

Ref: SSL: Stock Exchange
July 30, 2020



SIMBHAOLI SUGARS

Simbhaoli Sugars Limited

CIN-L15122UP2011PLC044210

(An FSSC 22000 : 2011, ISO 9001 : 2008
& 14001 : 2004 Certified Company)

Corporate Office :

A-112, Sector-63, Noida-201307 (Delhi NCR) INDIA

Tel. : +91-120-480 6666

Fax : +91-120-2427166

E-mail : info@simbhaolisugars.com

www.simbhaolisugars.com

GSTIN: 09AAPCS7569A1ZV

The Manager - Listing
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra- (East),
Mumbai - 400 051.

Department of Corporate Services
BSE Limited,
Corporate Relationship Dept.,
P. J. Towers, Dalal Street,
Mumbai - 400 001

Scrip Code: NSE: SIMBHALS BSE: 539742

Sub: Outcome of the Board meeting held on July 30, 2020

Dear Sir,

The Board of Directors of Simbhaoli Sugars Limited in their meeting held today i.e., Thursday, July 30, 2020, which commenced at 4:00 PM and concluded at 6:45 PM, have considered and approved the following:

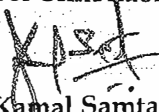
1. Standalone and consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2020 and the Audited Financial results (Standalone and Consolidated) for the quarter and Year ended March 31, 2020. The copies of the aforesaid Financial Results along with Reports of Auditors thereon are attached herewith. A statement of impact of the Audit qualification is also enclosed.
2. Re-appointment of Ms. Gursimran Kaur Mann as Managing Director of the Company for a period of three years w.e.f August 02, 2020 to August 01, 2023 and to fix her remuneration subject to the approval at ensuing Annual General meeting of the members of the Company.
3. Re-appointment of Mr. S. N. Misra as Chief Operating Officer of the Company in the category of Whole Time Director for a period of three years w.e.f September 18, 2020 to September 17, 2023 and to fix his remuneration subject to the approval at ensuing Annual General meeting of the members of the Company.

You are requested to take the above submissions in your records.

Thanking you

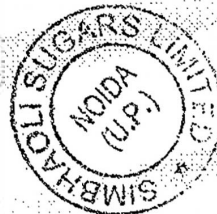
Yours faithfully,

For Simbhaoli Sugars Limited


Kamal Samtani

Company Secretary

M No. - FCS 5140



**M/s Simbhaoli Spirits Limited known as M/s Simbhaoli Sugars Limited in pursuance to Scheme of Amalgamation, as sanctioned by the Hon'ble High Court of Judicature at Allahabad*

Specialty Sugars

Potable Alcohol

Ethanol

Power

REG. OFFICE : SIMBHAOLI, DISTT. HAPUR, UTTAR PRADESH-245207



MITTAL GUPTA & CO.

CHARTERED ACCOUNTANTS

14, Ratan Mahal, 15/197, Civil Lines, Kanpur - 208 001
Tel. : 0512-2303234, 2303235 • Fax : +91512-4009111 • E-mail : mgco@mgco.com

Independent Auditor's Report on the Quarterly and Year to Date Standalone Financial Results of Simbhaoli Sugars Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

To
Board of Directors of
Simbhaoli Sugars Limited
Simbhaoli

Report on the audit of Standalone Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Simbhaoli Sugar Limited (the "Company") for the quarter and year ended March 31, 2020 (the "Statement"). The Statement has been submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulation").

In our opinion and to the best of our information and according to the explanation given to us, except for the matters described in basis of qualified opinion paragraph below the Statement:

- i. is presented in accordance with the requirement of the listing regulation in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standard and other accounting principle generally accepted in India, of the net profit after tax and other comprehensive loss and other financial information of the company for the quarter and year ended March 31, 2020 and of the net loss after tax and other comprehensive loss and other financial information for the year ended March 31, 2020.

Basis of Qualified Opinion

- a) We draw attention to Note No.1 of the Statement regarding non provisions for impairment in the carrying value of Property, Plant and Equipments. We are not made available of appropriate impairment assessment carried out by the management and accordingly, we are unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these financial results.
- b) We draw attention to Note No. 2 of the Statements regarding non-provision of interest expense amounting Rs. 3,431 Lacs and Rs.13,146 Lacs (Previous year Rs.12,336 Lacs) on certain borrowings for the quarter and year ended March 31, 2020 respectively for the reasons stated in the said note. Consequently Finance Costs, Net Loss and Total



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Comprehensive Income for the periods are understated by the aforesaid respective amounts. The aggregate amount of interest expense not provided for in the accounts aggregates to Rs. 37,454 Lacs till March 31, 2020 (Rs. 24,308 Lacs till March 31, 2019). Consequently, Current Financial Liabilities are understated and other equity as at March 31, 2020 and March 31, 2019 are overstated by the aforesaid respective amounts

- c) We draw attention to Note No.3, of the Statement regarding non- provision of interest liability in respect of delayed payment of sugarcane price for the reasons stated in the said note. The amount of interest not provided for in the books has not been ascertained.
- d) We draw attention to Note No. 5 of the Statement, non provision of disputed value of bagasse amounting to Rs. 253 Lacs, sold to Simbhaoli Power Private Limited, a subsidiary company, for the reasons stated in the said note. Consequently, the Revenue for the quarter and year has been overstated; Net Loss and Total Comprehensive Income for the quarter and year has been understated; Receivables and Total Equity as at March 31, 2020 has been overstated by the aforesaid amount.

Our opinion is qualified in respect of the above matters.

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the " Auditor's Responsibilities for the Audit of the financial results" section of our report .We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Material Uncertainty related to Going Concern:

As stated in Note No. 1, Statement has been prepared on going concern basis. Events or conditions as set forth in Note No. 1 indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as going concern. The ability of the Company to continue as going concern depends on the decision of National Company Law Tribunal under the Insolvency and Bankruptcy Code 2016, the Company's ability to get its borrowings restructured as stated in the said note and turnaround of its sugar and distilleries operations on sustainable basis.

