



Uttam Sugar Mills Limited

22nd Annual Report
2016-17

The best sugar you can buy.

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CORPORATE INFORMATION

[CORPORATE IDENTITY NO. (CIN) : L99999UR1993PLC032518]

BOARD OF DIRECTORS

Mr. Raj Kumar Adlakha	Managing Director
Mr. Ashok Kumar Agarwal	Executive Director
Dr. R. Vasudevan	Independent Director
Mr. G. S. Matta	Independent Director
Mr. Narendra Kumar Sawhney	Independent Director
Mrs. Rutuja Rajendra More	Independent Director
Mr. Lohit Kumar Neel (Ceased w.e.f 13.12.2016)	Nominee Director-IDBI Bank Ltd.
Mr. Anilkumar Rampriti Jaiswara (Appointed w.e.f 13.12.2016)	Nominee Director-IDBI Bank Ltd.
Mr. Binod Kumar (Ceased w.e.f 10.02.2017)	Nominee Director-PNB
Mr. Mukeshkumar S. Dave (Appointed w.e.f 10.02.2017)	Nominee Director-PNB.

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 - 3 :

Village Khaikheri,
Tehsil & District Muzaffarnagar (U.P.)

Unit – 2 :

Village Barkatpur, Tehsil Nazibabad
District Bijnor (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
22nd Annual
General Meeting
2016-17

waaay
easier
than
regular
sugar

UTTAM
SUGAR



NOTICE OF 22nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd 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 Tuesday, 26th September, 2017 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 31st March, 2017 including the audited Balance Sheet as at 31st March, 2017, 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. Ashok Kumar Agarwal (DIN: 05199585) as a Director liable to Retire by Rotation

To appoint a Director in place of Mr. Ashok Kumar Agarwal (DIN: 05199585), who retires by rotation and is eligible for re-appointment.

3. 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), M/s SSVS & Co., Chartered Accountants (Firm Registration No. 021648C), be and is hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Seventh AGM of the Company to be held in the year 2022 at a remuneration to be fixed by the Board of Directors on the recommendation of Audit Committee plus applicable taxes thereon and reimbursement expenses, if any, incurred by them in connection with the Audit."

SPECIAL BUSINESS:

4. Revision in the Remuneration of Mr. Ashok Kumar Agarwal (DIN: 05199585), Whole Time Director w.e.f 01.10.2016

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

"RESOLVED THAT pursuant to Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the Articles of Association of the Company and subject to Approval of Central Government, if necessary, the consent of the Company be and is hereby given for the increase in the payment of remuneration to Mr. Ashok Kumar Agarwal (DIN : 05199585), Executive Director of the Company, from Rs. 43,90,800/- per annum to Rs. 48,32,040/- per annum (including perquisites) subject to the overall ceiling stipulated in Section 197 of the Companies Act, 2013 for the period from 01st October, 2016 to the remaining tenure upto 31st December, 2017 as recommended by the Nomination and Remuneration Committee of the Directors and approved by the Board of Directors on 14th November, 2016."

"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."

5. Revision in the Remuneration of Mr. Raj Kumar Adlakha (DIN: 00133256), Managing Director w.e.f 01.02.2017

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

"RESOLVED THAT pursuant to Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the Articles of Association of the Company and subject to Approval of Central Government, if necessary, the consent of the Company be and is hereby given for the increase in the payment of remuneration to Mr. Raj Kumar

Adlakha, (DIN : 00133256) Managing Director of the Company from Rs. 1,08,00,000/- per annum to Rs. 2,16,00,000/- per annum (including perquisites) subject to the overall ceiling stipulated in Section 197 of the Companies Act, 2013 for the period from 01st February, 2017 to the remaining tenure upto 31st March, 2018 as recommended by the Nomination and Remuneration Committee of the Directors and approved by the Board of Directors on 10th February, 2017.”

“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.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to decide the actual amount of commission payable in any financial year to Mr. Raj Kumar Adlakha upto 4% of the net profits of the Company, subject to the overall ceiling stipulated in Section 197 of the Companies Act, 2013 and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

6. 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 applicable taxes and reimbursement of out of pocket expenses for the Financial Year 2017-18, 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 : 15th July, 2017

NOTES:

1. Explanatory Statement setting out all material facts relating to special businesses contained in item No. 4 to 6 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 Saturday, 16th September, 2017 to Tuesday, 26th September, 2017 (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 2017-18 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 2016-17 of the Company is being sent to all the members in the electronic mode, whose email addresses 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 addresses, hard copy of above documents are 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 2016-17 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 Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and members may cast their votes through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

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. Members have option to vote either through e-voting or through the Ballot Paper. If a member has opted for e-voting, then he/she should not vote by Ballot paper and vice-versa.

However, in case members cast their vote both via Ballot Paper and e-voting, then voting through e-voting shall prevail and voting done by Ballot Paper shall be treated as invalid.

The instructions for shareholders voting electronically are as under:

- (i) The e-voting period commences on Friday, 22nd September, 2017 (9.00 am) and ends on Monday, 25th September, 2017 (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. Friday, 15th September, 2017 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 the Annual Report.
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 to 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) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) 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.
- (xxi) 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.
 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 48 hours 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.

The results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's corporate website www.uttamsugar.in under the section 'Investors' and on the website of CDSL; such results will also be forwarded to the National Stock Exchange of India Limited & BSE Limited.
 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. Friday, 15th September, 2017.
 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,
Near PVR Naraina
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 Regulation 36(3) of SEBI (LODR), 2015)

Particulars	Mr. Ashok Kumar Agarwal
DIN	05199585
Date of Birth	09 th March, 1959
Date of Appointment in the Board	14 th February, 2012
Qualifications	B.Com.(Hons) & ACA
Experience	Mr. Agarwal is having overall 34 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.
Directorship held in other Listed Companies	NIL
Membership in Committee across other Listed Companies	NIL
Number of Shares held in the Company	NIL
Relationship with other Directors	None

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

(Pursuant to Regulation 36(3) of SEBI (LODR), 2015)

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. Mukeshkumar S. Dave	Nil	Nil
6	Mr. Anilkumar Rampriti Jaiswara	Nil	Nil

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

Item No. 4

As per the provisions of the Companies Act and the provisions of the Articles of Association of the Company, Mr. Ashok Kumar Agarwal was re-appointed as Whole-Time Director w.e.f. 14th February, 2015 to 31st December 2017. At the time of re-appointment of Mr. Ashok Kumar Agarwal, his salary was not increased by the Company in view of losses incurred by the Company.

Now, the Nomination and Remuneration committee has recommended an upward revision in the remuneration of Mr. Ashok Kumar Agarwal, in the context of improved performance of the Company. The recommendation of Nomination and Remuneration committee was also approved by the Board of Directors of the Company in their meeting held on 14th November, 2016. 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 w.e.f 01st October, 2016 to the remaining tenure upto 31st December, 2017 is now been placed before the Members for their approval by way of a Ordinary Resolution.

The details of remuneration of Mr. Ashok Kumar Agarwal are detailed below:

1. Effective date of remuneration :

The remuneration will be effective from 01st October, 2016 to the remaining tenure upto 31st December, 2017.

2. Overall Remuneration:

Subject to the provisions of Section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, the remuneration payable to the Whole Time Director shall not exceed overall ceiling stipulated in Section 197 of the Companies Act, 2013 or such other limits as may be specified under the relevant legislation prevailing from time to time. Within the aforesaid ceiling, the remuneration payable to him shall be as follows:

(a) Salary:

- (i) Salary: Rs. 2,33,000/- p.m. (Rupees Two Lacs Thirty Three Thousands Only).
- (ii) Special Allowance: Rs. 52,070/- p.m. (Rupees Fifty Two Thousands and Seventy Only).

(b) Perquisites:

The Executive Director shall be paid the following perquisites classified into Categories 'A' & 'B'.

Category - 'A':

- (i) House Rent Allowance: Rs. 1,00,000/- p.m. (One Lac Only).
- (ii) Medical Reimbursement: Medical Expenses incurred for self, spouse and dependent children/parents - Rs.15,000/- per annum (Rupees Fifteen Thousands Only).
- (iii) Leave Travel Allowance: Rs.1,55,400/- per annum (Rupees One Lac Fifty Five Thousands Four Hundred Only).
- (iv) Conveyance Allowance: Rs.1,800/- p.m. (Rupees One Thousand Eight Hundred Only).
- (v) Children Education Allowance : Rs.200/- p.m. (Rupees Two Hundred Only).
- (vi) Other Allowance: Rs. 1,400/- p.m. (Rupees One Thousand Four Hundred Only).
- (vii) Car: Free use of Company's car for official purpose.
- (viii) Other benefits/reimbursements: as per the Company's policy.

Category - 'B':

- (i) Company's contribution to provident fund, as per Rules of the Company.
- (ii) Gratuity as per Rules of the Company.
- (iii) Encashment of Leave, as per Rules of the Company.

3. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule V of the Companies Act, 2013.

4. Functions

He shall exercise duties and functions as may be delegated/ assigned to him by the Board of Directors/Committee of Directors from time to time.

5. Sitting Fee

He shall not be paid any sitting fee for attending the Meeting of Board or Committee thereof.

6. His period of office shall be subject to retire by rotation whilst holding office of Whole Time Director.

INFORMATION PURSUANT TO PROVISIO (iv) 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		
	2014-15 (12 Months)	2015-16 (9 Months)	2016-17 (12 Months)
Turnover	75,744.48	84,257.43	1,11,445.68
Net Profit/(Loss) (before Tax)	(11,166.85)	1,785.87	12,185.12

(5) Foreign investments or collaborations, if any:-

Nil

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details:-

Mr. Ashok Kumar Agarwal, is having overall 34 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 2016-17, he has drawn Rs. 46,33,020 Lacs /- (Rupees Forty Six Lacs Thirty Three Thousand and Twenty Only) including perquisites 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:-

Salary of Rs. 48,32,040/- (including perquisites) subject to the overall ceiling stipulated in Sections 197 of the Companies Act, 2013 and as per the terms and conditions as mentioned in Explanatory Statement herein above.

(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 earned profits during the current financial year. However, the Company has incurred losses in the previous financial years. The reasons for accumulated losses/inadequate profit were 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. The Company has also initiated steps to further enhance (to double from its present capacity) the capacity of the Distillery division of the Company situated 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.

We wish to further inform you that the impact of the above measures is also reflecting in the Audited accounts of the Company for the current financial year. These measures are expected to go a long way in improving the performance of the Company.

The above explanatory statement may be treated as a written memorandum setting out the terms of contract of service of Mr. Ashok Kumar Agarwal under Section 190 of the Companies Act, 2013.

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

Mr. Raj Kumar Adlakha, Managing Director was re-appointed as Managing Director of the Company w.e.f. 01st September, 2015 to 31st March, 2018 on the recommendation of Nomination and Remuneration Committee duly approved by Board of Directors on the remuneration of Rs. 3,75,000/-per month. However, Mr. Raj Kumar Adlakha, Managing Director waived his remuneration in view of the losses incurred by the Company. Accordingly, Remuneration to Mr. Raj Kumar Adlakha was not paid for the period from 1st September, 2015 to 30th June, 2016. In the context of improvement in the performance of the Company, the payment of remuneration was started to him subsequently on the recommendation of Nomination and Remuneration Committee.

Now, in the context of contribution of Mr. Raj Kumar Adlakha in the improved performance of the Company, the Nomination and Remuneration Committee, in its meeting held on 10th February, 2017 recommended and the Board of Directors, in its meeting held on 10th February, 2017, approved the payment of remuneration of 18,00,000/- per month (including perquisites) to Mr. Raj Kumar Adlakha (DIN : 00133256), as Managing Director of the Company w.e.f 1st February, 2017 to 31st March, 2018 subject to the approval of the shareholders in the General Meeting.

The terms and conditions of remuneration of Mr. Raj Kumar Adlakha are detailed below:

1. Effective date of remuneration :

The remuneration will be effective from 01st February, 2017 to the remaining tenure upto 31st March, 2018.

2. Overall Remuneration:

Subject to the provisions of Section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, the remuneration payable to the Managing Director shall not exceed overall ceiling stipulated in Section 197 of the Companies Act, 2013 or such other limits as may be specified under the relevant legislation prevailing from time to time. Within the aforesaid ceiling, the remuneration payable to him shall be as follows:

(a) Salary

Rs. 2,04,00,000/- per annum consisting of monthly payment of Rs. 17,00,000/- per month.

(b) Perquisites: In addition to above remuneration the Managing Director shall also be entitled to perquisites like gas, electricity, water and furnishings, medical reimbursement, club fees, medical insurance etc. in accordance with the rules of the Company subject to maximum of Rs.1,00,000/- (Rupees One Lac Only) per month.

Note:

The incumbent shall also be entitled to the following benefits/perquisites, however the same will not be included in the computation of ceiling on minimum remuneration specified herein above.

- i) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the provisions of the Income Tax Act.
- ii) **Gratuity:** One half month's salary for each completed year of service in accordance with the rules of the Company
- iii) Encashment of leave at the end of the tenure as per the policy of the Company.
- iv) Provision of car for use on Company's business and telephone at residence will also not be considered as perquisites. Personal long distance calls and use of car for private purpose shall however be billed by the Company to the Managing Director.

Explanation:

The value of Perquisites shall be determined as per Income Tax Rules, 1962, wherever applicable and in the absence of any such rule, perquisites will be evaluated at actual cost.

(c) Commission: In addition to above remuneration (Salary and Perquisites) the Managing Director shall also be entitled to commission not exceeding 4% of the net profits of the Company subject to the overall ceiling stipulated in Sections 197 of the Companies Act, 2013, payable for financial year in which adequate profits is earned.

3. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule V of the Companies Act, 2013 @ Rs. 18,00,000/- per month (including perquisites) which is the present limit of remuneration payable or as may be amended from time to time.

4. Functions

Subject to the superintendence, control and direction of the Board of Directors of the Company the Managing 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.

5. Sitting Fee

He shall not be paid any sitting fee for attending the Meeting of Board or Committee thereof.

6. His period of office shall be subject to retire by rotation whilst holding office of Managing Director."

INFORMATION PURSUANT TO PROVISO (iv) 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		
	2014-15 (12 Months)	2015-16 (9 Months)	2016-17 (12 Months)
Turnover	75,744.48	84,257.43	1,11,445.68
Net Profit/(Loss) (before Tax)	(11,166.85)	1,785.87	12,185.12

(5) Foreign investments or collaborations, if any:-

Nil

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details:-

Mr. Raj Kumar Adlakha, aged 61 years holds Engineering Degree B.E. (Mach.) and has more than 38 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. Under his leadership, the Company has made remarkable progress.

(2) Past remuneration:-

During the financial year 2016-17, he has drawn Rs. 170.58 Lacs /- including perquisites and commission as remuneration from the Company.

(3) Recognition or awards:-

Mr. Raj Kumar Adlakha was awarded Udyog Ratna Award "Involvement in Economic Development of Uttaranchal" on July 08, 2005 on the Centenary Celebrations of PHD Chamber of Commerce and Industry.

(4) Job profile and his suitability:

Subject to the superintendence, control and direction of the Board of Directors of the Company the Managing 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.

(5) Remuneration proposed:-

Salary of Rs. 17,00,000/- and perquisites upto Rs.1,00,000/- per month alongwith commission not exceeding 4% of net profits of the Company subject to the overall ceiling stipulated in Sections 197 of the Companies Act, 2013 and as per the terms and conditions as mentioned in Explanatory Statement of the notice of this Annual General Meeting.

(6) 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.

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

Apart from remuneration, Managing Director will be receiving dividends, if any, declared by the Company in respect of Shares held by him. Mr. Raj Kumar Adlakha is not related to any other managerial personnel of the Company.

III. OTHER INFORMATION:

(1) Reasons for loss:-

The Company has earned profits during the current financial year. However, the Company has incurred losses in the previous financial years. The reasons for accumulated losses/inadequate profit were 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. The Company has also initiated steps to further enhance (to double from its present capacity) the capacity of the Distillery division of the Company situated 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.

We wish to further inform you that the impact of the above measures is also reflecting in the Audited accounts of the Company for the current financial year. These measures are expected to go a long way in improving the performance of the Company.

In the preceding financial year, the Company has default in repayment of debts for the continuous period of 30 days to the creditors, therefore, Company has also taken prior approval from the secured creditors for the payment of proposed remuneration to Mr. Raj Kumar Adlakha.

The above explanatory statement may be treated as a written memorandum setting out the terms of contract of service of Mr. Raj Kumar Adlakha under Section 190 of the Companies Act, 2013.

The Board of Directors recommends the resolution as set out in Item No.5 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 except Mr. Raj Kumar Adlakha are concerned or interested in the proposed resolution.

Item No. 6

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 of the Company for the Financial Year 2017-18 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 2017-18 by way of an Ordinary Resolution.

The Board of Directors recommends the resolution as set out in Item No.6 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 : 15th July, 2017

Registered Office:

Village Libberheri, Tehsil Roorkee,

Distt. Haridwar, Uttarakhand.

CIN: L99999UR1993PLC032518

Website: www.uttamsugar.in



Director's Report

**UTTAM
SUGAR**

*Icing
sugar*



Directors' Report

To

The Shareholders of the Company,

Your Directors take pleasure in presenting this Twenty Second Annual Report together with the Audited Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

The financial results of the Company for the year ended on 31st March, 2017 are as under:-

DETAILS	(Rs. in Lacs)	
	Period ended	Period ended
	31.03.2017 (12 months)	31.03.2016 (9 months)
Revenue from Operations	1,08,294.42	81,024.95
Profit/(Loss) before Depreciation, Tax & Prior Period Items	14,996.70	3,302.82
Less:		
Depreciation	2,276.69	1,687.78
Prior period items (Net)	82.88	(170.83)
Profit/(Loss) before Tax & Exceptional Items	12,637.13	1,785.87
Exceptional Items	452.01	–
Less: Provision for Taxation		
Current Tax	–	–
Deferred Tax (Credit) / Charge	1,182.57	75.78
Income Tax for Earlier Years	70.20	163.52
Profit/(Loss) after Taxation	10,932.35	1,546.57
Add: Balance brought forward from Previous Year	(26,743.36)	(28,289.93)
Deficit transferred to Balance Sheet	(15,811.01)	(26,743.36)

PERFORMANCE OF THE COMPANY

During the year under review, your Company's Revenue from Operations was Rs. 1,08,294.42 Lacs as compared to Rs. 81,024.95 Lacs in the previous financial year. Company's Profit after tax (PAT) was Rs. 10,932.35 Lacs as compared to Rs. 1,546.57 Lacs in the previous financial year.

