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

To the Board of Directors of Gobind Sugar Mills Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Gobind Sugar Mills Limited ('the Company') for the quarter ended 30 June 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Walker Chandiook & Co LLP

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

4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular, and other accounting principles generally accepted in India, 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 (as amended), 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

Neeraj Goel

Partner

Membership No. 099514



UDIN: 19099514 AAAA B U8079

Place: Gurugram

Date: 1 August 2019

GOBIND SUGAR MILLS LIMITED

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

Website : www.gobindsugar.com, email : ig.gsml@adventz.com, Phone : +91-124-4827800, CIN : L15421WB1952PLC020577

Unaudited Financial Results for the quarter ended 30 June 2019:

(INR in laws except per share data)

Particulars	Quarter ended			Year ended
	30 June 2019	31 March 2019	30 June 2018	31 March 2019
	(Unaudited)	(Refer note 8)	(Unaudited)	(Audited)
1 Income from operations				
(a) Revenue from operations	11,906.36	9,653.58	17,496.65	46,384.92
(b) Other income	1,300.25	2,839.26	526.20	5,280.16
Total income from operations	13,206.61	12,492.84	18,022.85	51,665.08
2 Expenses				
(a) Cost of raw materials consumed	12,528.35	26,527.63	8,913.53	43,215.11
(b) Change in inventories of finished goods and work-in-progress	(3,654.24)	(22,872.10)	5,040.24	(7,395.58)
(c) Employee benefits expense	591.87	822.49	619.03	2,403.48
(d) Finance costs	1,801.96	2,005.01	1,666.69	6,945.91
(e) Depreciation and amortization expense	467.68	507.58	365.41	1,800.40
(f) Other expenses	1,262.69	3,129.77	1,216.94	7,323.93
Total expenses	12,998.31	10,120.38	17,821.84	54,293.25
3 Profit/(Loss) before tax (1-2)	208.30	2,372.46	201.01	(2,628.17)
4 Tax expense:				
(a) Current tax	-	-	-	-
(b) Deferred tax charge	(124.10)	(1,806.50)	(270.63)	(954.30)
5 Profit/(Loss) for the period/year (3+4)	84.20	565.96	(69.62)	(3,582.47)
6 Other comprehensive income (OCI)				
Items that will not be reclassified to profit and loss				
Remeasurement of defined benefit plans	9.29	201.40	(10.50)	37.16
Equity instruments designated at fair value through OCI	0.20	(1.38)	0.04	(1.18)
Income tax effect	(3.22)	(69.29)	3.63	(12.45)
Total other comprehensive income/(loss)	6.27	130.73	(6.83)	23.53
7 Total comprehensive income/(loss) for the period/year (5+6)	90.47	696.69	(76.45)	(3,558.94)
8 Paid up equity share capital	447.30	373.09	320.00	373.09
(Face value per share INR 10/- each)				
9 Other equity excluding revaluation reserves	-	-	-	(2,399.45)
10 Earnings/(loss) per share (INR 10/- each) (not annualized) (Basic and diluted)	2.02	12.65	(9.29)	(97.31)

SIGNED FOR
IDENTITY
PURPOSE



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Unaudited Financial Results for the quarter ended 30 June 2019 (Cont'd):

Segment information:-

(INR in lacs)

Particulars	Quarter ended			Year ended
	30 June 2019	31 March 2019	30 June 2018	31 March 2019
	(Unaudited)	(Refer note 8)	(Unaudited)	(Audited)
1 Segment revenue (Revenue from operations)				
a) Sugar	11,222.79	9,756.11	15,794.75	44,721.71
b) Power	2,957.89	4,300.61	3,377.18	9,307.30
c) Ethanol Plant	-	-	-	-
Sub total	14,180.68	14,056.72	19,171.93	54,029.01
Less : Inter segment revenue	2,274.32	4,403.14	1,675.28	7,644.09
Total revenue (Revenue from operations)	11,906.36	9,653.58	17,496.65	46,384.92
2 Segment results				
a) Sugar	(658.93)	1,077.97	(293.95)	(3,709.37)
b) Power	1,296.59	1,925.27	1,143.84	2,911.88
c) Ethanol Plant	-	-	-	-
Sub total	637.66	3,003.24	849.89	(797.49)
Less : Finance costs	1,377.52	1,597.39	1,145.09	5,148.19
Add/less: Unallocable incomes/expenses (net of unallocable expenses/incomes)	948.16	966.61	496.21	3,317.51
Profit / (loss) before tax	208.30	2,372.46	201.01	(2,628.17)
3 Segment assets				
a) Sugar	80,624.78	76,353.92	68,392.98	76,353.92
b) Power	19,068.51	20,979.34	22,497.84	20,979.34
c) Ethanol Plant	16,670.87	7,916.86	915.46	7,916.86
d) Unallocated	7,148.41	6,384.27	8,883.24	6,384.27
Total	123,512.57	111,634.39	100,689.52	111,634.39
4 Segment liabilities				
a) Sugar	47,443.84	46,543.47	51,032.56	46,543.47
b) Power	-	-	-	-
c) Ethanol Plant	-	-	-	-
d) Unallocated	77,940.03	67,043.07	49,401.94	67,043.07
Total	125,383.87	113,586.54	100,434.50	113,586.54

