	18.51	-	-	18.51
Total	73.39	24.39	24.39	73.39
Less: Interest Received	18.77	-	-	18.77
Total	54.62	24.39	24.39	54.62

39. Pursuant to Accounting Standard (AS)-15 (Revised 2005) "Employee Benefits", the disclosure of employees benefits are given below:-

I) Defined Contribution Plan and amount recognized in Profit and Loss Account

(Rs. In lacs)

Particulars	Current year	Previous Period
-Employer's Contribution to provident fund	148.77	115.25

II) Defined Benefit plan

-Employee benefits in respect of Gratuity and Leave Encashment are based on Actuarial Valuation as on 30th June 2015. The details are given below :

(Rs. In lacs)

Particulars	Gratuity Unfunded	Leave Encashment - Unfunded
A) Change in the Present Value of obligation		
a) Present Value of obligation as at 1 st July 2014	400.08 (286.00)	111.63 (121.70)
b) Interest Cost	35.14 (31.35)	10.05 (12.08)
c) Past Service Cost	- (-)	- (-)
d) Current Service Cost	63.34 (69.03)	27.99 (27.06)
e) Benefits Paid	(27.41) (-)	(16.78) (-)
f) Actuarial Loss/(Gain)	9.73 (13.70)	8.48 (-49.21)
g) Present Value of Obligation as at 30 th June 2015	480.88 (400.08)	141.37 (111.63)
B) Change in Fair Value of Plan Assets	- (-)	- (-)
C) Amount recognized in Balance Sheet (A-B)	480.88 (400.08)	141.37 (111.63)
D) Expenses recognized in the Profit & Loss Account		
a) Current Service Cost	63.34 (69.03)	27.99 (27.06)
b) Past Service Cost	- (-)	- (-)
c) Interest Cost	35.14 (31.35)	10.05 (12.08)
d) Actuarial Loss/(Gain)	9.73 (13.70)	8.48 (-49.21)
e) Net Cost	108.21 (114.08)	46.52 (-10.07)
E) Details of Plan Assets	- (-)	- (-)
F) Actuarial Assumptions		
a) Discount Rate		8.00%
b) Rate of escalation in Salary (Per Annum)		5.50%
c) Mortality Table		IALM (2006 - 08)
d) Retirement Age (Years)		58

40. Details of Prior Period Items (net) is as under :

(Rs. in lacs)

Particulars	Current Year	Previous Period
Expenditure		
Legal & Professional Charges	0.67	-
Repair - Plant & Machinery	3.22	0.07
Fees & Subscription	1.57	4.59
Staff Welfare Expenses	0.05	0.12
Insurance		0.02
Salary & Wages		2.12
Travelling & Conveyance	0.98	-
Office Expenses	0.70	-
Rebate & Discount	3.79	-
Telephone & Communication	0.09	-
Raw Material	0.34	-
Manufacturing Expenses	0.65	-
Total	12.06	6.92
Income		
Professional Charges	1.48	-
Commission on Sale of Sugar	0.09	-
Cenvat for earlier Year availed		73.11
Total	1.57	73.11
Net Income/(Expenses)	(10.49)	66.19

41. Related Party Disclosures:-

In accordance with the requirements of Accounting Standard (AS)-18 on 'Related Party Disclosure' issued by The Institute of Chartered Accountants of India , the names of the related parties where control exist and/or with whom transaction have taken place during the Year and description of relationships as identified and certified by the management are :

A. Parties where control exists

NIL

B. Other related parties where transaction have taken place during the Year

i) Key Management Personnel (KMP) :

- Sh.Raj Kumar Adlakha - Managing Director (MD)
- Sh. Ashok Kumar Agarwal - Executive Director

Relative of Key Management Personnel and their Relationship:

- Smt. Amita Adlakha (Wife of MD)

ii) Enterprises where Significant Influence exists :

