

FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

101

Contents

Consolidated

CORPORATE OVERVIEW

Corporate Information	01
Chairperson's Message	02
STATUTORY REPORTS	
Directors' Report	04
Management Discussion and Analysis	10
Report on Corporate Governance	20
FINANCIAL STATEMENTS	
Standalone	56

Corporate Information

BOARD OF DIRECTORS

Mrs. Nandini Nopany - Chairperson

Mr. Chandra Shekhar Nopany

Mr. Gaurav Swarup

Mr. Sunil Kanoria

Mr. Ishwari Prosad Singh Rov

Mr. Padam Kumar Khaitan

Mr. Pradeep Kumar Singhi

Mr. Bal Kishore Malpani, Whole-time Director

COMMITTEES OF DIRECTORS

Finance & Corporate Affairs Committee

Mrs. Nandini Nopany - Chairperson

Mr. Chandra Shekhar Nopany

Mr. Sunil Kanoria

Mr. Padam Kumar Khaitan

Audit Committee

Mr. Ishwari Prosad Singh Roy - Chairman

Mr. Pradeep Kumar Singhi

Mr. Bal Kishore Malpani

Stakeholders' Relationship Committee

Mr. Chandra Shekhar Nopany - Chairman

Mr. Ishwari Prosad Singh Roy

Mr. Gaurav Swarup

Mr. Bal Kishore Malpani

Nomination and Remuneration Committee

Mr. Ishwari Prosad Singh Roy - Chairman

Mr. Padam Kumar Khaitan

Mr. Gaurav Swarup

Mr. Bal Kishore Malpani

Risk Management Committee

Mr. Gaurav Swarup – Chairman

Mr. Sunil Kanoria

Corporate Social Responsibility Committee

Mrs. Nandini Nopany - Chairperson

Mr. Sunil Kanoria

Mr. Bal Kishore Malpani

EXECUTIVES

Mr. Chand Bihari Patodia - Advisor

Mr. Santosh Kumar Poddar - Company Secretary

Mr. Shiv Kumar Maheshwari - Chief Financial Officer

Mr. Sukhvir Singh - Executive President (Seohara)

Dr. R N Tripathi - Sr. Executive Vice-President (Sidhwalia)

Mr. Mehtab Singh – Executive President (Hasanpur)

Mr. Shyam Sunder Binani – Executive Vice-President (Tea Garden)

ADVOCATES & SOLICITORS

Khaitan & Co., LLP

AUDITORS

S.R. Batliboi & Co. LLP Chartered Accountants 22, Camac Street, 3rd Floor, Block - C, Kolkata - 700 016

BANKERS

State Bank of India

Punjab National Bank

ICICI Bank Ltd.

DCB Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.

59C, Chowringhee Road

3rd Floor

Kolkata -700 020

Tel. No.: 91-033-2289 0540 Fax No.: 91-033-2289 0539

E-mail: kolkata@linkintime.co.in

REGISTERED OFFICE

P.O. Seohara, Dist. Bijnor (U.P.)

Pin Code : 246 746 Tel. No.: (01344) 252401 Fax No.: (01344) 252321

Email: birlasugar@birla-sugar.com Website: www.birla-sugar.com CIN No. L15421UP1932PLC025141

CORPORATE & HEAD OFFICE

Birla Building, 5th Floor

9/1, R.N. Mukherjee Road,

Kolkata - 700 001

Tel. No.: 91-033-2243 0497/8 Fax No.: 91-033-2248 6369

E-mail: birlasugar@birla-sugar.com Website: www.birla-sugar.com

SUGAR MILLS

1. Seohara, Dist. Bijnor (U.P.) - 246746

2. Sidhwalia, Dist. Gopalganj (Bihar) - 841428

3. Hasanpur, Dist. Samastipur (Bihar) - 848205

DISTILLERY

Seohara, Dist. Bijnor (U.P.)

CO-GENERATION

Co-generation Plant, Seohara

Co-generation Plant, Sidhwalia

Co-generation Plant, Hasanpur

TEA GARDEN

Cinnatolliah Tea Garden

North Lakhimpur (Assam)

Chairperson's Message



Dear Shareholders,

Following prolonged challenges, India's sugar sector is gradually moving towards a phase of balanced and sustainable growth. Sugar demand is marginally exceeding supply for the first time in five years in India. Such a scenario will bolster realisations and benefit the industry as a whole. Changes in India's sugar industry scenario has a major impact on the world, as India continues to be one of the largest global producers and consumers.

