

Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

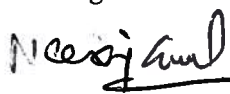
To the Board of Directors of Gobind Sugar Mills Limited

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of Gobind Sugar Mills Limited ('the Company') for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 in accordance with the Standard on Review Engagement (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 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Neeraj Goel

Partner

Membership No. 099514



Place: Gurugram

Date: 25 July 2018

GOBIND SUGAR MILLS LIMITED

Registered Office : 9/1, R.N. Mukherjee Road, Kolkata - 700001

Website : www.gobindsugar.com, email : ig.gsml@adventz.com, Phone : +91-124-4674200, CIN : L15421WB1952PLC020577

Unaudited Financial Results for the quarter ended 30 June 2018

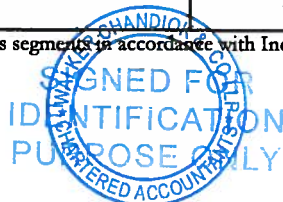
(INR in lacs except per share data)

Particulars	Quarter ended			Year ended
	30 June 2018	31 March 2018	30 June 2017	31 March 2018
	(Unaudited)	(Refer note 7)	(Unaudited)	(Audited)
1 Income from operations				
(a) Revenue from operations	17,662.59	6,425.69	7,721.62	29,432.87
(b) Other income	526.20	1,189.28	350.15	2,516.83
Total income from operations	18,188.79	7,614.97	8,071.77	31,949.70
2 Expenses				
(a) Cost of raw materials consumed	8,913.53	25,607.07	1,128.21	41,872.06
(b) Change in inventories of finished goods and work-in-progress	5,040.24	(22,046.53)	4,920.47	(20,910.29)
(c) Excise duty and cess on sale of goods	-	-	343.27	343.27
(d) Employee benefits expenses	619.03	634.36	399.41	1,997.40
(e) Finance costs	1,666.69	1,704.36	1,475.99	6,179.43
(f) Depreciation and amortisation expenses	365.41	487.91	395.67	1,697.97
(g) Other expenses	1,382.88	1,173.32	410.30	3,225.36
Total expenses	17,987.78	7,560.49	9,073.32	34,405.20
3 Profit/(loss) before tax (1-2)	201.01	54.48	(1,001.55)	(2,455.50)
4 Tax expense:				
(a) Current tax	-	-	-	-
(b) Deferred tax credit/(charge)	(270.63)	(351.89)	308.62	398.14
5 Profit/(loss) for the period/year (3+4)	(69.62)	(297.41)	(692.93)	(2,057.36)
6 Other comprehensive income (OCI)				
Items that will not be reclassified to profit and loss				
Remeasurement of defined benefit plans	(10.50)	(121.33)	-	(218.99)
Equity instruments designated at fair value through OCI	0.04	0.19	-	1.47
Income tax effect	3.63	41.48	-	75.28
Total other comprehensive income/(loss)	(6.83)	(79.66)	-	(142.24)
7 Total comprehensive income/(loss) for the period/year (5+6)	(76.45)	(377.07)	(692.93)	(2,199.60)
8 Paid up equity share capital	320.00	320.00	320.00	320.00
(Face value per share INR 10/- each)				
9 Other equity excluding revaluation reserves	-	-	-	11.24
10 Loss per share (INR 10/- each) (not annualised)	(2.18)	(9.29)	(21.65)	(64.29)
(Basic and diluted)				

