

# 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 & six months ended 30<sup>th</sup> September 2014, 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.

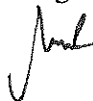
We conducted our review in accordance with standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by The Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain 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 three subsidiaries included in the consolidated quarterly financial results. The financial statements of SBEC Bio-energy Limited reflect total assets of Rs. 17,590.04 lacs as at 30<sup>th</sup> September, 2014 and total revenues from operation of Rs. (0.23) lacs for the quarter ended on that date. The financial statements of SBEC Stockholding and Investment Limited reflect total assets of Rs. 2,752.82 lacs as at 30<sup>th</sup> September, 2014 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 (i) on late payment of cane dues amounting to Rs. 951.32 lacs; and (ii) on an inter corporate deposits Rs.112.74 lacs. Accordingly the expenses and loss for the quarter and six months ended on 30<sup>th</sup> September 2014 would have been higher by Rs. 1,064.06 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

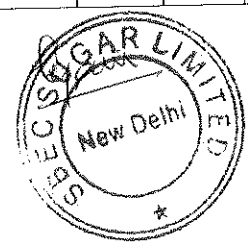


**Mukul Marwah**  
Partner  
M.No. 511239

Place: New Delhi  
Date: 14/11/2014

S No.	PARTICULARS	STANDALONE					CONSOLIDATED						
		Quarter Ended		Half Year Ended		Year Ended	Quarter Ended		Half Year Ended		Year Ended		
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	
1	Income from Operations (a) Net Sales / Income from Operations (Net of excise Duty) (b) Other Operating Income <b>Total Income from Operations (net)</b>	7,150.23	13,802.55	6,882.10	20,952.78	17,421.92	38,214.86	7,150.00	14,055.73	6,882.10	21,205.73	17,568.66	39,113.18
2	EXPENSES a) Cost of materials consumed b) Purchase of Stock in Trade c) Change in inventories of Finished Goods, Work-in-Progress and Stock in Trade d) Employees' Benefits expense e) Depreciation and amortisation expense f) Other Expenses g) Total Expenses	0.49	6,053.55	1.45	6,054.04	2,833.09	25,931.68	0.49	6,053.55	1.45	6,054.04	2,833.09	25,931.68
3	Profit/(+)/Loss(-) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(547.88)	(2,251.00)	(1,189.09)	(501.26)	(411.17)	(7,716.82)	(665.30)	(2,002.18)	(1,189.09)	(501.26)	(411.17)	(7,716.82)
4	Other Income	366.91	210.10	17.93	576.11	66.36	586.43	367.43	210.10	20.60	577.52	69.03	600.58
5	Profit/(+)/Loss(-) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	(180.97)	(2,040.90)	(1,171.16)	(425.15)	(344.81)	(7,130.39)	(297.87)	(1,792.08)	(1,168.49)	(423.74)	(342.14)	(7,116.24)
6	Finance Cost	187.04	246.57	744.89	432.60	1,557.39	2,584.05	268.68	330.26	841.07	598.93	1,740.17	3,261.12
7	Profit/(+)/Loss(-) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	(368.01)	(2,287.47)	(1,916.05)	(857.75)	(2,902.20)	(9,714.44)	(566.55)	(2,122.34)	(1,007.56)	(1,024.67)	(3,488.31)	(6,377.36)
8	Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-
9	Profit/(+)/Loss(-) from Ordinary Activities before Tax (7+8)	(368.01)	(2,287.47)	(1,916.05)	(857.75)	(2,902.20)	(9,714.44)	(566.55)	(2,122.34)	(1,007.56)	(1,024.67)	(3,488.31)	(6,377.36)