Our opinion is not modified in respect of the above matter.



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Management's Responsibilities for the Standalone financial Results

The Statement has been prepared on the basis of the annual financial statements. The Management and the Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness the accounting records, relevant to the preparation and presentation of the Statement, that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



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higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- a) We draw your attention to Note No. 1 to these financial results, which describes the Management's assessment of the impact of COVID-19 pandemic and the resultant risks on the significant uncertainties involved in developing some of the estimates



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involved in preparing the financial statements. Based on the information available on this date, Management believes that no further adjustments are required to the financial results. However, in view of very uncertain economic environment, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and actual results may differ from those estimated as at the date of approval of these financial statements.

- b) Due to COVID-19 related lock-down restriction, we were not able to physically observe the stock verification at the end of the year carried out by the management. Consequently, we have performed alternate procedures to audit the existence of inventory as per guidance provided in SA 501 "Audit Evidence- Specific Considerations for Selected Items", which include inspection of supporting documentation relating to purchases and consumption, results of cyclical count performed by the management through the year and such other third party evidences, where applicable, and have obtained sufficient supporting evidence to issue our opinion on the Statement.
- c) The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us

For MITTAL GUPTA & CO.

Chartered Accountants

FRN : 0187


(B. L. Gupta)



Partner

Membership No.:073794

Place of Signature: Kanpur

Date: 30.07.2020

UDIN: 20073794AAA 895936

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SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
Regd. Office : Simbhaoli Dist. Hapur (U.P.) - 245207
CIN - L15122UP2011PLC044210 E-mail: info@simbhaolisugars.com Website: www.simbhaolisugars.com
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
MARCH 31, 2020

(Rs. Lacs)

Sl. No.	Particulars	Quarter ended			Year Ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		Audited #	Unaudited	Audited #	Audited	Audited
1	Income					
	(a) Revenue from operations	40,517	25,370	41,970	120,832	111,109
	(b) Other income	1,193	540	504	2,574	1,585
	Total revenue	41,710	25,910	42,474	123,406	112,694
2	Expenses					
	(a) Cost of materials consumed	43,150	26,405	44,047	82,202	87,478
	(b) Purchase of stock-in-trade	630	838	577	2,866	2,154
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16,360)	(11,707)	(16,403)	(7,202)	(14,631)
	(d) Excise duty	4,592	3,995	4,840	19,888	15,897
	(e) Employee benefits expense	1,777	1,466	1,440	5,696	5,334
	(f) Finance costs	841	778	1,015	3,163	3,420
	(g) Depreciation and amortisation expense	882	907	907	3,601	3,670
	(h) Power & fuel	619	688	616	2,844	1,691
	(i) Other expenses	3,974	3,441	3,923	12,513	12,411
	Total expenses	40,105	26,811	40,962	125,571	117,424
3	Profit/ (loss) before exceptional items and tax (1-2)	1,605	(901)	1,512	(2,165)	(4,730)
4	Exceptional items	-	-	185	-	185
5	Profit/ (loss) before Tax (3-4)	1,605	(901)	1,327	(2,165)	(4,915)
6	Tax expense :					
	- Current tax	-	-	-	-	-
	- Deferred tax	-	-	-	-	-
	Total tax expenses					
7	Net Profit/(loss) from ordinary activities after tax (5-6)	1,605	(901)	1,327	(2,165)	(4,915)
8	Other Comprehensive Income (net of tax)	(272)	-	(2,261)	(272)	(2,261)
	A) I. Items that will not be reclassified to profit & loss	(272)	-	(2,261)	(272)	(2,261)
	II. Income Tax relating to Items that will not be reclassified to profit or loss	-	-	-	-	-
	B) I. Items that will be reclassified to profit & loss	-	-	-	-	-
	II. Income Tax relating to Items that will be reclassified to profit or loss	-	-	-	-	-
9	Total Comprehensive Income (net of tax) (7+8)	1,333	(901)	(934)	(2,437)	(7,176)
10	Paid up equity share capital (face value Rs. 10/- each)	4,128	4,128	4,128	4,128	4,128
11	Other Equity	-	-	-	(5,359)	(2,943)
12	Basic and Diluted Earning Per Share (Rs.) (not annualized)					
	- EPS before exceptional item	3.89	(2.18)	3.85	(5.24)	(12.04)
	- EPS after exceptional item	3.89	(2.18)	3.38	(5.24)	(12.51)

Refer note 16



SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES
UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(Rs. Lacs)

	Quarter ended			Year Ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	Audited #	Unaudited	Audited #	Audited	Audited
(A). Segment Revenue					
(a) Sugar	34,738	19,885	34,117	92,040	84,470
(b) Distillery	8,438	7,150	9,464	35,252	29,015
Total	43,176	27,035	43,581	127,292	113,485
Less: Inter Segment Revenue	2,659	1,665	1,611	6,480	2,376
Net sales/income from operations	40,517	25,370	41,970	120,832	111,109
(B). Segment Results					
Profit/ (loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment					
(a) Sugar	2,241	(295)	730	265	(5,006)
(b) Distillery	198	(16)	1,327	387	3,408
Total	2,439	(311)	2,057	652	(1,598)
Less:					
(a) Finance cost	841	778	1,015	3,163	3,420
(b) Other un-allocated expenses/ (Income) (net)	(7)	(188)	(470)	(346)	(288)
(c) Exceptional item	-	-	185	-	185
Total Profit/ (loss) before tax	1,605	(901)	1,327	(2,165)	(4,915)
(C). Segment Assets					
(a) Sugar	160,072	142,788	152,903	160,072	152,903
(b) Distillery	42,024	41,154	40,359	42,024	40,359
(c) Unallocated	15,325	15,188	13,574	15,325	13,574
Total	217,421	199,130	206,836	217,421	206,836
(D). Segment Liabilities					
(a) Sugar	90,142	73,771	79,883	90,142	79,883
(b) Distillery	2,716	2,894	2,017	2,716	2,017
(c) Unallocated	21,332	20,514	18,790	21,332	18,790
(d) Borrowings	104,462	104,522	104,951	104,462	104,961
Total	218,652	201,701	205,651	218,652	205,651

