



25th October, 2014

The Secretary
The Calcutta Stock Exchange Ltd
7, Lyons Range
Kolkata 700 001

Company Code: 10017013

Sub: Submission of Unaudited Financial Results and Limited Review Report for the Quarter ended September, 2014

Dear Sir,

We enclose a copy of Unaudited Financial Results and Limited Review Report for the Quarter ended September, 2014 of the company duly approved by the Board of Directors at its meeting held today i.e 25th October, 2014 in terms of clause 41 of the Listing Agreement.

Requesting you to Kindly take the same on record.

The copy of results shall also be published on our official site : gobindsugar.com

Thanking You,

Yours Sincerely
For Gobind Sugar Mills Limited

A handwritten signature in black ink, appearing to read 'Payal Saxena', with a horizontal line underneath.

Payal Saxena

GOBIND SUGAR MILLS LIMITED

Tower -A, 5th Floor, Global Business Park, M. G. Road, Sector 26, Gurgaon -122 002 (Haryana)

Tel.: + 91-124 - 4827800 Fax : +91-124-4212046

Registered Office : 9/1, R. N. Mukherjee Road, Kolkata - 700 001

Mills : P. O. Aira Estate, Distt. Kheri (U. P.) PIN - 262 722

Limited Review Report**Review Report to
The Board of Directors
Gobind Sugar Mills Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Gobind Sugar Mills Limited ('the Company') for the quarter ended September 30, 2014 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. 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 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. 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. Without qualifying our conclusion, we draw attention to the fact that the Company has incurred a net loss of Rs. 180.40 lacs during the six months period ended September 30, 2014 (profit of Rs. 345.60 lacs during the current quarter) (without considering the impact of qualification as given in para 4 below) and, as of that date; the Company's current liabilities exceeded its current assets by Rs.11,445.99 lacs. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
4. *We observe that the Company has recognized Deferred Tax Asset (net) of Rs. 5,319.16 lacs (including Rs. 44.39 lacs during the quarter) in terms of Accounting Standard – 22, "Accounting for Taxes on Income", notified pursuant to the Companies (Accounting Standards) Rules, 2006, [specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014)] based on the future profitability projections made by the management. However, in our opinion, in the absence of virtual certainty and convincing evidence of the aforesaid projections in terms of Accounting Standard – 22, [specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014)] net deferred tax assets should not be recognized by the Company. Had the impact of the same been considered, there would be a loss of Rs. 4,973.56 lacs as against the reported profit of Rs. 345.60 lacs for the quarter.
In respect of above, audit report for period ended March 31, 2014, quarter ended June 30, 2014 and quarter ended September 30, 2013 were similarly modified.*



S.R. BATLIBOI & Co. LLP

Chartered Accountants

5. Based on our review conducted as above *except for the effects of the our observation in para 4 above*, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP

ICAI Firm registration number: 301003E

Chartered Accountants



per Anil Gupta

Partner

Membership No.: 87921

Place: Gurgaon

Date: 25th October, 2014



GOBIND SUGAR MILLS LIMITED

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

Unaudited Financial Results for the half year ended 30th September, 2014

(₹ in Lacs)

