

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
SIMBHAOLI SUGARS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SIMBHAOLI SUGARS LIMITED** ("the Company") for the Quarter ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. 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 the Statement based on our review.
2. We conducted our review of the Statement in accordance with the 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to:
 - a. Note 4 to the Statement regarding the Company continuing to incur cash losses, which has resulted in its net worth being fully eroded and its current liabilities being significantly higher than its current assets. However, the financial results of the Company have been prepared on a going concern basis for the reasons stated in the said Note. The appropriateness of the going concern assumption is dependent upon generation of cash flows from operations and its business/ financial restructuring.
 - b. Note 2 to the statement which sets out the position regarding repudiation by the insurance company of the Company's insurance claim amounting to Rs. 769 lacs on account of sinking of ship carrying raw sugar purchased by the Company in July 2009. Based on the expert advice, management is confident that the proceedings against the insurer would be settled in favour of the Company and no loss would arise in this regard.

VP 

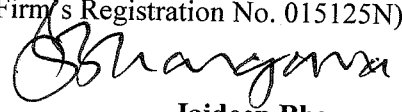
**Deloitte
Haskins & Sells**

- c. Note 5 to the statement relating to sale of co-generation divisions of the Company and the balance interest bearing consideration of Rs. 8,968 lacs as on June 30, 2014, which would be discharged in the manner laid down under the Business Transfer Agreements (BTAs). Further, a part of the consideration amounting to Rs. 5,682 lacs will be discharged in cash on or before the date falling forty eight months from the date of the BTAs or on achieving the closing in terms of the Joint Venture Agreement with Sindicatum Captive Energy Pte Limited, whichever is earlier.

Our report is not qualified in respect of these matters.

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended June 30, 2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)



Jaideep Bhargava
Partner
(Membership No. 90925)

VR
GURGAON, August 13, 2014

SIMBHAOLI SUGARS LIMITED
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED
JUNE 30, 2014

(Rs. lacs)

PART I	Particulars	Quarter ended			Year ended
		June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
		I	II	III	IV
		Unaudited	Unaudited*	Unaudited	Audited
1	Income from operations				
	Gross Sales	21,392	26,508	28,483	86,382
	Less: Excise duty	784	946	1,058	3,172
	Net Sales/ income from operations	20,608	25,562	27,425	83,210
	Other operating Income	72	174	33	368
	Total income from operations (Net)	20,680	25,736	27,458	83,578
2	Expenses				
	(a) Cost of materials consumed	11,795	42,862	15,315	68,676
	(b) Purchase of stock-in-trade	1,036	-	-	19
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4,701	(24,851)	10,022	3,908
	(d) Employee benefits expense	1,026	1,701	1,002	4,677
	(e) Depreciation and amortisation expense (net of revaluation reserve)	550	693	691	2,795
	(f) Consumption of stores, oils & chemicals	630	1,231	669	2,531
	(g) Power and fuel	211	352	208	913
	(h) Exchange fluctuation loss/(gain)	1	1	(40)	(27)
	(i) Other expenses	1,229	1,489	744	4,832
	Total expenses	21,179	23,478	28,611	88,324
3	Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	(499)	2,258	(1,153)	(4,746)
4	Other income	610	833	578	2,785
5	Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)	111	3,091	(575)	(1,961)
6	Finance costs	3,263	3,162	3,680	14,181
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(3,152)	(71)	(4,255)	(16,142)
8	Exceptional items	-	(1,058)	-	(1,058)
9	Profit/(loss) from ordinary activities before tax (7+8)	(3,152)	(1,129)	(4,255)	(17,200)
10	Tax expense/ (benefit)	-	-	-	23
	Current tax	-	-	-	-
	Deferred tax (benefit)/ charge	-	-	-	-
	Tax relating to previous year	-	-	-	23
11	Net Profit/(loss) from ordinary activities after tax (9-10)	(3,152)	(1,129)	(4,255)	(17,223)
12	Paid up equity share capital (face value Rs.10/- each)	2,836	2,836	2,836	2,836
13	Reserves (excluding revaluation reserve)				(22,540)
14	Earning Per Share (Rs.) (not annualized)				
	Basic and diluted EPS before exceptional item	(11.43)	(0.50)	(15.34)	(58.32)
	Basic and diluted EPS after exceptional item	(11.43)	(4.25)	(15.34)	(62.07)