10	Tax Expense Current Tax Deferred Tax MAT credit carried forward	-	-	-	-	-	-	-	-	-	-	-	(151.72)
11	Net Profit/(+)/Loss(-) from Ordinary Activities after Tax (9-10)	(368.01)	(2,287.47)	(1,916.05)	(857.75)	(2,902.20)	(9,714.44)	(566.55)	(2,122.34)	(1,007.56)	(1,024.67)	(3,488.31)	(6,377.36)
12	Net Profit/(+)/Loss(-) for the Period (11-12)	(368.01)	(2,287.47)	(1,916.05)	(857.75)	(2,902.20)	(9,714.44)	(566.55)	(2,122.34)	(1,007.56)	(1,024.67)	(3,488.31)	(6,377.36)
13	Minority Interest	(734.92)	(249.07)	(1,933.97)	(984.01)	(4,002.59)	(5,375.78)	(933.97)	(204.15)	(2,179.48)	(1,138.11)	(4,327.49)	(5,581.19)
14	Net Profit/(+)/Loss(-) after taxes, minority interest (13-14)	(1,102.93)	(2,536.54)	(3,850.02)	(1,841.76)	(6,904.79)	(15,090.22)	(1,500.52)	(2,326.49)	(3,187.04)	(2,162.78)	(7,815.70)	(11,958.55)
15	Break up figure of net profit/loss (14) as follows:- a) of net profit/loss (14) as per balance sheet of the company at the end of the period	4765.39	4765.39	4,765.39	4,765.39	4,765.39	4,765.39	4765.39	4765.39	4,765.39	4,765.39	4,765.39	4,765.39
16	Goodwill	-	-	-	-	-	(10,228.23)	-	-	-	-	-	(15,603.89)
17	Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
18	Intangible Assets (17) as follows:- a) Goodwill b) Patents c) Other Intangible Assets	(1.54)	(0.52)	(4.06)	(2.86)	(8.40)	(11.28)	(1.77)	(0.47)	(4.34)	(2.24)	(8.77)	(11.71)
19	Shareholders' Funds a) Paid up Share Capital b) Reserves c) Other Funds	(1.54)	(0.52)	(4.06)	(2.86)	(8.40)	(11.28)	(1.77)	(0.47)	(4.34)	(2.24)	(8.77)	(11.71)
20	Promoters and promoter group shareholding a) Paid up Share Capital b) Reserves c) Other Funds	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797	21,702,797
21	Public Shareholding Number of shares (as a % of the total share capital of the company) Percentage of shares (as a % of the total share capital of the company)	45.54%	45.54%	45.54%	45.54%	45.54%	45.54%	45.54%	45.54%	45.54%	45.54%	45.54%	45.54%
22	Promoters and promoter group shareholding a) Paid up Share Capital b) Reserves c) Other Funds	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
23	Public Shareholding Number of shares (as a % of the total share capital of the company) Percentage of shares (as a % of the total share capital of the company)	26.97%	26.97%	26.97%	26.97%	26.97%	26.97%	26.97%	26.97%	26.97%	26.97%	26.97%	26.97%
24	Non-voting shares Number of shares (as a % of the total share capital of the company) Percentage of shares (as a % of the total share capital of the company)	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083	18,951,083
25	Non-voting shares Number of shares (as a % of the total share capital of the company) Percentage of shares (as a % of the total share capital of the company)	73.03%	73.03%	73.03%	73.03%	73.03%	73.03%	73.03%	73.03%	73.03%	73.03%	73.03%	73.03%
26	Non-voting shares Number of shares (as a % of the total share capital of the company) Percentage of shares (as a % of the total share capital of the company)	39.77%	39.77%	39.77%	39.77%	39.77%	39.77%	39.77%	39.77%	39.77%	39.77%	39.77%	39.77%

Particulars	3 Months ended 30.09.2014
REPRESENTED BY	
Present at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposal of during the quarter	Nil
Balance at the end of the quarter	Nil