Segment information:-

Particulars	Quarter ended			Year ended
	30 June 2018	31 March 2018	30 June 2017	31 March 2018
	(Unaudited)	(Refer note 7)	(Unaudited)	(Audited)
1 Segment revenue (Revenue from operations)				
a) Sugar	15,960.69	6,827.16	6,286.43	28,618.28
b) Power	3,377.18	4,510.83	1,491.67	8,691.59
Sub total	19,337.87	11,337.99	7,778.10	37,309.87
Less : Inter segment revenue	1,675.28	4,912.30	56.48	7,877.00
Total revenue	17,662.59	6,425.69	7,721.62	29,432.87
2 Segment results				
a) Sugar	(293.95)	(1,847.79)	(527.56)	(3,112.72)
b) Power	1,143.84	1,806.99	77.89	2,369.24
Sub total	849.89	(40.80)	(449.67)	(743.48)
Less : Finance costs	1,145.09	1,154.94	900.66	4,108.86
Add/less: Unallocable incomes/expenses (net of unallocable expenses/incomes)	496.21	1,250.22	348.78	2,396.84
Profit / (loss) before tax	201.01	54.48	(1,001.55)	(2,455.50)
3 Segment assets				
a) Sugar	69,308.44	65,539.43	44,900.16	65,539.43
b) Power	22,497.84	21,062.41	21,246.19	21,062.41
c) Unallocated	8,883.24	8,242.03	8,074.72	8,242.03
Total	1,00,689.52	94,843.87	74,221.07	94,843.87
4 Segment liabilities				
a) Sugar	51,032.56	48,413.26	26,259.81	48,413.26
b) Power	-	-	-	-
c) Unallocated	49,401.94	46,099.37	46,125.04	46,099.37
Total	1,00,434.50	94,512.63	72,384.85	94,512.63

Note : The Company reports (i) Sugar and (ii) Power as segments in accordance with Ind AS 108 "Operating Segments".



12/01



GOBIND SUGAR MILLS LIMITED

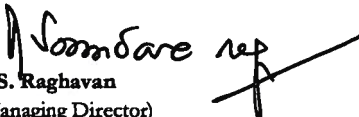
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Notes to the Unaudited Financial Results for the quarter ended 30 June 2018:

- 1 Sugar is a seasonal industry where crushing normally takes place during the period between November and April, while sales are distributed throughout the year. Bagasse based co-generation power plant is affected by the availability of bagasse, which is a by product of the sugar cane.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified under the the Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013.
- 3 As at 31 March 2018, the Company has valued its inventory of finished goods and work in process based on Net Realizable Value ('NRV') which is lower than the cost of finished goods and work in process. The audit report for the quarter ended 31 March 2018 has been qualified in absence of necessary audit evidences supporting NRV used by the management of the Company for valuation of finished goods and work in process. However, subsequent to the date of audit report for 31 March 2018, the NRV of finished goods increased beyond cost of finished goods. Review reports for the quarter ended 30 June 2018 and 30 June 2017 have not been qualified.
- 4 The Company has recognized an amount of INR 7,950.45 lacs as deferred tax assets (net) as at 30 June 2018, as the Company is confident of generating sufficient taxable profits in the near future considering the power purchase arrangements with the Uttar Pradesh Power Corporation Limited, positive expected cash flows, future expansion plans like setting up of Distillery having capacity of 100,000 litres per day (earlier 60,000 litres per day), 16 MW Power Plant and industry focused trade policies of the government.
- 5 The Central Government pursuant to Notification No. 1(5)/2018-S.P.-I dated 9 May 2018 issued by Ministry of Consumer Affairs (Department of Food and Public Distribution), has notified a scheme of assistance to sugar mills against sugar cane crushed during sugar season 2017-18. Accordingly, during the quarter ended 30 June 2018 and quarter and year ended 31 March 2018, the Company has accounted for such grant amounting to INR 131.47 lacs and INR 680.44 lacs.
- 6 Post applicability of Goods and Service Tax Act (GST), w.e.f. 01 July 2017, the revenue is disclosed net of GST. Accordingly, the revenue from operations for quarter ended 30 June 2018, 31 March 2018 and year ended 31 March 2018 is not comparable with previous year's corresponding reported periods as Excise duties formed part of revenue from operations and expenses during the previous periods.
- 7 Amounts for the quarter ended 31 March 2018 represents the balancing amounts between audited amounts for the full financial year and the published year to date amounts upto third quarter of that financial year which were subjected to limited review.
- 8 Ind AS 115, Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1 April 2018 and has replaced existing revenue recognition requirements under Ind AS 18, Revenue. Under the revised reporting standard, i.e. Ind AS 115, no adjustment is required to be made to the retained earnings as at 1 April 2018.
- 9 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25 July 2018.

For and on behalf of the Board of Directors of
Gobind Sugar Mills Limited


R.S. Raghavan
(Managing Director)
DIN No. 00362555



Place: Gurugram
Date: 25 July 2018