Note :

The Company reports (i) Sugar (ii) Power and (iii) Ethanol Plant (w.e.f quarter ended 30 June 2019 after meeting the required thresholds per Ind AS 108 "Operating Segments") as reportable segments in accordance with Ind AS 108.

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Notes to the Unaudited Financial Results for the quarter ended 30 June 2019:

- 1 Sugar is a seasonal industry where crushing normally takes place during the period between November and May, 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 Companies (Indian Accounting Standards) Rules, 2015 as specified in section 133 of the Companies Act, 2013.
- 3 The Company carries an amount of INR 7,137.30 lacs as deferred tax assets (net) as at 30 June 2019. The management of 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, 16 MW Co-generation Power Plant and industry focused trade policies of the government.
- 4 The Central Government pursuant to notification dated 5 October 2018, issued by Ministry of Consumer Affairs (Department of Food and Public Distribution) has notified the schemes namely - "Scheme for Assistance to Sugar Mills" and "Scheme for defraying expenditure towards internal transport, freight, handling and other charges on export" collectively known as "Schemes" for crushing season 18-19 to improve liquidity position of sugar mills enabling them to clear cane price dues of farmers for crushing season 18-19. Based on substantial fulfillment of conditions attached to the Schemes, the Company has recognized proportionate amount of subsidy basis quota exported under "Other income" amounting to INR 164.11 lacs in the current quarter ended 30 June 2019 and INR 1,724.02 lacs in quarter and year ended 31 March 2019 with a corresponding "Other expense" of INR 155.01 lacs and INR 1,445.44 lacs respectively being costs incurred for fulfillment of conditions attached to the Schemes.
- 5 The Company vide resolution dated 17 April 2019, passed by the Board of Directors of the Company, has allotted 742,130 Equity Shares of the Company at INR 100/- per Equity Share (face value of INR 10/- per Equity Share and INR 90/- being security premium per Equity Share) to Zuari Investments Limited (the holding company) by conversion of Compulsorily Convertible Preference Shares into equity shares of the Company which are then listed on Metropolitan Stock Exchange of India Limited.
- 6 As on 30 June 2019, the accumulated losses of the Company amounted to INR 10,130.87 lacs. The management of the Company is confident to generate sufficient profits and cash from operations in near future considering improving sugar sale prices, industry focused state and central government trade policies, expansion plans in form of setting up of Distillery having capacity of 100,000 litres per day and 16 MW Co-generation Power Plant. In addition, the holding company of the Company, Zuari Investments Limited, confirmed its intent as well as ability to extend continued financial support to the Company, as and when needed, so as to enable the Company continues its operations as a going concern in foreseeable future. In view of the same, the management of the Company is confident of generating sufficient cash flows in the future to meet the Company's financial obligations. Hence, these financial results have been prepared on a going concern basis.

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Notes to the Unaudited Financial Results for the quarter ended 30 June 2019 (Cont'd):

- 7 Ind AS 116, Leases, is mandatory for reporting periods beginning on or after 1 April 2019 and has replaced earlier leases accounting and reporting requirements under Ind AS 17 "Leases". The Company has adopted revised reporting i.e. Ind AS 116 with effect from 1 April 2019 using "Modified Retrospective Approach". The impact of adoption of Ind AS 116 is not material on profit for current quarter ended 30 June 2019 .
- 8 Amounts for the quarter ended 31 March 2019 represents the balancing amounts between audited amounts for the full financial year ended 31 March 2019 and the published year to date amounts upto third quarter of the financial year which was subjected to limited review.
- 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 1 August 2019.
- 10 The figures of previous reported quarters have been regrouped/reclassified wherever considered necessary in order to comply with financial reporting requirements.

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: 1 August 2019



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