

**Courier**

DCS/COMP/NM/112/2014-15

October 29, 2014

The Company Secretary / Compliance Officer  
**Oudh Sugar Mills Ltd**  
P O Hargaon  
Sitapur - 261121  
Uttar Pradesh

Dear Sir/Madam,

**Sub: Audit Reports filed by listed companies**

This has reference to the provisions of Clause 31(a) of the Listing Agreement and SEBI Circulars pertaining to the "Manner of Dealing with Audit Reports filed by Listed Companies" dated August 13, 2012 and June 05, 2013 which inter-alia mandated listed companies to submit either Form A (Unqualified / Matter of Emphasis Report) or Form B (Qualified / Subject to / Except for Audit Report) along with the company's Annual Report to the Stock Exchange.

As per the provisions of the said circulars, the qualifications raised by the Statutory Auditors in their Audit Report, would be scrutinized by the Qualified Audit Review Committee (QARC) constituted by SEBI.

Accordingly, after scrutiny and discussion by QARC and thereafter by FRRB and as directed by SEBI, you are advised to:

Restate the Financial Statements pertaining to Financial Year 2012-13 giving effect to the qualifications\*, in terms of Clause 31A of the Listing Agreement and in terms of SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012 read with the SEBI's Clarificatory Circular CIR/CFD/DIL/9/2013 dated June 05, 2013.

(\* Refer Annexure-I for details)

You are requested to take note of the same and comply accordingly, under information to the Exchange.

In case you need any clarifications on the above, you may please contact Mr. Nitesh Mhatre on 02222728880 / Ms. Dhara Barot on 22728559 / Mr. Rakesh Parekh on 22728307 (email rakesh.parekh@bseindia.com, dhara.barot@bseindia.com) for assistance.

Yours truly,



**Netra Sahani**  
D.G.M - Listing Compliance



**Abhijit Pai**  
A.G.M - Listing Compliance

**ANNEXURE I:**

**Oudh Sugar Mills Ltd**

**Auditor Qualification:**

As indicated in Note 15 to the Consolidated financial statements, the Company has recognized Deferred Tax Asset (DTA) (net) of Rs.6,138.96 lacs (after adjusting reversal of Rs.1,393.02 lacs during the period) up to March 31, 2013 based on the future profitability projections made by the management. In our opinion, in the absence of virtual certainty about the above projections, as required in terms of Accounting Standard – 22, had the above impact been considered, the reported profit of Rs.3,065.90 lacs for the period (after adjusting DTA of Rs.7,531.98 lacs recognized up to June 30, 2012) would turn into a loss of Rs.3,073.06 lacs and the reserves and surplus balance would be Rs.(-) 6,307.85 Lacs as against the reported figure of Rs.(-) 168.89 lacs as on the balance sheet date. Our audit opinion is qualified on the financial statements for the previous year was qualified in respect of the above matter.