

# DOOGAR & ASSOCIATES

CHARTERED ACCOUNTANTS

## LIMITED REVIEW REPORT

**The Board of Directors**  
**SBEC Sugar Limited**

We have reviewed the accompanying consolidated statement of unaudited financial results of **SBEC Sugar Limited** for the quarter ended 30<sup>th</sup> June 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these consolidated financial statements based on our review.

We conducted our review in accordance with standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by The Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provided less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review the financial statements of two subsidiaries included in the consolidated quarterly financial results. The financial statements of SBEC Bio-energy Limited reflect total assets of Rs. 18012.84 lacs as at 30<sup>th</sup> June 2015 and total revenues from operation of Rs. 244.72 lacs for the quarter ended on that date. The financial statements of SBEC Stockholding and Investment Limited reflect total assets of Rs. 2,782.23 lacs as at 30<sup>th</sup> June 2015 and total revenues from operation of Rs. NIL for the quarter ended on that date. These financial statements have been reviewed by other auditors and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors.

*During the quarter the company has not made provision for interest, on late payment of cane dues amounting to Rs. 879.53 lacs. Accordingly the expenses and loss for the quarter ended on 30<sup>th</sup> June 2015 would have been higher by Rs. 879.53 lacs and its consequential impact on EPS.*

Based on our review, *except for our observation in para supra*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukul Marwah**  
Partner  
M.No. 511239



Place: New Delhi  
Date: 13/08/2015

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED : 30th June, 2015

(Rs. In Lakhs)

S No.	PARTICULARS	STANDALONE				CONSOLIDATED			
		Quarter Ended		Year Ended	Quarter Ended		Year Ended		
		30.06.2015 (Unaudited)	31.03.2015 (Audited)	30.06.2014 (Unaudited)	31.03.2015 (Audited)	30.06.2015 (Unaudited)	31.03.2015 (Audited)	30.06.2014 (Unaudited)	31.03.2015 (Audited)
1	<b>Income from Operations</b> (a) Net Sales / Income from Operations (Net of excise Duty) (b) Other Operating Income	10,352.89 9.32	11,285.19 31.13	13,802.55 11.91	42,322.13 44.71	10,597.61 9.32	11,891.70 31.13	14,055.73 11.91	43,411.18 44.71
	<b>Total Income from Operations (net)</b>	<b>10,362.20</b>	<b>11,316.32</b>	<b>13,814.46</b>	<b>42,366.84</b>	<b>10,606.93</b>	<b>11,922.83</b>	<b>14,067.63</b>	<b>43,455.89</b>
2	<b>EXPENSES</b>								
	a) Cost of materials consumed	3,739.24	16,024.15	6,053.55	28,916.58	3,739.24	16,024.14	6,053.55	28,916.58
	b) Purchases of Stock in Trade	-	1,137.85	1,069.78	4,728.30	-	1,137.85	1,069.78	4,728.30
	c) Change in inventories of Finished Goods, Work-in-Progress and Stock in Trade	6,804.84	(7,523.27)	6,092.73	7,527.81	6,809.66	(7,527.08)	6,097.83	7,531.04
	d) Employees benefits expense	210.23	296.40	196.00	965.53	251.21	343.55	233.71	1,135.30
	e) Depreciation and amortisation expense	77.81	80.59	86.30	281.15	88.39	89.64	97.55	324.19
	f) Other Expenses	449.69	1,080.89	528.71	2,617.41	539.76	1,247.17	599.21	3,065.10
	g) Total Expenses	<b>11,281.81</b>	<b>11,096.60</b>	<b>14,027.07</b>	<b>45,036.77</b>	<b>11,428.25</b>	<b>11,315.28</b>	<b>14,151.63</b>	<b>45,700.51</b>
3	<b>Profit(+)/Loss(-) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)</b>	<b>(919.61)</b>	<b>219.72</b>	<b>(212.61)</b>	<b>(2,669.93)</b>	<b>(821.33)</b>	<b>607.55</b>	<b>(84.00)</b>	<b>(2,244.62)</b>
4	Other Income	272.89	151.71	210.10	729.83	272.89	151.77	210.10	731.35
5	<b>Profit(+)/Loss(-) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)</b>	<b>(646.71)</b>	<b>371.43</b>	<b>(2.51)</b>	<b>(1,940.10)</b>	<b>(548.43)</b>	<b>759.32</b>	<b>126.10</b>	<b>(1,513.27)</b>
6	Finance Cost	154.73	343.11	246.57	921.36	259.72	460.85	330.26	1,287.14
7	<b>Profit(+)/Loss(-) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)</b>	<b>(801.45)</b>	<b>28.33</b>	<b>(249.08)</b>	<b>(2,861.45)</b>	<b>(808.16)</b>	<b>298.47</b>	<b>(204.15)</b>	<b>(2,800.41)</b>
8	Exceptional Items	-	-	-	-	-	-	-	-
9	<b>Profit(+)/Loss(-) from Ordinary Activities before Tax (7+8)</b>	<b>(801.45)</b>	<b>28.33</b>	<b>(249.08)</b>	<b>(2,861.45)</b>	<b>(808.16)</b>	<b>298.47</b>	<b>(204.15)</b>	<b>(2,800.41)</b>
10	Tax Expense Current Tax Deferred Tax MAT credit written back	-	-	-	-	-	16.59	-	16.59
11	<b>Net Profit(+)/Loss(-) from Ordinary Activities after Tax(9-10)</b>	<b>(801.45)</b>	<b>28.33</b>	<b>(249.08)</b>	<b>(2,861.45)</b>	<b>(808.16)</b>	<b>281.88</b>	<b>(204.15)</b>	<b>(2,817.00)</b>
12	Extraordinary Items (Net of Tax Expenses)	-	-	-	-	-	-	-	-
13	<b>Net Profit(+)/ Loss(-) for the Period (11-12)</b>	<b>(801.45)</b>	<b>28.33</b>	<b>(249.08)</b>	<b>(2,861.45)</b>	<b>(808.16)</b>	<b>281.88</b>	<b>(204.15)</b>	<b>(2,817.00)</b>
14	Minority interest	-	0.00	-	-	(3.01)	114.44	20.23	20.39
15	<b>Net Profit(+)/ Loss(-) after taxes , minority interest (13-14)</b>	<b>(801.45)</b>	<b>28.33</b>	<b>(249.08)</b>	<b>(2,861.45)</b>	<b>(805.14)</b>	<b>167.44</b>	<b>(224.39)</b>	<b>(2,837.39)</b>
16	Paid-up Equity Share Capital (face value of Rs. 10/- each )	4765.39	4765.39	4,765.39	4,765.39	4765.39	4,765.39	4,765.39	4,765.39
17	Reserve Excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	-	-	-
18	Earning Per Share (EPS) a) EPS before Extraordinary Items i) Basic ii) Diluted b) EPS after Extraordinary Items	(1.68) (1.68)	0.06 0.06	(0.52) (0.52)	(6.00) (6.00)	(1.69) (1.69)	0.35 0.35	(0.47) (0.47)	(5.95) (5.95)