PART II: SELECT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2014					
(A)	PARTICULARS OF SHAREHOLDING				
1)	Public shareholding				
	- Number of shares	15,319,941	15,319,941	15,319,941	15,319,941
	- Percentage of shareholding	54.27	54.27	54.27	54.27
2)	Promoters and promoter group shareholding				
a)	Pledged/ Encumbered				
	- Number of shares	2,250,000	2,250,000	2,250,000	2,250,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	17.43	17.43	17.43	17.43
	- Percentage of shares (as a % of the total share capital of the company)	7.97	7.97	7.97	7.97
b)	Non - encumbered				
	- Number of shares	10,658,869	10,658,869	10,658,869	10,658,869
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	82.57	82.57	82.57	82.57
	- Percentage of shares (as a % of the total share capital of the company)	37.76	37.76	37.76	37.76

Particulars	Quarter ended June 30, 2014
(B) INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	-
Disposed off during the quarter	-
Remaining unsolved at the end of quarter	-

* Refer note 10

VR

**STANDALONE SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED,
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. lacs)

Particulars	Quarter ended			Quarter ended
	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
	I	II	III	IV
	Unaudited	Unaudited*	Unaudited	Audited
(A). Segment Revenue				
(a) Sugar	19,879	25,165	26,728	79,465
(b) Distillery	2,429	2,274	2,035	7,678
(c) Power	-	-	-	-
Total	22,308	27,439	28,763	87,143
Less: Inter Segment Revenue	1,628	1,703	1,305	3,565
Net sales/ income from operations	20,680	25,736	27,458	83,578
(B). Segment Results				
Profit/(loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment				
(a) Sugar	(729)	2,162	(1,388)	(4,860)
(b) Distillery	487	445	524	1,331
(c) Power	-	-	-	-
Total	(242)	2,607	(864)	(3,529)
Less: (i) Finance cost	3,263	3,162	3,680	14,181
(ii) Other un-allocated expenses (net of income)	(353)	(484)	(289)	(1,568)
(iii) Exceptional items	-	1,058	-	1,058
Total Profit/(loss) from ordinary activities before tax	(3,152)	(1,129)	(4,255)	(17,200)
(C). Capital Employed				
(a) Sugar	43,891	48,818	17,635	48,818
(b) Distillery	10,177	9,973	10,411	9,973
(c) Power	-	-	-	-
(c) Unallocated assets/(liabilities) (net)	37,928	36,566	38,650	36,566
Total Capital Employed	91,996	95,357	66,696	95,357

* Refer note 10

[Handwritten signatures and initials]

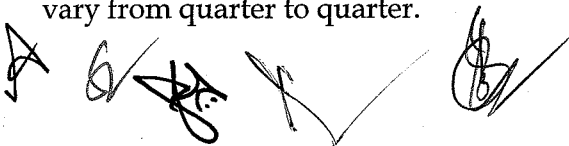
[Handwritten signature]

Notes to the Standalone Results:

1. The above results for the quarter ended June 30, 2014, as reviewed by the audit committee were taken on record by the Board of Directors at its meeting held on August 13, 2014 at New Delhi.
2. A vessel carrying raw sugar purchased by the Company sank in July 2009 for which an insurance claim was repudiated against cargo insurers. Subsequent to completion of recovery proceedings against ship owner, the Company is continuing to pursue its ongoing legal proceedings against the Cargo insurers for balance claim amount of Rs. 769 lacs. Based on expert advice, management has not considered it necessary to make provisions in the books of account at this stage.
3. A Scheme of Amalgamation of the Company with Simbhaoli Spirits Limited (SISPL), the wholly owned subsidiary company (Scheme), as approved by the Board of both companies, has been filed with the Hon'ble High Court of Judicature at Allahabad (the Court). The Court vide its order passed on Aug 1, 2014 has issued appropriate directions in exercise of the powers conferred under Sections 391 and 393 of the Companies Act, 1956 for convening of meetings of the equity share holders and creditors of the Amalgamating Company and secured creditors of the Amalgamated Company on Sept 20, 2014 at Simbhaoli, Distt Hapur.

