

Q4 FY13

Simbhaoli
Sugars
Limited

Investor
Update

On the Standalone Financial Results for the
quarter/Year ended March 31, 2013

Highlights of the Year ended March 31, 2013

- Previous financial year comprised of 18 months period ended March 2012, whereas current financial year comprises 12 months period ended March 2013
- Status of Subsidiary/joint venture companies as at March 31, 2013

Name of the Company	Business	SSL Shareholding SSL Mar 31, 2013	Nature of relationship
Integrated Casetech Consultants Private Limited	Consultancy services in Sugar, and by-product businesses	85%	Subsidiary
Simbhaoli Spirits Limited	Manufacturing and selling of Potable liquor	100%	Subsidiary
Simbhaoli Global Commodities DMCC	International trading of sugar and alcohol	100%	Subsidiary
Simbhaoli Power Private Limited	Generation and export of biomass based power	51%	Subsidiary
Uniworld Sugars Private Limited	Refining and trading of raw and white sugars and by products	50% (with Affiliates)	Joint Venture with Ed &F Man, UK

Update on the on-going Business re-structuring:

- Cogeneration businesses at Simbhaoli and Chilwaria hived off by Simbhaoli Sugars to its subsidiary Simbhaoli Power Private Limited by way of Business Transfer Agreements with effect from January 25, 2013
- Transferred industrial land contiguous to Simbhaoli Distillery admeasuring 56.67 acres, to Simbhaoli Spirits Limited for expansion of potable alcohol business
- Issued 8% Cumulative Redeemable Preference Shares at par value of Rs. 320 mn to promoters and selective investors

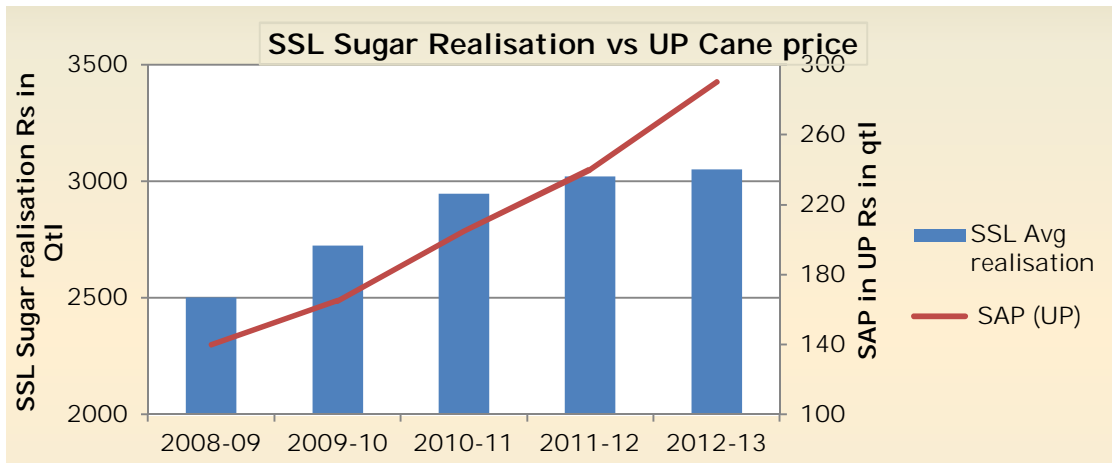
Highlights of the Financial Results

Comparatives of the Year ended 2013 over Year 2012

(Audited figures for the 18 months period ended March 2012 annualised)

Results are adversely affected on account of

- higher cane cost, increase in UP for 2012-13 season by Rs 40 per qtl (15%)
- higher cost of production as compared to sales realisation of sugar, and
- sugar inventory valuation at the market rate as at March 31, 2013.