		(1.68)	0.06	(0.52)	(6.00)	(1.69)	0.35	(0.47)	(5.95)
		(1.68)	0.06	(0.52)	(6.00)	(1.69)	0.35	(0.47)	(5.95)
19	Public shareholding								
i) Basic	Number of shares (Fig. in Absolute Term)	16,598,418	16,598,418	21,702,797	16,598,418	21,702,797	16,598,418	21,702,797	16,598,418
ii) Diluted	Percentage of Shareholding	34.83%	34.83%	45.54%	34.83%	45.54%	34.83%	45.54%	34.83%
20	Promoters and promoter group shareholding								
a) Pledged / Encumbered									
	- Number of shares	-	-	7,000,000	-	7,000,000	-	7,000,000	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	26.97%	0.00%	26.97%	0.00%	26.97%	0.00%
	- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	14.69%	0.00%	14.69%	0.00%	14.69%	0.00%
b) Non encumbered									
	- Number of shares (Fig. in Absolute Term)	31,055,462	31,055,462	18,951,083	31,055,462	18,951,083	31,055,462	18,951,083	31,055,462
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	73.03%	100.00%	73.03%	100.00%	73.03%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	65.17%	65.17%	39.77%	65.17%	39.77%	65.17%	39.77%	65.17%

	3 Months ended 30.06.2015
B	
	INVESTORS COMPLAINTS
	Pending at the beginning of the quarter
	Received during the quarter
	Disposed of during the quarter
	Remaining unsolved at the end of the quarter
	NIL
	NIL
	NIL
	NIL

**NOTES :**

- Sugar industry being seasonal in nature the results of any quarter may not be a true and/or proportionate reflection of the annual performance of the Company.
- The consolidated financial results comprise the financial results of SBEC Sugar Limited and its one wholly owned subsidiaries ie. SBEC Stockholding & Investment Limited and one subsidiary ie. SBEC Bioenergy Limited and have been prepared in accordance with the AS-21 issued by the ICAI.
- The Company is a single product, single location company and hence the requirements of AS-17 on Segment Reporting is not relevant.
- The State Government of Uttar Pradesh has, as per PNCM Cabinet Decision dated 12th November 2014, inter alia, announced cash subsidy upto Rs. 28.60 per Qlt of cane purchased for the sugar industry, linked to the average selling price of sugar and its by products. During the period 1st April 2015 to 30th June 2015, the prices being remained below the threshold limit provided in the notification. Since the Management is virtually certain regarding realisation of subsidy, the Company has accounted for cash subsidy of Rs. 28.60 per Qlt of cane purchased by it aggregating to Rs. 457.51 lacs
- The Company has not made provision for interest on late payment of cane dues for the quarter of Rs. 879.53 lacs & for earlier years Rs. 6046.43 lacs aggregating to Rs. 6925.96 lacs. Accordingly manufacturing expense and net losses for the quarter would have been higher by Rs. 879.53 lacs and its consequential impact on current liabilities and EPS.
- The company in terms of Board of Director's resolution dated 6th July 2013 has filed a reference with the Board for Industrial and Financial Reconstruction (BIFR) U/S 15(1) of the Sick Industrial Companies (Special provisions) Act, 1985 (SICA) vide its letter dated 24th July 2013 and as per communication received from BIFR vide its letter No. 3/(S-22)/BC/2013 dated 21st August 2013. The said reference has been registered by BIFR as case No. 56/2013. The BIFR has obtained the company as Sick u/s 3(1)(c) of SICA and appointed IBI as operating agency u/s 17(3) of the Act. In its hearing held on dated 04.02.2014 & the Draft Rehabilitation Scheme is Under Completion.
- The above financial results have been reviewed by Statutory Auditors and Audit Committee of the Company & then approved and taken on record by the Board at their respective meeting held on the 13/08/2015
- Previous Years/Quarters figures have been regrouped/rearranged, wherever necessary.

Date : 13th August, 2015  
Place : New Delhi