With effect from the Appointed Date i.e the close of the business hours on March 31, 2014 or such other date as may be decided by the Hon'ble High Court and upon the Scheme becoming effective, the entire business and undertaking of the Company, shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in SISPL, as a going concern without any further act and deed. The shares in SISPL will be listed subject to the approval of SEBI. Pending approval of the Scheme, no financial effect has been considered in these financial statements.

4. Over the last few years, the Company has been incurring cash losses due to which its net worth has been completely eroded and its current liabilities are significantly higher than its current assets. The Uttar Pradesh based sugar companies have been facing financial difficulties on account of higher sugar cane prices, lower realization of sugar and high finance cost in last 3-4 years. In the previous years, the Company has implemented various initiatives which included business and financial restructuring of its business divisions into new SPVs and planned growth in operations and disinvestments of the shares in such SPVs, etc. for de-risking its businesses and improving its financial position. Also, the State and Central Government, recognizing the importance of the sugar industry are expected to take necessary steps as in the previous year to strengthen the sugar industry. In view of the above and also considering the Scheme as stated in Note 3 above, these financial results have been prepared by the Company on a going concern basis.
5. During the previous year, the Company had transferred its power co-generation businesses situated at its sugar plants at Simbhaoli and Chilwaria to SPL. As on June 30, 2014, the balance interest bearing consideration of Rs. 8,968 lacs has to be discharged in the manner laid down under the respective Business Transfer Agreements (BTAs) through allotment of shares/securities and the cash payment of Rs. 5,682 lacs on or before the date falling forty eight months from the date of the BTAs, or earlier in terms of the Joint Venture Agreement with the Joint Venture partner in SPL.
6. Sugar, one of the major businesses of the Company, is a part of seasonal industry. The results may vary from quarter to quarter.




7. With effect from April 1, 2014, depreciation on fixed assets is computed in accordance with the useful life specified in Schedule II to the Companies Act, 2013. Consequent thereto, depreciation charge for the quarter is lower by Rs. 128 lacs and depreciation amounting to Rs. 294 lacs has been adjusted from the opening balance of retained earnings.
8. Exceptional item of Rs. 1,058 lacs in the previous year represents write off of inventory shortage arising due to irregularities/ misappropriation committed by certain former senior executives of the Company against whom legal proceedings are in progress.
9. On acquisition of entire shareholding in the share capital of Resham Packaging Private Limited, it has become a wholly owned subsidiary of the Company with effect from April 1, 2014.
10. The results for the quarter ended March 31, 2014 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the respective year.
11. The previous period's figures have been regrouped/rearranged wherever necessary.

Limited Review

The Limited Review, as required under Clause 41 of Listing Agreement has been completed by the Statutory Auditors. The Limited Review Report for the quarter ended June 30, 2014 does not have any impact on the above results and notes in aggregate.

For SIMBHAOLI SUGARS LIMITED

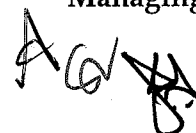

Gursimran Kaur Mann
Managing Director

Place: New Delhi

Date: August 13, 2014

Company Website: www.simbhaolisugars.com







INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SIMBHAOLI SUGARS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SIMBHAOLI SUGARS LIMITED** ("the Company"), its subsidiaries and jointly controlled entity (the Company, its subsidiaries and jointly controlled entity constitute "the Group") for the Quarter ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 7 below. 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 the Statement based on our review.
2. We conducted our review of the Statement in accordance with the 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:

Subsidiaries: Simbhaoli Global Commodities DMCC, Integrated Casetech Consultants Private Limited, Simbhaoli Power Private Limited, Simbhaoli Spirits Limited and Resham Packaging Private Limited.

