

M/s P.G.BHAGWAT
CHARTERED ACCOUNTANTS

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**REPORT ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS
OF THE UGAR SUGAR WORKS LIMITED**

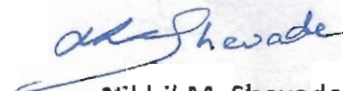
We have reviewed the accompanying statement of unaudited financial results of The Ugar Sugar Works Ltd. for the quarter ended 30-06-2014. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, "Engagements to Review Financial Statements" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Panhala
Date: 08-08-2014

For M/s P. G. Bhagwat
Chartered Accountants,
Firm Registration No. 101118W



Nikhil M. Shevade
Partner
Membership No. 217379



THE UGAR SUGAR WORKS LIMITED

Regd. Office: Mahaveernagar, Sangli 416416
Administrative Offices: Ugarkhurd 591316 (Dist. Belgaum)
Factories: Ugarkhurd (Dist. Belgaum) and Nagarhalli-Malli Village (Dist. Guibarga)

PART I
STATEMENT OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30th JUNE, 2014

(Amount in Rs. Lakhs)

Particulars	3 Months ended 30-06-2014 (Unaudited)	Preceding 3 Months ended 31-03-2014 (Audited)	Corresponding 3 Months ended 30-06-2013 in the previous year (Unaudited)	Previous Year ended 31-03-2014 (Audited)
1. Income from Operations				
(a) Net Sales / Income from operations (Net of excise duty)	27,949.13	26,054.98	12,441.79	64,226.03
(b) Other Operating Income				
Total Income from Operations (Net)	27,949.13	26,054.98	12,441.79	64,226.03
2. Expenses				
(a) Cost of materials consumed	4,669.30	31,559.68	539.61	43,960.81
(b) Other Manufacturing Expenses	354.42	412.49	315.98	2,288.87
(c) Purchase of Stock in trade	645.90	1,065.34	472.56	2,535.42
(d) Change in inventories of finished goods, work-in-progress and stock-in-trade	19,587.19	(15,848.67)	10,861.00	5,881.61
(e) Employee benefit expenses	1,300.32	1,782.46	1,125.75	5,562.81
(f) Depreciation & amortisation expense	516.33	697.15	618.24	2,560.60
(g) Other expenses	474.70	713.10	287.31	1,853.57
Total Expenses	27,548.16	20,381.55	14,220.45	64,643.69
3. Profit from operations before other income, finance costs and exceptional items (1 - 2)	400.97	5,673.43	(1,778.66)	(417.66)
4. Other Income	52.96	215.84	112.35	995.11
5. Profit from operations before finance costs and exceptional items (3 + 4)	453.93	5,889.27	(1,666.31)	577.45
6. Finance costs	527.66	633.19	1,043.01	3,332.90
7. Profit from operations after finance costs but before exceptional items (5 - 6)	(73.73)	5,256.08	(2,709.32)	(2,755.45)
8. Exceptional Items				
9. Profit from ordinary activities before tax (7 ± 8)	(73.73)	5,256.08	(2,709.32)	(2,755.45)
10. Tax expense	(0.25)	837.37	(172.39)	220.42
11. Profit from ordinary activities after tax (9 ± 10)	(73.48)	4,418.71	(2,536.93)	(2,975.87)
12. Extraordinary items (net of tax expense)				
13. Net Profit for the period (11 ± 12)	(73.48)	4,418.71	(2,536.93)	(2,975.87)
14. Paid-up equity share capital (Face Value per Share - Rs.1)	1,125.00	1,125.00	1,125.00	1,125.00
15. Reserves excluding Revaluation Reserve as per the balance sheet of the previous accounting year.				7,532.86



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PART I				
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2014				
(Amount in Rs. Lakh)				
Particulars	3 Months ended 30-06-2014 (Unaudited)	Preceding 3 Months ended 31-03-2014 (Audited)	Corresponding 3 Months ended 30-06-2013 in the previous year (Unaudited)	Previous Year ended 31-03-2014 (Audited)
16.i Earnings per share (before extraordinary items) of Re. 1 (not annualised)	Rs.	Rs.	Rs.	Rs.
(a) Basic	(0.07)	3.93	(2.26)	(2.65)
(b) Diluted	(0.07)	3.93	(2.26)	(2.65)
16.ii Earnings per share (after extraordinary items) of Re. 1 (not annualised)	Rs.	Rs.	Rs.	Rs.
(a) Basic	(0.07)	3.93	(2.26)	(2.65)
(b) Diluted	(0.07)	3.93	(2.26)	(2.65)