- Uttam Industrial Engineering Limited
- Lipi Boilers Pvt. Ltd.
- The Standard Type Foundry Pvt.Ltd.
- Uttam Sucrotech Limited
- Shubham Sugars Limited
- Uttam Adlakha & Sons Holdings Pvt. Ltd.
- Sekhri Finance & Investment Pvt. Ltd.
- Uttam Sunna Charitable Trust
- New Castle Finance and Leasing Pvt. Ltd.
- Uttam Energy System Ltd.
- Uttam Housinginfra Limited

C. Details of Transactions with the above related parties in the ordinary course of business:-

Name of related Parties	Nature of Transactions	Amount of Transactions (Rs. In Lacs)		Outstanding Balances (Rs. In Lacs)		
		Year ended 30.06.15	Period ended 30.06.14		As at 30.06.15	As at 30.06.14
Key Management Personnel (KMP)						
Raj Kumar Adlakha	Remuneration & Perquisites	45.62	50.77	Remuneration Payable	3.02	6.89
	Lease Rent	13.40	13.60	Lease Rent	0.42	0.85
	Allotment of Redeemable Preference Shares (Series - II) of Rs.100/- each at a Share Premium of Rs.100/- each	-	134.00			
Ashok Kumar Agarwal	Remuneration & Perquisites	38.10	47.50	Remuneration Payable	3.10	3.07
Relative of KMP						
Amita Adlakha	Office Rent	8.04	8.16	Office Rent	1.34	0.42
Enterprises Significantly Influenced by Directors and/or their relatives						
Uttam Sucrotech Ltd.	Receiving of Services (Machinery)	1.06	33.84	Creditors	49.61	125.35
	Sugar Sales made	0.57	1.15	Unsecured Loan	17.94	17.94
	Guarantee received/ (Satisfied) (Net)	(4801.91)	(8127.98)	Guarantee	51789.22	56591.13
Uttam Industrial Engg. Ltd.	Purchase of Fixed Assets	54.07	68.06	Advances for Purchase of Goods/Services	18.50	35.78
	Receiving of Services (Machinery)	85.17	248.05	Creditors	1.85	0.19
	Sugar Sales made	0.79	1.40	Unsecured Loan	47.31	47.31
	Guarantee received/ (Satisfied) (Net)	(4801.91)	(8127.98)	Guarantee	51789.22	56591.13
The Standard Type Foundry P. Ltd.	Purchase of Fixed Assets	-	8.50	Advances for Purchase of Goods/Services	0.07	0.07
	Receiving of Services (Machinery & Vehicles)	66.17	100.95	Creditors	46.32	41.84
	Sugar Sales made	1.78	3.17			
Lipi Boilers Pvt. Ltd.	Purchase of Fixed Assets	-	1277.37	Capital Advances	65.56	85.21
	Receiving of Services (Machinery)	1.12	3.78	Advances for Purchase of Goods/Services	1.12	1.12
	Advance received against sale of assets	200.00	-	Advance Received	200.00	-
	Guarantee received/ (Satisfied) (Net)	(4801.91)	(8127.98)	Creditors	-	14.63
				Unsecured Loans	44.24	44.24
				Guarantee	51789.22	56591.13
Shubham Sugars Ltd.	Purchase of Agriculture Products	37.79	85.56	Creditors	89.79	66.82
Uttam Adlakha & Sons Holdings Pvt. Ltd.	Allotment of Redeemable Preference Shares (Series - II) of Rs.100/- each at a Share Premium of Rs.100/- each	-	66.00	Unsecured Loan	27.85	27.85
Sekhri Finance & Investment Pvt. Ltd.		-	-	Unsecured Loan	15.47	15.47
Uttam Sunna Charitable Trust	Advance Received & refund for Assets Sale	-	500.00			
	Interest on Advance	-	29.74			

	Sugar Sales	-	0.14			
	Assets Purchase	-	0.07	Creditors	-	0.07
New Castle Finance and Leasing Pvt. Ltd.	Allotment of Redeemable Preference Shares (Series - II) of Rs.100/- each at a Share Premium of Rs.100/- each	-	45.00			
Uttam Energy System Ltd.	Reimburses of Expenses	0.03	1.12	Creditors	1.15	1.12
Uttam Housinginfra Ltd.	Guarantee received	3381.00	-	Guarantee	3381.00	-