Joint controlled entity: Uniworld Sugars Private Limited.
4. We did not review the interim financial statements of subsidiaries viz. Simbhaoli Global Commodities DMCC and Resham Packaging Private Limited included in the consolidated financial results, whose interim financial statements reflect total revenues of Rs. 124 lacs for the quarter ended June 30, 2014, and total loss after tax of Rs. 22.77 lacs for the quarter ended June 30, 2014, as considered in the consolidated financial results. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
5. Based on our review conducted as stated above based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the

VR

CS

Deloitte Haskins & Sells

Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

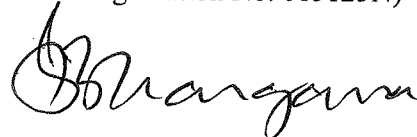
6. We draw attention to:

- a. Note 4 to the Statement regarding the Company continuing to incur cash losses, which has resulted in its net worth being fully eroded and its current liabilities being significantly higher than its current assets. However, the financial results of the Company have been prepared on a going concern basis for the reasons stated in the said Note. The appropriateness of the going concern assumption is dependent upon generation of cash flows from operations and its business/ financial restructuring.
- b. Note 2 to the statement which sets out the position regarding repudiation by the insurance company of the Company's insurance claim amounting to Rs. 769 lacs on account of sinking of ship carrying raw sugar purchased by the Company in July 2009. Based on the expert advice, management is confident that the proceedings against the insurer would be settled in favour of the Company and no loss would arise in this regard.

Our report is not qualified in respect of these matters.

7. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended June 30, 2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)



Jaideep Bhargava
Partner
(Membership No. 90925)

VR
GURGAON, August 13, 2014

SIMBHAOLI SUGARS LIMITED
CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED
JUNE 30, 2014

(Rs. in lacs)

PART I	Particulars	Quarter ended			Year ended
		June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
		I	II	III	IV
		Unaudited	Unaudited*	Unaudited	Audited
1	Income from operations				
	Gross Sales	22,703	33,429	38,168	124,931
	Less: Excise duty	836	3,472	7,674	26,986
	Net Sales/ income from operations	21,867	29,957	30,494	97,945
	Other operating Income	51	143	36	240
	Total income from operations (Net)	21,918	30,100	30,530	98,185
2	Expenses				
	(a) Cost of materials consumed	11,721	42,920	15,941	70,988
	(b) Purchase of stock-in-trade	1,143	773	1	1,452
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4,588	(24,769)	9,888	4,125
	(d) Employee benefits expense	1,436	2,297	1,357	6,411
	(e) Depreciation and amortisation expense (net of revaluation reserve)	747	1,031	1,023	4,144
	(f) Consumption of stores, oils & chemicals	743	(3,903)	1,478	5,693
	(g) Power and fuel	104	4,697	319	1,000
	(h) Exchange fluctuation loss/(gain)	2	(1)	(40)	(18)
	(i) Other expenses	1,872	3,500	1,350	8,917
	(j) Own Expenses capitalised	(9)	23	(31)	(177)
	Total expenses	22,347	26,568	31,286	102,535
3	Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	(429)	3,532	(756)	(4,350)
4	Other income	82	77	116	467
	Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)	(347)	3,609	(640)	(3,883)
5	Finance costs	3,445	3,149	3,855	14,804
	Profit/(Loss) from ordinary activities before exceptional items	(3,792)	460	(4,495)	(18,687)
7	Exceptional items	-	1,058	-	1,058
9	Profit/(loss) from ordinary activities before tax	(3,792)	(598)	(4,495)	(19,745)
10	Tax expense/ (benefit)	(160)	240	(142)	(823)
	Current tax	18	13	29	105
	Deferred tax (benefit)/ charge	(178)	227	(171)	(952)
	Tax relating to previous year	-	-	-	24
	Net Profit/(loss) from ordinary activities after tax before minority interest	(3,632)	(838)	(4,353)	(18,922)
12	Minority interest	(173)	243	(171)	(928)
	Net Profit/(loss) from ordinary activities after tax and minority interest	(3,459)	(1,081)	(4,182)	(17,994)
13	Paid up equity share capital (face value Rs.10/- each)	2,836	2,836	2,836	2,836
14	Reserves (excluding revaluation reserve)				(54,630)
15	Earning Per Share (Rs.) (not annualized)				
	Basic and diluted EPS before exceptional item	(12.52)	(0.38)	(15.08)	(61.05)
	Basic and diluted EPS after exceptional item	(12.52)	(4.13)	(15.08)	(64.80)