- Net sales at Rs 8842 mn, higher by 10.6% on annualised basis. Previous period sales, Rs 11995 mn.
- Negative EBIDTA in the current year at Rs 169 mn against positive EBIDTA of Rs 928 mn in previous period
- Profit before tax related adjustments, Rs. 100 mn, against loss of Rs 253 in the previous period
- Loss after adjustment of current and deferred tax of Rs 395; against the previous period gain of Rs 15.5 mn.
- Average realisation of the sugar has increased by Rs. 390 per qtl from Rs. 2950 to Rs 3340 per qtl.
- The Company is carrying about 1.32 mn qtl of sugar as on March 31, 2013
- No significant sugar trading operations have been carried out during the year
- Interest cost is higher by 9.5% from because of higher usage of working capital facilities and increase in rate of interest after CDR restructuring.
- Other expenditures have increased due to higher repair and maintenance charges, and provisions made against certain unrecoverable amounts.
- Staff cost at Rs 42 mn is higher by 11% on account of general cost increase.
- The deferred off season expenses of Rs. 285.5 mn, of the previous quarters,

Quarter/Year ended March 31, 2013

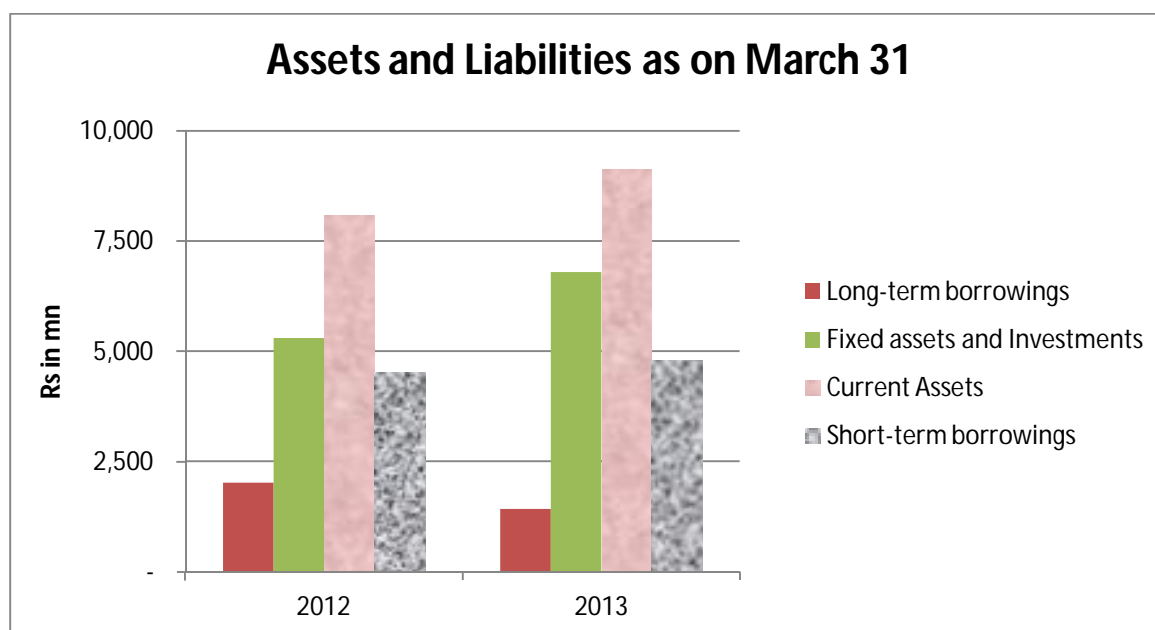
have been charged off during the March 2013 qtr. However, this does not have any impact on the year's performance.

- Alcohol segment has segment profit of Rs 108 mn (previous period Rs 163 mn) on account of lower price of cost of production.

While computing the percentages/comparatives, the previous period figures have been annualised.