42. Auditors' Remuneration:

(Rs. in lacs)

Particulars	Current Year	Previous Period
(a) As Statutory Auditors	12.00	12.30
(b) For Tax Audit	1.25	1.25
(c) For Taxation Matters	1.25	1.25
(c) For other Matters	6.94	4.25
TOTAL	21.44	19.05

43. Earning per share (EPS)

Particulars	Year ended 30.06.2015	Previous Period 30.06.2014
a) Loss attributable to the Equity Shareholders (Rs. in lacs)	(8819.49)	(5529.81)
Less: Preference Dividend as per Note No.17	541.50	666.47
Loss attributable to the Equity Shareholders	(9360.99)	(6196.28)
b) Weighted average number of equity shares outstanding		
i) <u>Basic:</u>		
Weighted average number of equity shares at the end	38138120	38138120
ii) <u>Diluted</u>		
Weighted average number of shares as in b(i)	38138120	38138120
c) Paid up value of share	Rs.10/-	Rs.10/-
d) Basic Earnings per share (Rs.) (a/bi)	(24.54)	(16.25)
e) Diluted Earnings per share (Rs.)(a/bii)	(24.54)	(16.25)

44. Expenditure in Foreign Currency:

(Rs. in lacs)

Particulars	Current Year	Previous Period
a) Foreign Travelling Expenditure	19.27	4.61
b) Foreign Legal & professional Charges	2.07	2.02

45. During the Year the company has recognized deferred tax assets of Rs. 2469 lacs on brought forward business losses & unabsorbed depreciation up to 31st March 2015 out of unrecognized deferred tax Assets Rs. 4888 lacs in accordance with the AS-22 on "Accounting of Taxes" issued by The Institute of Chartered Accountants of India on, The Company expects turnaround of sugar sector by view of expected assistance from Govt. and by way of cane development Activities carried out by the company as supported by report issued by Sugar Technical Expert, it has become reasonable that sufficient taxable income will be available against which such deferred tax assets can be realized.

Since the earnings are expected to increase mainly due to higher cane recovery as well as various support measures announced by the Government, the company has recognized deferred tax assets on account of unabsorbed business losses and unabsorbed depreciation to the extent of future reversal of Deferred Tax Liability and virtual certainty in accordance with Accounting Standard (AS) – 22 on 'Accounting for Taxes on Income'.

46. The company has identified certain fixed assets which are being retired from active use and are being held for disposal as on balance sheet date. Accordingly these assets have been written down to net realizable value, based on best estimates available with the Company and have been disclosed as Other Current Assets under the head 'Fixed assets held for disposal'.
 47. Due to steep decline in sugar realization and other market factors, the Company is having accumulated losses up to 30.06.2015. However, the promoters of the Company have committed to provide continued financial & operational support to the Company for its successful operation in the foreseeable future and accordingly accompanying financial statement have been prepared based on going concern assumption.
 48. The previous period figures have been re-arranged, regrouped and reclassified wherever necessary and the figures are rounded off to nearest rupee Lacs.
 49. Current Financial year is of 12 month starting from 01.07.2014 to 30.06.2015 while the previous year was for 15 month starting from 01.04.2013 to 30.06.2014 therefore figure are not comparable.
-

AS PER OUR REPORT OF EVEN DATE
Firm Registration No.000852C

(RAJ KUMAR ADLAKHA)
MANAGING DIRECTOR

(ASHOK KUMAR AGARWAL)
EXECUTIVE DIRECTOR

For B.K.Kapur & Co.
Chartered Accountants

(SANJAY BHANDARI)
CHIEF FINANCIAL OFFICER

(G.RAMARATHNAM)
CHIEF-LEGAL AND CORPORATE
AFFAIRS & COMPANY SECRETARY

(S.L.SHARMA)
HEAD - A/C & COMMERCIAL

(B.K.KAPUR) F.C.A.
PARTNER
M.NO. 4578

Place : Delhi

Dated : 19th August 2015



UTTAM SUGAR MILLS LIMITED

[Corporate Identity Number (CIN) : L99999UR1993PLC032518]

Regd. Office: Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand - 247667.