Refer note no.6



STATEMENT OF ASSETS AND LIABILITIES		
(Rs. lacs)		
Particulars	Standalone	
	As at March 31, 2020	As at March 31, 2019
	Audited	Audited
ASSETS		
Non-current assets		
a) Property, Plant and Equipment	126,108	129,423
b) Capital work-in-progress	836	136
c) Intangible assets	39	13
d) Right of use assets	3	-
e) Financial Assets		
i) Investments	11,168	11,223
ii) Other financial assets	1,329	3,256
f) Tax Assets	655	544
g) Other non - current assets	273	331
Total non - current assets	140,412	144,926
Current assets		
a) Inventories	55,089	48,096
b) Financial Assets		
i) Trade receivables	3,562	5,668
ii) Cash and cash equivalents	4,288	1,307
iii) Bank balances other than above	1,633	1,023
iv) Other financial assets	3,558	492
c) Other current assets	8,879	5,325
Total current assets	77,009	61,910
Total assets	217,421	206,836
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	4,128	4,128
b) Other equity	(5,359)	(2,943)
Share holder's Funds	(1,231)	1,185
Liabilities		
Non-current liabilities		
a) Financial Liabilities		
i) Borrowings	359	525
ii) Other financial liabilities	49	75
b) Provisions	457	416
Total non - current Liabilities	865	1,016
Current liabilities		
a) Financial Liabilities		
i) Borrowings	-	138
ii) Trade payables		
-Total outstanding dues to micro and small enterprises	272	58
-Total outstanding dues of other than micro and small enterprises	89,744	79,220
iii) Other financial liabilities	126,128	124,053
iv) Lease Liability on right of use assets	3	-
b) Provisions	107	90
c) Other current liabilities	1,532	1,076
Total current Liabilities.	217,787	204,635
Total Equity and Liabilities	217,421	206,836



SIMBHAOLI SUGARS LIMITED

(Formerly known as 'Simbhaoli Spirits Limited')

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particular	Year ended	Year ended
	March 31, 2020	March 31, 2019
	Rs. lacs	Rs. lacs
	(Audited)	(Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) before tax and exceptional items	(2,165)	(4,730)
Adjustments for:		
Depreciation and amortization	3,601	3,670
Finance costs	3,163	3,420
Interest income on financial assets	(1,223)	(1,167)
Liability/provisions no longer required written back	(680)	(44)
Bad Debts and advances written off	14	60
Unrealised foreign exchange fluctuation	(16)	(13)
Profit on redemption of Mutual Funds Units	(31)	(17)
Loss/(profit) from sale /discard of property, plant and equipment (net)	449	0
Provision for doubtful debts and advances	140	58
Molasses Storage Fund	21	11
Operating profit/(loss) before working capital changes	3,273	1,248
Adjustments for (increase)/decrease in operating assets:		
Changes in trade and other receivables	1,969	(2,222)
Changes in other non current and current financial asset	(955)	(105)
Changes in other non current and other current assets	(3,518)	(4,131)
Changes in inventories	(6,994)	(14,591)
Changes in trade and other payables	11,146	23,015
Changes in other non-current and other current financial liabilities	314	(738)
Changes in other non-current and other current liabilities	456	(254)
Changes in long term and short term provision	89	65
Cash (used)/generated from operations	5,750	2,287
Direct taxes (paid)/refund	(112)	(165)
Net cash (used) / from operating activities	5,638	2,122
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant & equipment and intangible assets	(1,444)	(486)
Sale of property, plant & equipment and intangible assets	10	2
Interest received on debentures/fixed deposits/inter corporate deposits	1,140	1,223
Investment in Mutual funds	(3,020)	(3,780)
Proceeds from Redemption of Mutual Funds	3,051	3,797
Changes in fixed deposit placed with Banks	(109)	(55)
Net cash (used) / from investing activities	(372)	701
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from share warrants/ Share Capital	-	213
EMD Paid to banks for OTS	(572)	-
Payment of lease liability	(6)	-
Interest expenses	(1,207)	(741)
Repayment of long term borrowings	(225)	(828)
Proceeds/(repayment) of short term borrowings (net)	(274)	(963)
Net cash (used) / from financing activities	(2,284)	(2,319)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,982	504
E. Cash and cash equivalents (opening balance)	1,307	803
F. Cash and cash equivalents (closing balance) (D+E)	4,289	1,307
Cash and bank balances (D+E)		

Note : Cash flow statement are prepared in accordance with 'indirect method' as per IndAs 7 - 'Statement of Cash Flow'



Notes to Standalone results:

1. Indian sugar industry has been facing difficulties on account of high sugar production in the country in since 2016-17 resulting in surplus sugar. For the year ended March 31, 2020, and previous years, the Company has incurred losses due to high sugarcane costs fixed by the Governments, and comparatively lower prices of finished goods which are also being regulated and controlled, and other external factors. The operations of the company though remained intact, however due to continuing losses, its net worth has been fully eroded resulting in its failure in meeting its payment obligations to lenders and sugarcane farmers in terms of respective agreements and understanding.

Meanwhile, recognizing the industry requirements, the Government has implemented a number of measures to improve the financial health of the sugar industry, including support for liquidation of cane arrears, fixing minimum obligation for export to manage the sugar inventory, fixation of Minimum Support Price (MSP) of sugar, providing cash subsidies on production and export of sugar, and mandatory blending of ethanol with petrol at certain level with remunerative price of ethanol. In addition, pursuant to an order of Hon'ble High Court of Uttar Pradesh, pronounced in favour of sugar industry, the sugar industry as well as the Company is confident to receive much awaited amounts being accrued benefits due to it from state government under the erstwhile Sugar Promotion Policy 2004-09. All these measures are expected to reflect in revival of the sugar industry on sustainable basis.