REVIEW OF OPERATIONS

The Financial Results for the year 2016-17 are for a period of 12 months and are not comparable with the results of 2015-16 which were for a period of 9 months.

Sugar Division

Operational data of the Company for the financial year 2016-2017 and 2015-2016 are as under:

Financial Year	Cane crushed (In Lakhs Qtls.)	Sugar produced (In Lakhs Qtls.)	Recovery %
2016-2017	278.57	30.17	10.83
2015-2016	185.93	19.79	10.64

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 %
2016-2017	297.39	32.48	10.92
2015-2016	201.12	21.64	10.76

Uttam Sugar Mills Limited

The Company registered a gross turnover of Sugar of Rs.94,755 lacs for the 12 months ended 31st March, 2017 against Rs. 73,679 lacs for the 9 months ended 31st March, 2016– an increase of gross turnover of 5.97 % on Pro rata Basis (Gross turnover of sugar of Rs.89,417 Lacs for the 12 months ended 31st March 2016). The sales realization at Rs.3,653 per qtls was higher as compared to Rs. 2,882 per qtls for the previous year 9 months ended 31st March, 2016.

During the current season, company commenced its crushing season in three units in 1st week of November 2016 and one unit in 2nd week of November 2016. The results were better as compared to previous season in terms of recovery mainly due to optimum mix of better cane varieties. The Crushing is also better as compared to last season due to better yield and increase in the cane area.

Sugar: The Company's aggregate sugar cane crushing was highest ever at 297.39 lakhs qtls during the season 2016-17 as against 201.12 lakhs qtls in 2015-16 season due to higher cane availability. The Company had a higher recovery of 10.92% as against 10.76% in previous season. The increased recovery was because of optimum mix of better cane varieties and varietal replacement. The Company continued to focus on cane development activities, comprising of varietal replacement with proven high sugared varieties, change in pattern of sowing, ratoon management, encouraging use of Bio - fertilizers and Bio-pesticides etc. and modern agricultural practices due to which the recovery and crushing is expected to improve in the coming season. Apart from these activities, 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 & cane development staff.

The Uttar Pradesh and Uttarakhand Government have announced State Advised Price (SAP) for sugarcane at Rs. 305 per quintal and 307 per quintal respectively for season 2016-17. The State Governments have increased the SAP by Rs.25/- qtl and Rs. 27/- qtl respectively in U.P. and Uttarakhand respectively in the sugar season 2016-17.

Thereafter, The State Government of Uttarakhand announced the subsidy of Rs. 2/- per qtl. on the SAP.

During the Sugar Season Company had a highest crushing, higher recovery and improved financial figures, due to the improvement in the sugar prices as compared to the previous crushing season.

Co-generation Division

During the period under review, your company produced 2,280.58 lakhs KWH units of power as compared to 1,460.60 lakhs units of power in the year 2015-2016 (9 M). Out of total production, your company exported 1,211.10 lakhs KWH units to UPPCL/UPCL for a total amount of Rs.6,068.85 lakhs against 742.82 lakhs KWH for an amount of Rs. 3,676.96 lakhs in the previous year.

The company has been awarded 10,532 units of REC for all its four units and these REC units are tradeable and an additional source of revenue to your company. During the F.Y.16-17 Company traded 44,393 units of REC for Rs.665.90 lacs.

Bagasse dryer installed at Barkatpur unit during 2015-16 is now running smoothly.

Distillery Division

Your company has a Distillery with an installed capacity of 75 KLPD at Barkatpur (Distt. Bijnor) in the State of Uttar Pradesh. During the year under review 201.12 lakhs bulk litres (BL) of industrial alcohol produced as compared to 135.76 lakhs bulk litres in the year 2015-16 (9 M) and your company sold 206.28 lakhs bulk litres industrial alcohol (including Ethanol) as compared to 137.59 lakhs bulk litres in the previous year.

CO2 gas produced and sold of 26.64 lakh kg amounting to Rs 71 Lac during the Year as compared to production & sales of 20.79 lakh kg amounting to Rs 52 lakh in the previous year ending 31st March 2016.

The Company has also taken steps to further increase the capacity and the company has also obtained Industrial Entrepreneurs Memorandum (IEM) from Ministry of Commerce and Industry for Enhancement, Department of Industrial Policy & Promotion (DIPP) for enhancement in the Distillery (Ethanol) capacity of the company to double from its existing Capacity i.e. from 22,500 Kilo Liters (KL) to 45,000 Kilo Liters (KL).

Future Outlook

Sugar industry association has requested the State Government for fixing of cane price based on the revenue sharing of realisation from sugar and by-products. During the later part of the current financial year the sugar prices have

Uttam Sugar Mills Limited

improved and stabilised. It is estimated that sugar price will be better in the next season also at domestic level. However, at international level, there is a decreasing trend in the sugar price. Association has requested to central government to increase the import duty on sugar from 40% to 60% to protect the industry.

During the year the price of ethanol was reduced by the Central Government and as a result, there is a reduction in tender quantity of ethanol. However, the Central Government efforts are to increase the blending % of Ethanol in Petrol from 5% to 10%.

DIVIDEND

The Company has generated profits during the current financial year but in view of the losses incurred in the previous financial years 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 when adequate profits will be generated to wipe off the carried forward losses.

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. 31st March, 2017.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ashok Kumar Agarwal, Executive Director (DIN: 05199585) of the Company is liable to retire by rotation and being eligible, offers himself for reappointment. The Board recommends the re-appointment of Mr. Ashok Kumar Agarwal as Director in the ensuing AGM of the Company. Brief profile of Mr. Ashok Kumar Agarwal and his Qualification, Experience alongwith the name of Companies in which he hold the Directorship and Listed Companies in which he hold membership of the Committees of the Board, as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as Annexure to the Notice convening the Annual General Meeting.

During the year under review, Mr. Mukeshkumar S. Dave has been appointed as Nominee Director of Punjab National Bank w.e.f 10th February, 2017 in place of Mr. Binod Kumar and Mr. Anilkumar Ramprit Jaiswara has been appointed as Nominee Director of IDBI Bank Limited w.e.f 13th December, 2016 in place of Mr. Kumar Neel Lohit.

All the Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 state that:

- i. in the preparation of Annual Accounts for the year ended 31st March, 2017, 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 31st March, 2017 and of the profits 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

In terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, an audit firm can hold office as statutory auditor for two terms of five consecutive years i.e. for a maximum period of ten years. They can be re-appointed after a cooling period of five years. In computing the period of ten years, the period for which the auditor held office before the commencement of the Act i.e. before 1st April, 2014 will also to be taken into account. The rules also laid down the transitional period of 3 years which can be served by the existing Statutory Auditors of the company who have completed more than 10 years as Statutory Auditor in that particular company as on 01st of April, 2014.

Accordingly, At the 19th AGM of your Company held in the year 2014, the Members approved the appointment of M/s B. K. Kapur & Co., Chartered Accountants, Ghaziabad for the period of 3 years as statutory auditors of your Company to hold office from the conclusion of the 19th AGM until the conclusion of the 22nd AGM of your Company. Hence, they will retire at the forthcoming Annual General Meeting and a new statutory auditor is required to be appointed.

Your Directors recommend the appointment of M/s SSVS & Co., Chartered Accountants, Noida as Statutory Auditors of the Company, in place of M/s B. K. Kapur & Co., to hold office from the conclusion of this AGM until the conclusion of the 27th AGM of the Company to be held in the year 2022, subject to ratification by the Members at every AGM.

The Company has also 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, as amended 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: -

1. Emphasis of Matter

- In respect of observation under Emphasis of Matter in the Auditors Report, Your Directors wish to state that the company has continued recognition of Deferred Tax Assets on unabsorbed business losses and unabsorbed depreciation. Significant losses in last few years indicate uncertainty as regards realization of such Deferred Tax Assets. The Company's Management is of the view that due to improved sugar recovery supported by cane development activities, increase in sugar prices and initiatives taken by the government, it has become reasonable that sufficient taxable income will be available against which such deferred tax assets can be realized.
- 2. Observation in Para 1 of Annexure to the Report relating to the title deeds of the immovable property not in the name of the Company in few cases, your Directors wish to state that the necessary action is being taken by the Company.
- 3. Observation in Para 8 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 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 2017-18.

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, amended upto date 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 2016-17. The Secretarial Audit Report for the financial year ended 31st March, 2017 is attached and marked as "Annexure-I" and forms part of the Board's 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, 2013. 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 Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, there were no instances, where Board had not accepted the recommendations of the Audit Committee.

EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return as required under the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, amended upto date, is annexed herewith and marked as "Annexure-II" to this Report.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a whistleblower policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any. The Policy allows the whistle-blowers to have direct access to the Chairman of the Audit Committee and also protects them from any kind of discrimination or harassment. 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 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has 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

As per the provisions of the Companies Act, 2013 a formal annual evaluation needs to be made by the Board of its own performance and of its committees and other individual directors. Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of the Board, Independent Directors, Non-executive Directors, Executive Directors, Committees and the Chairman of the Board.

The above said evaluation was done based on criteria which includes, among others, providing strategic perspective, Chairmanship of Board and Committees, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability, role of the Committees. The detailed analysis of performance evaluation is incorporated under Nomination and Remuneration head 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. 29.

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

All related party transactions entered during the year are negotiated on an arms-length basis and are in ordinary course of business. There have been no materially significant related party transactions made by the Company with the

promoters, directors and key managerial personnel of the Company, which may be in conflict with the interest of the Company at large. Further, the suitable disclosure as required in AS-18 regarding Related Party transactions has been made in the notes to financial statements. The Company's policy for Related Party Transaction is available on Company's website i.e. 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 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached with 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 Companies Act, 2013 and Listing Regulations and also 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.

The Company has constituted a Corporate Social Responsibility Committee (CSR) as per the provisions of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, amended time to time and details of the same are given separately in the attached Corporate Governance Report. The CSR Committee had framed and finalised the CSR policy of the Company which was duly 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 2013-14, 2014-15 and meagre profit of Rs. 15.47 Crores for the financial year 2015-16. Since the aggregate of profit of previous three financial years was negative, your company was not required to spend any amount on Corporate Social Responsibility Activities during the financial year 2016-17.

RISK MANAGEMENT POLICY

The Company has a Risk Management policy to identify and evaluate Business Risk and opportunity of Risk Management to minimize the adverse impact on Business Objectives and enhancement of company's competitive advantage. The policy 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 is given 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 during the financial year of the Company to which this financial statements relate and on the date of this report.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under regulation 34 (3) read with Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of this Report. As per regulation 34 (3) read with Schedule V(E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 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 regulation 34 (2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

**For and on behalf of the Board of Directors
FOR UTTAM SUGAR MILLS LTD.**

Place : Noida
Date : 15th July, 2017

**(ASHOK KUMAR AGARWAL)
EXECUTIVE DIRECTOR
(DIN : 05199585)**

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

(Annexure – I)
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014 read with the guidance note on secretarial audit (release – 1.2) of the Institute
of Company Secretaries of India]

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 (CIN: L99999UR1993PLC032518)** (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 March 31st, 2017 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 March, 31st, 2017 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);**

Uttam Sugar Mills Limited

- (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**
 - (i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- (vi) Laws specifically applicable to the industry to which the Company specifically belongs, as identified by the management are:-

Sugar Industry

- a) The U.P. Sugarcane (Regulation of supply and Purchase) Act, 1953 and Rules, 1954
- b) Uttar Pradesh Sheera Niyamtran Adiniyam, 1964;
- c) Uttar Pradesh Sheera Niyamtran 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.
- 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 not undertaken any major activities like;

- (i) Public/Right/Preferential issue of shares/debentures/ borrowing/sweat equity/ESOP etc.
- (ii) Redemption/ buy-back of securities
- (iii) Major decisions has not been taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger/amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations/Joint Ventures etc.

Disclosure

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

**For N. K. Rastogi & Associates
Company Secretaries**

**Naveen Kumar Rastogi
FCS No. 3685
C. P. No. 3785
Proprietor**

Place : Delhi

Date : 15th July, 2017

Annexure – A

[Annexure to the Secretarial Audit Report of M/s. Uttam Sugar Mills Limited for the Financial Year ended 31st March, 2017]

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For N. K. Rastogi & Associates
Company Secretaries**

**Naveen Kumar Rastogi
FCS No. 3685
C. P. No. 3785
Proprietor**

Place : Delhi

Date : 15th July, 2017

**(Annexure - II)
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

i	CIN :	L99999UR1993PLC032518
ii	Registration Date :	04/10/1993
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, 2 nd 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 :-

SI No	Name & Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Sugar	10721	85.02

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	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	5,272,204	-	5,272,204	13.82	5,272,204	-	5,272,204	13.82	-
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.	-	-	-	-	-	-	-	-	-

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	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	8,603,585	-	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	604,883	-	604,883	1.59	0.12
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	604,883	-	604,883	1.59	0.12
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	1,447,204	721,087	2,168,291	5.69	1,699,602	200	1,699,802	4.46	(1.23)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	3,913,606	17,668	3,931,274	10.31	3,468,818	10,061	3,478,879	9.12	(1.19)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,781,727	643,500	2,425,227	6.36	2,386,371	393,500	2,779,871	7.29	0.93
c) Others (specify)									
i) Clearing Member	148,468	-	148,468	0.39	138,482	-	138,482	0.36	(0.03)
ii) Non-Resident (Repat)	32,986	-	32,986	0.09	54,126	-	54,126	0.14	0.06
ii) Non-Resident (Non-Repat)	115,378	-	115,378	0.30	119,304	-	119,304	0.31	0.01
iii) Trust	31	-	31	0.00	10	-	10	0.00	(0.00)
iv) Huf	152,157	-	152,157	0.40	659,178	-	659,178	1.73	1.33
SUB TOTAL (B)(2):	7,591,557	1,382,255	8,973,812	23.53	8,525,891	403,761	8,929,652	23.41	(0.12)
Total Public Shareholding (B)= (B)(1)+(B)(2)	8,152,280	1,382,255	9,534,535	25.00	9,130,774	403,761	9,534,535	25.00	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	36,755,865	1,382,255	38,138,120	100.00	37,734,359	403,761	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 Pvt. Ltd	2,750,000	7.21	7.21	2,750,000	7.21	7.21	-
5	Uttam Sucrotech Limited	314,267	0.82	0.79	314,267	0.82	0.79	-
6	Lipi Boilers Private Limited	3,515,000	9.22	7.74	3,515,000	9.22	7.74	-
	Total (A)	10,063,437	26.39	24.87	10,063,437	26.39	24.87	-
(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	Saieesha 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 R.K. & Sons (HUF)	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	24.87	28,603,585	75.00	24.87	-

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

SI No.	Name & Type of Transaction	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase / (Decrease) during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	UTTAM ADLAKHA & SONS HOLDINGS PRIVATE LIMITED	16301224	42.7426	16301224	42.7426	No change	
2	LIPI BOILERS PRIVATE LIMITED	3515000	9.2165	3515000	9.2165		
3	UTTAM INDUSTRIAL ENGINEERING LIMITED	2750000	7.2106	2750000	7.2106		
4	RAJ KUMAR ADLAKHA	1624610	4.2598	1624610	4.2598		
5	RANJAN ADLAKHA	1492550	3.9135	1492550	3.9135		
6	SHOMNA ADLAKHA	870410	2.2823	870410	2.2823		
7	NEW CASTLE FINANCE AND LEASING PVT LTD	380650	0.9981	380650	0.9981		
8	RANJANA CHOPRA	373300	0.9788	373300	0.9788		
9	RAJAN ADLAKHA	367010	0.9623	367010	0.9623		
10	UTTAM SUCROTECH LIMITED	314267	0.8240	314267	0.8240		
11	BHARAT ADLAKHA	166500	0.4366	166500	0.4366		

Sl No.	Name & Type of Transaction	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase / (Decrease) during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12	SAIEESHA ADLAKHA	166500	0.4366	166500	0.4366		
13	RAJNI BABBAR	139910	0.3669	139910	0.3669		
14	SHUBHAM SUGARS LIMITED	70240	0.1842	70240	0.1842		
15	SHANTA	60000	0.1573	60000	0.1573		
16	JAI ADLAKHA	4200	0.0110	4200	0.0110		
17	RAJ KUMAR ADLAKHA [Karta of R.K. & Sons (HUF)]	4104	0.0108	4104	0.0108		
18	BALRAM ADLAKHA	3100	0.0081	3100	0.0081		
19	SONIA ADLAKHA	10	0.0000	10	0.0000		

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

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase / (Decrease) during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vedicera Services Private Limited	416000	1.091	885040	2.321	469040	1.230
2	Punjab National Bank	560723	1.470	516601	1.355	(44,122)	(0.116)
3	Anil Kumar Goel	0	0.000	470840	1.235	470840	1.235
4	Anil Kumar Goel (HUF)	0	0.000	470000	1.232	470000	1.232
5	Yogesh Chopra	212300	0.557	462300	1.212	250000	0.656
6	Jai Babbar	195000	0.511	159257	0.418	(35,743)	(0.094)
7	Sohan Lal Arora	137000	0.359	137000	0.359	-	0.00
8	Virender Kumar	175000	0.459	124500	0.326	(50,500)	(0.132)
9	Ankita Babbar	120000	0.315	120000	0.315	-	0.00
10	Swarn Kanta Ghai	114856	0.301	114856	0.301	-	0.00

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase / (Decrease) during the year	
		No. of Shares	% of total Shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Raj Kumar Adlakh, Managing Director	1,624,610	4.26	1,624,610	4.26	No Change	

(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	61,292.05	809.49	-	62,101.54
ii) Interest due but not paid	194.31	293.50	-	487.81
iii) Interest accrued but not due	104.36	-	-	104.36
Total (i+ii+iii)	61,590.72	1,102.99	-	62,693.71

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
*Addition	24,458.65	45.66	–	24,504.31
* Reduction	(14,074.51)	–	–	(14,074.51)
Net Change	10,384.14	45.66	–	10,429.80
Indebtedness at the end of the financial year				
i) Principal Amount	71,925.38	809.49	–	72,734.87
ii) Interest due but not paid	–	319.76	–	319.76
iii) Interest accrued but not due	49.48	19.40	–	68.88
Total (i+ii+iii)	71,974.86	1,148.65	–	73,123.51

(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 Adlakha, MD	Ashok Kr Agarwal, WTD	
	Gross Salary			
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	90.00	32.49	122.49
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	3.72	13.84	17.56
	(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...	76.86	–	76.86
5	Others, please specify	–	–	–
	Total (A)	170.58	46.33	216.91
	Ceiling as per the Act	5% of the Net Profit calculated as per Section 198 of the Companies Act, 2013		

B. Remuneration to other directors:

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	125,000	125,000	65,000	60,000	375,000
	Commission	–	–	–	–	–
	Others, please specify	–	–	–	–	–
	Total (1)	125,000	125,000	65,000	60,000	375,000

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Kumar Neel Lohit ¹	Anilkumar Rampriti Jaiswara ²	Binod Kumar ³	Mukesh-kumar S. Dave ⁴	
2	Other than Non-Executive Directors					
	Fee for attending board & committee meetings	60,000	0	60,000	0	120,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	60,000	0	60,000	0	120,000
	Total (B)=(1+2)	185,000	125,000	125,000	60,000	495,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	Only sitting fees paid to Non-Executive/Independent Directors				

¹Resigned w.e.f. 13th December, 2016

²Appointed w.e.f. 13th December, 2016

³Resigned w.e.f. 10th February, 2017

⁴Appointed w.e.f. 10th February, 2017

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.	-	20.25	26.08	46.33
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	3.84	14.16	18.00
	(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	-	24.09	40.24	64.33

(VI) 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 :					
Penalty			NIL		
Punishment					
Compounding					

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)
B. DIRECTORS :					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT:					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board of Directors
FOR UTTAM SUGAR MILLS LTD.