Transactions of exceptional nature

- Earned a capital gain of Rs. 1178 mn on transfer of industrial land situated at Simbhaoli contiguous to Simbhaoli Spirits Ltd plant for expanding its potable alcohol business.
- Earned a gain of Rs. 547 mn on transfer of power assets to Simbhaoli Power Pvt Ltd before entering into a joint venture in it.
- Accounted for a capital gain of Rs 23.8 mn on equipment given under finance lease to SPL as an exceptional item.



Change in Assets and Liabilities YoY (Cconsol.)

Particulars	Change %
Long-term borrowings	(17.45)
Fixed assets and Long terms Investments	4.29
Current assets	0.12
Short-term loans and advances	(37.78)

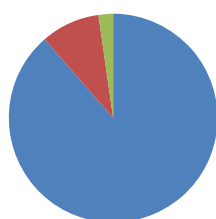
Operational Highlights of the Year

Performance Parameters	Unit	2012-13	2011-12
Cane crushed	Lacs MT	28.2	21.8
Sugar Produced	Lacs MT	2.0	2.1
Raw Sugar processed	MT	18,889	14,770
Surplus Power Exported*	Lacs KWH	0.48	0.93

*Business transferred to Simbhaoli Power Private Limited w e f Jan 25, 2013

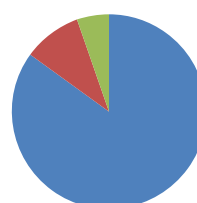
Segment wise Revenues

2012-13



■ Sugar
■ Alcohol
■ Power

2011-12



Sugar Cane Price

The Fair and Remunerative Price (FRP) of sugarcane for 2012-13 sugar season was fixed at Rs.170 per quintal linked to a basic recovery rate of 9.5%. The state of Uttar Pradesh, however, has fixed a cane price (SAP) for 2012-13 in the range of Rs 275-290 per quintal, showing an unprecedented increase Rs 40 per quintal over previous season. This impacted the cost of production by Rs 5 per kg.

- Govt (April 2013) has dispensed with the regulated release mechanism of sugar. The obligation to supply sugar as levy on sugar production at a control rate for public distribution system (PDS) has also been done away with for sugar produced 2012 for two years. However, it has not addressed the issues of the state control on cane prices and presently, there is no parity between sugar and cane prices.
- To give some relief to the sugar mills of the State, UP Govt has given benefit of not charging the purchase tax on cane purchase for the year 2012-13, for the remaining period of the sugar year.

Corporate Highlights

Business Restructuring

In terms of the business restructuring exercise being implemented by the Company, as per the recommendations of the lenders and SBI Capital Markets Ltd and as approved by the shareholders wherever required, the power and potable alcohol businesses of the Company have been hived-off into separate companies for improving abilities of the new entities to carry out their growth plans and receive additional funds.

Power Business Hive-off

SSL had entered into a Joint venture arrangement with Sindicatum Sustainable Resources Group (Sindicatum), a global developer and operator of clean energy projects. Sindicatum, through its subsidiary company, Sindicatum Captive Energy Singapore Pte Limited, Singapore (SCES) has agreed to acquire 49% of the share capital in Simbhaoli Power Private Limited (SPL), the joint venture company. SPL will be implementing its expansion project to enhance its aggregate power generation capacity from the existing 54 MW to 92 MW, and for that purpose is working towards achieving the financial closing. The expansion will enhance the earnings of SSL from the power business and improve its net worth position.

The business Undertakings of Simbhaoli Cogen Division and Chilwaria Cogen Division including their all assets, liabilities, rights and obligations have been transferred to and vested in SPL at an aggregate consideration of Rs 15,985.62 lacs.

Simbhaoli Spirits Limited- alcohol business strengthened

During the year, the Company has transferred additional land at Simbhaoli, to Simbhaoli Spirits Limited. The consideration of Rs 1180 mn has been received by the Company in the form of equity shares of Rs 10 each in SISPL.