Based on these positive steps, along with other internal measures, the management believes that operations at its manufacturing facilities will remain continued in the near foreseeable future on regular basis.

On account of delays in servicing of loans, the lenders to the Company have initiated recovery proceeding at various forums, including filing of application before National Company Law Tribunal under Section 7 of the Insolvency and Bankruptcy Code, 2016 by two of the lenders and approaching Debt Recovery Tribunal (DRT) for recovery of their dues. One of the lender had declared the Company and Guarantors to the credit facility, as willful defaulters, which has been set aside by the Hon'ble Chandigarh High Court. Against a criminal complaint filed by one of the lenders with the investigating agencies, the enforcement directorate had passed an attachment order against certain assets of the Company to the extent of Rs. 109.80 crores, against which the Company has preferred an appeal with the appropriate authority.

The Company has submitted a comprehensive debt resolution proposal with all the commercial banks and realignment of dues with other lenders, commensurating with its future cash flows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

Impact of COVID 19 Pandemic

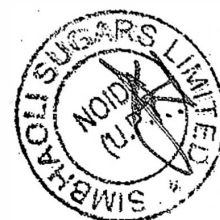
The spread of COVID 19 pandemic and nationwide lockdown has caused disruption of supply chain across businesses and industries in India. Since the company is engaged in the manufacturing of essential commodities, timely steps taken by the government have ensured regular operations of the sugar mills in U.P. However, Covid -19 crisis, has adversely impacted domestic demand of sugar and of ethanol during complete lockdown periods. Under the directives of Ministry of Home affairs and State Government, the Company has started manufacturing of hand sanitizers in its distillery divisions. The demand for the company's products is expected to recuperate with the gradual lifting of nationwide lockdown by the Government.

The Company has considered the potential impact of COVID 19 and related restrictions on the carrying amount of inventory, and financial and non-financial assets and based on the information available to it up to the date of approving the financial statements written down the value of inventory to net realizable value, wherever required, and made provisions in financial and non-financial assets. However, the impact of COVID 19 as well as negative outlook of sugar sector on the carrying amount of its Property, Plant and Equipments and consequential impairment could not be ascertained and provided for due to non-availability of requisite information on account of lockdown restrictions.

As the date of approval of these results, it is not possible to reliably estimate the future financial effect of the COVID 19 situation on the Company. The impact assessment is a continuing process given the uncertainties associated with nature and duration of current situation. The eventual impact may differ from what has been assessed by the Management as at the date of approval of these financial results. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

Considering the steps initiated for achieving turnaround of sugar sector, ongoing discussions with lenders for resolution of their dues and continuing regular manufacturing operations in near foreseeable future, these financial statements are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities, in the normal course of business.

2. The loans availed by the Company have been classified as Non-Performing Assets (NPA) by all the lenders to the Company and interest thereon is not being charged to the loan accounts by them as per prevailing practices. The Company has submitted a comprehensive debt resolution proposal with all the commercial banks and realignment of dues with other lenders, commensurating with its future cash flows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the



Company. Accordingly, interest expenses for the quarter and year ended March 31, 2020 amounting to Rs. 3,430 lacs and Rs. 13,146 lacs (previous quarter and year ended March 31, 2019 Rs. 2,899 lacs and Rs. 12,336 lacs) respectively have not been recognized in the books of accounts. A total amount of Rs. 37,454 lacs towards accrued interest has not been provided for in the books of accounts as at March 31, 2020.

3. The Hon'ble High Court of Uttar Pradesh has directed the State Government to determine the interest liability for the period of delayed payment of sugarcane price for sugar seasons 2012-13 to 2014-15 but no notice of demand has been so far made for the same. Further, no notice for demand has been received for the interest on delayed payment to sugarcane farmers for subsequent sugar seasons. Hence no provision for the same has been made in the books of accounts.
4. Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases", and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective approach. The effect of this adoption did not have any material impacts on the results for the quarter and year ended March 31, 2020.
5. The outstanding balance of the Company with its subsidiary company, Simbhaoli Power Private Limited (SPPL) as reported in standalone financial statements, is subject to reconciliation on account of difference in interpretation of certain long term commercial agreement. Pending reaching to final settlement with SPPL, no adjustment has been made in the books of accounts for Rs 253 lacs being the difference in the value of bagasse sold in the accounting year.
6. The figures for the last quarter are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures upto the third quarter of the financial year.
7. Sugar, one of the major businesses of the Company, is a part of seasonal industry. The results may vary from quarter to quarter.
8. The previous periods figures have been regrouped/rearranged wherever necessary.
9. The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on July 30, 2020.

For **SIMBHAOLI SUGARS LIMITED**

GURSIMRAN
KAUR MANN

Gursimran Kaur Mann
Managing Director



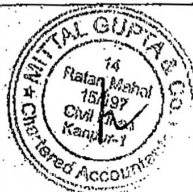
Place: Noida
Date: July 30, 2020
Company Website: www.simbhaolisugars.com