Place : Noida
Date : 15th July, 2017

(ASHOK KUMAR AGARWAL)
EXECUTIVE DIRECTOR
(DIN : 05199585)

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

(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 AS AMENDED UPTO DATE

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. 2.22 Lacs. The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year 2016-17 are as under:

Directors	Designation	Remuneration of Directors in Financial Year 2016-17 (Rs. In Lacs)	Ratio of Remuneration to Median Remuneration of Employees
Mr. Raj Kumar Adlakha	Managing Director	170.58	76.782
Mr. Ashok Kumar Agarwal	Whole-Time Director	46.33	20.854
Dr. R. Vasudevan	Independent Director	1.25	0.563
Mr. G. S. Matta	Independent Director	1.25	0.563
Mrs. Rutuja Rajendra More	Independent Director	0.60	0.270
Mr. N. K. Sawhney	Independent Director	0.65	0.293
Mr. Kumar Neel Lohit	Nominee Director-IDBI Bank	0.60	0.270
Mr. Binod Kumar	Nominee Director-PNB	0.60	0.270

- (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 2015-16 (12 Months*)	Remuneration of KMP in Financial Year 2016-17	Ratio of Remuneration to Median Remuneration of Employees
Mr. Raj Kumar Adlakha (MD)	17.87	170.58	854.53%
Mr. Ashok Kumar Agarwal (WTD)	39.62	46.33	16.925%
Mr. Sanjay Bhandari (CFO)	35.58	40.25	13.101%
Mr. Gopalaiyer Ramarathnam (CS)	21.84	24.09	10.302%

* The remuneration of KMP's for the last financial year 2015-16 has been taken proportionately for 12 months i.e. from 01st April 2015 to 31st March, 2016 in order to be comparable.

- (c) The percentage increase/(decrease) in the Median Remuneration of Employees in the financial year was 32.57 %.
- (d) The number of Permanent Employees on the Rolls of Company: The number of Permanent Employees on the Rolls of Company as on 31st March, 2017 was 666.
- (e) 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/(decrease) in salaries of employees in 2016-17 was 10.40%. Percentage increase/(decrease) in the Managerial Remuneration for the year was 277.30%. The increase in the remuneration of employees and Managerial Remuneration was keeping in view the limits as laid down in the Companies Act, 2013 read with relevant rules and HR policy of the Company.
- (f) Affirmation that the Remuneration is as per the Remuneration Policy of the Company
The Company affirms that the Remuneration paid during the year was 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 top ten employees in terms of salary drawn are mentioned below:

S No.	Name of Employee(s)	Remuneration Drawn (In Lacs)	Designation	Nature of Employment	Qualification	Experience	Age in Years	Date of Commencement of Employment	Last Employment	Equity Share held (%)
1	Mr. Raj Kumar Adlakha	170.58	Managing Director	Permanent	B.E. (Mach.)	38	61	N.A.	N.A.	16246210
2	Mr. Ashok Kumar Agarwal	46.33	Executive Director	Permanent	B.Com. (Hons.), C.A	34	58	02.01.2012	Sir Shadilal Ent. Ltd	Nil
3	Mr. Sanjay Bhandari	40.25	CFO	Permanent	C.A.	31	52	27.01.2007	Willard India Ltd.	Nil
4	Mr. Shankar Lal Sharma	35.12	Sr. V.P (A/C's & Comm.)	Permanent	B.Com, C.A.	20	44	04.07.2013	Bhushan Steel Limited	Nil
5	Mr. Narpat Singh	35.09	Vice President -Barkatpur Unit	Permanent	B.A	32	56	28.09.2011	Dwarikesh Sugar Industries Ltd.	Nil
6	Mr. Mahesh Chand Sharma	34.96	Vice President -Khaikheri Unit	Permanent	B.Sc, PGD in Sugar Tech (ANSI)	39	61	05.09.2011	New India Sugar Mills	Nil
7	Mr. Pramod Kumar Awasthi	34.55	Vice President -Shermau Unit	Permanent	M.Sc, PGD in Sugar Tech (ANSI)	34	58	11.09.2011	Bajaj Hindusthan Ltd.	Nil
8	Mr. Asif Iqbal	32.25	G.M (Tech. - Corp.)	Permanent	B.Sc. (Hons.) (Phy.), ANSI	20	42	11.05.2015	ED & F Man, India	Nil
9	Mr. J. P. Tripathi	25.90	G.M (Distillery)	Permanent	B.Sc, P.G DIFAT	38	63	13.03.2013	Sir Shadilal Dist. & Chem Works	Nil
10	Mr. I Raja Rathiraman	25.91	G.M. (Power Plant)	Permanent	B.E	25	45	17.10.2008	N.A.	Nil

b) Name of employee employed throughout the financial year and was in receipt of remuneration not less than One Crore and Two Lacs rupees or more: **Mr. Raj Kumar Adlakha (Managing Director)**

c) Name of employee employed for a part of the financial year and was in receipt of remuneration not less than Eight Lacs Fifty Thousand rupees per month: **Nil**

d) 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)

A) Conservation of Energy :-

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

- a) Installation of Mass Flow Meters for measuring Mixed juice in place of conventional load cell based juice weighing scale, which resulted into power saving of 50 KWH to 90 KWH in each plant depending on its capacity.
- b) The Company has installed Semi Couch type Mill Rollers in place of conventional Rollers which reduced moisture in final bagasse.
- c) Installed additional Capacitors to improve power factor of electric power, which resulted into power saving.
- d) Replacement of high watts consuming lights (250 Watt HPSV lights & 100 Watts Bulbs) by 70 Watt LED Bulbs & 15 Watt LED Lights in the Company's premises.
- e) Used Hot Air from Air Pre-heater instead of cold air for bagasse spreading inside the boiler, which resulted increase in efficiency.
- f) Usage of gravity gutters in place of electrical driven pumps for transportation of mixed juice.

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.
- b) Recycling of process water to conserve natural resources.
- c) Company has replaced High voltage Bulbs and Mercury Lights with CFL and Led Bulbs, wherever necessary.

iii) The capital investment on energy conservation equipments : Rs. 10.70 Crore

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 2016-17 :-
 - 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 **Invert Sugar** and **Candy Sugar** on commercial scale.
- 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 - NIL

(C) Foreign Exchange Earnings and Outgo

(Rs. in Lacs)

PARTICULARS	Period Ended	
	31.03.2017	31.03.2016
Earnings Export Sales	-	75.26
Advance received for export sales of finished goods		
Outgo:- a) Foreign Travelling and Legal & Professional charges	7.26	3.08
b) Fixed Assets	18.39	-



Corporate Governance Report

**UTTAM
SUGAR**

***Natural
Brown***



Annexure – V

CORPORATE GOVERNANCE REPORT 2016-17

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Uttam Sugar Mills Limited is committed to produce high 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. We are committed to implement sound Corporate Governance practices to ensure transparency in the operations.

Your Company is fully compliant with all the provisions of Companies Act, 2013, Listing Regulations, and other applicable rules & bye laws. The details of compliances 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 Regulations. 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. Anilkumar Rampriti Jaiswara*	Nominee-Director – IDBI Bank Limited	Non-Executive
Mr. Mukeshkumar S. Dave**	Nominee-Director – PNB	Non-Executive

* Mr. Anilkumar Rampriti Jaiswara has been appointed as Nominee Director of IDBI Bank Limited w.e.f 13.12.2016 in place of Mr. Kumar Neel Lohit (resigned w.e.f 13.12.2016).

** Mr. Mukeshkumar S. Dave has been appointed as Nominee Director of Punjab National Bank w.e.f 10.02.2017 in place of Mr. Binod Kumar (resigned w.e.f 10.02.2017).

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 per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors on the Company’s Board are Non-Executive.

B. Attendance at Board Meeting and last AGM: -

During the Financial Year 2016-17, 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. Director’s attendance at the Board meeting and in the Last AGM are as follows:-

Name of Director(s)	No. of Board Meetings Attended	Last AGM Attended
Mr. Raj Kumar Adlakha	4	Yes
Mr. Ashok Kumar Agarwal	4	Yes
Dr. R. Vasudevan	4	Yes
Mr. G. S. Matta	4	Yes
Mr. Narendra Kumar Sawhney	3	No
Mrs. Rutuja Rajendra More	3	Yes

Name of Director(s)	No. of Board Meetings Attended	Last AGM Attended
Mr. Kumar Neel Lohit ¹	3	No
Mr. Anilkumar Rampriti Jaiswara ²	–	NA
Mr. Binod Kumar ³	2	No
Mr. Mukeshkumar S. Dave ⁴	–	NA

¹Resigned w.e.f. 13th December, 2016

²Appointed w.e.f. 13th December, 2016

³Resigned w.e.f. 10th February, 2017

⁴Appointed w.e.f. 10th February, 2017

C. Number of other board of directors or committees in which director is a member or chairperson:

Details of Other Directorship in other Companies and chairmanship/membership in other Committees are as follows:-

Name of Director(s)	No. of Other Directorships* and Committee Memberships/Chairmanships		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Raj Kumar Adlakha	3	3	3
Mr. Ashok Kumar Agarwal	–	2	–
Dr. R. Vasudevan	–	3	2
Mr. G. S. Matta	1	6	1
Mr. Narendra Kumar Sawhney	1	1	–
Mrs. Rutuja Rajendra More	–	–	–
Mr. Kumar Neel Lohit ¹	–	–	–
Mr. Anilkumar Rampriti Jaiswara ²	–	1	–
Mr. Binod Kumar ³	–	–	–
Mr. Mukeshkumar S. Dave ⁴	–	2	–

*Excludes viz. Private / Overseas Companies.

¹Resigned w.e.f. 13th December, 2016

²Appointed w.e.f. 13th December, 2016

³Resigned w.e.f. 10th February, 2017

⁴Appointed w.e.f. 10th February, 2017

D. Details of Board Meetings held during the year ended 31st March, 2017 :

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.	14.05.2016	8
2.	11.08.2016	7
3.	14.11.2016	6
4.	10.02.2017	6

- The time gap between any two meetings did not exceed four months.
- The last AGM was held on Friday, 16th September, 2016.

E. Relationships Between Directors:-

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

F. 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 24,500 Pref. Shares (10% CRPS –Series II)
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. Mukeshkumar S. Dave	Nil
8.	Mr. Anilkumar Rampriti Jaiswara	Nil

G. Familiarization Programme for Directors

The Company has 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. Terms 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 Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 2016-17, 4 (Four) Audit Committee Meetings were held on 14.05.2016, 11.08.2016, 14.11.2016 & 10.02.2017. 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
4.	Mr. Narendra Kumar Sawhney	3

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. Terms of Reference

The Nomination and Remuneration Committee has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 Nomination and Remuneration Committee, Name of Members and Chairperson:

The following Directors are the present members of Nomination and Remuneration Committee :-

Name	Designation	Category of Directorship
Dr. R. Vasudevan	Chairman	Non-Executive & Independent
Mr. G. S. Matta	Member	Non-Executive & Independent
Mr. Binod Kumar ¹	Member	Non-Executive & Nominee
Mr. Mukeshkumar S. Dave ²	Member	Non-Executive & Nominee

¹Resigned w.e.f. 10th February, 2017

²Appointed w.e.f. 10th February, 2017

C. Details of the Meeting and attendance of Members:

During the Financial Year 2016-17, 4 (Four) committee meeting were held on 14.05.2016, 11.08.2016, 14.11.2016 & 10.02.2017 attendance thereof is given below:

Name of Member	Attendance
Dr. R. Vasudevan	4
Mr. G. S. Matta	4
Mr. Binod Kumar ¹	2
Mr. Mukeshkumar S. Dave ²	NA

¹Resigned w.e.f. 10th February, 2017

²Appointed w.e.f. 10th February, 2017

D. Performance evaluation:

The Nomination and remuneration committee during the year has done the performance evaluation of every Director on the Board, including the Executive and Independent Directors. The criteria which was selected by the Nomination and Remuneration committee for evaluation includes attendance and preparedness for the meetings, contribution at meetings, effective decision making ability and providing strategic perspective. The committee also considered involvement of each director in their respective meetings and decision making thereof. The committee also take parameters such as attendance, level of engagement and contribution, independence of judgment, competition challenges and meeting the risk management compliances and due diligence, financial control, safeguarding the interest of the company and its minority share holders.

The performance evaluation was carried out by the Committee as per the criteria framed by it. The Criteria framed by Nomination and remuneration committee was also duly adopted by the Board. The committee also reviewed the declaration received from the Independent Directors of the Company and confirmed that none of the Directors becomes disqualified under the Companies Act, 2013, rules made there under and under Listing Regulations. The Report on Performance Evaluation as prepared by the committee was submitted to the Board for adoption.

5. REMUNERATION OF DIRECTORS:

The Company has in place a remuneration policy which is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director and whole time Director are the Executive Directors on the Board. The compensation to the Executive Directors is within the scale approved by the shareholders.

The Company has not paid any sitting fees to Executives Directors for any Board / Committee Meetings attended by them. All Non-Executives Directors were paid sitting fees for the Board / Audit Committee Meeting attended by them. Apart from sitting fee they don't have any pecuniary relationship or transactions with the Company.

Details of remuneration paid / payable to the Directors for the year ended 31st March, 2017 are as under :-

The remuneration paid to Managing Director, Whole Time Director and all other Non - Executives Directors of the Company for the financial year ended on 31st March, 2017 are as follows:-

(Rs. in lacs)

S. No.	Name of the Directors	Salary	Perquisites / Benefits	Commission / Bonus	Sitting Fee	Total (Rs.)	Service Contracts
1.	Mr. Raj Kumar Adlakha	90.00	3.72	76.86	–	170.58	Appointed as Managing Director upto 31.03.2018
2.	Mr. Ashok Kumar Agarwal	32.49	13.84	–	–	46.33	Appointed as W.T.D upto 31.12.2017
3.	Dr. R. Vasudevan	–	–	–	1.25	1.25	Appointed as an Independent Director upto the AGM to be held in the year 2020
4.	Mr. G. S. Matta	–	–	–	1.25	1.25	Appointed as an Independent Director upto the AGM to be held in the year 2020
5.	Mr. N K Sawhney	–	–	–	0.65	0.65	Appointed as an Independent Director upto the AGM to be held in the year 2019
6.	Mrs. Rutuja Rajendra More	–	–	–	0.60	0.60	Appointed as an Independent Director upto the AGM to be held in the year 2019
7.	Mr. Kumar Neel Lohit	–	–	–	0.60	0.60	N.A. (Ceased w.e.f 13.12.2016)
8.	Mr. Anilkumar Rampriti Jaiswara	–	–	–	–	–	Appointed as Nominee Director of IDBI w.e.f 13.12.2016
9.	Mr. Binod Kumar	–	–	–	0.60	0.60	N.A. (Ceased w.e.f 10.02.2017)
10..	Mr. Mukeshkumar S. Dave	–	–	–	–	–	Appointed as Nominee Director of PNB (w.e.f 10.02.2017)

Disclosures as required under Schedule V of Companies Act 2013 & SEBI (LODR) Regulations, 2015

- The remuneration paid to Managerial Personnels and Non-Executive Directors are mentioned above. There are no other benefits given to the Directors.
- There are no performance based incentives given to the directors of the Company.
- There are no notice period and severance fees to the Directors.
- The Company has not issued any stock options during the financial year under review.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

During the Financial Year 2016-17, 5 (Five) committee meetings were held.

Name	Designation	Category of Directorship	Attendance in meetings
Dr. R. Vasudevan	Chairman	Non-Executive & Independent	5
Mr. G. S. Matta	Member	Non-Executive & Independent	5

During the year 2016-17, no complaint was received from Shareholders and there were no pending complaints as on 31st March, 2017. Other details pertaining to the Stakeholders Committee are given below:

a)	Name of Chairman heading the Committee	Dr. R. Vasudevan (Non Executive Independent Director)
b)	Name & Designation of Compliance Officer Member	Mr. G. Ramarathnam (Chief – Legal and Corporate Affairs & Company Secretary)
c)	Number of shareholders' complaints received so far	NIL
d)	Number not solved to the satisfaction of shareholders	NIL
e)	Number of pending complaints	NIL

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has in place a Corporate Social Responsibility (CSR) Committee as per the requirement of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, amended time to time. The CSR Policy has been framed by the Committee which can be accessed from the website of the Company.