Operations of Subsidiary/ JV companies (March 31, 2013)

(Rs in mn)

Company	Share Capital and Reserves	Total Assets	Net Turnover	PBT
Simbhaoli Power Pvt Ltd	104.9	2155.4	168.1	3.3
Integrated Casetech Consultants Pvt. Ltd	53.1	136.7	189.9	33.1
Simbhaoli Spirits Ltd	2340.9	3280.3	854.8	(151)
Simbhaoli DMCC, Dubai	0.7	7.2	9.51	(0.4)
Uniworld Sugars Pvt Ltd	1144.8	1859.6	nil	0.23

Quarter/Year ended March 31, 2013

Results at a Glance

Extracts of the published unaudited financial results for the quarter/Eighteen months ended March 31, 2013. For complete results, please refer our website, www.simbhaolisugars.com (Rs in lacs)

		Consolidated				Standalone	
		Quarter ended		Twelve months ended	Eighteen months ended	Twelve months ended	Eighteen months ended
Particulars		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
S. No		Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	Income from operations						
	Net Sales/ income from operations	28,594	21,389	97,610	134,551	88,425	119,953
	Other operating Income	26	203	156	1,608	70	1,468
	Total income from operations	28,620	21,592	97,766	136,159	88,495	121,421
2	Expenses						
	(a) Cost of materials consumed	47,372	36,219	76,021	114,085	73,686	109,915
	(b) Purchase of stock-in-trade	100	553	292	4,887	59	4,745
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(22,360)	(21,599)	3,201	(22,388)	2,849	(21,802)
	(d) Employee benefits expense	1,736	1,575	5,676	7,374	4,352	5,896
	(e) Depreciation and amortisation expense (net of evaluation reserve)	1,017	1,019	4,094	6,207	3,591	5,744
	(f) Consumption of stores, oils & chemicals	1,677	1,513	4,159	9,203	2,601	4,753
	(g) Power and fuel	149	141	1,165	3,126	923	2,548
	(h) Exchange fluctuation loss/(gain)	6	148	-	959	-	1,067
	(i) Other expenses	4,330	2,076	9,540	11,855	7,424	8,809
	(j) Own Expenses capitalised	(71)	(361)	(151)	(386)	-	-
3	Profit/(loss) from operations before other income, finance costs, exceptional items and tax	(5,336)	308	(6,231)	1,237	(6,990)	(254)
4	Other income	14	1,481	876	2,135	1,704	3,793
5	Finance cost	3,149	3,110	11,778	16,358	11,198	15,376
6	Exceptional items (net)	-	-	-	(2,511)	17,486	9,306
7	Profit/(loss) from ordinary activities before tax	(8,471)	(1,321)	(17,133)	(15,497)	1,002	(2,531)
8	Tax expense/ (benefit)	7,596	241	5,181	(4,096)	4,949	(4,077)
	Current tax	201	423	316	476	201	378
	Deferred tax (benefit)/ charge	7,395	(182)	4,865	(4,572)	4,748	(4,455)
9	(Net Profit/(loss) from ordinary activities after tax before minority interest	(16,067)	(1,562)	(22,314)	(11,401)	(3,947)	1,546

Quarter/Year ended March 31, 2013

Segment wise Performance

Year ended on March'13 compared with 18 months period ended Mar'12

Sugar Segment

(Rs in mn)

Particulars	2012-13	2010-12
Total income	8,636	12,502
EBIDTA	(603)	(69)
EBIDTA (%)	(7)	(1)

- Higher sugar was sold during the year
- Average realization of sugar has been Rs. 3340 per qtl(previous year Rs. 2950)
- The segment has shown a negative EBIDTA on account of lower price realization and high cost of production

Alcohol Segment

(Rs in mn)

Particulars	2012-13	2010-12
Total income	798	1,012
EBIDTA	153	225
EBIDTA (%)	19	22

- The revenues have improved marginally as the distillery remained operational for longer period
- RS realization of ENA has come down by 3.12%, thereby reducing the earnings
- 83.18 Lacs BL ethanol was sold during the year.