PART II: SELECT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2014

(A) PARTICULARS OF SHAREHOLDING				
1) Public shareholding				
- Number of shares	15,319,941	15,319,941	15,319,941	15,319,941
- Percentage of shareholding	54.27	54.27	54.27	54.27
2) Promoters and promoter group shareholding				
a) Pledged/ Encumbered				
- Number of shares	2,250,000	2,250,000	2,250,000	2,250,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	17.43	17.43	17.43	17.43
- Percentage of shares (as a % of the total share capital of the company)	7.97	7.97	7.97	7.97
b) Non - encumbered				
- Number of shares	10,658,869	10,658,869	10,658,869	10,658,869
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	82.57	82.57	82.57	82.57
- Percentage of shares (as a % of the total share capital of the company)	37.76	37.76	37.76	37.76

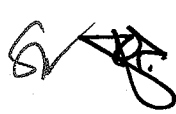
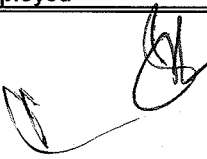
Particulars	Quarter ended June 30, 2014
(B) INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	-
Disposed off during the quarter	-
Remaining unsolved at the end of quarter	-

* Refer note no.11

**CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED, UNDER
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. in lacs)

Particulars	Quarter ended			Year ended
	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
	I	II	III	IV
	Unaudited	Unaudited*	Unaudited	Audited
(A). Segment Revenue				
(a) Sugar	19,599	24,984	26,728	79,284
(b) Distillery	2,803	3,368	4,310	16,981
(c) Power	1,216	2,334	944	3,721
(d) Others	741	1,903	512	4,395
Total	24,359	32,589	32,494	104,381
Less: Inter Segment Revenue	2,441	2,489	1,964	6,196
Net sales/ income from operations	21,918	30,100	30,530	98,185
(B). Segment Results				
Profit/(loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment				
(a) Sugar	(755)	2,129	(1,395)	(6,043)
(b) Distillery	250	24	480	424
(c) Power	179	1,484	250	513
(d) Others	42	(14)	75	258
Total	(284)	3,623	(590)	(4,848)
Less: (i) Finance cost	3,445	3,149	3,855	14,804
(ii) Other un-allocated expenses (net of income)	63	14	50	(965)
(iii) Exceptional item	-	1,058	-	1,058
Total Profit/(loss) from ordinary activities before tax	(3,792)	(598)	(4,495)	(19,745)
(C). Capital Employed				
(a) Sugar	56,754	59,291	11,679	59,291
(b) Distillery	11,355	12,859	17,942	12,859
(c) Power	21,406	18,363	16,479	18,363
(d) Others	526	606	915	606
(e) Unallocated assets/(liabilities) (net)	(8,421)	(12,419)	(421)	(12,419)
Total Capital Employed	81,620	78,700	46,594	78,700

A  



Notes to the Consolidated Results:

1. The above results for the quarter ended June 30, 2014, as reviewed by the audit committee were taken on record by the Board of Directors at its meeting held on August 13, 2014 at New Delhi.
2. A vessel carrying raw sugar purchased by the Company sank in July 2009 for which an insurance claim was repudiated against cargo insurers. Subsequent to completion of recovery proceedings against ship owner, the Company is continuing to pursue its ongoing legal proceedings against the Cargo insurers for balance claim amount of Rs. 769 lacs. Based on expert advice, management has not considered it necessary to make provisions in the books of account at this stage.
3. A Scheme of Amalgamation of the Company with Simbhaoli Spirits Limited (SISPL), the wholly owned subsidiary company (Scheme), as approved by the Board of both companies, has been filed with the Hon'ble High Court of Judicature at Allahabad (the Court). The Court vide its order passed on Aug 1, 2014 has issued appropriate directions in exercise of the powers conferred under Sections 391 and 393 of the Companies Act, 1956 for convening of meetings of the equity share holders and creditors of the Amalgamating Company and secured creditors of the Amalgamated Company on Sept 20, 2014 at Simbhaoli, Distt Hapur.