Tel.: 01332-229445, Fax : 01332-229194, Website :www.uttamsugar.in,

email id :investorrelation@uttamsugar.in

ATTENDANCE SLIP

Folio No. :

DP ID :

Client ID :

Name & Address of the Member (s) :

Name of the Proxy (in Block letters) :

(to To be filled in if the Proxy attends instead of the member)

I hereby record my presence at the 20th Annual General Meeting held on 30th December, 2015 at 12.00 Noon at Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand - 247 667.

.....
Member/ Proxy's Signature

(PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HAND OVER AT THE ENTRANCE DULY FILLED IN)

----- (TEAR HERE) -----

(TEAR HERE)



UTTAM SUGAR MILLS LIMITED

[Corporate Identity Number (CIN) : L99999UR1993PLC032518]

Regd. Office: Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand - 247667.

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email id :investorrelation@uttamsugar.in

MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name & Address of the Member (s) :

E-mail. Id :

DP ID :

Folio No. / Client ID No. :

I/We, being the member (s) of shares of the Uttam Sugar Mills Limited, hereby appoint :

- Name: Address:
E-mail Id: Signature..... or failing him
- Name: Address:
E-mail Id: Signature..... or failing him
- Name: Address:
E-mail Id: Signature..... or failing him

----- INTENTIONALLY LEFT BLANK -----

----- (TEAR HERE) -----
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on Wednesday, 30th December, 2015 at 12.00 Noon at Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand - 247667 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions	Optional	
		For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements for the year ended 30 th June, 2015.		
2.	Re-appointment of Mr. Raj Kumar Adlakha, (DIN : 00133256) who retires by rotation and being eligible, offers himself for re-appointment		
3.	Ratification of Continuance of Appointment of M/s. B. K. Kapur & Company, Chartered Accountants as Statutory Auditor and fixing their remuneration.		
Special Business			
4.	Appointment of Dr. Ramasamy Vasudevan (DIN: 00109908) as an Independent Director of the Company.		
5.	Appointment of Mr. Gurbachan Singh Matta (DIN: 02612602) as an Independent Director of the Company.		
6.	Appointment of Mr. Narendra Kumar Sawhney (DIN: 00109853) as an Independent Director of the Company.		
7.	Appointment of Mrs. Rutuja Rajendra More (DIN: 07201928) as an Independent Director of the Company.		
8.	Adoption of new set of Articles of Association		
9.	Revision/Increase in Remuneration of Mr. Ashok Kumar Agarwal (DIN: 05199585), Whole Time Director		
10.	Approval of the remuneration of the Cost Auditor for the financial year 2015-16.		

Signed this day of2015

Signature of the Member :

Signature of the proxy holder(s) :

**Affix a
Revenue
Stamp of
₹ 1/-**

Note :

- 1. This proxy form must be deposited at the Registered Office of the Company at Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand – 247667 or at Corporate Office of the Company at A-2E, IIIrd Floor, C.M.A. Building, Sector – 24, Noida (U.P.), not less than forty-eight hours before the time fixed for holding the aforesaid meeting. A proxy need not be a member of the Company.**
2. For Resolutions, Explanatory Statements and Notes, please refer to the Notice of 20th Annual General Meeting of the Company.
3. It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of Member(s) before submission.

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING ON WEDNESDAY, THE
30TH DECEMBER, 2015 AT 12.00 NOON.**



VENUE OF ANNUAL GENERAL MEETING

UTTAM SUGAR MILLS LIMITED
VILLAGE – LIBBERHERI, TEHSIL ROORKEE,
DISTRICT HARIDWAR, UTTARAKHAND



If undelivered, please return to:

UTTAM SUGAR MILLS LIMITED

Corporate Office : A-2E, 3rd Floor, C.M.A. Tower,
Sector – 24, Noida – 201 301 (U.P.)