Power Segment

(Rs in mn)

Particulars	2012-13	2010-12
Total income	963	2,521
EBIDTA	279	610
EBIDTA (%)	29	24

- SSL has transferred its Simbhaoli and Chilwaria power businesses to Simbhaoli Power Private Limited on January 25, 2013, therefore the sales figures are for the period till that date only
- Average realization of power sale has been Rs 4.26 per kwh

Industry Outlook

International Sugar Industry

In the year 2012-13 sugar production growth has managed to outpace the growth in demand, for a third successive year. The world sugar production for the year 2012-13 is estimated at 184.20 mmt (rv), against the consumption at 175.1 mmt (rv) indicating a surplus of 9.10 mmt (rv). The year witnessed significant government's interventionist measures in the sugar space like minimum support price to farmers, import or export tariffs, changing Brazilian ethanol blend policy, revision of ethanol taxes, Chinese strategic reserves, abolishment of India's release mechanism and levy burden etc. A moderate global sugar surplus is expected in the sugar year 2013-14, which will be the fourth year of surplus in a row.

A combination of good weather and new investments in the fields has pushed expectations for cane availability around to 600 mmt during the ongoing season. Brazil sugar production estimate of 35.5 mmt, up by about 4% from the previous season, will keep the world sugar prices under check. Weakening world market prices have made export parity negative for a number of countries including Brazil.

Indian Sugar Industry

In India, the 2012-13 crushing campaign has nearly ended by the end of April 2013. As of 30th April, the sugar mills had crushed about 243 mmt of cane to produce 24.5 mmt of white sugar, down 3% from about 25.2 mmt last year. Indian sugar production is expected to be at 25 mmt for 2012-13 season, lower by 5.7% over 2011-12 season, due to lesser production in certain areas and lower sugar recoveries by about 0.17% and lower cane availability in the state of Maharashtra.

The domestic consumption with lower sugar prices and no control over sales, is improving after a stagnant reporting during the last two years. The demand and supply levels at the end of 2011-12, expectations for the year 2012-13 and projected for the coming year is appearing as follows:

(in mmt)

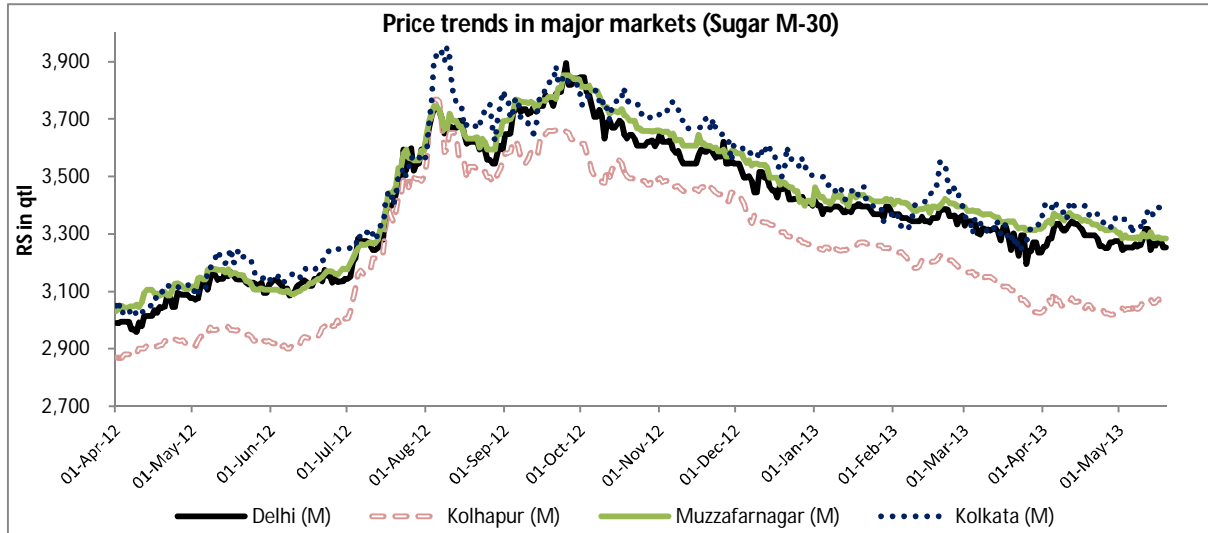
Particulars /Sugar Year	2011-12	2012-13 E	2013-14 P	Change %
Opening Stock as on 1st Oct	5.50	5.75	8.49	47.6
Production during the Season	26.00	25.00	23.00	(8.0)
Imports	0.05	0.75	-	-
Total Availability	31.55	31.50	31.49	Neg
Consumption	22.50	23.00	23.50	2.2
Exports	3.30	0.01	-	-
Total Usage	25.80	23.01	23.50	2.1