With effect from the Appointed Date i.e the close of the business hours on March 31, 2014 or such other date as may be decided by the Hon'ble High Court and upon the Scheme becoming effective, the entire business and undertaking of the Company, shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in SISPL, as a going concern without any further act and deed. The shares in SISPL will be listed subject to the approval of SEBI. Pending approval of the Scheme, no financial effect has been considered in these financial statements.

4. Over the last few years, the Company has been incurring cash losses due to which its net worth has been completely eroded and its current liabilities are significantly higher than its current assets. The Uttar Pradesh based sugar companies have been facing financial difficulties on account of higher sugar cane prices , lower realization of sugar and high finance cost in last 3-4 years. In the previous years, the Company has implemented various initiatives which included business and financial restructuring of its business divisions into new SPVs and planned growth in operations and disinvestments of the shares in such SPVs, etc. for de-risking its businesses and improving its financial position. Also, the State and Central Government, recognizing the importance of the sugar industry are expected to take necessary steps as in the previous year to strengthen the sugar industry. In view of the above and also considering the Scheme as stated in Note 3 above, these financial results have been prepared by the Company on a going concern basis.
5. The standalone results are available on the Company's website www.simbhaolisugars.com. The particulars in respect of standalone results are as under:

Particulars (Standalone)	Quarter ended			Rs. In lacs
	(Unaudited)			(Audited)
	June 30,2014	March 31, 2014	June 30, 2013	March 31, 2014
Net sales/income from operations	20,680	25,736	27,458	83,578
Profit/(Loss) before tax	(3,152)	(1,129)	(4,255)	(17,200)
Profit/(Loss) after tax	(3,152)	(1,129)	(4,255)	(17,223)


Handwritten signatures and initials are present below the table, including a large 'S' on the left and several other scribbles and initials.

6. Sugar, one of the major businesses of the Group (Company, its subsidiaries and jointly controlled entity), is a part of seasonal industry. The results may vary from quarter to quarter.
7. In the previous year, Uttar Pradesh Pollution Control Board (UPPCB) had withheld the annual consent application for the year 2014 and operations of the distillery plant of Simbhaoli Spirits Limited, a wholly owned subsidiary company situated at Simbhaoli has been suspended w.e.f. February 20, 2014 in view of a matter pending before the Hon'ble National Green Tribunal, New Delhi (NGT) against it. Based on the legal advice, Management is confident of obtaining a favorable order /consent from the NGT /UPPCB, thereby resuming the operations.
8. With effect from April 1, 2014, depreciation on fixed assets is computed for the Group [other than Simbhaoli Power Private Limited (SPPL)] in accordance with the useful life specified in Schedule II to the Companies Act, 2013. In respect of SPPL, depreciation on fixed assets is computed in accordance with the useful life determined by an independent valuer. Consequent thereto, depreciation charge for the quarter is lower by Rs. 273 lacs and depreciation amounting to Rs. 529 lacs has been adjusted from the opening balance of retained earnings.
9. Exceptional item of Rs. 1,058 lacs in the previous year represents write off of inventory shortage arising due to irregularities/ misappropriation committed by certain former senior executives of the Company against whom legal proceedings are in progress.
10. On acquisition of entire shareholding in the share capital of Resham Packaging Private Limited, it has become a wholly owned subsidiary of the Company with effect from April 1, 2014.
11. The results for the quarter ended March 31, 2014 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the respective year.
12. The previous period's figures have been regrouped/rearranged wherever necessary.

Limited Review

The Limited Review, as required under Clause 41 of Listing Agreement has been completed by the Statutory Auditors. The Limited Review Report for the quarter ended June 30, 2014 does not have any impact on the above results and notes in aggregate.

For SIMBHAOLI SUGARS LIMITED



Gursimran Kaur Mann
Managing Director

Place: New Delhi

Date: August 13, 2014

Company Website: www.simbhaolisugars.com