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

Name	Designation	Category of Directorship
Mr. Raj Kumar Adlakha	Chairman	Promoter/ Executive
Mr. Ashok Kumar Agarwal	Member	Non-Promoter/Executive
Mr. G. S. Matta	Member	Non-Executive/Independent

The Committee is also responsible to recommend the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy of the Company from time to time as specified in Schedule VII of the Companies Act, 2013.

During the year one meeting of the Corporate Social Responsibility Committee was held on 14th May, 2016 and all the Members had attended this Meeting.

8. GENERAL BODY MEETINGS

a) Details of last three Annual General Meetings and Special Resolutions Passed therein:

Meeting	Date	Venue of AGM	Time	Special Resolution Passed
19 th AGM	15.12.2014	Village Libberheri, Tehsil Roorkee, Distt. Haridwar Uttarakhand	12.30 p.m.	<ul style="list-style-type: none"> ➤ Re-appointment of Mr. Ashok Kumar Agarwal as a Executive/ Whole-time Director for a period w.e.f. 14th February, 2015 to 31st December, 2017. ➤ Re-appointment of Mr. Raj Kumar Adlakha as a Managing Director of for a period w.e.f. 01st September, 2015 to 31st March, 2018. ➤ Alteration in Articles of Association of the Company
20 th AGM	30.12.2015	Village Libberheri, Tehsil Roorkee, Distt. Haridwar Uttarakhand	12.00 Noon	<ul style="list-style-type: none"> ➤ Re-appointment of Dr. Ramasamy Vasudevan (DIN: 00109908) as an Independent Director of the Company. ➤ Re-appointment of Mr. Gurbachan Singh Matta (DIN: 02612602) as an Independent Director of the Company. ➤ Adoption of new set of Articles of Association ➤ Revision/Increase in Remuneration of Mr. Ashok Kumar Agarwal (DIN: 05199585), Whole Time Director.
21 st AGM	16.09.2016	Village Libberheri, Tehsil Roorkee, Distt. Haridwar Uttarakhand	12.00 Noon	<ul style="list-style-type: none"> ➤ Approval for remuneration of Mr. Raj Kumar Adlakha, Managing Director from 01.07.2016 to 31.03.2018.

b) Resolution passed through Postal Ballot

During the current financial year i.e. 2016-17, the Company has not passed any Resolution through Postal Ballot.

No special resolution is proposed to be conducted through postal ballot at the forthcoming AGM to be held on 26th September, 2017.

9. Means of Communication

The Company is publishing quarterly unaudited / annual audited financial results, notice, advertisement and other official news in the "The Financial Express", "Economics Times", and "Naya India" (vernacular language) regularly. The results have also displayed/uploaded on the Company's website: www.uttamsugar.in.

10. General Shareholder Information

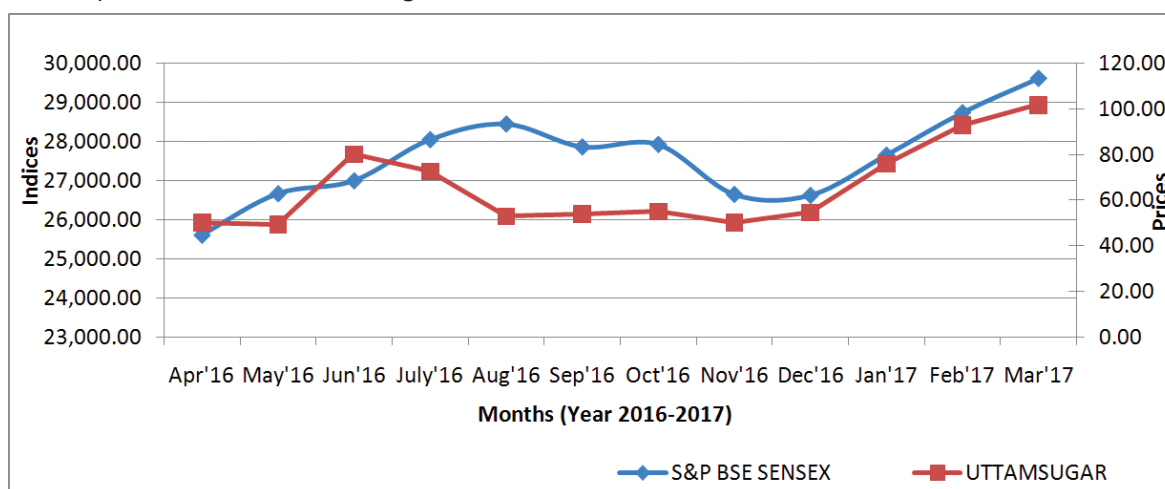
a)	AGM Date, time and venue	Tuesday, 26 th September, 2017 at 12.00 Noon at Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand
b)	Financial Year	1 st April, 2016 to 31 st March, 2017
	Financial Calendar 2016-17 (Tentative Schedule) Results for quarter ending :	
	i. 30 th June, 2017	On or before 14 th day of September, 2017
	ii. 30 th September 2017	On or before 14 th day of December, 2017
	iii. 31 st December 2017	On or before 14 th day of January, 2018
	iv. 31 st March 2018	On or before 30 th day of June, 2018

	Book Closure Date	Saturday, 16 th September, 2017 to Tuesday, 26 th September, 2017 (both days inclusive).
(c)	Dividend Payment Date	N. A.
(d)	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 Exchanges for the F.Y. 2016-17 & F.Y. 2017-18
(e)	Stock Code National Stock Exchange of India Ltd BSE Limited	UTTAMSUGAR 532729

f) Market Price Data High/ Low during each month of the Financial Year 2016-17: (BSE Limited)

Month	High (Rs.)	Low (Rs.)
April'16	62.55	30.90
May'16	67.00	47.55
June'16	98.00	50.00
July'16	82.10	68.50
August'16	75.50	45.00
September'16	65.45	48.00
October' 16	62.00	52.50
November' 16	56.00	40.00
December' 16	55.50	44.00
January'17	79.50	55.10
February'17	103.50	73.10
March'17	103.90	90.40

g) Relative performance of Uttam Sugar's Share versus S&P BSE SENSEX:



h)	Suspension from trading	There was no suspension of trading of equity shares of the Company ordered by BSE & NSE.
i)	Registrars and Share Transfer Agents (for physical & demat shares)	Link Intime India Private Limited 44 Community Center, 2 nd Floor, Naraina Industrial Area, Phase I, New Delhi – 110 028. Tel. :- 011-4141 0592-94 Telefax :- 011-4141 0591 Email: delhi@linkintime.co.in
j)	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.

k) Distribution of Equity Shareholding as on 31st March, 2017

(i) Category of Equity Shareholders as on 31.03.2017

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	52,72,204	13.82
(b)	Family	2,33,31,381	61.18
(2)	Bodies Corporate Foreign	–	–
	Total Shareholding of Promoter and Promoter Group (A)	2,86,03,585	75.00
(B) (1)	Public Shareholding Institutions		
(a)	Financial Institutions/ Banks	604,883	1.59
(b)	Foreign Institutional Investors	–	–
	Sub-Total (B)(1)	604,833	1.59
(B) (2)	Non-Institutions		
(a)	Bodies Corporate	16,99,802	4.46
(b)	Individuals :	38,81,391	10.18
(i)	Individual Shareholders holding nominal share capital up to Rs. 2 lakhs		
(ii)	Individual Shareholders holding nominal share capital in excess of Rs. 2 lakhs	23,77,359	6.23
(c)	Any others :		
(i)	Trust	10	0.00
(ii)	Foreign Nationals (Non Resident Indians)	1,73,430	0.45
(iii)	Clearing Members	1,38,482	0.36
(iv)	HUF	6,59,178	1.73
	Sub-Total (B)(2)	89,29,652	23.41
	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 31.03.2017

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	16,392	91.6881	14,55,922	3.8175
02.	501 to 1,000	697	3.8986	5,56,253	1.4585
03.	1,001 to 2,000	352	1.9689	5,22,775	1.3707
04.	2,001 to 3,000	120	0.6712	3,09,737	0.8121
05.	3,001 to 4,000	59	0.3300	2,11,785	0.5553
06.	4,001 to 5,000	55	0.3076	2,47,957	0.6502
07.	5,001 to 10,000	94	0.5258	6,95,729	1.8242
08.	10,001 to above	109	0.6097	3,41,37,962	89.5114
	TOTAL	17,878	100.000	3,81,38,120	100.000

l) Dematerialization of shareholding and liquidity	As on March 31, 2017, 4,03,761 Equity Shares of the Company (1.1% of the total issued Equity Capital) were held in physical form and 3,77,34,359 Equity Shares (98.90% of the total issued Equity Capital) were held in dematerialized form. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors
m) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments	Not Applicable
n) Commodity price risk or foreign exchange risk	Nil
o) Plant locations	<p><u>Unit - I</u> Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand</p> <p><u>Unit - II</u> Village Barkatpur, Tehsil Nazibabad, District Bijnor, U.P.</p> <p><u>Unit - III</u> Village Khaikheri, Tehsil & District Muzzaffarnagar, U.P.</p> <p><u>Unit - IV</u> Village Shermau, Tehsil Nakur, Distt: Saharanpur, U.P.</p>
p) Address for correspondence	<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>

11. 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 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) The Company has in place vigil mechanism and whistle blower policy 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 provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.
- d) The Company has complied with all the mandatory requirements of Listing Regulations.
- e) The company does not have any Subsidiary Company. Therefore, policy for determining 'material' subsidiaries is not required to be framed.
- f) The Company has in place Policy for Related Party Transaction and the same is placed on Company's website i.e. www.uttamsugar.in and weblink of the same is <http://uttamsugar.in/pdf/PolicyonRelatedPartyTransaction.pdf>.
- g) Information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.
- h) 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.

12. Non-compliance of any requirement of corporate governance report of sub - paras (2) to (10) - Nil

13. Adoption of Requirements as specified in Part E of Schedule II

As specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, following requirement has been adopted by the Company:

- i) The Internal Auditor may report directly to the Audit Committee.
- ii) Submission of Financial Statements with Unmodified Audit Opinion.

14. The Company has duly complied with all the Corporate Governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. 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.

16. Independent Directors

The Board of the Company has been duly constituted within optimum combination of Executive Director, Non-executive and independent directors. The Board of the Company comprises of following Independent Directors.-

- i) Dr. R. Vasudevan
- ii) Mr. G. S. Matta
- iii) Mr. N K Sawhney
- iv) Mrs. Rutuja Rajendra More

Meeting of Independent Directors

As required by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a Meeting of the Independent Directors of the Company was convened on 10th February, 2017 to overlook and review the performance of Non Independent Directors and of the Board as a whole. In the meeting members has also done performance evaluation of Managing Director of the Company.

Declaration by independent directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

17. Management Discussion and Analysis

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

18. CEO/CFO Certification

Mr. Raj Kumar Adlakha, Managing Director, Mr. S.L. Sharma, Sr. V. P. 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 Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

19. Compliance Certification

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

20. CODE OF CONDUCTS

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors" on the website of the company i.e. www.uttamsugar.in.

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 financial year ended on 31st March, 2017 as stipulated in Regulation 27(1) & (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of the Listing Agreement).

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 Regulations.

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 : 15th July, 2017

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 2016-17.

Place : Noida

Date : 15th July, 2017

(RAJ KUMAR ADLAKHA)

MANAGING DIRECTOR

(DIN : 00133256)

CEO/CFO CERTIFICATION – FINANCIAL YEAR ENDED 31.03.2017

[Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015]

We, Raj Kumar Adlakha, Managing Director, Shankar Lal Sharma, Sr. V. P. 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)
SR. V. P. ACCOUNTS & COMMERCIAL
(PAN: AGMPS8068E)

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

Place : Noida

Date : 15th July, 2017

**UTTAM
SUGAR**

**Management
Discussion and
Analysis**

**UTTAM
SUGAR**

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MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present its Management Discussion and Analysis Report as per Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A. INDUSTRY STRUCTURE & DEVELOPMENTS

Global Sugar Industry Scenario:

Global Sugar production in sugar season 2016-17 is 168.33 Million MT with an increase of 1.36% as compared to sugar production of 166.07 in sugar season 2015-16.

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 and India are the largest sugar producers from Sugarcane and EU (European Union) and US are the major sugar producers from beet.
- Brazil, India, EU, Thailand, China and U.S are the top global producers of Sugar.
- India, EU, China, Brazil and U.S are the major sugar consuming countries.
- India is the 2nd largest producer of sugar in the world after Brazil.
- ISMA projects global deficit of approx 6 million tons in 2016-17.
- India Share in World Sugar Production was approx 12 % in 2016-17
- Brazil was largest exporter in sugar.
- Major export destinations for India in 2016-17 are Sudan, Somalia, UAE, Canada and Myanmar.

Production, Consumptions and End Stocks:

The global sugar industry production is 168.33 Million MT in 2016-17 with an increase of 1.36% as compared to 166.07 in 2015-16. However in consumption there is an increase by 1.62% to 174.20 Millions MT in 2016-17 as compared to 171.43 Millions MT in 2015-16, resulting into inventory levels for the 2016-17 and 2015-16 at 76.26 Million MT and 82.29 Million MT respectively. There is a decrease in the closing stock to consumption ratio in 2016-17 at 43.78% as against 48.00% at the end of 2015-16.

World Sugar Balances (October/September) (In Million MT, Raw Value)

Particulars	2016-17 (Estimates)	2015-16	2014-15	Change in 2016-17 over 2015-16	
				(Million MT)	(%)
Production	168.33	166.07	169.61	2.26	1.36%
Consumption	174.20	171.43	167.81	2.77	1.62%
Surplus/(Deficit)	-5.87	-5.36	1.80	-0.51	-9.51%
Import demand	58.09	59.19	57.58	-1.10	-1.85%
Export availability	58.25	58.95	57.58	-0.70	-1.19%
End Stocks	76.26	82.29	87.41	-6.03	-7.32%
Stock/Consumption Ratio in %	43.78	48.00	52.09		

Source: Indian Sugar Mills Association (ISMA)

The global sugar market continues to under price Fluctuation. During the financial year raw sugar price fluctuates tremendously. In October 2016 the raw sugar price were 22.92 cents/lb which come down at lowest level of 18.82 cents/lb in December 2016 and then after increasing trend started till February 2017 at the level of 20.38 Cents/lb and in March 2017 the Raw sugar price again declined to 18.06 cents/lb. The some of the main reasons for price improvements are as under:

Uttam Sugar Mills Limited

- Global sugar output will be short as compare to demand in 2016-17 sugar season.
- Lesser sugar output in India, Thailand, China etc.
- Some demand increased in African Countries.

It is expectations in the market that the global sugar output will be short by 6-7 million tons over the demand in sugar season 2016-17 mainly due to anticipated lesser sugar output in india, Thailand, China etc.

According to analyst, they do not expect price to crash due to the jump in global sugar output in the coming season 2017-18 because stocks are still at low level following the years of deficits.

It is expected that the world sugar output will be better in next season 2017-18 as compare to current season of 2016-17

INDIAN PERSPECTIVE OF SUGAR INDUSTRY

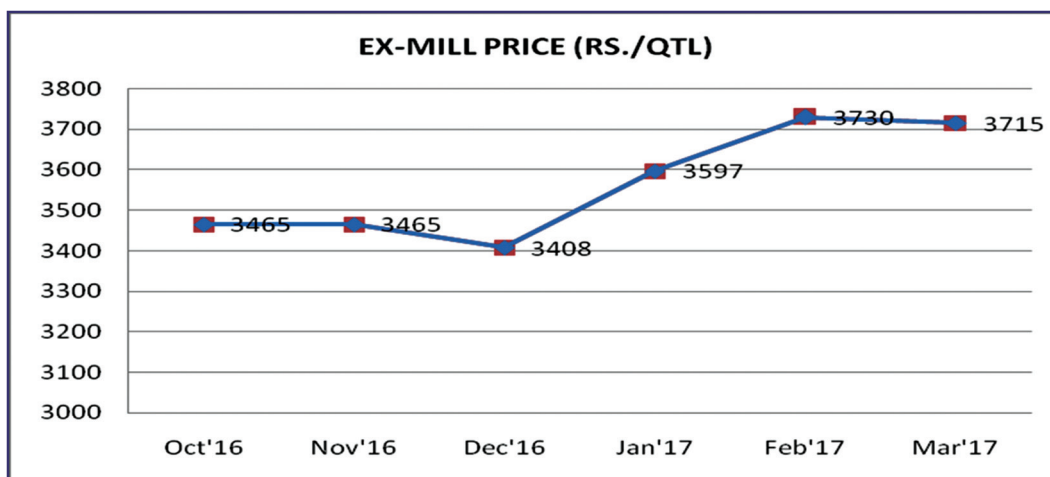
- As compared to about 251 lakh ton of Sugar Produced in sugar season 2015-16, the production is expected to be. 203 lakh tons in sugar season 2016-17.
- The Sugar mill in U.P. produced 79 Lakh tons of sugar, followed by Maharastra at 42 Lakh tons and Karnataka at 20 Lakh tons.
- As compared to previous Sugar Season the production was higher in UP by around 20%, while in Maharastra and Karnataka production was lower by 48% and 49% respectively.
- Taking into the export and domestic consumption, it is estimated that country expected a sugar stock of 44.50 lacs ton on 30th Sept 2017.
- Sugar price was in the range of Rs. 3450-3730 per quintal till end of December 2016, however it started further improving from the first week of January 2017 and came to Rs 3715 per qtl when the GOI and ISMA revised their estimates of Sugar production in January 2017.
- Due to low sugar output in India, the price of sweetener is expected to stable.
- The Following chart depicts State Wise Sugar Production in Sugar Season 2016-17 (Upto March 2017) and 2015-16 (Upto March 2016):

S. No	STATE	PRODUCTION (In Lakh Tons) 2015-16 (Upto March)	PRODUCTION (In Lakh Tons) 2016-17 (Upto March)
1	Maharastra	81.37	42.14
2	U.P.	65.96	79.26
3	Karnataka	39.81	20.33
4	Tamilnadu	7.99	8.88
5	A.P.and Telangana	7.88	5.01
6	Gujarat	11.01	8.83
7	Punjab	5.93	6.21
8	Haryana	4.89	5.30
9	Bihar	5.01	5.26
10	M.P.and Rajasthan	3.70	4.09
11	Uttrakhand	2.62	3.14
12	Others	0.55	0.42
	Total	236.72	188.87

Source: ISMA

Prices:

- The following chart explains price trend during the period from October 2016 to March 2017.



