BASANT RAM & SONS Chartered Accountants

A-18 MURLI MARG, NIZAMUDDIN EAST New Delhi-110013

Ph: 011-24353037

Email: brs1895@yahoo.co.in

LIMITED REVIEW REPORT FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

TO
THE BOARD OF DIRECTORS
SIR SHADI LAL ENTERPRISES LIMITED

- We have reviewed the accompanying statement of unaudited financial results of Sir Shadi Lal Enterprises Limited ("the company") for the quarter and Six months ended September 30, 2022 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 2. This 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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under 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 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 4. We draw attention to Note No. 7 of the Standalone financial results, regarding non provision of Arrear of wages towards revision of wages of employees covered under wage board with retrospective effect from 1st October, 2018, pursuant to notification no. 2156788/2022/shrum-2 dated 03.08.2022 issued by the Government of Uttar Pradesh. The said wage liability has not been determined by the company and to that extent the accounts are not maintained on "Accrual Basis". Had such liability been provided the reported loss for the Quarter and six months ended on 30.09.2022 would have been higher to that extent.
- 5. Without qualifying our opinion, we draw your attention that:
 - a) The Company has not maintained accounts on "Accrual Basis" to the extent
 - i) Of Rs. 14242.19 Lakh as stated in Note No. 2 of the aforesaid Financial Statement in respect of Interest on late payment of cane price and

- ii) As stated in Note No. 3 of the aforesaid Financial statement in respect of liability (Not determined by the Company) towards bonus relating to financial year 2014-15 in accordance with revised Bonus Notification dated 1st January,2016
- 6. Based on our aforementioned review, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results has been prepared in accordance with the applicable Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued their under and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the listing Regulations,2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement, except as stated in Note No. 4 of the aforesaid Statement, In view of carried forward losses and uncertainty of future profitability, the management has decided, not to account for the effect of Deferred Taxation for the current period, which is not in line with Indian Accounting Standard-12.
- 7. Attention is invited to note no. 6 to the accompanying statement, wherein it is explained that the Company has significant accumulated losses which have resulted in erosion of the net worth of the Company. The reasons for improvement explained by the Company in the said Note No. 6 that it will continue as going concern and it will likely to pay its liabilities from expected generation of cash flow are, in our opinion uncertain. We are unable to comment upon the said uncertainties. Our opinion in respect of the matter is not qualified.
- 8. The review of the unaudited financial results for the Six months ended September 2021 and quarter ended June, 30,2022 included in the statement were reviewed by the predecessor auditors who have issued an unmodified review and Audit report dated November 11, 2021 and 30th July 2022 respectively, whose reports have been furnished to us by the Management and which have been relied upon by us for the purpose of our review of the Statement. Our review report is not modified in respect of this matter.

For BASANT RAM & SONS Chartered Accountants (F.R.N-000569N)

Place: New Delhi Date: 12.11.2022

(R. K. Nayar)
Partner
(M.No- 087112)
UDIN:

SHAMLI, DIST. SHAMLI UTTAR PRADESH - 247 776

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2022

(IN No. 1.51909) [1919/329] C1/4675 website-www.sirshadilal.com Empilyadem shamil@sirshadilal.com