Globally, the production of sugar is expected to touch 169.371 million tonnes in 2015-16, a decline of 1.969 million tonnes or 1.15% from 2014-15. This was primarily due to reductions in Brazil, India, the European Union and Ukraine. During the year, sugar prices fluctuated in the global market owing to multiple factors. The effect of El Nino caused inadequate rainfall; and even there was drought in sugar producing countries such as South Africa, India, Thailand and Australia. Excessive rain in Brazil caused harvest problems and reduced sugar content in cane. A change in Brazilian fuel tax policy caused by increased duty to petrol has stimulated greater demand for cheaper bioethanol for the nation's flex-fuel fleet. This in turn averted the supply from sugar exports and increased the price.

In India, the world's second largest sugar producer, sugar production during the year was 237 lac tonnes, lower by 11 lac tonnes than the previous fiscal. The trend indicates a shorter tail of crushing and lower sugar production this year vis-à-vis the preceding sugar season. The decline in production was primarily driven by a severe drought in the largest sugar-producing state, Maharashtra, which impacted the availability of sugarcane. In Karnataka, weaker monsoons are expected to adversely impact sugar production, while production is expected to marginally increase in Tamil Nadu.

The Government has supported sugar mills by providing interest-free loans to clear cane dues and mandating compulsory exports to tackle the high sugar stocks in the domestic market. Besides, cash subsidy from UP and Bihar governments have positively impacted the industry.

Going forward, we expect further improvement in domestic sugar realisations. It is encouraging to note that sugar demand is likely to be robust as domestic food and beverages sector continues to grow in India

Prices also firmed in India, where the expectation of sizeable exports and a consequential drop in domestic sugar stocks lent support to the market. The current level of sugar pricing is at a balanced position and larger units are expected to do well, going forward.

The prices of by-products such as bagasse and molasses remain remunerative, driven by healthy demand from the consuming sectors such as power, paper and alcohol. Moreover, ethanol is gaining prominence as fuel substitute with a renewed focus on using bio-fuels and green energy to reduce emissions. To encourage the use of bio-fuels in India, the Government has proposed an enhancement of ethanol blending to 10% from the current 5% and fixing more remunerative prices. It is one of the areas which has the potential of improving the fundamentals of the sugar sector if pursued seriously by the Government.

OUR PERFORMANCE

After few years of consistent challenges, the Company finally witnessed improvement during the year. Our sugar segment registered a production of 23.78 lac quintals during the sugar season 2015- 16, as against 23.04 lac quintals during 2014-15. Our revenue from operations (Gross) marginally decreased from 88,618.97 lacs and stood at 87,697.16 lacs. However, the net profit grew to 1,119.27 lacs against a loss of (5,537.13 lacs) the previous year.

We are restructuring our two businesses to bring in fiscal flexibility and facilitate the operational efficiency in

order to realign our business whereby businesses of the Company will be housed geographically in separate new entities for its sugar, investment and tea undertakings. The UP unit will be under Avadh Sugar & Energy Limited and Bihar unit will be under Magadh Sugar & Energy Limited. The restructuring process is awaiting regulatory approvals and the entire process is expected to be completed by September-October 2016.

Going forward, we expect further improvement in domestic sugar realisations. It is encouraging to note that sugar demand is likely to be robust as domestic food and beverages sector continues to grow in India. India's rapid economic growth and evolving consumer aspirations and spending patterns will drive the sector's next level of growth.

We believe, the sugar industry will gradually perform better, and we seek the support of state governments in evolving a balanced and transparent cane pricing mechanism and free movement of molasses.

We, as a company, will emphasise on strengthening our internal efficiencies to make the most of the emerging optimism in the sector. I expect the cooperation and support of all our stakeholders to make the journey more rewarding in future.

Warm regards,

Nandini Nopany Chairperson

Directors' Report

Dear Members.

Your Directors present herewith the 84th Annual Report on the business & operations of the Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2016.