SOURCE : ISMA

Inventory Level:

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

(In Million MT)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17(E)
Opening stock (A)	6.7	9.2	8.3	9.1	7.7
Sugar Production (B)	25.1	24.4	28.1	25.1	20.3
Imports (c)	0.7	1.0	0.7	0	0.5
Total Availability (D=A+B+C)	32.5	34.6	37.1	34.2	28.5
Internal Consumption (E)	23	24.1	25.0	24.8	24.0
Exports (F)	0.3	2.2	3.0	1.7	.05
Total off-take (G=E+F)	23.3	26.3	28.0	26.5	24.05
Closing Stock (D-G)	9.2	8.3	9.1	7.7	4.45
Stock as % of consumption	40%	34%	36%	31%	19%
Surplus (B-E)	2.1	0.3	3.5	0.3	(3.7)

Source:ISMA

Trade:

During the current 2016-17 sugar season (from October-March), Sugar despatched by mills in the domestic market was 121.71 lac tons, as compared to 133.09 lac tons despatched in 2015-16 SS. Therefore, there are lesser despatches by 9% as compare to previous season

The Main reasons for the reduced demand were demonitization, lower off-take from bulk consumers and price elasticity.

In the month of June 2016 notification has been issued for imposition of export duty @ 20% on exports. Due to these restrictions, the export would not be a viable proposition and the price of sugar being affected by this.

Further, the Central government also imposed stock holding limits on the Sugar Dealers in anticipation that the sugar is not reaching into the retail market and was getting hoarded by few Dealers, due to which the price has affected.

During the month of May and June 2017 the prices were not improved mainly due to expected implementation of GST from 1st July 2017 as the retailers are worried about some stocks lying at their end and they are clearing the stocks. It is expected that the prices will be firm during the remaining part of the season.

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 and 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 and Bio pesticides.
- g. Training facilities to the Farmers.
- h. Introduction of Latest methods of farming and use of various mechanical equipments for cultivation.

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.

Following factors are considered for fixation of FRP:

- Cost of Production of Sugarcane.
- Recovery of Sugar from Sugar cane
- Inter Crop Price parity.
- Price of Sugar Sold.
- Reasonable margins to Farmers.
- Realisation of by-products.
- Return to the growers from alternative crops and the general trend of prices of agricultural commodities;

Citing differences in cost of Production, productivity levels and also as a result of pressure from Farmer's Group, some states declare state specific sugarcane prices called State Advised Prices (SAP), usually higher than FRP.

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 large cane crop, discouraged the sugar mills to pay higher cane prices.

The Commission for Agricultural Costs and Prices (CACP) has recommended the government to keep the Fair And Remunerative Price for sugarcane unchanged at Rs 230 per quintal for the 2016-17 season

Given below is a chart depicting the difference in the State Advised Cane Price (SAP) between 2014-15, 2015-16 and 2016-17 in the major sugar producing states:

State	2014-15 (SAP)	2015-16 (SAP)	2016-17 (SAP)	2016-17 FRP*
Bihar	255	255	280	230
Uttar Pradesh	280	280	305	230
Punjab	285	285	300	230
Haryana	305	305	315	230
Maharashtra	-	-	-	230
Karnataka	250	250	230	230
Andhra Pradesh	-	-	-	230
Tamil Nadu	265	285	285	230
Uttarakhand	280	280	307	230

Source : ASTA

Note: -

- 1.* FRP linked with basic recovery rate at 9.50% subject to a premium of Rs. 2.42/- per qtl for every 0.1% point increase in recovery above that level.
2. In Maharashtra and Andhra Pradesh the SAP & FRP are same.

Vide government order (GO) dated 1st June 2017, FRP has been fixed at Rs.255/ per qtl. for 2017-18 sugar season linked to basic recovery rate of 9.5% subject to premium of Rs.2.68/- per qtl for every 0.1% point increase in recovery above that level. Therefore, there is an increase in FRP by 11% over previous season.

Sugar Production and Marketing Policy:

Sugar Development Fund:

The GOI levies a sugar cess of Rs. 1240 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 and 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 and fully used in Ethanol manufacturing, the yield of Ethanol is 70 litres per ton.

1. The fresh Tender for procurement of ethanol during 2016-17 (Dec-Nov) floated by the OMCs on 22nd October 2016 which were opened on 11th November, 2016. Fresh price Bids along with the quantity offered were called from 104 vendors which qualified in the technical bids by 8th December 2017.
2. Total requirement of 2.81 billion litres were estimated and offers for a quantity of 1.02 billion litres were made by the vendors, the OMCs have allocated 0.66 billion litres. The balance quantity is the surplus which was offered by vendors at other depots.

Uttam Sugar Mills Limited

3. There was a fall in offers for 2016-17 as compared to the last year i.e 2015-16 which was mainly due to reduction of ethanol price and withdrawal of the waiver of central excise duty from ethanol.
4. Uttar Pradesh is supplying the maximum quantity followed by Maharashtra, Karnataka and Bihar.
5. Quantity finalised in Uttar Pradesh is 0.49 Billion Litres in 2016-17 (0.52 billion litres in 2015-16), followed by Maharashtra at 0.09 billion litres (0.42 billion litres in 2015-16), Bihar at 0.06 billion litres (0.04 billion litres in 2015-16)
6. Uttar Pradesh is contributing 62%, Maharashtra 11%, Karnataka 10% and Bihar is contributing 8% of the total quantity finalised.

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 capacity to produce 224 crore litres of Ethanol, out of which 200 crore litre capacity are attached with 130 sugar plants and remaining are from standalone distilleries. For meeting the demand at 10%, blending requires 266 crore litres for which the capacity to be increased and the capacity is being increased by the Distilleries.

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 Sugar Season 2015-16 as against the current target of 5%. This would require proper planning of Logistics involved and resolving various transaction barriers of licences and permits.
2. Secretary highlighted the increasing of production of Ethanol and 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 and sugar into ethanol for achieving 10% blending targets under EBP.
 - Scope of using B- Hy Molasses to make up the shortfall.
 - Requested all ethanol suppliers to come on grid, mills to upgrade and 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.
5. The secretary concluded that all distilleries which are presently only capable of producing alcohol, should upgrade their capacities for ethanol and access SDF funds. Secretary also asked to the State Government officials to facilitate creation of ethanol distillation capacities and avail of SDF financing for the purpose.

Due to decrease in price by 10% only 78 crore litre of contracts were entered into for 2016-17 as against 130 crores litre during 2015-16 (Out of 130 crore litre, 111 crore litre were supplied)

PESO Licences

The Distilleries which are having the ethanol storage required to get the licence from Petroleum & Explosive Safety Organisation (PESO) and the State Government are insisting to Distilleries for the same. Your company has already received the above licence.

Uttam Sugar Mills Limited

Key Government initiatives for Ethanol Manufacturing /Despatches

The Central Government has taken action/Initiative for Ethanol Blending programme which are as under:

- a) Bio enriched organic manure which being manufacture of mixing with press mud and effluent of Distillery are included in Fertilizer Control Order 1985. This move will be beneficial to Distillery and sugar mills for disposal of manure at good return.
- b) The Central Government amended the Industrial Development Regulation Act (IDR Act) 1951 in which the power of Central and State Government are clearly demarcated on Alcohol / Ethanol. This move will be beneficial as the most of the problems and hurdles are due to the control and levy of taxes and duties on Ethanol by State Governments. Central Government has already issued the letters to the State Government for the implementation the same.

Key Government initiatives in Sugar Sector

By Central Government

For the sugar season 2016-17, the FRP (Fair remunerative price) has not been increased by the Central government and retained at Rs.230/- per qtl like previous season. However, it has been increased for the sugar season 2017-18 at Rs. 255/- per qtl.

By State Government for the season 2016-17 (U.P./Uttarakhand)

The Uttar Pradesh and Uttarakhand Government have announced a State Advised Price (SAP) for sugarcane at Rs.305 per quintal and Rs.307 per quintal respectively for season 2016-17, which is approx 9% higher than previous season. Later on a subsidy of Rs.2/- per qtl on cane is announced by the 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. For the state of U.P. Also the industry have requested to State Government for fixing of cane price based on the sharing of realisation from sugar and by-products. The representation has been submitted at Chief Minister of U.P. regarding the fixing of cane price for the season 2016-17 on the above formula.
2. Central government is considering increasing the blending % of ethanol in petrol from 5% to 10%. This will improved the demand of ethanol.

B. OPPORTUNITIES & THREATS

Opportunities:

- Utilization of downstream by-products.
- Huge potential for increasing the High yielding cane crop to increase the cane crushing and sugar recovery rate.
- Potential for new and upgrading Technology for improved utility consumption factors and utilization of by-products.
- Potential for downstream production of Ethanol.
- Utilisation of waste of the distilleries in a productive manner.
- Potential for New Technology for Saving in Energy.

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.

Uttam Sugar Mills Limited

- 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 and 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 last two year onwards your company has entered into a very speciality products of Sugar in the aforesaid plant, these speciality product include Bura, Brown Sugar, Table Sugar, Sachets (Both in institutional and retail trade), icing sugar, superfine, pharma sugar, cube sugar, invert syrup etc and sugar in the different packaging i.e. 1Kg / 5Kg / 10Kg / 80gm.

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, CCD, Rasna 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 to 19 % in 2015-16 to 29% in 2016-17 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 2016-17					SEASON 2015-16					SEASON 2014-15				
	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	68.10	106.09	54.11	69.09	297.39	39.24	84.93	37.06	39.89	201.12	46.52	91.02	42.81	53.98	234.33
RECOVERY (%)	10.56	11.95	10.47	10.06	10.92	10.32	11.57	10.17	10.01	10.76	9.33	10.35	9.44	9.27	9.73
PRODUCTION															
SUGAR	7.19	12.67	5.67	6.95	32.48	4.05	9.83	3.77	3.99	21.64	4.34	9.42	4.04	5.00	22.81
MOLASSES	3.12	4.59	2.61	3.35	13.67	1.76	3.72	1.70	1.82	9.00	2.18	4.24	2.17	2.62	11.21
WORKING DAYS	168	181	170	156	-	143	145	134	120	-	131	153	138	125	-

b) Figures for Power Export for last three Financial Years

	SEASON 2016-17					SEASON 2015-16					SEASON 2014-15				
	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL
POWER EXPORT	255.71	457.55	206.33	291.51	1211.10	108.82	271.40	160.05	202.55	742.82	143.44	395.3	201.85	251.9	992.49

F. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

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).



Audited Financial Statement
for the Financial Year
2016-17

**UTTAM
SUGAR**

superfine
sugar



Independent Auditor's 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 March 31, 2017, the Profit and Loss Statement and the Cash Flow Statement for the year ended 31st March 2017 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 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 March 31, 2017.
- b. In the case of the Profit and Loss Statement, of the Profit 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

Without qualifying, we draw attention to:-

- Note no 45, the company has recognized Deferred Tax Assets in respect of unabsorbed business losses and unabsorbed depreciation. The Company's Management is of the view that due to rise in sugar price, improvement in recovery and profits during the current year & immediately preceding year, it has become reasonable that sufficient taxable income will be available against which such deferred tax assets can be realized.

Our opinion is not qualified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 March 31,2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2017 from being appointed as a director in terms of section 164(2) of the Act.
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
 - g. 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 18 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.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 44.

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

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

**Place : Noida
Dated : 27th April, 2017**

ANNEXURE TO THE AUDITORS' REPORT

Annexure A 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 31st March, 2017)

1. A) 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.
- B) The title deeds of the immovable property as disclosed in the fixed assets (Note No.10 to the financial statements) are held in the name of the company, except for the following freehold land:

S.NO	Property Description	Balance Sheet Value (Rs in Lacs)
1.	At Village–Barkatpur, Pudrikhurd. Pargana-Kiratpur, Tehsil-Najibabad, Distt- Bijnor (U.P) Khasra No- 482/2,483, 484, 485, 486,487/2,488,519,523,532,533,534,535, 536/2, 497/3,521, 21, 43, 64,66,79,80,359,384,529 51,53,54,59,74,78,99,100,105,119,124,125,126,142,144,145, 150,153,143, 165,166,167,122	10.58

2. (a) The physical verification of inventory has been conducted by the management at reasonable intervals.
- (b) On the basis of our examination, in our opinion, discrepancies noticed on such physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
3. According to information made available to us, the company has not granted any loan or advance in the nature of Loan, secured or unsecured to companies, firm, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act, accordingly Para 3(iii)(a) to (c) of the Order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, no loan, investment ,guarantees and security stated under section185 and 186 of the Companies Act, 2013 have been given/made by the company therefore, para 3(iv) of the order is not applicable.
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 frames 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, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other statutory dues applicable to it, As explained to us, the provisions of Employees State Insurance are not applicable to the Company. Further, there was no arrears of undisputed statutory dues outstanding as at 31st March, 2017 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 Sales tax & Excise duty aggregating to Rs. 418.79 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	3.64	Commissioner/ Commissioner(Appeal)
		30.82	Tribunal
		7.45	High Court
Central Excise Act, 1944	Excise Duty	361.38	CESTAT
		3.52	High Court
		11.98	Commissioner(Appeal)
Total		418.79	

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

8. In our opinion and according to the information and explanations given to us, there has been delay in repayment of dues to Banks/others. The particulars of delays which relates to interest/ installment during the year ended 31st March, 2017 are as follows:-

Name of Bank	Period of Delays and Amount (Rs. In Lacs)			
	1-30 days	31-60 days	61-90 days	91 days and above
<i>Punjab National Bank</i>	981.30	459.24	0.00	0.00
<i>State Bank of India</i>	394.84	260.61	0.00	0.00
<i>IDBI Bank Ltd</i>	332.69	300.66	0.00	0.00
<i>Indian Overseas Bank</i>	141.50	226.18	0.00	0.00
<i>Oriental Bank of Commerce</i>	202.04	154.45	5.08	0.00
<i>Uttarakhand State Cooperative Bank Ltd</i>	922.78	620.46	113.31	0.00
<i>Sugar Development Fund through IFCI Limited</i>	122.76	0.00	0.00	0.00
<i>Zila Sahkari Bank Ltd</i>	23.14			
<i>Uttarakhand State Govt. Soft Loan (Refer Note no. 8 (iii))</i>	6.57	0.00	0.00	969.87
Total	3127.62	2021.60	118.39	969.87

Out of the above except amount of Rs.976.44 of Uttarakhand State Govt. Soft Loan all dues has been fully paid during the year under audit.

The company has not issued any debentures.

9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. The term loans were applied for the purpose for which it is taken.
10. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the management.

Uttam Sugar Mills Limited

11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;2013.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards(AS 18), Related Party Disclosures specified under section 133 of the Act, read with rule 7 of the companies (accounts) rules 2014.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, during the year the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

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

**Place : Noida
Dated : 27th April, 2017**

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

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **UTTAM SUGAR MILLS LIMITED** ("the Company") as at 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place : Noida
Dated : 27th April, 2017**

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

Balance Sheet as at 31ST March 2017

(Rs.in Lacs)

Particulars	Note No.	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	2	10,978.81	10,978.81
Reserves and Surplus	3	9,847.29	(1,085.06)
		20,826.10	9,893.75
2 Non Current Liabilities			
Long Term Borrowings	4	34,899.95	40,868.77
Long Term Provisions	5	744.39	591.59
		35,644.34	41,460.36
3 Current Liabilities			
Short Term Borrowings	6	28,548.36	12,835.29
Trade Payables	7		
(A) Total outstanding dues of micro enterprises and small enterprises; and		203.74	77.89
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		27,824.22	30,175.74
Other Current Liabilities	8	19,910.57	17,017.40
Short Term Provisions	9	160.23	103.71
		76,647.12	60,210.03
TOTAL (1+2+3)		133,117.56	111,564.14
II. ASSETS			
1 Non Current Assets			
Fixed Assets	10		
Tangible Assets		53,731.05	53,047.22
Intangible Assets		11.00	10.98
Capital Work-In-Progress		944.29	1,550.86
		54,686.34	54,609.06
Deferred Tax Assets (Net)	11	5,940.10	7,122.67
Long Term Loans and Advances	12	856.92	887.01
		61,483.36	62,618.74
2 Current Assets			
Inventories	13	61,122.90	37,680.35
Trade Receivables	14	5,338.37	5,684.81
Cash and cash Equivalents	15	3,783.50	3,315.78
Short Term Loans and Advances	16	1,000.85	873.37
Other Current Assets	17	388.58	1,391.09
		71,634.20	48,945.40
TOTAL (1+2)		133,117.56	111,564.14
Contingent Liabilities & Commitments	18		
Significant Accounting Policies	1		
The accompanying Notes forming Integral Part of Financial Statements			

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)
Sr. V.P. (A/C & Commercial)

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

Place : Noida
Dated : 27th April 2017

Statement of Profit and Loss for the Year 31st March 2017

(Rs.in Lacs)