Statement on Impact of Audit Qualifications on Standalone Audited Financial Results for the Financial Year ended March 31, 2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	123406	123153
	2	Total Expenditure	125571	138717
	3	Net Profit/(Loss)	(2437)	(15836)
	4	Earnings Per Share	(5.24)	(37.70)
	5	Total Assets	217421	217168
	6	Total Liabilities	218652	256106
	7	Net Worth	(1231)	(38938)
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:		
		<ol style="list-style-type: none"> 1. Non provisions for impairment in the carrying value of Property, Plant and Equipment's. Auditors were not made available of appropriate impairment assessment carried out by the management and accordingly, they were unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these financial results. 2. Non-provision of interest expense amounting Rs. 3,431 Lacs and Rs. 13,146 Lacs (Previous year Rs. 12,336 Lacs) on certain borrowings for the quarter and year ended March 31, 2020 respectively for the reasons stated in the said note. Consequently, Finance Costs, Net Loss and Total Comprehensive Income for the periods are understated by the aforesaid respective amounts. The aggregate amount of interest expense not provided for in the accounts aggregates to Rs. 37,454 Lacs till March 31, 2020 (Rs. 24,308 Lacs till March 31, 2019). Consequently, Current Financial Liabilities are understated and other equity as at March 31, 2020 and March 31, 2019 are overstated by the aforesaid respective amounts. 3. Non- provision of interest liability in respect of delayed payment of sugarcane price for the reasons stated in the said note. The amount of interest not provided for in the books has not been ascertained. 4. Non provision of disputed value of bagasse amounting to Rs. 253 Lacs, sold to Simbhaoli Power Private Limited, a subsidiary company, for the reasons stated in the said note. Consequently, the Revenue for the quarter and year has been overstated; Net Loss and Total Comprehensive Income for the quarter and year has been understated; Receivables and Total Equity as at March 31, 2020 has been overstated by the aforesaid amount. 		
	b.	Type of Audit Qualification:		
		<ol style="list-style-type: none"> 1. Qualified Opinion 2. Qualified Opinion 3. Qualified Opinion 4. Qualified Opinion 		



	<p>c. Frequency of qualification:</p> <ol style="list-style-type: none"> 1. First Time 2. Third Time 3. Second Time 4. First Time
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <ol style="list-style-type: none"> 2. Finance Costs, Net Loss and Total Comprehensive Income for the period are understated by Rs. 13,146 Lacs. Current financial liabilities have been understated and other equity has been overstated as at March 31, 2020 by Rs. 37,454 Lacs. 4. The Revenue for the quarter and year has been overstated, Net Loss and Total Comprehensive Income for the quarter and year has been understated, Receivables and Total Equity has been overstated as at March 31, 2020 by Rs. 253 Lacs.
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: N.A.</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <ol style="list-style-type: none"> 1. The impact of COVID 19 as well as negative outlook of sugar sector on the carrying amount of its Property, Plant and Equipment's and consequential impairment could not be ascertained and provided for due to non-availability of requisite information on account of lockdown restrictions. 3. Considering that no notice of demand has been served upon the Company in this regard and the amount has not been ascertained, no provision has been made in this regards. Based on the past industry practices, the management is confident that no interest liability will arise for these period.
	<p>(iii) Auditors' Comments on (i) or (ii) above:</p> <ol style="list-style-type: none"> 1. Since, we were not made available of appropriate impairment assessment carried out by the management, we were unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these financial results. 3. Since, the amount of the interest on delayed payment to sugarcane farmers has not been quantified by the management, we were not able to report the impact of the same..
III. Signatories:	
• Director	GURSIMRAN KAUR MANN
• CFO	
• Audit Committee Chairman	HAR PRASAD KAIN
• Statutory Auditor	

Place: Noida
Date: July 30, 2020





MITTAL GUPTA & CO.

CHARTERED ACCOUNTANTS

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Independent Auditor's Report on the Quarterly and Consolidated Annual Financial Results of Simbhaoli Sugars Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

To
The Board of Directors of
Simbhaoli Sugars Limited

Report on the audit of Annual Consolidated Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and consolidated annual financial results of Simbhaoli Sugars Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together hereinafter referred to as 'the Group') for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ('Consolidated Annual Financial Results'). The Consolidated Annual Financial Results have been submitted by the Holding Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulation')

In our opinion and to the best of our information and according to the explanations given to us except for effects/possible effects of the matter described in the Basis of qualified opinion and based on the consideration of the reports of the other auditors on separate audited/limited reviewed financial statements of the subsidiaries, the Consolidated Annual Financial Results:

- i. Included financial results of the following subsidiaries:
 - a. Integrated Casetech Consultants Private Limited,
 - b. Simbhaoli Specialty Sugars Private Limited,
 - c. Simbhaoli Power Private Limited.
- ii. are presented in accordance with the requirement of Regulation 33 of the Listing Regulation in this regard; and
- iii. gives a true and fair view in conformity with the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit after tax and other comprehensive loss and other financial information for the quarter ended March 31, 2020 and of the net loss after tax and other comprehensive loss and other financial information for the group for the year ended March 31, 2020.

Basis of Qualified Report

- a) The Consolidated Annual Financial Results include the limited reviewed financial results for the nine month ended December 31, 2019 of one subsidiary i.e, Simbhaoli Power Private Limited, whose financial results reflect total assets of Rs. 34495 Lakhs as at December 31, 2019, total revenue of Rs. 4199 Lakhs and net loss after tax and total comprehensive loss of Rs. 1007 Lakhs, as considered in the Consolidated Annual Financial Results which have been reviewed by their independent auditors. As stated in Note no.5 of consolidated annual financial results, the consolidated annual financial



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results have been prepared by the management by consolidating only the limited reviewed financial statement, for the nine months periods ended on December 31, 2019 as the annual standalone financial statements for the year ended for March 31, 2020 and financial results for the quarter then ended have not been yet finalized, approved and submitted by the management of SPPL for the purpose of consolidation. Consequently, the consolidated annual financial results for the quarter and year ended March 31, 2020 does not include the financial results for the three months period i.e. from January 1, 2020 to March 31, 2020 and various transactions entered into between the Company and SPPL during the aforesaid three months periods have not been eliminated but included in the enclosed financial results. Had the annual financial results for the year ended March 31, 2020 and quarterly financial results for the quarter then ended of SPPL been consolidated, many elements in the accompanying financial results would have been materially affected. The effects on the consolidated financial results due to the failure to consolidate the annual financial results have not been determined. Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the limited review report for the nine month ended December 31, 2019 of their auditors of SPPL as no further information have been made available to us by the management of SPPL or by the management of holding company .