SI. No.		CIN No.L51909UP1933PLC146675,website-www.sirshadilal.com,Email-udsm_shamli@sirshadilal.com [Rs.in Li Previous Quarterly reporting of segmentwise Revenue, results and Previous Pr													
	Quarter ended Six m						Previous Accounting		Quarterly reporting of segmentwise Revenue, results and capital employed under Regulation 33 of SEBI(LODR) Regulations, 2015.						
NO.	Particulars	30.09.2022		30.09.2021		30.09.2021	Year ended 31st March		Particulars	Quarter ended			Six months ended		Accounting Year ended 31st March
					30.03.2022	30.03.2021	2022	No.		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	2022
1	2	3	N A U	D I	T E	D 7	Audited 8	ŀ	2	3 U	N A U	D I	T E D		Audited 7
1	Income	0077.00	4404400	40070.00	00004.40	00404 40	10000 07	1	Segment Revenue	0404.50	44047.54	0000 40	40500.04	00704.00	44407.05
	(a) Revenue from operations	8977.06	11644.36	10373.02	20621.42	22421.48	46998.97		(a) Sugar (b) Distillery	8461.50 1058.92	11047.51 3873.63	9920.49 469.21	19509.01 4932.55	20781.68 2799.18	44187.65 7207.19
	(b) Other income	29.47	10.88	16.68	40.35	23.90	30.70		c) Others	26.03	-	-	26.03	3.23	3.38
2	Total income Expenses	9006.53	11655.24	10389.70	20661.77	22445.38	47029.67		Total Segment Revenue	9546.45 539.92	14921.14	10389.70	24467.59	23584.09 1138.71	51398.22 4368.55
2	(a) Cost of raw materials consumed	9.20	8809.50	7.54	8818.70	8541.80	38512.44		Less: Inter Segment revenue Total Revenue from operation	9006.53	3265.90 11655.24	10389.70	3805.82 20661.77	22445.38	47029.67
	(b) Purchase of stock-in-trade	-	-	- 9422.29	-	10986.65	1351.72	2	Segment Results	1057.00	007.05	050.00	1015.01		
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	8976.03	1495.62	9422.29	10471.65	10986.65	1351.72		(a) Sugar (b) Distillery	-1257.39 -267.45	-387.85 -179.83	-258.38 -96.84	-1645.24 -447.28	-411.51 479.04	-609.63 598.09
	(d) Excise duty and Cess (e) Employee benefits expense	600.65	780.89	679.86	1381.54	1379.73	3071.11		Total segment profit before	-1524.84	-567.68	-355.22	-2092.52	67.53	-11.54
	(f) Finance Costs (net) (g) Depreciation and amortisation expense	265.90 280.91	285.49 280.91	285.94 151.03	551.39 561.82	615.37 302.06	1150.41 736.95		Finance Costs,tax and unallocable items						
	(h) Other expenses	690.33	911.20	587.39	1601.53	1368.72	3859.54		Less:						
									Finance Cost Other Unallocable	265.90 25.75	285.49 55.20	285.94 103.19	551.39 80.95	615.37 201.11	1150.41 490.95
									Expenditure(net of unallocable in						
	Total Expenses	10823.02	12563.61	11134.05	23386.63	23194.33	48682.17	۱	Total Profit before tax Segment Assets	-1816.49	-908.37	-744.35	-2724.86	-748.95	-1652.90
								3	(a) Sugar	10136.16	19222.62	10524.06	10136.16	10524.06	20454.18
									(b) Distillery (c) Unallocable Assets	8131.69 272.20	9502.88 536.35	7942.48 235.56	8131.69 272.20	7942.48 235.56	9040.11 418.45
									Total Segment Assets	18540.05	29261.85	18702.10	18540.05	18702.10	29912.74
								4	Segment Liabilities (a) Sugar	34257.85	42771.50	30885.41	34257.85	30885.41	42494.95
									(b) Distillery	4048.43	4195.00	4066.40	4048.43	4066.40	4504.88
									(c) Unallocable Assets Total Segment Liabilities	2297.87 40604.15	2512.33 49478.83	2252.50 37204.31	2297.87	2252.50 37204.31	2296.85 49296.68
3	Profit before Exceptional items and Tax(1-2)	-1816.49	-908.37	-744.35	-2724.86	-748.95	-1652.50		STATEMENT OF ASSETS AND			3/204.31	40604.15 30.09.2022	3/204.31	31.03.2022
									ASSETS				Unaudited		Audited