Particulars	Note No.	Figures for the Current Reporting Year 31.03.2017	Figures for the Previous Reporting Period 31.03.2016
I. Revenue from Operations	19	108,294.42	81,024.95
II. Other Income	20	186.77	250.12
III. Total Revenue (I+II)		108,481.19	81,275.07
IV. Expenses			
Cost of Material Consumed	21	90,428.36	54,266.69
Purchases of Stock-In-Trade		4,077.19	–
Changes in Inventories of			
Finished Goods & By-Products	22A	(21,257.04)	10,153.28
Work-In-Progress	22B	(318.91)	(663.81)
Employee Benefits Expenses	23	4,829.60	3,291.43
Finance Costs	24	6,741.19	5,046.91
Depreciation and Amortisation Expenses	10	2,276.69	1,687.78
Other Expenses	25	8,984.10	5,877.75
Total Expenses		95,761.18	79,660.03
V. Prior Period Items (Refer Note No.39)		82.88	(170.83)
VI. Profit before Exceptional Items and Tax (III-IV-V)		12,637.13	1,785.87
VII. Exceptional Items (Refer Note No. 30)		452.01	–
VIII. Profit before Tax (VI-VII)		12,185.12	1,785.87
IX. Tax Expense :			
Current Tax	30.00		
Less: Minimum Alternate Tax (MAT) Credit Available	30.00	–	–
Deferred Tax		1,182.57	75.78
Income Tax for Earlier Years		70.20	163.52
X. Profit for the year (VIII-IX)		10,932.35	1,546.57
XI. Earning per Share (Refer Note No. 42)			
Nominal Value Rs. 10/-			
Basic		27.25	2.99
Diluted		27.25	2.99
Significant Accounting Policies	1		
The accompanying Notes forming Integral Part of Financial Statements			

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.
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(S.L.SHARMA)
Sr. V.P. (A/C & Commercial)

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

Place : Noida
Dated : 27th April 2017

Cash Flow Statement For the Year Ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures for the Current Reporting Year 31.03.2017	Figures for the Previous Reporting Period 31.03.2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss) / Profit before Tax	12,185.12	1,785.87
Adjustments for:		
Depreciation / Amortisation (including Rs.7.63 lacs relating to Prior Period)	2,284.32	1,687.78
Financial Cost	6,741.19	5,046.91
Loss on sale/discard of assets	0.14	-
Profit on sale of Assets	(1.72)	-
Interest Income	(58.80)	(96.20)
Operating Profit before Working Capital Changes	21,150.25	8,424.36
Adjustments for:		
Trade & Other Receivables	1,283.48	3,015.84
Inventories	(23,442.55)	8,811.27
Trade Payables	483.04	(7,892.12)
	(21,676.03)	3,934.99
Cash generated from operations	(525.78)	12,359.35
Direct taxes (paid)	(14.49)	(12.11)
Net Cash flow from Operating Activities	(540.27)	12,347.24
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,742.10)	(1,118.91)
Sale/Adjustment of Fixed Assets	2.67	-
Sale of Assets held for Disposal	-	197.00
Interest Received	58.80	96.20
Net Cash used in Investing Activities	(2,680.63)	(825.71)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost Paid	(6,944.71)	(5,552.60)
Proceeds from Borrowings (Term Loans)	62.95	5,065.39
Proceeds from Borrowings (Short Term Loans)	4,872.00	1,000.00
Repayments of Borrowings (Term Loans)	(7,748.52)	(6,411.60)
Proceeds/ (Repayment) of Borrowings (Working Capital)	13,446.90	(4,403.24)
Net Cash flow from Financing Activities	3,688.62	(10,302.05)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	467.72	1,219.49
Cash and Cash Equivalents as at Beginning	3,315.78	2,096.29
Cash and Cash Equivalents as at Closing	3,783.50	3,315.78

Notes:

1. Cash and Cash Equivalents represent Cash and Bank Balances (Refer Note No.15)
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

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(S.L.SHARMA)
Sr. V.P. (A/C & Commercial)

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

Place : Noida

Dated : 27th April 2017

Note: 1 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 including components 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 amortized over a period of economic benefits not exceeding ten years.
- d) Depreciation/amortization 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.

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

ix. Expenses:

All the expenses are accounted for on accrual basis.

x. Government grants:

- a) Grants and subsidies from the Government are recognized 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.

ixv. 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 31st March 2017

(Rs.in Lacs)

Particulars	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
NOTE - 2 : SHARE CAPITAL		
Authorised:		
Equity Share Capital		
40000000 Equity Shares of Rs.10/- each (Previous Year 40000000 Equity Shares of Rs.10/- each)	4,000.00	4,000.00
Redeemable Preference Share Capital		
16500000 Preference Shares of Rs.100/- each (Previous Year 16500000 Preference Shares of Rs.100/- each)	16,500.00	16,500.00
Issued, Subscribed & Paid-up Capital		
Equity Share Capital		
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
6.5% Cumulative Redeemable Preference Share Capital - Series I	5,000.00	5,000.00
5000000 Preference Shares of Rs.100/- each (Previous Year 5000000 Preference Shares of Rs.100/- each)		
10% Cumulative Redeemable Preference Share Capital - Series II	2,165.00	2,165.00
2165000 Preference Shares of Rs.100/- each (Previous Year 2165000 Preference Shares of Rs.100/- each)		
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 31st March 2017

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

Name of Equity Shareholders	As at 31st March 2017		As at 31st March 2016	
	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 (P) 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 (P) Limited	1,310,000	26.20%	1,310,000	26.20%
Lipi Boilers (P) Limited	259,500	5.19%	259,500	5.19%
Sekhri Finance and Investments Pvt. Limited	600,000	12.00%	600,000	12.00%
Uttam Properties Pvt. Ltd.	680,000	13.60%	800,000	16.00%
New Castle Finance & Leasing (P) Ltd.	-	-	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 (P) Limited	850,500	39.28%	850,500	39.28%
Lipi Boilers (P) Limited	676,000	31.22%	620,500	28.66%
Sekhri Finance and Investments Pvt. Limited	137,000	6.33%	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 preceding 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:**

Particulars	31.03.2017	31.03.2016
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	2165000
Change during the year	-	-
At the end of the year	2165000	2165000

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
NOTE - 3 : RESERVES AND SURPLUS		
a) Securities Premium Reserve As per Last Balance Sheet	17,417.82	17,417.82
	17,417.82	17,417.82
b) Revaluation Reserve Land Revaluation Reserve As per last Balance Sheet	8,240.48	8,240.48
c) Surplus Profit & Loss Statement As per Last Balance Sheet Add: Profit during the year	(26,743.36) 10,932.35	(28,289.93) 1,546.57
	(15,811.01)	(26,743.36)
Total	9,847.29	(1,085.06)

NOTE - 4 : LONG TERM BORROWINGS

Particulars	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
a) Secured Loans	Non Current Portion	Non Current Portion	Current Maturities	Current Maturities
Term Loans-from Banks				
Punjab National Bank	-	-	-	674.24
IDBI Bank Limited	-	360.00	239.73	650.00
State Bank of India	-	671.00	299.73	964.00
Indian Overseas Bank	-	124.07	81.04	312.33
Oriental Bank of Commerce	-	218.87	218.64	353.28
Uttarakhand State Co-Op. Bank Limited	1,137.77	2,118.94	606.20	1,199.48
Total	1,137.77	3,492.88	1,445.34	4,153.33
Term Loans-from Banks SEFASU				
Punjab National Bank	747.37	1,614.47	842.33	842.33
Indian Overseas Bank	220.66	397.50	161.94	132.50
Oriental Bank of Commerce	86.70	161.78	74.67	62.22
Uttarakhand State Co-Op. Bank Limited	424.33	848.67	424.33	424.33
Zila Sahkari Bank Limited	323.95	601.61	277.67	231.40
Total	1,803.01	3,624.03	1,780.94	1,692.78

Term Loans-from Banks Soft Loans				
Punjab National Bank	1,739.34	2,174.00	422.73	–
IDBI Bank Limited	311.53	387.00	75.25	–
State Bank of India	465.90	559.00	93.00	–
Indian Overseas Bank	367.13	456.00	88.67	–
Oriental Bank of Commerce	154.62	192.00	37.33	–
Uttarakhand State Co-Op. Bank Limited	504.17	695.29	188.32	118.71
Total	3,542.69	4,463.29	905.30	118.71
From Govt. of India, Sugar Development Fund (SDF)	1,241.12	1,698.20	457.08	792.26
CC-Under Repayment from Banks				
Punjab National Bank	17,531.00	20,109.00	2,578.00	516.00
IDBI Bank Limited	2,439.50	2,798.25	324.43	71.75
State Bank of India	2,550.75	3,060.90	501.79	340.10
Indian Overseas Bank	3,214.00	–	461.57	–
Oriental Bank of Commerce	1,274.00	1,462.00	126.79	38.00
Total	27,009.25	27,430.15	3,992.58	965.85
Vehicle Loans				
from Punjab National Bank	–	–	40.64	14.61
from Toyota Financial Services India Limited	13.30	7.41	8.00	3.26
Total	13.30	7.41	48.64	17.87
b) Unsecured Loan				
Loans from related Parties (Refer Note No.40)	152.81	152.81	–	–
Total	34,899.95	40,868.77	8,629.88	7,740.80
Less : Amount disclosed under the head " Other Current Liabilities Note no. 8"	–	–	8,629.88	7,740.80
Total	34,899.95	40,868.77	–	–

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

a) **Security Clauses:**

1. SEFASU Term Loan, Soft Loan & CC Under Repayment (except term loan from Co-Operative Banks) :-

- i. Term Loans and CC under repayment from Banks 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.

- ii. Term Loans and CC under repayment from Banks are secured on third pari-passu charge basis on whole of the current assets (stock, book debts etc.), both present and future.
- iii. Term Loans and CC under repayment from Banks are also secured by way of Pledge on pari-passu basis of 34,84,170 Equity Shares in the company held by individual Promoters of the Company viz. M/s. Raj Kumar Adlakha, Rajan Adlakha and Ranjan Adlakha.
- iv. Term Loans and CC under repayment from Banks are also guaranteed by Managing Director and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of three Promoter Companies (viz. Uttam Industrial Engineering Pvt. Limited, Uttam Sucrotech Limited and Lipi Boilers Private Limited).

v. CC Under Repayment is additionally secured by :-

- Pledge on pari-passu basis of 60,00,000 Equity Shares held by three promoter companies viz. M/s Uttam Industrial Engineering Pvt. Limited, M/s Uttam Sucrotech Limited and M/s Lipi Boilers Private Limited.
- Joint Equitable Mortgage on the immovable properties situated at H-2, Kaushambi, Ghaziabad owned by a group company, M/s Uttam Housinginfra Limited.
- CC under Repayment is also Guaranteed by two group Companies viz. M/s Uttam Adlakha & Sons Holdings Private Limited and M/s Uttam Housinginfra Limited

vi. Soft Loan is additionally secured by :-

- Joint Equitable Mortgage on the immovable properties situated at H-2, Kaushambi, Ghaziabad owned by a group company, M/s Uttam Housinginfra Limited.
- Corporate Guarantee by a group Company, M/s Uttam Housinginfra Limited.

2. Term Loan from Govt. of India, Sugar Development Fund through IFCI Ltd.:-

Term Loan from Govt. of India, Sugar Development Fund through IFCI Ltd is secured by an exclusive second charge on movable assets (except book debts) and Company's immovable properties.

3. Term Loan from Uttarakhand State Co-Operative Bank Limited:-

Term Loan from Uttarakhand State Co-Operative Bank Limited is secured by Residual charge on all movable assets forming part of fixed/block assets both present & future, and Joint Equitable Mortgage on company's immovable properties situated at Village Libberheri, Roorkee, District Haridwar (Uttarakhand) on Residual Charge basis, and also guaranteed by Managing Director.

4. Term Loan from Zila Sahkari Bank Limited, Ghaziabad:-

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, and Joint Equitable Mortgage on company's immovable properties situated at Village Shermau, Tehsil Nakur, District Saharanpur (Uttar Pradesh) on Residual Charge basis, and also guaranteed by Managing Director.

5. Vehicle loans:-

Vehicle loans from banks are secured by way of hypothecation of vehicle financed by them.

Notes on Financial Statements for the Year ended 31st March 2017

b) Terms of Repayment of Term Loan :

Bank Name	ROI	2018-19		2019-20		2020-21		2021-22		2022-23	
		No of Inst.	Rs. in Lacs	No of Inst.	Rs. in Lacs	No of Inst.	Rs. in Lacs	No of Inst.	Rs. in Lacs	No of Inst.	Rs. in Lacs
PNB (CC Under repayment)	11.50%	4.00	2,503.00	4.00	3,609.00	4.00	4,125.00	4.00	4,125.00	2.00	2,578.00
PNB (SOFT)	11.60%	12.00	724.68	12.00	724.68	5.00	289.98	-	-	-	-
PNB (SEFASU)	12.00%	11.00	747.37	-	-	-	-	-	-	-	-
PNB (CC Under repayment)	13.25%	1.00	591.00	-	-	-	-	-	-	-	-
IDBI Bank Ltd (CC under repayment)	11.00%	4.00	430.50	4.00	502.25	4.00	574.00	4.00	574.00	2.00	358.75
IDBI Bank Ltd (Soft)	11.50%	12.00	129.00	12.00	129.00	5.00	53.53	-	-	-	-
State Bank of India (CC Under repayment)	11.15%	4.00	510.15	4.00	680.20	4.00	680.20	4.00	680.20	-	-
State Bank of India (SOFT)	11.60%	12.00	186.00	12.00	186.00	6.00	93.90	-	-	-	-
Indian Overseas Bank (CC under repayment)	11.50%	4.00	567.00	4.00	662.00	4.00	756.00	4.00	756.00	2.00	473.00
Indian Overseas Bank (SEFASU)	12.00%	12.00	176.67	3.00	43.99	-	-	-	-	-	-
Indian Overseas Bank (SOFT)	12.00%	12.00	151.93	12.00	151.93	5.00	63.26	-	-	-	-
Oriental Bank of Commerce (CC under repayment)	11.50%	4.00	225.00	4.00	263.00	4.00	300.00	4.00	300.00	2.00	186.00
Oriental Bank of Commerce (SEFASU)	12.00%	12.00	74.67	2.00	12.03	-	-	-	-	-	-
Oriental Bank of Commerce (SOFT)	12.00%	12.00	63.98	12.00	63.98	5.00	26.65	-	-	-	-
USCBL (Term Loan)	11.50%	12.00	399.48	12.00	399.48	8.00	259.56	-	-	-	-
USCBL (Term Loan)	11.50%	1.00	79.24	-	-	-	-	-	-	-	-
USCBL (SEFASU)	11.50%	12.00	424.33	-	-	-	-	-	-	-	-
USCBL (SOFT)	11.50%	12.00	210.83	12.00	236.03	3.00	57.31	-	-	-	-
ZSBL Ghaziabad	12.00%	12.00	277.67	2.00	46.29	-	-	-	-	-	-
SDF	5.75%	1.00	59.05	2.00	118.10	2.00	118.10	2.00	118.10	1.00	59.05
	6.50%	2.00	151.90	2.00	151.90	2.00	151.90	1.00	75.95	-	-
	7.50%	2.00	118.54	2.00	118.54	-	-	-	-	-	-
Toyota Financial Services India Limited	8.19%	12.00	4.66	12.00	5.04	-	-				
Toyota Financial Services India Limited	12.62%	11.00	3.60								
Total			8,810.25		8,103.44		7,549.40		6,629.25		3,654.80

(ii) Terms & Conditions of Unsecured Loans

- Unsecured Loans from Related Parties shall be repayable after Eight Years from the date of disbursement of Loan with the consent of Term Lenders (Banks) covered under Corporate Debt Restructuring (CDR).
- Interest will be accrued annually on 31st March every year but is payable on maturity or date of repayment of loan, whichever is earlier with the consent of Term Lenders (Banks) covered under Corporate Debt Restructuring (CDR).

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures as at end of Current Reporting Year	Figures as at end of Previous Reporting Period
NOTE - 5 : LONG TERM PROVISIONS		
Provision for Employees Benefits	744.39	591.59
	744.39	591.59
NOTE - 6 : SHORT TERM BORROWINGS		
a) Secured Loans		
Loan Repayable on Demand		
Cash credit from Banks		
Punjab National Bank	10,091.81	-
State Bank of India	4,001.57	-
Indian Overseas Bank	-	3,810.63
Uttarakhand State Co-Op. Bank Limited	6,480.13	5,550.29
Zila Sahkari Bank Limited, Ghaziabad	3,925.27	3,474.37
Zila Sahkari Bank Limited, Bulandshahar	4,049.58	-
Total	28,548.36	12,835.29

i) Terms & Conditions of Secured Loans - Security Clause

1. Non-Fund Based Working Capital Limits from Punjab National Bank & State Bank of India (Working Capital Limits)

- a) Working Capital Limits from Banks 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.
- b) Working Capital Limits from Banks are also secured by way of Pledge on pari-passu basis of 34,84,170 Equity Shares in the company held by individual Promoters of the Company viz. M/s. Raj Kumar Adlakha, Rajan Adlakha and Ranjan Adlakha.
- c) Working Capital Limits from Banks are also guaranteed by Managing Director and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of three Promoter Companies (viz. Uttam Industrial Engineering Pvt Limited, Uttam Sucrotech Limited and Lipi Boilers Private Limited).
- d) Non-Fund based Cash Credit Facilities from Punjab National Bank is additionally secured by :-
 - Pledge on pari-passu basis of 60,00,000 Equity Shares held in the Company, held by three promoter companies viz. Uttam Industrial Engineering Pvt. Limited, Uttam Sucrotech Limited and Lipi Boilers Private Limited.
 - Joint Equitable Mortgage on the immovable properties situated at H-2, Kaushambi, Ghaziabad owned by a group company, M/s Uttam Housinginfra Limited.
 - Also Guaranteed by two group Companies viz. M/s Uttam Adlakha & Sons Holdings Private Limited and M/s Uttam Housinginfra Limited.

2. Cash Credit (Pledged) Limits from Punjab National Bank

- a) Cash Credit (Pledged) Limits from Punjab National Bank is secured by way of pledge of warehouse receipt covering sugar stocks in possession of collateral managers appointed by bank.
- b) Cash Credit (Pledged) Limits from Punjab National Bank is also guaranteed by Managing Director and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of five Promoter Companies (viz. Uttam Industrial Engineering Pvt. Limited, Uttam Sucrotech Limited, Lipi Boilers Private Limited, Uttam Adlakha & Sons Holdings Pvt. Ltd. & Uttam Housinginfra Limited).
- c) Cash Credit (Pledged) Limits from Punjab National Bank is secured /to be secured on the third pari passu charge on immovable assets of the company.

