

**SIMBHAOLI SUGARS LIMITED**



Regd.Office : Simbhaoli- 245207 Dist.Ghaziabad (U.P.)

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER /SIX MONTHS ENDED**

**MARCH 31, 2011**

	(Rs. in Million)				
Particulars	Quarter ended		Six months ended		Year ended
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	September 30, 2010
	I	II	III	IV	V
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Gross Sales	3,496.4	3,849.2	7,056.0	7,613.2	14,920.6
Excise duty	594.0	592.3	1,260.3	1,273.3	2,304.0
Net Sales	<b>2,902.4</b>	<b>3,256.9</b>	<b>5,795.7</b>	<b>6,339.9</b>	<b>12,616.6</b>
Exchange fluctuation gain/ (loss)	(10.3)	129.2	(65.0)	221.5	221.0
Other operating Income	39.4	24.7	58.6	206.6	349.6
<b>Total income</b>	<b>2,931.5</b>	<b>3,410.8</b>	<b>5,789.3</b>	<b>6,768.0</b>	<b>13,187.2</b>
<b>Expenditure</b>					
Decrease/(Increase) in stock in trade	(1,467.3)	(2,273.2)	(935.7)	(3,251.6)	(949.7)
Consumption of raw materials	2,902.6	5,054.0	4,686.2	8,083.4	12,134.1
Consumption of stores,oils & chemicals	222.1	177.4	378.1	306.3	533.6
Purchase of traded goods	474.5	0.1	474.5	1.0	5.8
Power and fuel	25.0	80.9	110.1	168.3	427.2
Employee cost	128.5	109.0	231.7	206.1	405.9
Depreciation (net of revaluation reserve)	100.3	98.6	204.7	195.6	400.9
Other expenditure	296.7	205.7	419.0	449.5	706.4
<b>Total expenditure</b>	<b>2,682.4</b>	<b>3,452.5</b>	<b>5,568.6</b>	<b>6,158.6</b>	<b>13,664.2</b>
<b>Profit/(loss) from operations before other income, interest and tax</b>	<b>249.1</b>	<b>(41.7)</b>	<b>220.7</b>	<b>609.4</b>	<b>(477.0)</b>
Other income	30.9	8.8	36.7	29.6	63.9
<b>Profit/(loss) before interest and tax</b>	<b>280.0</b>	<b>(32.9)</b>	<b>257.4</b>	<b>639.0</b>	<b>(413.1)</b>
Interest	259.2	218.8	490.8	376.0	847.2
<b>Profit/(loss) before tax</b>	<b>20.8</b>	<b>(251.7)</b>	<b>(233.4)</b>	<b>263.0</b>	<b>(1,260.3)</b>
<b>Tax expense/ (benefit)</b>	<b>6.9</b>	<b>(80.0)</b>	<b>(77.5)</b>	<b>(3.1)</b>	<b>(513.3)</b>
<b>Net Profit/(loss) after tax</b>	<b>13.9</b>	<b>(171.7)</b>	<b>(155.9)</b>	<b>266.1</b>	<b>(747.0)</b>
Paid up equity share capital (face value Rs.10/- each)	263.6	233.3	263.6	233.3	233.3
Reserves (excluding revaluation reserve)	-	-	-	-	760.0
Earning Per Share (Basic & diluted) (Rs.)					
Basic	0.55	(7.40)	(6.43)	11.47	(32.21)
Diluted	0.55	(7.40)	(6.43)	11.34	(32.21)
Public shareholding					
- Number of shares	16,068,597	13,014,363	16,068,597	13,014,363	13,187,587
- Percentage of shareholding	61.26	56.11	61.26	56.11	56.85
Promoters and promoter group shareholding					
a) Pledged/ Encumbered					
- Number of shares	2,600,000	2,765,770	2,600,000	2,765,770	2,265,770
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	25.59	27.16	25.59	27.16	22.64
- Percentage of shares (as a % of the total share capital of the company)	9.92	11.92	9.92	11.92	9.77
b) Non - encumbered					
- Number of shares	7,560,213	7,415,767	7,560,213	7,415,767	7,742,543
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	74.41	72.84	74.41	72.84	77.36
- Percentage of shares (as a % of the total share capital of the company)	28.82	31.97	28.82	31.97	33.38

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



(Rs. in Million)

Particulars	Quarter ended		Six months ended		Year ended
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	September 30, 2010
	I	II	III	IV	V
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>(A). Segment Revenue</b>					
(a) Sugar	2,873.2	3,674.5	5,586.9	6,964.5	13,065.9
(b) Distillery	575.6	550.7	974.3	854.8	1,832.9
(c) Power	656.8	919.0	1,033.7	1,410.1	1,848.5
<b>Total</b>	<b>4,105.6</b>	<b>5,144.2</b>	<b>7,594.9</b>	<b>9,229.4</b>	<b>16,747.3</b>
Less: Inter Segment Revenue	1,174.1	1,733.4	1,805.6	2,461.4	3,560.1
<b>Total</b>	<b>2,931.5</b>	<b>3,410.8</b>	<b>5,789.3</b>	<b>6,768.0</b>	<b>13,187.2</b>
<b>(B). Segment Results</b>					
Profit/(loss) before unallocated expenditure, interest and tax					
(a) Sugar	136.5	(166.6)	48.9	477.9	(508.5)
(b) Distillery	59.5	(35.6)	69.5	(77.1)	(102.2)
(c) Power	89.5	184.3	169.9	270.2	254.9
<b>Total</b>	<b>285.5</b>	<b>(17.9)</b>	<b>288.3</b>	<b>671.0</b>	<b>(355.8)</b>
Less: (i) Interest	259.2	218.8	490.8	376.0	847.2
(ii) Other un-allocated expenses (net of income)	5.5	15.0	30.9	32.0	57.3
<b>Total Profit/(loss) before tax</b>	<b>20.8</b>	<b>(251.7)</b>	<b>(233.4)</b>	<b>263.0</b>	<b>(1,260.3)</b>
<b>(C). Capital Employed</b>					
(a) Sugar	4,535.0	5,231.5	4,535.0	5,231.5	2,881.8
(b) Distillery	1,792.1	1,838.7	1,792.1	1,838.7	1,634.2
(c) Power	2,006.4	2,131.6	2,006.4	2,131.6	1,986.9
(d) Unallocated assets/(liabilities) (net)	1,085.9	512.6	1,085.9	512.6	1,036.9
<b>Total Capital Employed</b>	<b>9,419.4</b>	<b>9,714.4</b>	<b>9,419.4</b>	<b>9,714.4</b>	<b>7,539.8</b>