STATEMENT OF ASSETS AND LIABILITIES		Company		Consolidated	
		As at 30/09/2014 (Unaudited)	As at 31/03/2014 (Audited)	As at 30/09/2014 (Unaudited)	As at 31/03/2014 (Audited)
<b>A</b>					
<b>EQUITY AND LIABILITIES</b>					
1	Shareholders' Funds				
	(a) Share Capital	4,769.40	4,769.40	4,769.40	4,769.40
	(b) Reserves and surplus	(11,342.77)	(10,278.23)	(16,672.65)	(15,693.88)
		(6,573.37)	(5,458.83)	(11,903.25)	(10,834.48)
	Minority Interest	-	-	1,959.53	2,028.87
2	Investment Liabilities				
	(a) Long-term Borrowings	331.82	390.13	2,047.78	2,105.31
	(b) Other Long Term Liabilities	13.46	13.56	-	13.46
	(c) Long-term Provisions	149.63	125.65	174.02	142.64
		494.91	529.35	2,235.26	2,266.51
3	Current Liabilities				
	(a) Short-term Borrowings	6,359.32	11,097.44	6,524.32	11,263.44
	(b) Trade Payables	29,223.84	33,271.92	29,345.15	33,592.89
	(c) Other Current Liabilities	2,461.42	3,021.64	3,029.55	3,442.65
	(d) Short-term Provisions	31.12	31.48	31.78	32.00
		38,095.76	47,421.58	38,930.73	48,129.98
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>32,017.30</b>	<b>42,492.09</b>	<b>31,222.27</b>	<b>41,590.88</b>
<b>B</b>					
<b>ASSETS</b>					
	Non-Current Assets				
(a)	Fixed Assets	4,432.14	4,731.78	5,731.28	6,056.99
	(i) Tangible Assets	0.96	0.89	1.00	0.94
	(ii) Intangible Assets	-	-	-	-
	(iii) Capital Work in Progress	4,433.10	4,732.68	5,732.28	6,057.93
	(b) Non-Current Investment	1,725.83	1,730.83	2,755.84	2,255.84
(c)	Deferred Tax Assets (DTA)	-	-	313.32	313.32
(d)	Long-term Loans & Advances	7.67	7.67	8.56	8.56
(e)	Other Non-current Assets	65.22	44.52	8,237.19	8,207.19
		1,798.76	1,801.01	11,414.90	10,784.30
	(i) + (ii)	6,231.85	6,535.69	17,147.17	16,842.84
	Current Assets				
(a)	Inventories	7,838.08	20,443.48	8,121.62	20,735.04
(b)	Trade Receivables	1,228.47	1,285.72	1,224.47	1,514.02
(c)	Cash & Cash Equivalents	337.96	127.67	352.99	143.85
(d)	Short-term Loans & Advances	15,171.50	12,890.28	3,105.71	1,079.42
(e)	Other Current Assets	1,209.44	1,209.05	1,266.30	1,275.71
		25,785.44	35,956.41	14,075.09	24,748.04
	<b>TOTAL ASSETS</b>	<b>32,017.30</b>	<b>42,492.09</b>	<b>31,222.27</b>	<b>41,590.88</b>

**NOTES:**

- Sugar Industry being seasonal in nature, the results of one quarter/half year may not be comparable with previous quarter/half year and 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 i.e. SBEC Stockholding & Investment Limited and one subsidiary i.e. 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 Company has not made provision for interest during the quarter and half year ended on late payment of cane dues amounting to Rs. 561.32 and Rs. 1987.99 lacs respectively. Accordingly manufacturing expenses and net losses would have been higher by Rs. 841.19 lacs and Rs. 1267.99 lacs during the quarter and half year respectively and its consequential impact on EPS.
- The company has provided depreciation as per schedule-II of the Companies Act, 2013. The charge of depreciation for the quarter is lower by Rs. 70 lacs and accumulated depreciation for previous years of Rs. 130.53 lacs have been debited to retained earning.
- The above financial results have been reviewed by Statutory Auditors and Audit Committee of the Company & then approved and taken on record by the Sub-Committee of Board of Directors at their respective meeting held on the 14/11/2014.
- Previous Quarter/year figures have been regrouped/rearranged, wherever necessary.



For and on behalf of Sub-Committee of Board of Directors

(S.C. Jain)  
Chairman



Date : 14th November 2014  
Place : New Delhi