3. Working Capital Demand Loan (WCDL) from State Bank of India

- a) Working Capital Demand Loan (WCDL) from State Bank of India is secured by way of pledge of warehouse receipt covering sugar stocks in possession of collateral managers appointed by bank.
- b) Working Capital Demand Loan (WCDL) from State Bank of India is also guaranteed by Managing Director and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha).

4. Cash credit facility from Uttarakhand State Co-Operative Bank Limited:-

Cash credit facility from Uttarakhand State Co-Operative Bank Limited is secured by pledge of stocks of sugar at Libberheri Sugar Factory situated at Village Libberheri, Roorkee, District Haridwar.

5. Cash credit facility from Zila Sahkari Bank Limited, Ghaziabad

a. Cash Credit facility for Shermau Unit

Cash Credit facility for Shermau Unit from Zila Sahkari Bank Limited, Ghaziabad is secured by pledge of stocks of sugar at Shermau Sugar Factory situated at Village Shermau, Tehsil Nakur, District Saharanpur, Uttar Pradesh & also guaranteed by Managing Director of the Company.

b. Cash Credit facility for Barkatpur Unit :

Cash Credit facility for Barkatpur Unit from Zila Sahkari Bank Limited, Ghaziabad is secured by pledge of stocks of sugar at Barkatpur Sugar Factory situated at Village Barkatpur, Tehsil Nazibabad, District Bijnor, Uttar Pradesh & also guaranteed by Managing Director of the Company.

6. Cash credit facility from Zila Sahkari Bank Limited, Bulandshahr

a. Cash Credit facility for Shermau Unit

Cash Credit facility for Shermau Unit from Zila Sahkari Bank Limited, Bulandshahr is secured by pledge of stocks of sugar at Shermau Sugar Factory situated at Village Shermau, Tehsil Nakur, District Saharanpur, Uttar Pradesh & also guaranteed by Managing Director of the Company.

b. Cash Credit facility for Barkatpur Unit :

Cash Credit facility for Barkatpur Unit from Zila Sahkari Bank Limited, Bulandshahr is secured by pledge of stocks of sugar at Barkatpur Sugar Factory situated at Village Barkatpur, Tehsil Nazibabad, District Bijnor, Uttar Pradesh & also guaranteed by Managing Director of the Company.

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
NOTE - 7 : TRADE PAYABLES		
Micro, Small and Medium Enterprises (Refer Note No.26)	203.74	77.89
Others	27,824.22	30,175.74
	28,027.96	30,253.63
NOTE - 8 : OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term Debt (Refer Note No.4)	8,629.88	7,740.80
Unsecured Loans		
- Soft Loan from Uttarakhand State Government	656.68	656.68
	9,286.56	8,397.48
b) Interest Accrued But Not due on Borrowings	68.88	104.36
c) Interest Accrued and due on Borrowings	319.76	487.81
d) Creditors for Capital Expenditure	319.15	610.98
e) Supplier's Credit Balance against Farmer Crop Loan (Refer Note No.29)	2,585.90	2,496.38
f) Security Deposits	273.34	220.38
g) Due to Directors	60.40	11.44
h) Due to Scheduled Bank (Book Overdraft in reconciliation)	227.52	505.57
i) Other Payables		
Statutory Liabilities	4,298.90	2,398.75
Advance From Customers	1,213.24	753.47
Other Liabilities *	1,256.92	1,030.78
Total	19,910.57	17,017.40

Note :

- (i)* Other Liabilities includes commission on sales, due to employees and employees benefits & Expenses Payable.
- (ii)* Includes Rs.200 lacs being advance received against sale of land at Karnatka.
- (iii) Unsecured Soft Loan from Uttarakhand State Government amounting to Rs.656.68 lacs and interest accrued & due thereon of Rs.319.76 lacs was repayable in three years in quarterly instalments w.e.f. January 2008 however the same continues to unpaid. An application for waiver off such loan is pending with the Govt. of Uttarakhand.

NOTE - 9 : SHORT TERM PROVISIONS

a) Provision for Employee Benefits	130.23	103.71
b) Provision for Taxation	30.00	-
	160.23	103.71

Notes on Financial Statements for the Year ended 31st March 2017

Note No. - 10 : FIXED ASSETS

(Rs.in Lacs)

Nature of Assets	G R O S S B L O C K				D E P R E C I A T I O N / A M O R T I S A T I O N				N E T B L O C K	
	As on 01.04.2016	Additions during the Year	Sold/ Adjust- ment during the Year	As on 31.03.2017	Upto 31.03.2016	For the Year	On Sale/ Adjust- ment	UP TO 31.03.2017	As on 31.03.2017	As on 31.03.2016
A. Tangible Assets										
Freehold Land (Factory)	10,304.79	141.18	-	10,445.97	-	-	-	-	10,445.97	10,304.79
Freehold Land (Others)	644.40	-	-	644.40	-	-	-	-	644.40	644.40
Building	6,034.48	278.35	-	6,312.83	1,681.25	174.25	-	1,855.50	4,457.33	4,353.23
Leasehold Building Developments	111.35	-	-	111.35	39.33	0.89	-	40.22	71.13	72.02
Plant and Machinery	60,416.70	2,270.53	-	62,687.23	23,418.17	1,955.05	-	25,373.22	37,314.01	36,998.53
Furniture and Fixtures	325.53	7.20	-	332.73	239.21	33.33	-	272.54	60.19	86.32
Office Equipments	598.91	88.02	-	686.93	489.65	41.71	-	531.36	155.57	109.26
Weigh Bridges	623.23	42.25	-	665.48	282.45	33.56	-	316.01	349.47	340.78
Vehicles & Tractors	794.42	139.18	5.82	927.78	660.88	43.01	4.74	699.15	228.63	133.54
Live Stock	4.35	-	-	4.35	-	-	-	-	4.35	4.35
B. Intangible Assets										
Software	23.08	2.54	-	25.62	12.10	2.52	-	14.62	11.00	10.98
Previous Period	79,881.24	2,969.25	5.82	82,844.67	26,823.04	2,284.32	4.74	29,102.62	53,742.05	53,058.20
	79,024.34	856.90	-	79,881.24	25,135.26	1,687.78	-	26,823.04	-	-
Capital Work-in-Progress:										
Building, Plant & Machinery									944.29	1496.24
Expenditure during Construction Period (Pending Capitalisation) (Refer Note No.37)									-	54.62
								Total	54,686.34	54,609.06
								Previous Year	54,609.06	54,996.27

Notes :

1. Vehicles includes Motor Cars having gross book value of Rs.77.32 Lacs (Previous Period Rs.60.73 lacs) which are purchased on Hire Purchases Basis.
2. Freehold Land aggregating to Rs.10.58 lacs are pending for registraion in name of Company.
3. Amount of depreciation for the year includes Rs.7.63 Lacs for the earlier year (Refer Note No.39)

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

	As at 01.04.2016	During the Year	As at 01.04.2017
NOTE - 11 : DEFERRED TAX ASSETS (NET)			
DEFERRED TAX LIABILITY			
Difference between Book & Tax Depreciation	7,778.58	243.51	8,022.09
	<u>7,778.58</u>	<u>243.51</u>	<u>8,022.09</u>
DEFERRED TAX ASSETS			
Expenses Allowed U/s 43-B on paid basis	797.45	560.94	1,358.39
Unabsorbed Depreciation & Business Loss (Refer Note No.45)	14,103.80	(1,500.00)	12,603.80
	<u>14,901.25</u>	<u>(939.06)</u>	<u>13,962.19</u>
NET DEFERRED TAX ASSETS			
	<u>7,122.67</u>	<u>(1,182.57)</u>	<u>5,940.10</u>
Previous Year	7,198.45	(75.78)	7,122.67

Particulars	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
NOTE - 12 : LONG TERM LOANS AND ADVANCES		
(Unsecured - Considered good)		
a) Capital Advances		
Advances to Related Parties (Refer Note. No.40)	233.90	65.56
Other Capital Advances	471.44	552.19
b) Security Deposits (incl. Interest Accrued thereon)	63.31	78.12
c) Other Loans and Advances		
Tax Deducted at Sources	54.27	69.78
Balance with Income Tax Department (Under Protest)	4.00	51.16
MAT Credit Entitlements	30.00	70.20
Total	<u>856.92</u>	<u>887.01</u>
NOTE - 13 : INVENTORIES		
(As taken, valued and certified by the Management)		
a) Raw Material	275.24	49.47
b) Work-in-Progress	1,180.18	861.27
c) Finished Goods		
Sugar	53,225.44	30,954.04
Industrial Alcohol	1,319.89	1,182.64
Banked Power	104.50	83.36
Renewal Energy Certificates (RECs)	339.68	504.70
d) By-Products	3,275.82	2,769.96
e) Stores, Spare Parts and Packing Materials	1,402.15	1,274.91
Total	<u>61,122.90</u>	<u>37,680.35</u>

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.

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
NOTE - 14 : TRADE RECEIVABLES		
(Unsecured - Considered good)		
a) Trade Receivables outstanding for a period exceeding six months	53.59	157.99
b) Others	5,284.78	5,526.82
Total	5,338.37	5,684.81
NOTE - 15 : CASH AND CASH EQUIVALENTS		
i) Cash & Cash Equivalents		
a) Cash in Hand	30.17	68.18
b) Balance with Banks In Current Accounts	3,286.65	1,922.88
ii) Other Bank Balances		
a) Term Deposit having remaining maturity of more than 3 months but not more than one year	331.45	598.04
b) Term Deposit having remaining maturity of more than 1 Year (in Margin Money and interest accrued thereon)	135.23	726.68
Total	3,783.50	3,315.78
NOTE - 16 : SHORT TERM LOANS AND ADVANCES		
(Unsecured - Considered good)		
a) Advances to Related Parties for Supply of Goods & Services (Refer Note No.40)	29.34	1.12
b) Other Loans & Advances		
Advances for Supply of Goods & Services	169.32	205.70
Due from Employees	33.67	27.07
Prepaid Expenses	108.43	95.10
Balance with Excise Department	291.66	184.16
Cenvat Receivable	112.11	74.56
Security Deposits	66.69	79.68
Others Loans & Advances	189.63	205.98
Total	1,000.85	873.37

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures as at end of Current Reporting Year 31.03.2017	Figures as at end of Previous Reporting Period 31.03.2016
NOTE - 17 : OTHER CURRENT ASSETS		
(Unsecured - Considered good)		
Fixed Assets Held for Disposal	158.00	158.00
* Claim Receivable	230.58	1,233.09
Total	388.58	1,391.09
* includes Rs.95.12 lacs Interest subvention recoverable (Previous Year Rs.483.63 lacs) (Refer Note No.36)		
* includes cane subsidy amounting to 117.63 lacs (Previous Year NIL) (Refer Note No.31)		
* includes insurance claim of Rs.17.83 lacs (Previous Year Rs.297.45)		
NOTE - 18 : 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.	2,435.63	3,345.82
ii) Preference Dividend payable on cumulative Redeemable Preference Shares	3,594.20	3,052.70
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)	650.36	185.85
ii) Letter of Credit in favour of Suppliers and Bank Guarantees issued	2,280.65	2,359.99
Other Commitment		
i) The Company has imported goods under the Export Promotion Capital Goods Scheme of the Govt. Of India, at concessional rates of duty on an undertaking to fulfill quantified reports in the future years	1,706.73	1,706.73
Total	10,667.57	10,651.09
Particulars	Figures for the Current Reporting Year 31.03.2017	Figures for the Previous Reporting Period 31.03.2016
NOTE - 19 : REVENUE FROM OPERATIONS		
a) Sale of Products	111,445.68	84,257.43
b) Other Operating Revenues	2,378.80	526.09
c) Less: Excise Duty	5,530.06	3,758.57
Net Sales	108,294.42	81,024.95
Particulars of Sale of Products		
Sugar	94,754.70	73,678.67
Molasses	905.56	637.94
Power	6,068.85	3,676.60
Distillery	8,983.09	6,205.85
Others	733.48	58.37
Total	111,445.68	84,257.43

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures for the Current Reporting Year 31.03.2017	Figures for the Previous Reporting Period 31.03.2016
NOTE - 20 : OTHER INCOME		
a) Interest Income	58.80	96.20
b) Excess Provisions Written Back for earlier years	18.60	15.13
c) Profit on Sale of Assets	1.72	-
d) Miscellaneous Income	107.65	138.79
Total	186.77	250.12
NOTE - 21 : COST OF RAW MATERIAL CONSUMED (Indegenous)		
Opening Stocks	49.47	6.38
Purchases	90,654.13	54,309.78
	90,703.60	54,316.16
Less : Closing Stocks	275.24	49.47
Total	90,428.36	54,266.69
NOTE - 22 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
22 A Opening Stocks of finished goods & By- Products		
Finished Goods	32,724.74	42,197.76
By-products	2,769.96	3,124.61
	35,494.70	45,322.37
Closing Stocks of finished goods & By- Products		
Finished Goods	54,989.51	32,724.74
By-products	3,275.82	2,769.96
	58,265.33	35,494.70
Excise & Other Duties on Increase/Decrease of Stocks of finished goods & By-products	1,513.59	325.61
(Increase)/Decrease in Stocks of Finished goods & By-Products	(21,257.04)	10,153.28
22 B Opening Stocks of Work-in Progress		
Closing Stocks of Work-in Progress	861.27	197.46
(Increase) in Stocks of Work-in-Progress	1,180.18	861.27
	(318.91)	(663.81)
NOTE - 23 : EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	4,471.20	3,029.25
Contribution to Provident and other funds	167.08	130.15
Staff Welfare	191.32	132.03
Total	4,829.60	3,291.43

Notes on Financial Statements for the Year ended 31st March 2017

(Rs.in Lacs)

Particulars	Figures for the Current Reporting Year 31.03.2017	Figures for the Previous Reporting Period 31.03.2016
NOTE - 24 : FINANCE COSTS		
Interest Expenses	6,448.83	4,849.87
Other Borrowing Costs	292.36	197.04
Total	6,741.19	5,046.91
NOTE - 25 : OTHER EXPENSES		
a) Manufacturing Expenses		
Packing Materials Consumed	1,379.72	738.20
Consumption of Stores, Spares	899.64	616.15
Power and Fuel	236.02	310.54
Other Manufacturing Expenses	676.24	440.87
Repairs to:		
Plant and Machinery	1,903.40	1,674.65
Buildings	56.17	73.16
Others	159.37	63.75
Total	5,310.56	3,917.32
b) Administrative and Other Expenses		
Rent	93.65	54.35
Rates and Taxes	112.35	13.91
Printing and Stationery	42.57	31.57
Postage, Courier and Telephones	45.18	38.65
Travelling and Conveyance	198.80	
Directors	26.27	10.88
Others	172.53	118.94
Fees and Subscription	77.11	48.12
Legal and Professional Charges	142.38	127.94
Auditors' Remuneration (Refer Note No.41)	18.42	16.86
Vehicle Running and Maintenance	173.30	111.72
Insurance	103.18	60.04
Cane Development Expenses	1,611.26	570.82
(Gain)/Loss on Foreign Currency Fluctuation & Transactions (Net) (Refer Note No.43)	(0.74)	-
Loss on Sale/Discard of Fixed Assets	0.14	-
Office & Other Administration Expenses	100.61	31.40
Pre-Operative Exps Written Off (Refer Note No.37)	54.62	-
Total	2772.83	1235.20
c) Selling & Distribution Expenses		
Business Promotion	19.65	10.49
Sugar Handling Expenses	39.53	60.70
Commission on Sales	247.29	242.17
Freight Outward	406.27	70.26
Other Selling Expenses	68.59	48.70
Rebate & Discount	29.24	292.91
Compensation	90.14	-
Total	900.71	725.23
Total	8,984.10	5,877.74

Notes on Financial Statements for the Year ended 31st March 2017

26. 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: **(Rs.in Lacs)**

Particulars		Current Year	Previous Period
(a)	Amount due to Micro, Small and Medium Enterprises as on		
	i) Principal amount	203.74	77.89
	ii) Interest due on above	6.09	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	6.09	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

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 based on that rejected the application. The Company had filed 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. Supplier's Credit Balance against farmers crop loan appearing under Other Current Liabilities (Note No. 8) represent loan of Rs. 2585.90 lacs (Previous period 2496.38) 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.
30. Exceptional item represents a sum of Rs.452.01 lacs being society commission relating to sugar season 2015-2016 which was recoverable from the State Government of Uttar Pradesh vide order dated 05th February, 2016, has now been written off during the year in pursuance of Government order dated 28th December, 2016.
31. For sugar season 2016-2017 financial assistance of Rs.2/- per quintal was granted vide Govt. of Uttarakhand Order No.02/XIV-2/2017/7(6)/2013 T.C.-2016 Dtd 03.01.2017, the Company has accounted for an amount of Rs.117.63 lacs during the year under review (Note no. 17). The aforesaid financial assistance has been reduced from cane cost.
32. For sugar season 2015-2016 financial assistance of Rs.23.30/- per quintal was granted vide Govt. of Uttarakhand Order No.XIV-2/2016/7(6)/2013 Dated 08.02.2016, the Company has accounted for an amount of Rs.914.72 lacs during the year under review. The aforesaid financial assistance has been accounted for and included Rs.823.47 lacs under other operating revenue. (Note No. 19) & Rs.91.25 lacs has been reduced from cane cost.
33. Disclosure in respect of Operating Lease:
The Company has entered into non-cancelable Operating Lease for premises and vehicles and lease rent amounting to Rs. 93.65 Lacs (Previous period Rs. 54.35 Lacs) have 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	59.15	15.31
(b)	Later than one year & not later than Five Years	140.07	-
(c)	Later than Five years	-	-