4	Exceptional Items	0.00	0.00	0.00	0.00	0.00		1	Non Current Assets (a) Property, Plant and Equipmen	nt			53715.09		54290.39
	·								(b) Capital work-in-prgress (c) Other Intangible				140.45 16.84		45.93 0.27
5	Profit before Tax (3+4)	-1816.49	-908.37	-744.35	-2724.86	-748.95	-1652.50	l	(d) Financial Assets				10.01		0.27
6	Tax expenses -Current -Excess Provision of I/T relating to Earlier Year -Deferred Total Tax expenses	0.00	0.00	0.00	0.00	0.00	0.00		(i) Investments (ii) Trade receivables				1.48		1.64
		0.00	0.00	0.00	0.00	0.00	0.00		(iii) Loans				0.50		0.50
		0.00	0.00	0.00	0.00	0.00	0.00		(iv) Other financial assets (e) Deferred Tax assets(net)				190.49 6881.11		96.02 6881.11
		0.00	0.00	0.00	0.00	0.00	0.00	•	(f) Other Non- Current assets				-		58.01
								2	Non- Current assets Current Assets				60945.96		61373.87
7	Net Profit for the period (5-6)	-1816.49	-908.37	-744.35	-2724.86	-748.95	-1652.50	-	(a) Inventories (b) Financial Assets				7120.56		17324.30
8	Other Comprehensive Income (i) Items that will not be reclassified subsequently to profit or loss								(i) Trade receivables				803.42		1107.53
		-30.62	75.34	22.97	44.72	73.84	95.64		(ii) Cash and Cash equivalen(iii) Bank Balance other than		h oguis rolonte		216.53 74.81		720.72 129.84
									(iv) Other financial assets	casii anu cas	ii equivalents	•	6.00		7.77
	(ii) Items that will be reclassified subsequently to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00		(v) Other Current assets Current assets				813.00 9034.32		688.94 19979.10
	subsequently to profit of loss								Total Assets				69980.28		81352.97
									EQUITY AND LIABILITIES EQUITY						
	Total Other Comprehensive Income	-30.62	75.34	22.97	44.72	73.84	95.64	t l	(a) Equity Share Capital				525.00		525.00
9	Total Comprehensive Income for the period	-1847.11	-833.03	-721.38	-2680.14	-675.11	-1556.86		(b) Other Equity (i) Capital Redemption Reserv	40			35.70		35.70
9	(Comprising Profit and other comprehensive	71047.11	*033.03	-121.30	-2000.14	-075.11	- 1330.00		(ii) Retained Earnings	VO			-15743.68		-13063.55
	income for the period) (7+8)								(iii) Revaluation Surplus Sub Total Other Equity				44559.14 28851.16		44559.14 31531.29
									Sub Total Equity				29376.16		32056.29
									LIABILITIES						
10	Paid-up equity share capital (Face value per share Rs.10/- each)	525.00	525.00	525.00	525.00	525.00	525.00	1	Non- Current Liabilities (a) Financial Liabilities						
	(1 acc value per strate NS. 10/* eactr)								(i) Borrowings				3981.62		5077.88
11	Reserves excluding revaluation reserve						(-)13027.85		(b) Provisions				895.97		922.03
	(Rs.44559.14 Lacs)								(c) Other non Current LiabilitiesNon Current Liabilities				265.05 5142.64		387.50 6387.41
								2	Current Liabilities (a) Financial Liabilities					-	
									(i) Borrowings				6942.51		6747.14
12	Earnings per equity share (Re 10/ c)								(ii) Trade payables (iii) Other financial Liabilities				21477.77 2590.11		29215.51 2438.12
12	Earnings per equity share (Rs.10/- each) (not annualised)								(iv) Other Current Liabilities				4269.68		4339.41
	(a) Basic	-34.600	-17.302	-14.178	-51.902	-14.266	-31.476		(b) Provisions Current Liabilities				181.41 35461.48		169.09 42909.27
1	(a) Basic (b) Diluted	-34.600 -34.600	-17.302 -17.302	-14.178 -14.178	-51.902 -51.902	-14.266 -14.266	-31.476 -31.476	H	Total Equity and Liabilities				35461.48 69980.28	<u> </u>	42909.27 81352.97