PARTICULARS	Quarter ended			Half Year ended		Period Ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	(Unaudited)	(Unaudited)	(Audited) (Refer Note 7 below)	(Unaudited)	(Unaudited)	(Six months) (Audited)
PART I						
1 Income from operations						
(a) Gross Sales / Income from Operations	2,738.78	5,948.69	7,846.72	8,687.47	12,812.18	17,101.55
Less : Excise Duty & Cess	113.22	222.31	283.78	335.53	544.65	637.46
Net sales / income from Operations	2,625.56	5,726.38	7,562.94	8,351.94	12,267.53	16,464.09
(b) Other Operating Income	4.39	3.17	3.92	7.56	12.21	129.95
Total income from operations (net)	2,629.95	5,729.55	7,566.86	8,359.50	12,279.74	16,594.04
2 Expenses						
(a) Cost of raw materials consumed	8.16	161.08	7.22	169.24	1,415.35	19,233.40
(b) Purchases of stock-in-trade	-	1.25	116.81	1.25	116.81	874.15
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade (after adjusting excise duty & cess)	2,901.52	5,362.27	8,105.68	8,263.79	11,019.11	(4,889.77)
(d) Employee benefit expenses	190.75	212.67	189.11	403.42	393.36	598.19
(e) Depreciation	66.64	67.56	108.66	134.20	214.18	218.53
(f) Other expenses	246.95	225.18	320.74	472.13	590.55	1,368.31
Total expenses	3,414.02	6,030.01	8,848.22	9,444.03	13,749.36	17,402.81
3 (Loss) from Operations before other income, finance costs and exceptional item (1-2)	(784.07)	(300.46)	(1,281.36)	(1,084.53)	(1,469.62)	(808.77)
4 Other Income (Refer note 9 below)	1,526.10	0.36	737.50	1,526.46	737.74	1.45
5 Profit/(Loss) from ordinary activities before finance costs and exceptional item (3+4)	742.03	(300.10)	(543.86)	441.93	(731.88)	(807.32)
6 Finance costs	440.82	478.53	608.06	919.35	1,342.99	888.56
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional item (5-6)	301.21	(778.63)	(1,151.92)	(477.42)	(2,074.87)	(1,695.88)
8 Exceptional Item	-	-	-	-	-	-
9 Profit/(Loss) from ordinary activities before tax (7-8)	301.21	(778.63)	(1,151.92)	(477.42)	(2,074.87)	(1,695.88)
10 Tax Expenses :						
(a) Current Tax	-	-	-	-	-	-
(b) Minimum Alternative Tax (MAT) Reversal	-	-	-	-	-	-
(c) Deferred Tax (Credit)	(44.39)	(252.63)	(444.79)	(297.02)	(745.99)	(527.20)
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	345.60	(526.00)	(707.13)	(180.40)	(1,328.88)	(1,168.68)
12 Extraordinary Item	-	-	-	-	-	-
13 Net Profit/(Loss) for the period (11-12)	345.60	(526.00)	(707.13)	(180.40)	(1,328.88)	(1,168.68)
14 Paid-up Equity Share Capital (Face value per share ₹ 10/-)	320.00	320.00	320.00	320.00	320.00	320.00
15 Paid-up Preference Share Capital	8,700.00	8,700.00	6,000.00	8,700.00	6,000.00	8,175.00
16 Reserves excluding Revaluation Reserves	-	-	-	-	-	(-)7357.57
17 Basic and Diluted Earning per share	10.80	(16.44)	(22.10)	(5.64)	(41.53)	(36.52)
PART II						
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of Equity Shares	1,124,368	1,124,368	1,124,368	1,124,368	1,124,368	1,124,368
- Percentage of Shareholding	35.14	35.14	35.14	35.14	35.14	35.14
2 Promoters & Promoter Group Shareholding						
(a) Pledged / Encumbered						
- Number of Shares	-	-	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of Shares (as a % of the total share capital of the company)	-	-	-	-	-	-
(b) Non - encumbered						
- Number of Shares	2,075,632	2,075,632	2,075,632	2,075,632	2,075,632	2,075,632
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of Shares (as a % of the total share capital of the company)	64.86	64.86	64.86	64.86	64.86	64.86
Particulars						
B INVESTOR COMPLAINTS	Quarter ended 30.09.2014					
Pending at the beginning of the quarter	Nil					
Received during the quarter	Nil					
Disposed off during the quarter	Nil					
Remaining unresolved at the end of the quarter	Nil					

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Segmentwise Revenue, Results and Capital Employed under clause 41 of the listing agreement

Particulars	Quarter Ended			Half Year ended		Period Ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
1 Segment Revenue (Net):						
a) Sugar	2,467.17	5,572.07	7,445.62	8,039.24	12,158.50	16,260.11
b) Fertilizer (Traded goods)	162.78	157.48	121.24	320.26	121.24	333.93
Total	2,629.95	5,729.55	7,566.86	8,359.50	12,279.74	16,594.04
2 Segment Results - Profit/(loss) before tax and interest						
a) Sugar	(809.25)	(333.56)	(1,260.59)	(1,142.81)	(1,449.04)	(822.17)
b) Fertilizer (Traded goods)	4.66	13.10	4.22	17.76	4.22	17.31
Less: Unallocated Corporate (Expense) / Income	1,525.74	-	711.76	1,525.74	711.76	(57.50)
Add : Interest Income	0.36	0.36	0.75	0.72	0.98	1.45
Less : Interest expense	(420.30)	(458.53)	(608.06)	(878.83)	(1,342.79)	(834.97)
Total Profit /(loss) Before Tax	301.21	(778.63)	(1,151.92)	(477.42)	(2,074.87)	(1,695.88)
3 Capital Employed (Segment Assets - Segment Liabilities)						
a) Sugar	16,926.81	14,107.51	11,784.01	16,926.81	11,784.00	13,743.04
b) Fertilizer (Traded goods)	(294.02)	(137.99)	(113.24)	(294.02)	(113.23)	2.50
c) Unallocated	(15,191.20)	(12,874.47)	(11,542.21)	(15,191.20)	(11,542.21)	(12,608.11)
Total	1,441.60	1,095.05	128.56	1,441.60	128.56	1,137.43

Notes :