Notes on Financial Statements for the Year ended 31st March 2017

34. 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.
35. 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 segments 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	104603	77246
	b) Cogeneration	9499	5844
	c) Distillery	8586	5768
	TOTAL	122688	88858
	Less: Inter Segment Revenue	14394	7833
	Net Segment Revenue	108294	81025
2.	Segment Results - Profit/(Loss) before Tax and Finance Cost and Exceptional Items		
	a) Sugar	15916	3235
	b) Cogeneration	2743	2502
	c) Distillery	1983	1792
	TOTAL	20642	7529
	Add/Less: i) Finance Cost	6741	5047
	ii) Other Un-allocable Expenses net off	1264	696
	iii) Exceptional Items	452	-
	Profit/(Loss) before Tax	12185	1786
3.	Segment Assets		
	a) Sugar	104870	82313
	b) Cogeneration	10226	10817
	c) Distillery	11141	10249
	d) Unallocable	940	1063
	Total Assets	127177	104442
4.	Segment Liabilities		
	a) Sugar	37964	38493
	b) Cogeneration	24	36
	c) Distillery	1022	527
	d) Unallocable	547	514
	Total Liabilities	39557	39570
5.	Capital Expenditure		
	a) Sugar	1787	1069
	b) Cogeneration	-	14
	c) Distillery	571	160
	d) Unallocable	59	58
	Total Capital Expenditure:	2417	1301
6.	Depreciation and amortization:		
	a) Sugar	1624	1200
	b) Cogeneration	282	216
	c) Distillery (Including Rs.7.63 lacs relating to Prior period)	350	248
	d) Unallocable	28	24
	Total Depreciation and Amortization	2284	1688

Notes on Financial Statements for the Year ended 31st March 2017

36. Other Current Assets Note No '17' includes interest of Rs. 90.39 Lacs (Previous year 372.79 Lacs) recoverable from Banks in respect of Scheme – "Extending Financial Assistance to Sugar Undertakings 2014" for clearance of cane dues wherein the Company has availed term Loan of Rs.5387 Lacs. Further it includes Rs. 4.73 Lacs (Previous period Rs. 110.84) recoverable from Banks in respect of Scheme – "Soft Loan to Sugar Mills 2015" for clearance of cane dues wherein the Company has availed Term Loan of Rs.4582 Lacs.
37. Pre-operative expenses of Rs. 54.62 Lacs during the construction period related to Karnataka Project has been written off during the year (Note No.25) due to non viability of starting of the project.
38. 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	167.08	130.15

II) Defined Benefit plan

- Employee benefits in respect of Gratuity and Leave Encashment are based on Actuarial Valuation as on 31st March 2017. 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 April 2016	528.28 (480.88)	167.02 (141.37)
b) Interest Cost	42.26 (28.85)	13.36 (8.48)
c) Past Service Cost	– (–)	– (–)
d) Current Service Cost	75.45 (47.68)	34.95 (22.01)
e) Benefits Paid	(28.43) (-5.62)	(14.25) (-2.17)
f) Actuarial Loss/(Gain)	50.68 (-23.52)	5.30 (-2.67)
g) Present Value of Obligation as at 31 st March 2017	668.24 (528.27)	206.38 (167.02)
B) Change in Fair Value of Plan Assets	– (–)	– (–)
C) Amount recognized in Balance Sheet (A-B)	668.24 (528.27)	206.38 (167.02)
D) Expenses recognized in the Profit & Loss Account		
a) Current Service Cost	75.45 (47.68)	34.95 (22.01)
b) Past Service Cost	– (–)	– (–)
c) Interest Cost	42.26 (28.85)	13.36 (8.48)

Particulars	Gratuity Unfunded	Leave Encashment Unfunded
d) Actuarial Loss/(Gain)	50.67 (-23.52)	5.30 (-2.67)
e) Net Cost	168.39 (53.01)	53.61 (27.82)
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

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

(Rs. in lacs)

Particulars	Current Year	Previous Period
Expenditure		
Legal & Professional Charges	-	7.65
Repair - Plant & Machinery	0.36	0.02
Fees & Subscription	10.44	1.52
Staff Welfare Expenses	-	0.25
Travelling & Conveyance	0.30	0.34
Rebate & Discount	-	21.20
Reversal of interest receivable	-	59.54
Power & Fuel	-	0.84
Cane Development Exp.	-	1.65
Freight Outwards	0.17	4.26
Raw Material	4.85	0.23
Office Expenses	0.05	-
Salary & Wages	68.21	-
Depreciation	7.63	-
Rates & taxes	0.86	-
Manufacturing Expenses	1.58	-
Interest Expenses	6.28	-
Total	100.73	97.50
Income		
Raw Material	0.16	-
Rebate & Discount	17.69	-
Recovery from farmers pesticides and cane seeds	-	255.30
Repair & Maintenance	-	13.03
Total	17.85	268.33
Net Income	82.88	(170.83)

Notes on Financial Statements for the Year ended 31st March 2017

40. 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 period

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 Private Limited (Earlier known as 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 Energy System Ltd.
- Uttam Housinginfra Limited
- Uttam Sunna Charitable trust
- Uttam Sucrotech International P. 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 31.03.17	Period ended 31.03.16		As at 31.03.17	As at 31.03.16
Key Management Personnel (KMP)						
Raj Kumar Adlakha	Remuneration & Perquisites	93.72	6.50	Remuneration Payable	4.72	3.59
	Commission	76.86	-	Commission Payable	49.36	-
	Lease Rent	14.40	10.80	Lease Rent	3.11	2.97
Ashok Kumar Agarwal	Remuneration & Perquisites	39.17	30.09	Remuneration Payable	3.21	4.68
Relative of KMP						
Amita Adlakha	Office Rent	9.93	6.48	Office Rent	1.27	1.73
Uttam Sucrotech Ltd	Purchase of Fixed Assets	33.02	54.24	Creditors	-	15.43
	Receiving of Services (Machinery)	21.42	23.98	Unsecured Loan	17.94	17.94
	Sugar Sales made	-	0.42	Advance for Purchase of Goods / Services	-	-
				Capital Advance	-	-
	Interest on Unsecured Loan	1.79	-	Interest for Unsecured Loan	1.61	-
	Guarantee received/ (Satisfied) (Net)	6584.22	(8040.28)	Guarantee	50333.16	43748.94
Uttam Sucrotech International P. Ltd.	Receiving of Services (Machinery)	13.60	-	Advance for Purchase of Goods / Services	1.88	-

	Sugar Sales made	0.63	-	Capital Advance	16.00	-
				Creditors	-	-
Uttam Industrial Engg. P.Ltd.	Purchase of Fixed Assets	17.71	36.65	Capital Advance	55.00	-
	Receiving of Services (Machinery)	78.91	215.65	Creditors	-	39.80
	Sugar Sales made	4.94	0.90	Unsecured Loan	47.31	47.31
				Advance for Purchase of Goods / Services	6.67	-
	Interest on Unsecured Loan	9.46	-	Interest for Unsecured Loan	8.52	-
	Guarantee received/ (Satisfied) (Net)	6584.22	(8040.28)	Guarantee	50333.16	43748.94
The Standard Type Foundry P. Ltd.	Purchase of Fixed Assets	26.95	26.53	Advances for Purchase of Goods/Services	-	-
	Receiving of Services (Machinery & Vehicles)	47.94	43.44	Creditors	13.18	48.85
	Sugar Sales made	4.63	1.47			
Lipi Boilers Pvt. Ltd.	Receiving of Services (Machinery)	-	4.59	Capital Advances	64.62	65.56
	Purchase of Fixed Assets	13.94	-	Creditors	22.51	-
	Advance received against sale of assets			Advances for Purchase of Goods/ Services	-	1.12
	Sale of Fixed Assets	-	200.94	Receivables	-	0.94
	Lease Rent of Vehicle	13.80	-	Unsecured Loans	44.24	44.24
	Interest on Unsecured Loan	4.42	-	Interest for Unsecured Loan	3.98	-
	Guarantee received/ (Satisfied) (Net)	6584.22	(8040.28)	Guarantee	50333.16	43748.94
Shubham Sugars Ltd.	Purchase of Agriculture Products	88.43	23.51	Creditors	12.38	71.92
Uttam Adlakha & Sons Holdings Pvt. Ltd.	Interest on Unsecured Loan	2.78	-	Interest for Unsecured Loan	2.51	-
				Unsecured Loan	27.85	27.85
	Guarantee received	2545.33	30950.30	Guarantee	33495.63	30950.30
Sekhri Finance & Investment Pvt. Ltd.	Interest on Unsecured Loan	3.09	-	Interest for Unsecured Loan	2.78	-
				Unsecured Loan	15.47	15.47
Uttam Energy System Ltd.	Purchase of Fixed Assets	43.18	-	Creditors	-	1.15
				Capital advances	98.28	-
				Advance for purchase of goods / Services	20.79	-
Uttam Housinginfra Ltd.	Guarantee received	12624.64	31337.30	Guarantee	47342.94	34718.30

41. Auditors' Remuneration:

(Rs. in lacs)

Particulars	Current Year	Previous Period
(a) As Statutory Auditors	12.00	12.00
(b) For Tax Audit	1.26	1.26
(c) For Taxation Matters	2.88	1.26
(d) For other Matters	2.28	2.34
TOTAL	18.42	16.86

Notes on Financial Statements for the Year ended 31st March 2017

42. Earnings per share (EPS)

(Rs. in lacs)

Particulars	Current Year	Previous Period
(a) Profit / (Loss) attributable to the Equity Shareholders	10932.35	1546.57
Less: Preference Dividend as per Note No.18	541.50	406.13
Profit / (Loss) attributable to the Equity Shareholders	10390.85	1140.44
(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)	27.25	2.99
(e) Diluted Earnings per share (Rs.) (a/bii)	27.25	2.99

43. Foreign Currency Inflow & outflow

A. Expenditures:-

(Rs. in lacs)

Particulars	Current Year	Previous Period
Travelling Expenditure	7.26	3.08
Fixed Assets	18.39	-

B. Earnings:-

(Rs. in lacs)

Particulars	Current Year	Previous Period
Export Sales (F.O.B. Value)	-	75.26
Advance received for Export Sale of finished goods	17.86	-

44. Details of Specified Bank Notes (SBN) held and transected during the period 08.11.16 to 30.12.2016 is as under :-

S.No.	Particulars	Amount (Rs in Lacs)
1	Closing Balance as on 08.11.2016	
a.	Specified Bank Notes (SBN)	27.40
b.	Other denomination	41.21
	Total	68.61
2	Receipts	
a.	Specified Bank notes (SBN)	0.00
b.	Other denomination	80.27
	Total	80.27
3	Payment	
a.	Specified Bank notes (SBN)	0.00
b.	Other denomination	103.68
	Total	103.68
4	Deposited in Bank	
a.	Specified Bank notes (SBN)	27.40
b.	Other denomination	0.16
	Total	27.56

S.No.	Particulars	Amount (Rs in Lacs)
5	Closing Balance as on 30.12.2016	
a.	Specified Bank notes (SBN)	0.00
b.	Other denomination	17.64
	Total	17.64

- 45.** Deferred Tax Assets in respect of Unabsorbed Depreciation Losses & Unabsorbed Business Losses has been recognized by the Company. The management is of the view that due to increased in sugar recovery supported by cane development activities, rise in sugar prices and profits during the current year & immediate preceding year, It has become reasonable that sufficient taxable income will be available against which such deferred tax assets can be realized.
- 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.** The previous year figures have been re-arranged, regrouped and reclassified wherever necessary and the figures are rounded off to nearest rupee Lacs.
- 48.** Current Financial year is of 12 months commencing from 01.04.2016 to 31.03.2017 while the previous period was for 9 months commenced from 01.07.2015 to 31.03.2016, therefore figures are not comparable.

For and on behalf of the Board

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)
Sr. V.P. (A/C & Commercial)

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

Place : Noida

Dated : 27th April 2017



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 be filled in if the Proxy attends instead of the member) :

I hereby record my presence at the 22nd Annual General Meeting held on 26th September, 2017 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 HEAR)-----<--



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

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) :

Email Id :

DP ID :

Folio No. / Client ID No. :

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

1. Name: Address:
E-mail id:.....Signature : or failing him
2. Name: Address:
E-mail id:.....Signature : or failing him
3. Name: Address:
E-mail id:.....Signature : or failing him

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

----- (TEAR HEAR) -----

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Tuesday, 26th September, 2017 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 31 st March, 2017.		
2.	Re-appointment of Mr. Ashok Kumar Agarwal (DIN: 05199585) who retires by rotation and being eligible, offers himself for re-appointment		
3.	Appointment of M/s SSVS & Co., Chartered Accountants (Firm Registration No. 021648C) as Statutory Auditor in place of M/s. B. K. Kapur & Company and fixing their remuneration.		
Special Business			
4.	Revision in the Remuneration of Mr. Ashok Kumar Agarwal (DIN: 05199585), Executive Director of the Company		
5.	Revision in the Remuneration of Mr. Raj Kumar Adlakha (DIN: 00133256), Managing Director of the Company		
6.	Approval of the Remuneration of the Cost Auditor for the financial year 2017-18.		

Signed this day of2017.

Signature of the Member :

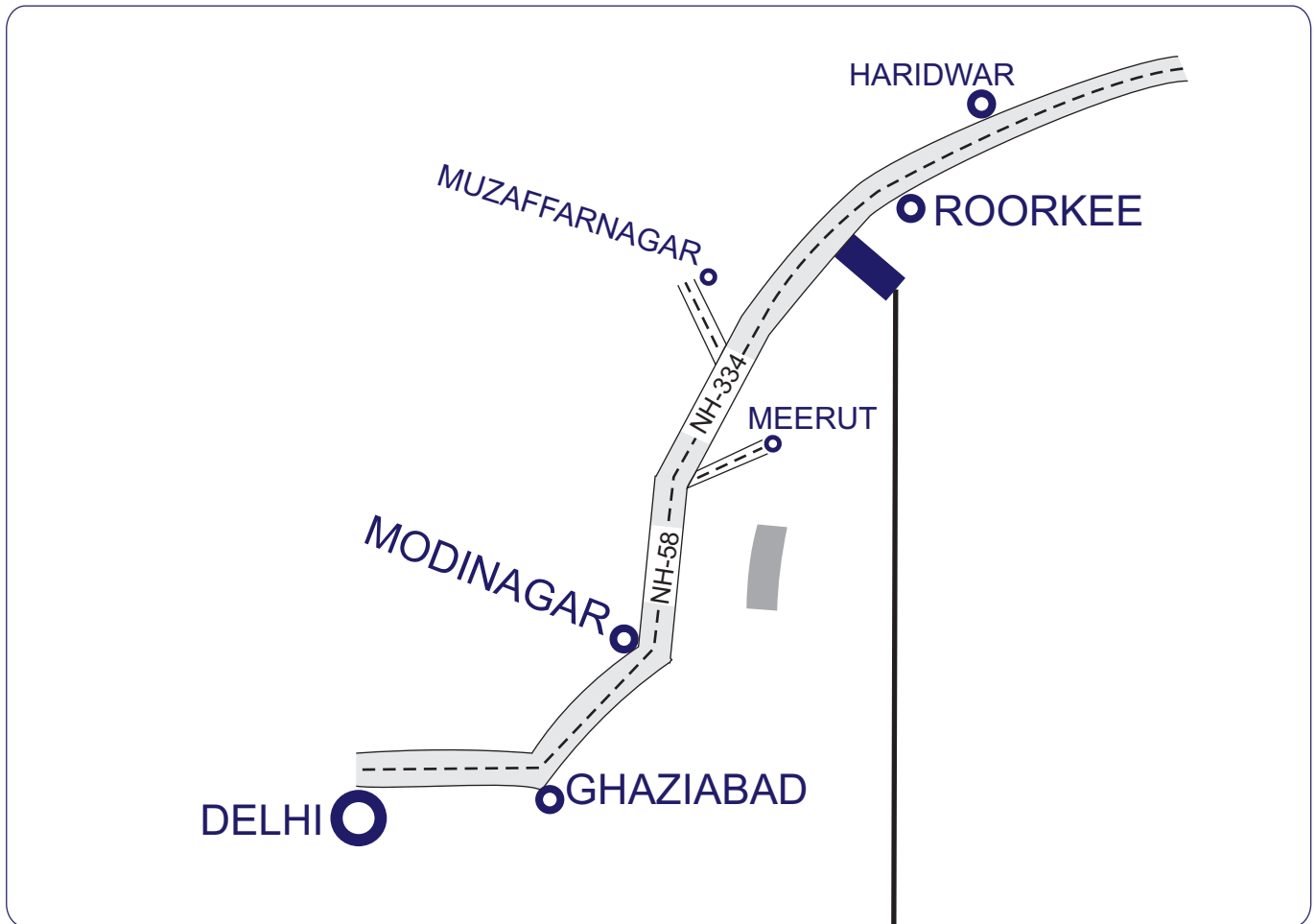
Signature of the proxy holder(s) :

**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 22nd 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 TUESDAY, THE 26TH SEPTEMBER, 2017 AT 12.00 NOON.**



VENUE OF ANNUAL GENERAL MEETING
UTTAM SUGAR MILLS LIMITED
VILLAGE : LIBBERHERI, TEHSIL
ROORKEE, DISTRICT HARIDWAR,
UTTARAKHAND



Uttam Sugar Mills Limited



Corporate Office : A-2E, IIIrd Floor, CMA Tower, Sector-24, NOIDA-201 301 (U.P.)

Tel. : +91-120-4525000, Fax : +91-120-4525020

Web : www.uttamsugar.in, www.uttamgroup.in

Registered Office :

Village Libberheri, Tehsil Roorkee, Distt. Haridwar, Uttrakhand, India.

Works

Unit-I: Village Libberheri, Tehsil Roorkee, Distt. Haridwar, Uttrakhand, India.

Unit-II: Village Barkatpur, Tehsil Nazibabad, Distt. Bijnore, Uttar Pradesh, India.

Unit-III: Village Khaikheri Tehsil & Distt.-Muzaffarnagar, Uttar Pradesh, India

Unit-IV : Village Shermau Tehsil Nakur, Distt. Saharanpur, Uttar Pradesh, India

www.uttamsugar.in