The above quarterly financial results do not reflect the true and fair proportional position of the year as the working of the Sugar Factory, being the major operation of the Company, is completely seasonal. The unaudited Profit/Loss before tax on a rolling basis for the year ended 30th September, are as under

- Year ended 30th September, 2022

Year ended 30th September, 2021 (-) 399.70 Lacs

Rs. (-)3628.41 Lacs

- 2 The interest aggregating to Rs.607.19 Lakhs on delayed payment of sugar cane price for sugar seasons 2011-12 to 2014-15 is due for payment in view of the Supreme Court's order no.35113/2017 dated 23.04.2018. The company is contemplating to file a review petition against above mentioned order of Supreme Court. Therefore, no provision has been made for the above mentioned liability of Rs.607.19 Lakhs and also for Rs.12351.23 Lakhs relating to the subsequent financial years 2015-16 to 2021-22 and Rs.1890.96 Lacs for the half year ended 30.09.2022 to that extent the accounts are not maintained on accrual basis.
- 3 The Central Govt. Ministry of Law & Justice, have issued Notification No.6/2016 dated 1.1.2016 regarding payment of bonus (Amendment Act 2015) in terms of which the ceiling for payment of bonus has been revised w.e.f. 1st April, 2014. Certain High Courts have stayed the implementation of revision of Bonus from retrospective effect. ISMA has also filed writ against implementation of the order with regard to its retrospective effect from 1st April, 2014 and the matter is subjudice. Therefore the Company has not made provision for this liability for the year ending on 31.03.2015.
- In view of Accumulated losses, and uncertainty of future profitability the Board have decided not to make any provision for Deferred Tax Assets for the current financial period, though not in line with Indian Accounting
- These results have been prepared in accordance with the Ind-AS notified under the Companies (Indian Accounting Standard) Rules 2015 as amended. The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 12.11.2022 The Limited Review for the period ended 30th September 2022 has been carried out by the Statutory Auditors, as required under Regulation 33 of SEBI (LODR) Regulations, 2015.
- 6 The net worth of the company has since been eroded on account of operational losses, incurred by the company upto the F.Y. 2014-15, which was basically on account of low recovery of sugar from sugarcane. Whereas on account of improvement in the sugar manufacturing unit, during the season 2015-16, the recovery has substantially improved with the result that the company has earned profit during the year 2016-17. The Company has also reported profit during the year ending on 31.03.2020 Rs.384.91 Lakhs as compare to loss of Rs.1410.62 Lakhs during the previous year ending on 31.03.2021. The Company is continuously striving for improvement in also reported profit during the year ending on 31.03.2/2/21. Iakns as compare to loss of Ns.1410.62 Lakns during the previous year ending on 31.03.2/21. In the Company is continuously striving for improvement in the operational efficiency in other parameters. The Company continue to operate at optimizinm levels and expects improvement in the operational efficiency in form of improvement in sugar recovery, increase of production of alcohol through using B Heavy Molasses, reduction of over heads, finance and other cost. The Government has taken different measures to improve the financial health of Sugar industry to fix obligation for export of sugar (MIEQ-minimum indicate export quota) to reduce sugar availability, fixation of minimum support price(MSP) for sugar. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. As such the company will remain as a going concern and is likely to pay it's liabilities including cane dues from expected generation of cash flow. However, the accumulated losses of the company as at 31.03.2022 were Rs.13027.85 Lakhs (excluding revaluation reserve)as against the paid up capital of Rs.525 Lakhs.
- The Company has not provided for arrear of Wages upto 31.03.2022 and Quarter and six month ended on 30.09.2022, pursuant to nofification No. 2156788/2022/shrum-2 dated August 3, 2022 issued by Government of Uttar pradesh towards revision of wages of Employee convered under Wage Board with retrospective effect from October -1, 2018. The Company is in the process of determining the above said liability.
- 8 The figure of the previous period has been regrouped / reclassified to conform to current period's presentation.

For Sir Shadi Lal Enterprises Ltd.

(RAJATIAL) PLACE : NEW DELHI MANAGING DIRECTOR DATED 12th November,2022 DIN: 00112489 our report of even date attached For Basant Ram & Sons PLACE: NEW DELHI