## STATEMENT OF ASSETS AND LIABILITIES



(Rs. in Million)

Particulars	As at		
	March 31, 2011	March 31, 2010	September 30, 2010
	Unaudited	Unaudited	Audited
	I	II	III
<b>Shareholders' funds:</b>			
(a) Capital	263.6	233.3	233.3
(b) Equity warrants	28.8	-	-
(c) Employee option outstanding	4.3	2.8	4.3
(d) Reserves and surplus	919.0	1,245.9	804.1
<b>Loan funds</b>	<b>8,932.7</b>	<b>8,232.4</b>	<b>7,071.2</b>
<b>Total liabilities</b>	<b>10,148.4</b>	<b>9,714.4</b>	<b>8,112.9</b>
Fixed assets	5,770.5	5,931.3	5,869.5
Investments	6.3	9.0	4.0
Deferred tax assets	782.7	192.7	704.1
<b>Current assets, loans and advances</b>			
(a) Inventories	4,426.1	8,734.9	4,005.0
(b) Sundry debtors	829.8	795.1	727.4
(c) Cash and bank balances	1,431.2	1,553.3	1,392.4
(d) Other current assets	-	-	-
(e) Loans and advances	1,686.2	1,601.9	1,621.5
	8,373.3	12,685.2	7,746.3
Less: Current liabilities and provision			
(A) Liabilities	5,429.9	8,920.5	6,691.9
(B) Provisions	83.5	183.3	92.1
<b>Net current assets</b>	<b>2,859.9</b>	<b>3,581.4</b>	<b>962.3</b>
Miscellaneous expenditure (not written off or adjusted)	-	-	-
Profit and loss account	729.0	-	573.0
<b>Total assets</b>	<b>10,148.4</b>	<b>9,714.4</b>	<b>8,112.9</b>

**Notes:**

1. The above results as reviewed by the audit committee were taken on record by the Board of Directors at its meeting held on May 13, 2011 at New Delhi.
2. Sugar, one of the major businesses of the Company, is a part of seasonal industry. The results may vary from quarter to quarter.
3. The cane purchases for sugar season 2007-08 were accounted for at Rs. 110 per quintal, the rate at which payment was made to the cane growers as per the interim order of the Hon'ble Allahabad High Court and Hon'ble Supreme Court, against the state advised price of Rs. 125 per quintal. Necessary adjustments will be made in accordance with subsequent orders of the Hon'ble courts in the matter. (Refer para 4 (e) (ii) of auditors report for the year ended September 30, 2010).
4. Deferred tax assets (net) amounting to Rs. 782.7 million (Rs. 6.3 million reversed during the quarter) has been recognized on the basis of future projections taken on record by the Board of Directors that there is a virtual certainty that sufficient future taxable income will be available against which these assets would be realized. (Refer para 4 (f) of auditors report for the year ended September 30, 2010).
5. A vessel carrying 22,500 MT of raw sugar purchased by the Company sank in July 2009 for which an insurance claim for Rs. 478.0 million has been filed with the insurance Company. Following the repudiation of insurance claim by Cargo insurers, recently in an arbitrary manner, the Company has initiated legal proceedings against this decision. Simultaneously, in the London arbitration proceedings against the vessel owner/shipping company, an undertaking has been obtained from the P&I club of vessel owner for the compensation to the extent of USD 14.5 million, in case proceedings are decided in favour of the Company. Based on expert advice, management is confident that the insurance claim would be settled in the favour of the Company and no loss would arise in this regard. (Refer para 4 (e) (i) of auditors report for the year ended September 30, 2010).
6. The Scheme of Arrangement, under Sections 391-394 of the Companies Act, 1956, as approved by the Board of directors, has been filed with Hon'ble High Court of Judicature at Allahabad, Uttar Pradesh for transfer and vesting of the Alcohol Undertaking at Simbhaoli Distillery Division into Simbhaoli Spirits Limited (wholly owned subsidiary company incorporated on April 4, 2011) by way of Slump Sale method. The appointed date has been fixed as October 1, 2010. The books of accounts have not yet taken effect of the Scheme. Pending sanction of the scheme, no financial effect has been considered in these results.
7. With the investments of 49,980 equity shares of Rs 10 each in the share capital of Uniworld Sugars Private Limited, it has become subsidiary company with effect from February 25, 2011.
8. During the quarter, one investor complaint was received and resolved. No complaint was pending at the beginning and at the end of the quarter.
9. The previous period's figures have been regrouped/rearranged wherever necessary.

For **SIMBHAOLI SUGARS LIMITED**

**(G S C Rao)**  
**CEO & Whole Time Director**

Place: New Delhi  
Date: May 13, 2011

Website: [www.simbhaolisugars.com](http://www.simbhaolisugars.com)