- b) As stated in Note no. 6 of consolidated annual financial results, during the quarter ended September 30, 2019, Uttar Pradesh Electricity Regulatory Commission ('UPREC') has notified UPREC (Captive and Renewable Energy Generation Plants) Regulations, 2019 ('CRE Regulation 2019') which has, inter alia, reduced the tariff applicable to bagasse based generation plants in the state of Uttar Pradesh w. e. f. April 1, 2019. Based on writ petition filed and legal opinion obtained, SPPL has recorded revenue from operations for the period April to September, 2019 at or basis pre CRE Regulation 2019 Tariff Rate instead at the reduced tariff as per CRE Regulation 2019. W.e.f. October 01, 2019, the SPPL has accounted for the sale of power to Uttar Pradesh Power Corporation Limited ('UPPCL'), The customer , at reduced tariff rate under protest and subject to outcome of Hon'ble High Court Decision on the petition. Management's computation, as reviewed by the statutory auditors of SPPL, shows that revenue from operations for the nine months ended December 31, 2019 would have been lower by Rs 797 Lakhs and cost of material consumed for the nine months ended December 31, 2019 would have been lower by Rs 52 Lakhs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. These conditions as discussed in detail in Note No 6 indicate the existence of material uncertainty in relation to tariff under CRE Regulations 2019 and its consequential impact on the financial statements, if any.
- c) We draw attention to Note No.1 of the consolidated annual financial results regarding non provisions for impairment in the carrying value of Property, Plant and Equipments. We are not made available of appropriate impairment assessment carried out by the management and accordingly, we are unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these consolidated annual financial results.,
- d) We draw attention to Note No. 2 of the consolidated annual financial results regarding non-provision of interest expense amounting Rs. 3,431 Lacs and Rs.13,146 Lacs (Previous year Rs.12,336 Lacs) on certain borrowings for the quarter and year ended March 31, 2020 respectively for the reasons stated in the said note. Consequently Finance Costs, Net Loss and Comprehensive Income for the periods are understated by the aforesaid respective amounts. The aggregate amount of interest expense not provided for in the accounts aggregates to Rs. 16,584 Lacs till March 31, 2020 (Rs. 24,308 Lacs till March 31, 2019). Consequently, Current



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Financial Liabilities are understated and other equity as at March 31, 2020 and March 31, 2019 are overstated by the aforesaid respective amounts.

- e) We draw attention to Note No.3, of the consolidated annual financial results Statement regarding non- provision of interest liability in respect of delayed payment of sugarcane price for the reasons stated in the said note. The amount of interest not provided for in the books has not been ascertained.

Our opinion is qualified in respect of the above matters.

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Annual financial results" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India; together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion.

Material Uncertainty related to Going Concern

As stated in Note No. 1 of the consolidated annual financial results, the standalone financial statement of holding company has been prepared on going concern basis. Events or conditions as set forth in Note No. 1 indicate that a material uncertainty exists that may cast significant doubt on the holding company's ability to continue as going concern. The ability of the holding company to continue as going concern depends on the decision of National Company Law Tribunal under the Insolvency and Bankruptcy Code 2016, the holding company's ability to get its borrowings restructured as stated in the said note and turnaround of its sugar and distilleries operations on sustainable basis.

Our opinion is not modified in respect of the above matter.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

The Consolidated Annual Financial Results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors of the Company are responsible for the preparation and presentation of the Consolidated Annual Financial Results that gives a true and fair view of the Consolidated net profit/loss and other comprehensive income/loss and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and non-compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting



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policies; making judgments and estimates that are reasonable and prudent, design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness the accounting records, relevant to the preparation and presentation of the Consolidated Annual Financial Results, that give a true and fair view and is free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Annual Financial Results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Annual Financial Results, the respective Management and the Board of Directors of the Companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Annual Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Annual Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Annual Financial Results, whether due to fraud or error, and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.



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- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Annual Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Annual Financial Results, including the disclosures, and whether the Consolidated Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Annual Financial Results. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Consolidated Annual Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Annual Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

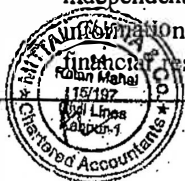
We communicate with those charged with governance of the Holding Company and the entities included in the Consolidated Annual Financial Results of which we are the auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a). The consolidated annual financial results include the audited financial results of one subsidiary, whose financial statements / financial information reflect total assets of Rs. 141.68 Lakhs as at March 31, 2020, total revenue of Rs. 1.62 Lakhs and Rs. 6.48 Lakhs, net profit after tax and total comprehensive income of Rs. 0.85 Lakhs and Rs. 3.13 Lakhs for the quarter and year ended March 31, 2020 respectively and cash outflows of Rs. 0.03 Lakhs for the year ended March 31, 2020, as considered in the consolidated financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements/ financial information of these entities have been furnished to us and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these



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entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our conclusion on the Statement is not modified in respect of this matter.

- b) We draw your attention to Note No. 1 to these consolidated annual financial results, which describes the Management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparing the financial statements. Based on the information available on this date, Management believes that no further adjustments are required to the financial results. However, in view of very uncertain economic environment, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and actual results may differ from those estimated as at the date of approval of these consolidated annual financial results.
- c) Due to COVID-19 related lock-down restriction, we were not able to physically observe the stock verification at the end of the year carried out by the management. Consequently, we have performed alternate procedures to audit the existence of inventory as per guidance provided in SA 501 "Audit Evidence- Specific Considerations for Selected Items", which include inspection of supporting documentation relating to purchases and consumption, results of cyclical count performed by the management through the year and such other third party evidences, where applicable, and have obtained sufficient supporting evidence to issue our opinion on the Statement.
- d) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For MITTAL GUPTA & CO.