PART II				
SELECT INFORMATION FOR THE QUARTER ENDED 30th JUNE, 2014				
Particulars	3 Months ended 30-06-2014	Preceding 3 Months ended 31-03-2014	Corresponding 3 Months ended 30-06-2013 in the previous year	Previous Year ended 31-03-2014
A PARTICULARS OF SHAREHOLDING				
1. Public Shareholding				
- Number of shares	6,01,42,691	5,99,90,451	6,00,45,147	5,99,90,451
- Percentage of shareholding	53.46%	53.32%	53.37%	53.32%
2. Promoters & Promoter Group Shareholding				
a) Pledged / Encumbered				
- Number of shares	Nil	Nil	10,00,000	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Not Applicable	Not Applicable	1.91%	Not Applicable
- Percentage of shares (as a % of the total share capital of the company)	Not Applicable	Not Applicable	0.89%	Not Applicable
b) Non-encumbered				
- Number of shares	5,23,57,309	5,25,09,549	5,14,54,853	5,25,09,549
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	98.09%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	46.54%	46.68%	45.74%	46.68%
B INVESTOR COMPLAINTS				
- Pending at the beginning of the quarter	NIL			
- Received during the quarter	2			
- Disposed of during the quarter	2			
- Remaining unresolved at the end of the quarter	NIL			

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PART I (Amount in Rs. Lakh)
UNAUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE QUARTER ENDED 30th JUNE, 2014

Particulars	3 Months ended 30-06-2014 (Unaudited)	Preceding 3 Months ended 31-03-2014 (Audited)	Corresponding 3 Months ended 30-06-2013 in the previous year (Unaudited)	Previous Year ended 31-03-2014 (Audited)
1. Segment Revenue				
a. Sugar	26,733.25	26,495.04	10,972.85	61,985.21
b. Co-generation	789.66	7,806.56		10,753.94
c. Industrial Alcohol	982.08	1,508.20	589.49	3,607.92
d. Potable Alcohol	1,238.13	1,335.81	1,327.27	5,060.49
Total	29,743.12	37,145.61	12,889.61	81,407.56
Less: Intersegment Revenue	1,793.99	11,090.63	447.82	17,181.53
Net Sales / Income from Operations	27,949.13	26,054.98	12,441.79	64,226.03
2. Segment Results				
Profit / (Loss) before interest & tax				
a. Sugar	870.34	4,123.40	(855.99)	99.08
b. Co-generation	(28.59)	2,192.05	(504.63)	1,789.64
c. Industrial Alcohol	(42.83)	(167.26)	(149.40)	(384.29)
d. Potable Alcohol	262.63	392.95	369.61	1,029.73
Total	1,061.55	6,541.14	(1,140.41)	2,534.16
Less:				
i. Finance Cost	527.66	633.19	1,043.01	3,332.90
ii. Other Unallocable Expenditure net of Unallocable Income	607.62	651.87	525.90	1,956.71
	1,135.28	1,285.06	1,568.91	5,289.61
Profit / (Loss) before tax	(73.73)	5,256.08	(2,709.32)	(2,755.45)
3. Capital Employed (Segment Assets minus Segment Liabilities)				
a. Sugar	18,640.72	28,387.18	37,096.14	28,387.18
b. Co-generation	5,424.38	6,022.00	6,226.00	6,022.00
c. Industrial Alcohol	1,906.05	2,018.45	1,536.53	2,018.45
d. Potable Alcohol	2,046.27	2,274.26	1,862.93	2,274.26
e. Others (Unallocated)	862.30	1,279.44	548.75	1,279.44
Total	28,879.72	39,981.33	47,270.35	39,981.33



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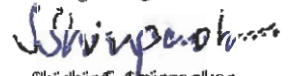
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Notes:

1. The main business of the Company being seasonal, the figures of the current period are not indicative of the annual results.
2. Inter-segment Transfers of Bagasse and Molasses, the cost of which is unascertainable, are recorded at prevalent market price. Inter-segment Transfers of other items are recorded at cost.
3. Attention is invited to Note No. 3, to the published Statement of Audited Financial Statement for the quarter and year ended 31-03-2014 regarding pending litigation in respect of Notification under Karnataka Sugarcane (Regulation of Purchase and Supply) Act, 2013. There is no change in the position in this quarter in as much as decision of the Court is still awaited, except for the fact that the disputed liability now stands reduced to the extent of amounts provided for additional cane price during the quarter.
4. The Company has realigned its depreciation policy in accordance with Schedule II to the Companies Act, 2013. Consequently, with effect from 01-04-2014,
 - a) the carrying value of assets is now depreciated over their remaining useful lives
 - b) where the remaining useful life of an asset is Nil as on 01-04-2014, carrying value has been adjusted against opening reserves amounting to Rs. 60.73 lakh (net of tax), in accordance with transitional provision of Schedule II.
 - c) on account of above change, depreciation expense for the quarter ended 30-06-2014 is lower by Rs. 53.15 lakh.
5. Figures for the immediately preceding quarter, corresponding periods in the earlier year and for the Previous Accounting Year have been regrouped / recast, where necessary.
6. The Statutory Auditors of the Company have carried out a limited review of the accounts for the quarter.
7. The above results are reviewed by the Audit Committee and were approved and taken on record by the Board of Directors at its meeting held on 08-08-2014,

Place: Panhala
Date: 08-08-2014

For The Ugar Sugar Works Ltd.


Shishir S. Shingankar
Managing Director

AS PER OUR SEPARATE REPORT OF EVEN DATE

For M/s. P.G. Bhagwat
Chartered Accountants



NIKHIL M. SHEVADE
(Mem. No. 217879 Partner)