1 Statement of Assets and Liabilities


PARTICULARS	As at	As at
	30.09.2014 (Unaudited)	31.03.2014 (Audited)
Equity and Liabilities		
Shareholders' Funds		
Share Capital	9,020.00	8,495.00
Reserve and Surplus	(7,578.40)	(7,357.57)
	1,441.60	1,137.43
Non-current Liabilities		
Long-term borrowings	6,770.00	2,143.33
	6,770.00	2,143.33
Current Liabilities		
Short-term borrowings	12,722.22	15,876.43
Trade payables	7,580.11	13,037.90
Other current liabilities	2,956.67	1,724.97
Short-term provisions	38.79	34.19
	23,297.79	30,673.49
TOTAL	31,509.39	33,954.25
Assets		
Non-Current Assets		
Fixed Assets (including capital work-in-progress)	12,432.39	6,313.95
Non-current Investments	14.55	993.08
Deferred Tax Assets (net)	5,319.16	5,001.73
Long-term loans and advances	1,891.49	2,733.62
	19,657.59	15,042.38
Current Assets		
Inventories	8,898.57	17,461.34
Trade Receivables	1.18	12.80
Cash and Bank Balances	2,133.77	626.35
Short-term loans and advances	817.09	765.89
Other current assets	1.19	45.49
	11,851.80	18,911.87
TOTAL	31,509.39	33,954.25

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- 2 Sugar is a seasonal industry where crushing normally takes place during the period between November to April, while sales are distributed throughout the year. As such, the above quarterly results are not indicative of the likely results for the year.
- 3 The Auditors in their report on the accounts for the period ended 31st March, 2014 as well as for the quarter ended on 30th June, 2014 have commented upon recognition of Deferred Tax Assets (net). Based on future profitability projections, the management is optimistic that there would be sufficient taxable income in future to claim credit of Deferred Tax Assets.
- 4 The Auditors in their report on the accounts for the period ended 31st March, 2014 have also commented upon the preparation of accounts on going concern basis. However, the management based on the profitability projections is hopeful that the Company would be in a position to generate positive cash flow and profitability in near future.
- 5 The company is undertaking a project to set up a 30MW co-generation power plant together with an expansion of capacity from 7500 TCD to 10,000 TCD besides a 500 TPD sugar refinery at a total cost of Rs 311 crores. The company acquired contiguous land for the above purpose. To fund the project, Board at its meeting held on 7th Feb 2014 approved preferential issue of preference shares of the company upto Rs 55 crores under section 81(1A) of the companies act, 1956. The above issue was approved by the share holders of the company in the extra-ordinary general meeting held on 28th March 2014. The debt requirement of Rs 160 crores was also tied by 30th September 2014.
- 6 In accordance with Companies Act, 2013, the Company has revised the useful life of its fixed assets to comply with the useful life as mentioned under Schedule II of the Companies Act, 2013. As per the transition provision, the Company has added Rs. 42.49 lacs (net of deferred tax of Rs. 20.41 lacs) to the opening debit balance of statement of profit and loss. Had the Company continued to follow the earlier useful life, the depreciation expense for the 6 months period would have been higher by Rs. 82.37 lacs (Rs. 41.13 lacs for the quarter ended September 30, 2014), loss before tax would have been higher by Rs. 82.37 lacs (Rs. 41.13 lacs for the quarter ended September 30, 2014) and the net block of the fixed assets would have been lower by Rs. 19.47 lacs.
- 7 The figures of the quarter ended September 30, 2013 were the balancing figures between audited figures in respect of the full financial period upto September 30, 2013 and the unaudited published period to date figures upto June 30, 2013 being the date of end of the fourth quarter of that financial period which were subjected to review by the auditors.
- 8 During the current quarter, Zuari Investments Limited, a wholly owned subsidiary of Zuari Global Limited, acquired 26.27% of equity shares in the Company (total holding 51.27% as of September 30, 2014), consequent to which Zauri Investments Limited has become Holding Company of the Company.
- 9 The Company during the current quarter earned profit of Rs. 1,525.74 lacs from sale of equity shares held in its subsidiary Company "New Eros Tradecom Limited" (NETL). NETL is no more Subsidiary of the Company.
- 10 During the current quarter, the state government vide its notification dated 14th August, 2014 has reserved 34% of the total molasses produced in the season 2013 - 2014 towards levy sales as compared to 20% earlier. Due to this, additional 49,362 quintals of molasses are required to be sold at reserved price which is significantly lower than the market price for free stock. This has resulted in additional loss of Rs. 224.60 lacs during the quarter.
- 11 The auditors have conducted limited review of the financial results for the quarter ended September 30, 2014. The un-audited financial results have been recommended by the Audit Committee at its meeting held on 25th October, 2014 and approved by the Board of Directors at its meeting held on same day.
- 12 The previous periods' figures have been regrouped, wherever necessary, to conform to the current period figures.

Place: Gurgaon
Date: 25th October, 2014

For and on behalf of the Board
Gobind Sugar Mills Ltd.


RS Raghavan
Managing Director