Chartered Accountants

FRN : 01874C

B. L. Gupta
(B. L. Gupta)

Partner

Membership No.:073794

Place of Signature: Kanpur

Date: 30.07.2020

UDIN: 20073794 AAAA BQ1348



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SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
Regd. Office : Simbhaoli Dist. Hapur (U.P.) - 245207
CIN - L15122UP2011PLC044210 E-mail: info@simbhaolisugars.com Website: www.simbhaolisugars.com
STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
MARCH 31, 2020

(Rs. Lacs)

Sl. No.	Particulars	Quarter ended			Year ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		Audited #	Unaudited	Audited / recasted #	Audited	Audited/ recasted
1	Income					
	(a) Revenue from operations	41,831	26,913	47,144	126,107	124,120
	(b) Other income	1,050	354	108	1,511	318
	Total revenue	42,881	27,267	47,252	127,618	124,438
2	Expenses					
	(a) Cost of materials consumed	43,277	26,957	45,545	83,562	92,274
	(b) Purchase of stock-in-trade	641	838	603	2,895	2,180
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16,360)	(11,682)	(16,404)	(7,200)	(14,590)
	(d) Excise duty	4,592	3,995	4,840	19,888	15,897
	(e) Employee benefits expense	2,450	2,218	2,084	7,821	7,070
	(f) Finance costs	814	1,285	1,554	4,733	5,678
	(g) Depreciation and amortisation expense	854	1,181	1,184	4,391	4,788
	(h) Power and Fuel	625	382	147	1,691	723
	(i) Other expenses	4,370	3,452	3,667	13,710	12,077
	Total expenses	41,263	28,626	43,220	131,491	126,097
3	Profit/ (loss) before exceptional items and tax (1-2)	1,618	(1,359)	4,032	(3,873)	(1,659)
4	Exceptional items	-	-	1,019	-	1,019
5	Profit/ (loss) before Tax (3-4)	1,618	(1,359)	3,013	(3,873)	(2,678)
6	Tax expense :					
	- Current tax	(1)	1	458	9	447
	- Deferred tax	(2)	2	(12)	3	3
	- Income Tax Adjustment	-	-	-	-	-
	Total tax expenses	(3)	3	446	12	450
7	Net Profit/(loss) from ordinary activities after tax (5-6)	1,621	(1,362)	2,567	(3,885)	(3,128)
8	Other Comprehensive Income (net of tax)	(274)	-	65	(274)	65
	A) I. Items that will not be reclassified to profit & loss	(275)	-	66	(275)	66
	ii. Income Tax relating to Items that will not be reclassified to profit or loss	-	-	(1)	1	(1)
	B) I. Items that will be reclassified to profit & loss	-	-	-	-	-
	ii. Income Tax relating to Items that will be reclassified to profit or loss	-	-	-	-	-
9	Total Comprehensive Income (net of tax) (7+8)	1,347	(1,362)	2,632	(4,159)	(3,063)
	Profit/Loss for the year attributable to :					
	1) Owners of the parent	1,621	(1,245)	2,453	(3,352)	(3,872)
	2) Non-Controlling Interest	-	(117)	114	(533)	744
	Other Comprehensive Income attributable to:					
	1) Owners of the parent	(274)	-	73	(274)	73
	2) Non-Controlling Interest	(0)	-	(8)	(0)	(8)
	Total Comprehensive Income attributable to:					
	1) Owners of the parent	1,347	(1,245)	2,526	(3,626)	(3,799)
	2) Non-Controlling Interest	(0)	(117)	106	(533)	736
10	Paid up equity share capital (face value Rs. 10/- each)	4,128	4,128	4,128	4,128	4,128
11	Other Equity				(6,677)	(3,072)
12	Basic and Diluted Earning Per Share (Rs.) (not annualized)					
	- EPS before exceptional item	3.93	(3.30)	9.13	(9.41)	(5.37)
	- EPS after exceptional item	3.93	(3.30)	6.53	(9.41)	(7.96)

Refer note no. 8



SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES
UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

(Rs. Lacs)

Particulars	Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	Audited #	Unaudited	Audited / recasted #	Audited	Audited/ recasted
(A). Segment Revenue					
(a) Sugar	34,738	19,885	34,117	92,040	84,470
(b) Distillery	8,438	7,151	9,464	35,252	29,015
(c) Power	-	1,524	6,220	4,082	15,224
(d) Others	1,016	778	689	2,376	1,623
Total	44,192	29,338	50,490	133,750	130,332
Less: Inter Segment Revenue	2,361	2,425	3,346	7,643	6,212
Net sales/income from operations	41,831	26,913	47,144	126,107	124,120
(B). Segment Results					
Profit/ (loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment					
(a) Sugar	2,241	(295)	640	265	(5,088)
(b) Distillery	198	(16)	1,327	387	3,408
(c) Power	-	210	3,308	547	6,404
(d) Others	(23)	1	(32)	20	24
Total	2,416	(100)	5,243	1,219	4,748
Less:					
(a) Finance cost	814	1,285	1,554	4,733	5,678
(b) Other un-allocated expenses/ (income) (net)	(16)	(26)	(343)	359	729
(c) Exceptional item	-	-	1,019	-	1,019
Total Profit/ (loss) before tax	1,618	(1,359)	3,013	(3,873)	(2,678)
(C). Segment Assets					
(a) Sugar	155,989	138,579	148,032	155,989	148,032
(b) Distillery	42,025	41,154	40,359	42,025	40,359
(c) Power	34,481	34,481	39,960	34,481	39,960
(d) Others	1,641	1,261	899	1,641	899
(e) Unallocated	5,318	5,570	4,022	5,318	4,022
Total	239,454	221,045	233,272	239,454	233,272
(D). Segment Liabilities					
(a) Sugar	90,263	73,892	80,004	90,263	80,004
(b) Distillery	2,716	2,894	2,017	2,716	2,017
(c) Power	1,404	1,404	2,568	1,404	2,568
(d) Others	1,378	946	730	1,378	730
(e) Unallocated	24,240	23,739	21,547	24,240	21,547
(f) Borrowings	110,554	110,625	113,369	110,554	113,369
Total	230,555	213,500	220,235	230,555	220,235

