



For immediate release

Simbhaoli Sugars: Refining Edge

Port Based Green field sugar refinery in Gujarat

- ✓ **Location Kandla, West Coast, Gujarat, India**
- ✓ **Estimated investment Rs 180 Cr**
- ✓ **Slated for mid 2011 commissioning**
- ✓ **1000 tons of raw sugar per day refining capacity**
- ✓ **300,000 mt white sugar annually**

New Delhi, January 28th, 2010: Simbhaoli Sugars Limited (SSL), one of the country's largest sugar refiners announced setting up of a green field sugar refinery having a refining capacity of 1000 tones of raw sugar per day, at Kandla, West Coast, Gujarat, India.

On this occasion, **Mr Gurmit Singh Mann, Chairman and Managing Director, Simbhaoli Sugars** announced that the Company has decided to set up a port based sugar refinery having a capacity to process and refine 1000 tones of raw sugar per day (TPD) thereby enhancing the overall sugar refining capacities to 3000 TPD. The facility can be an ideal raw processing and export destination because of proximity to deficit markets around India. In surplus years, domestic raw can be used for value addition and the surplus sugar can be exported.

Commenting on the Sugar Industry, **Dr G S C Rao, CEO, Simbhaoli Sugars** said: "Globally the production of sugar is at the lowest at the beginning of 2009-10 sugar year. In India also, insufficient rains had an adverse impact on sugar cane availability supplemented by rising demand leading to a structural deficit of 5 to 7 mmt. This refinery shall contribute towards meeting the likely sugar deficit in the country by processing raw sugar for domestic supply or re-export the white. It will produce about 3 lakh mt of white sugar in a year operating at almost 90 to 95% of the capacity having an approx market of Rs 700 Cr. Sugar produced shall be marketed in the deficit areas within the country and exported in the surplus years."

He also said that "After achieving the financial closing, the project will be implemented in 14 months. With the addition of this port based refinery, the Company will be able to integrate into global raw refining markets. The refinery model can be altered as per the sugar demand and supply situation in the market. In domestic deficits, it can import raw and sell it in local markets; whereas in case of surplus, it can import raw and export it back to the international markets after refining and value addition. "

The company is already refining raw sugar at its UP based sugar complexes and for reducing the transportation charges it has proposed to set up the raw processing facility in proximity to the port. SSL has technical capabilities to refine raw sugar at a cost of below USD 65 per ton, which is one of the most competitive in the world. The refinery will be built with in- house technical support from Integrated Casetech Consultants Pvt Ltd. It is also executing many such projects globally.

The estimated cost of the project is Rs 180 Cr which is proposed to be financed by way of long term loan and promoters' equity. SSL may execute this project in an SPV. The management intends to start the refinery in current sugar cycle itself, to reap maximum benefits from the revenues.

Going further, the Company will continue its raw refining plans in all its three units, for which over 3 lakh tones of raw sugar has already been contracted/ imported. Along with the raw refining in the off season, SSL has also developed capabilities to generate power from saved bagasse or with the help of the alternate fuels based boilers specially designed for the purpose and have cogenerated power round the year ensuring the optimum utilization of the equipment and lowering the fixed costs.

ABOUT SIMBHAOLI SUGARS LIMITED:

Simbhaoli Sugars Limited (SSL) is an over 75 year old Indian Company, operating three technologically advanced sugar manufacturing facilities in North India and are capable of manufacturing up to 300,000 metric tons per annum (MTPA) of sugar from sugarcane. It is one of the leading sugar companies producing all types of specialty/ branded sugars for institutional/ domestic usages. In addition; the Company is capable to refine raw sugar, both domestic and imported to the extent of 400,000 MTPA in its refineries. SSL also has three ethanol distilleries alongside its sugar facilities with a combined capacity of 210 kilo liters of alcohol/ ethanol per day. Its branded alcohol division is capable of producing and marketing two million cases of quality spirits annually and presently operating in Nine Indian States with 11 bottling tie ups. Simbhaoli and Chilwaria sugar complexes house bagasse based cogeneration facility of 64 mwh, out of which 34 mwh is surplus and sold to the state power corporation under PPA.

Being a regular exporter, Simbhaoli is a star trading and has got accredited ISO systems certifications namely, ISO 9001:2000, ISO 14001:2004; and HACCP, which signifies that the Company ensures highest product quality. For the ongoing season, Company has a business plan to refine 360,000 MT raw sugar to meet sugar deficit in the Country.

For more information, please contact

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