2. FINANCIAL RESULTS AND APPROPRIATIONS

(₹ in lacs)

		((111 1465)
	Year ended 31st March, 2016	Year ended 31st March, 2015
Revenue from Operations (Gross)	87,697.16	88,618.97
Profit before Finance Costs, Tax, Depreciation and Amortisation	7,976.30	(333.49)
Less : Depreciation & Amortisation Expenses	1,397.93	1,702.23
Finance Costs	5,579.66	6,467.27
Profit/(Loss) Before Tax	998.71	(8,502.99)
Less : Provision for Tax:		
Current tax (including ₹ 13.38 lacs for earlier years)	55.52	85.76
Deferred tax charge / (credit)	199.75	(3,051.62)
Provision for Income Tax no longer required written back	(375.82)	-
Profit/(Loss) After Tax	1,119.26	(5,537.13)

3. OPERATING PERFORMANCE

In facade of dynamic market conditions wherein the first half being quite subdued in comparison to other half which witnessed upward trend in sugar pricing, your Company has delivered top line growth and performed ahead of underlying sugar season 2015-16, prima-facie due to supply of good quality of sugarcane culminating into higher recoveries and expedited sales. A detailed analysis of the Company's operations, future expectations and business environment has been given in the Management Discussion & Analysis Report which is made an integral part of this Report and marked as **Annexure "A"**.

4. FINANCIAL PERFORMANCE 2015-16

The Company had recorded Total Revenue of ₹84,109.49 lacs (including other income aggregating to ₹379.94 lacs) during the financial year ended 31st March, 2016. The Revenue from Operations (Gross) of the Company for the year 2015-16 stood at ₹87,697.16 lacs. The Profit before Finance Costs, Tax, Depreciation and Amortisation for the year under review stood at ₹7,976.30 lacs representing 9.48% of the total revenue. The increase in PBIDT of the Company during the period under review is mainly attributed to better sugar sales realisation.

There is no change in the nature of business of the Company. There were no significant or material orders passed by regulators, courts or tribunals impacting the Company's operation in future.

In view of continuing losses the Board does not propose to carry any amount to Reserves.

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year i.e. 31st March 2016 and date of this report.

5. RESEARCH & DEVELOPMENT

During the year under review the Company has undertaken Research & Development initiatives with an intention to improve the sugar recovery ratio and to educate the cane growers to cultivate improved variety of sugarcane and to otherwise increase the sucrose contents in their produce.

6. DIVIDEND

In view of the losses/accumulated losses the Board of Directors do not recommend any dividend for the year under review.

7. SHARE CAPITAL

During the year there were no changes in either the Equity Share Capital of the Company or the Preference Share Capital of the Company, as the paid up Equity Share Capital as on 31st March 2016 stood at ₹ 1,155.73 lacs and whereas the paid up Preference Share Capital of the Company stood at ₹ 3,000.00 lacs.

8. SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on March 13, 2015 has consented to the Composite Scheme of Arrangement subject to approval of Shareholders, Lenders, Creditors, Hon'ble High Court, SEBI, CCI and other regulatory authorities, in order to rearrange its business activities, to achieve the Business alignment as per market dynamics and variant capital needs of each business, as well as ability to recognise the true value of assets in the books which have significantly appreciated over time and thereby improving the financial position and key ratios of the businesses. The Stock Exchange i.e. NSE and BSE, and CSE upon confirmation from SEBI, have issued their observation letters. The CCI has also given their consent to the Scheme. The Company as required has taken steps for approval of the same by filing the Scheme before the Hon'ble High Court at Allahabad. The matter is pending.

9. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement read with Regulation 34 of the SEBI (LODR) Regulations 2015 w.e.f. 1.12.2015 the Management Discussion & Analysis Report, the Report on Corporate Governance, Declaration of Whole-time Director on Code of Conduct and Auditors' Certificate on compliance of conditions of Corporate Governance form an integral part of this Report and are annexed to this Report as **Annexure "A", "B", "C" and "D"** respectively.

10. DIRECTORS

The Board of Directors comprises of seven Non-Executive Directors having experience in varied fields and a Whole-time Director. Out of seven Non-Executive Directors, five of them are Independent Directors.

Mrs. Nandini Nopany will retire by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment as Director of the Company. She is proposed to be re-appointed as Director and will be liable to retire by rotation.

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Directors in compliance with the provisions of Section 149 of the Companies Act 2013 read with SEBI (LODR) Regulations, 2015 and the Board is also of the opinion that Independent Directors fulfils all the conditions specified in the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015 to making them eligible to act as Independent Director.

Other information on the Directors including required particulars of Directors retiring by rotation is provided in the Report of Corporate Governance annexed to this Report as **Annexure "B"**.

11. KEY MANAGERIAL PERSONNEL

The following three persons are designated as Key Managerial Personnel of the Company viz:

- a. Mr. Bal Kishore Malpani, Whole-time Director
- Mr. Shiv Kumar Maheshwari, Chief Financial Officer
- c. Mr. Santosh Kumar Poddar, Company Secretary

All Directors, Key Managerial Personnel and Senior Management of the Company have confirmed compliance with the Code of Conduct & Ethics applicable to Directors & employees of the Company and a declaration to the said effect by the Wholetime Director is made part of Corporate Governance Report which forms part of this report. The Code is available on the Company's website at the weblink http://birla-sugar.com/Assets/UpperGanges/Upper-Ganges-Code-of-Conduct.pdf . All Directors have confirmed compliance with the provisions of Section 164 of the Companies Act, 2013.