Quarter/Year ended March 31, 2013

Investor Update

Closing Stock as on 30th Sept	5.75	8.49	7.99	(5.89)
Stock as % of Usage	25.56	36.91	34.00	-

The prices at the major markets during the period upto May 20, 2013 have been very volatile. The prices moved upto Rs 3900 per qtl (Delhi M-30) in August 2012 and came down to Rs 3150 per qtl in May 2013.



With an expectation of a normal monsoon, and consistent improvement in planting of the sugarcane in the northern part of India, the 2013-14 crop is expected to be normal/better than the previous year. However, the sugarcane planting is set to fall in the main producing region of Maharashtra and Karnataka for consistent water problems. The cane acreage in Maharashtra state, parts of which are facing the worst drought in more than four decades, plunged to 0.5 mn hectare from 0.9 mn hectare in 2013-14.

However, with the comfortable stock to use ratio and softening underlying prices, the domestic prices are not going to improve significantly in the coming months.

Simbhaoli Sugars Limited

Registered Office

Simbhaoli, District Ghaziabad, Uttar Pradesh-245207

Phone: +91-5731-223117-9 Fax: +91-5731-223039

Corporate Office

C- 11, Connaught Place, New Delhi- 110001

Phone: +91-11-43214100 Fax: +91-11-23413088

Email: info@simbhaolisugars.com

Subsidiaries

1. Simbhaoli Global Commodities DMCC
Dubai, UAE
2. Integrated Casetech Consultants Pvt Ltd
E- 13/29, IIIrd Floor, Harsha Bhawan,
Connaught Place, New Delhi, India
3. Simbhaoli Spirits Limited
Simbhaoli, Hapur, Uttar Pradesh, India
4. Simbhaoli Power Limited
Simbhaoli, Hapur, Uttar Pradesh, India

Associated Company

5. Uniworld Sugars Private Limited
Simbhaoli, Hapur, Uttar Pradesh, India

Simbhaoli Sugars Limited (SSL) (BSE SCRIP ID: SIMBHALS, NSE SYMBOL: SIMBHSUGAR), is a 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. In addition; the capacities are capable to refine raw sugar upto 300,000 MTPA. SSL also has three alcohol distilleries alongside its sugar facilities with a combined capacity of 210 kilo liters of alcohol/ ethanol per day (KL/D) and is capable of producing and marketing over two mn cases of quality spirits in Ten Indian States. 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 grid. The sugar refineries of the Company have quality control certifications including FSSC 22000:2011, ISO 9001:2008 and ISO 14001:2004, which signify that the Company ensures highest product and procedural quality standards.

Forward Looking Statement

Certain statements in this document with words or phrases such as "will", "should", etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward-looking statements due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy and changes in government policies. The company may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the stock exchanges and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company

For any Investor Relations queries please contact:

Mr. Sanjay Tapriya
Tel: +91 11 43214100
stapriya@simbhaolisugars.com

Ms. Harmeet Kaur
Tel: +91 11 43214107, +91 7838777119
harmeet@simbhaolisugars.com