12. ANNUAL EVALUATION OF BOARD'S PERFORMANCE

In pursuance of the provisions of the Companies Act, 2013 and according to Regulation of 25(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Performance Evaluation Criteria has been laid down for effective evaluation of performance of the Board of Directors, the Committees thereof and individual Directors including the Chairman of the Board. Based on the criteria set by the Nomination and remuneration Committee, the Board at its meeting critically adjudged the performance of the Independent Directors as well as has also carried out an annual

performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. Again, a meeting of the Independent Directors is required to be held to evaluate the performance of the Non-Independent Directors. Accordingly, a meeting of Independent Directors was held wherein the performance of the Non-Independent Directors, including the Chairman was evaluated.

13. FAMILIARISATION PROGRAMME

Periodic presentations are made at the Board Meetings, on business, performance updates & business strategy of the Company.

14. AUDIT COMMITTEE

The Audit Committee was constituted on 11.09.2000 and the Committee now comprises of Mr. Ishwari Prosad Singh Roy, Mr. Pradeep Kumar Singhi and Mr. Bal Kishore Malpani. The Company Secretary acts as the Secretary to the Committee and the Chief Financial Officer is a permanent invitee to the meetings. During the year there were no instances where Board has not accepted the recommendation of Audit Committee.

The details of the terms of reference, number and dates of meetings held, attendance of the Directors and remuneration paid to them are separately provided in the Corporate Governance Report.

15. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Investors Grievance Committee was constituted on 11.09.2000 and was renamed as Stakeholders' Relationship Committee w.e.f. 15.05.2014 to comply with the requirements of the Companies Act 2013 and the Listing regulations. The Committee now comprises of Mr. Chandra Shekhar Nopany, Mr. Ishwari Prosad Singh Roy, Mr. Gaurav Swarup and Mr. Bal Kishore Malpani. The Company Secretary acts as the Secretary to the Committee. The details of the terms of reference, number and dates of meetings held, attendance of the Directors and remuneration paid to them are separately provided in the Corporate Governance Report.

16. NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee was constituted on 30.07.2002 and was renamed as Nomination and Remuneration Committee w.e.f. 15.05.2014 to comply with the requirements of the Companies Act

2013 and the Listing regulations. The Committee now comprises of Mr. Ishwari Prosad Singh Roy, Mr. Gaurav Swarup, Mr. Padam Kumar Khaitan and Mr. Bal Kishore Malpani. The Company Secretary acts as the Secretary to the Committee. The details of the terms of reference, number and dates of meetings held, attendance of the Directors and remuneration paid to them are separately provided in the Corporate Governance Report.

17. INTERNAL COMPLAINTS COMMITTEE

An Internal Complaints Committee was constituted by the Company in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Act aims at protecting women's right to gender equality, life and liberty at workplace to encourage women participation at work. The Committee meets all the criteria including its composition mentioned in the Act and relevant Rules. No complaint has been received by the committee during the year under review.

18. REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy as adopted by the Board of Directors is attached as **Annexure "E"** to this Report. The Committee has also framed criteria for performance evaluation of every Director and accordingly has carried out the performance evaluation.

19. MEETINGS

A calendar of Meeting is prepared and circulated in advance to the Directors. The Board evaluates all the decisions on a collective consensus basis amongst the Directors. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. During the financial year ended 31st March 2016, 8 (eight) Meetings of the Board of Directors of the Company were held. The details of the Board Meetings held during the F.Y. 2015-16 have been furnished in the Corporate Governance Report forming a part of this Annual Report.

20. CORPORATE SOCIAL RESPONSIBILITY

The Company continues to spend to support local initiatives to improve infrastructure as well as support in other corporate social responsibilities. The disclosure requirement with respect to CSR spends are not applicable to the Company in view of inadequate profits/losses during the three immediately preceding financial years. The Company

has constituted the Corporate Social Responsibility Committee on 13.05.2016 to comply with the requirements of the Companies Act 2013.

21. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 2.1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

22. RISK MANAGEMENT

In line with the new regulatory requirements, the Company has formally framed a Risk Management Policy to identify and assess the key risk areas, monitor and report the compliance and effectiveness of the same. A Risk Management Committee has already been in place to oversee the risk management process in the Company. The committee has reviewed the major risks which effect the Company from both the external and

the internal environment perspective. Appropriate actions have been initiated to mitigate, partially mitigate, transfer or accept the risk (if need be) and monitor the risks on a regular basis.

23. INTERNAL FINANCIAL CONTROLS

The Company has laid down internal financial control's, through a combination of Entity level controls, Process level controls and IT General controls inter-alia to ensure orderly and efficient conduct of business, including adherence to the Company's policies and procedures, accuracy and completeness of accounting records and timely preparation and reporting of reliable financial statements / information, safeguarding of assets, prevention and detection of frauds and errors. The evaluations of these internal financial controls were done through the internal audit process and were also reviewed by the Statutory Auditors. Based on the review of these reported evaluations, the Directors confirm that, for the preparation of financial accounts for the financial year ended March 31, 2016, the applicable Accounting Standards have been followed and the internal financial controls are generally found to be adequate and were operating effectively & that no significant deficiencies were noticed.

24. WHISTLE BLOWER / VIGIL MECHANISM

The Company has established a vigil mechanism and adopted whistle blower policy, pursuant to which whistle blowers can report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimisation of persons who use this mechanism. The brief detail about this mechanism may be accessed on the Company's website at the weblink http://birla-sugar.com/Assets/UpperGanges/Upper-Ganges-Whistle-Blower-Policy-2507.pdf.

25. HUMAN RESOURCES

The Company continued to create a productive, learning and caring environment by implementing robust and comprehensive HR processes, fair transparent performance evaluation and taking new initiatives to further align its Human Resource policies to meet the growing needs of its business.

26. AUDITORS, AUDIT QUALIFICATIONS AND BOARD'S EXPLANATIONS

Statutory Auditors

Messrs S R Batliboi & Co LLP, Chartered Accountants, hold office as Auditors of the Company till the conclusion of ensuing Annual General Meeting

and being eligible, offered themselves for reappointment. According to the certificate submitted to the Company by the said firm of Auditors the said re-appointment, if made by the Shareholders, will be well within the limits prescribed in Section 141 of the Companies Act, 2013.

The Board, on the recommendation of the Audit Committee, proposed that Messrs S R Batliboi & Co LLP, Chartered Accountants, be re-appointed as the Statutory Auditors of the Company for a period beginning the conclusion of the ensuing Annual General Meeting of the Company and ending on the conclusion of the Annual General Meeting to be held next thereafter.

The remarks/observations made by the Statutory Auditors in their report are self explanatory and does not require any further clarifications/ explanation. However, the Statutory Auditors have commented regarding carrying Deferred Tax Asset (DTA) (net) of ₹ 7,017.61 lacs (after reversal of ₹ 199.75 lacs during the year) up to March 31, 2016. The Company has not recognised any further DTA during the current financial year as a matter of prudence. Further, the Company has earned profits during the current year consequent to improved realisation and sugar yields. In view of above, the management is certain that the Company would be in a position to generate positive cash flows and profitability and is certain that there would be sufficient taxable income in future to claim the above tax credit.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Sugar activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed Mr. Som Nath Mukherjee, Cost Accountant, as the Cost Auditor to audit the cost accounts of the Company for the financial year 2016-17. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed Messrs Vinod Kothari & Co., Practising Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit Report is annexed herewith as **Annexure "F"** and which is self explanatory.

27. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has following wholly owned subsidiaries and one joint venture company as per detail given below:

- i. Uttar Pradesh Trading Company Limited
- ii. Ganges Securities Limited
- iii. Cinnatolliah Tea Limited
- iv. Magadh Sugar & Energy Limited
- Avadh Sugar & Energy Limited- A Joint Venture Company

The Annual Accounts of the subsidiary companies will be made available for inspection by any shareholder at the Registered Office of the Company and would also be available on the Company's website at the weblink www.birla-sugar.com. Furthermore, a hard copy of the detailed accounts of the subsidiaries would be furnished to any shareholder on demand at any point of time.

The Company has also formulated a policy for determining material subsidiaries in line with the requirement of Listing Agreement. The said Policy is being disclosed on the Company's website at the weblink http://www.birla-sugar.com/Assets/UpperGanges/Upper--Policy_to_determin_Material_Subsidiary.pdf.

28. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

The salient features of the financial statement of its subsidiaries are also provided in a separate statement being **Annexure "G"** and made part of this Report.

29. PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and as such there are no outstanding