Refer note no. 8



Statement Of Assets and Liabilities

(Rs. lacs)

Particulars	Consolidated	
	March-20	March-19
	Audited	Audited/ Recasted
ASSETS		
Non-current assets		
a) Property, Plant and Equipment	154,133	158,236
b) Capital work-in-progress	836	136
c) Intangible Assets	51	27
d) Goodwill	1,311	1,311
e) Financial Assets		
i) Investments	2	2
ii) Other financial assets	262	243
f) Tax Assets	740	780
g) Other non - current assets	463	559
h) Deferred Tax Assets	113	116
Total non - current assets	157,911	161,410
Current assets		
a) Inventories	55,219	48,179
b) Financial Assets		
i) Current Investments	408	313
ii) Trade receivables	9,998	14,491
iii) Cash and cash equivalents	4,634	1,388
iv) Bank balances other than above	1,694	1,113
v) Other financial assets	534	862
c) Other current assets	9,022	5,470
d) Assets classified as held for sale	34	46
Total current assets	81,543	71,862
Total assets	239,454	233,272
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	4,128	4,128
b) Other equity	(6,677)	(3,072)
c) Non controlling interest	11,448	11,981
Share holder's Funds	8,899	13,037
Liabilities		
Non-current liabilities		
a) Financial Liabilities		
i) Borrowings	4,292	6,137
ii) Other financial liabilities	-	2,962
b) Provisions	473	434
Total non - current Liabilities	4,765	9,533
Current liabilities		
a) Financial Liabilities		
i) Borrowings	-	138
ii) Trade payables		
-Total outstanding dues to micro and	272	58
-Total outstanding dues of other than	91,636	80,772
iii) Other financial liabilities	131,480	127,290
b) Other current liabilities		
c) Provisions	205	173
d) Other current liabilities	1,699	1,444
e) Current Tax Liabilities (Net)	498	827
Total current Liabilities.	225,790	210,702
Total Equity and Liabilities	239,454	233,272



SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020

Particular	Year ended March 31, 2020	Year ended March 31, 2019
	Rs. lacs	Rs. lacs
	Audited	Audited/ recasted
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) before tax and exceptional items	(3,873)	(1,658)
Adjustments for:		
Depreciation and amortization (net of revaluation reserve)	4,391	4,788
Finance costs	4,733	5,678
Interest income on financial assets	(374)	(76)
Liability/provisions no longer required written back	(559)	(55)
Bad Debts and advances written off	14	82
Unrealised foreign exchange fluctuation	18	5
Profit on redemption of Mutual Funds Units	(66)	(62)
Loss/ (profit) from sale of property, plant and equipment (net)	449	0
Provision for doubtful debts and advances	173	149
Molasses Storage Fund	21	11
Operating profit/(loss) before working capital changes	4,927	8,862
Adjustments for (increase)/decrease in operating assets:		
Changes in trade and other receivables	4,288	(5,797)
Changes in other non current and current financial asset	409	(536)
Changes in other non current and other current assets	(3,489)	(4,216)
Changes in inventories	(7,039)	(14,381)
Changes in trade and other payables	11,363	22,337
Changes in other non-current and other current financial liabilities	445	(728)
Changes in other non-current and other current liabilities	254	(402)
Changes in long term and short term provision	71	72
Cash (used)/generated from operations	11,229	5,211
Direct taxes (paid)/refund	(276)	(374)
Net cash (used) / from operating activities	10,953	4,837
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant and equipment	(1,436)	(519)
Sale of property, plant and equipment	10	2
Sale of (Investments) Mutual Funds (Net)	(29)	415
Proceed from maturity of national saving certificate	-	1
Interest received on debentures/ fixed deposits/inter corporate deposits	303	250
Changes in fixed deposit placed with Banks	(48)	(115)
Net cash (used) / from investing activities	(1,202)	34
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from share warrants /Share Capital	-	213
EMD Paid to banks for OTS	(572)	-
Interest expenses	(3,018)	(2,825)
Repayment of long term borrowings	(2,541)	(2,483)
Proceeds/(repayment) of short term borrowings (net)	(374)	(963)
Net cash (used) / from financing activities	(6,505)	(6,058)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,246	(1,187)
E. Cash and cash equivalents (opening balance)	1,388	2,575
F. Cash and cash equivalents (closing balance) (Refer note 3.10) (D+E)		
Cash and bank balances (D+E)	4,634	1,388

Note: Cash flow statement are prepared in accordance with 'indirect method' as per Ind As 7-Statement of Cash Flows



Notes to Consolidated results:

1. Indian sugar industry has been facing difficulties on account of high sugar production in the country in since 2016-17 resulting in surplus sugar. For the year ended March 31, 2020, and previous years, the Company has incurred losses due to high sugarcane costs fixed by the Governments, and comparatively lower prices of finished goods which are also being regulated and controlled, and other external factors. The operations of the company though remained intact, however due to continuing losses, its net worth has been fully eroded resulting in its failure in meeting its payment obligations to lenders and sugarcane farmers in terms of respective agreements and understanding.

Meanwhile, recognizing the industry requirements, the Government has implemented a number of measures to improve the financial health of the sugar industry, including support for liquidation of cane arrears, fixing minimum obligation for export to manage the sugar inventory, fixation of Minimum Support Price (MSP) of sugar, providing cash subsidies on production and export of sugar, and mandatory blending of ethanol with petrol at certain level with remunerative price of ethanol. In addition, pursuant to an order of Hon'ble High Court of Uttar Pradesh, pronounced in favour of sugar industry, the sugar industry as well as the Company is confident to receive much awaited amounts being accrued benefits due to it from state government under the erstwhile Sugar Promotion Policy 2004-09. All these measures are expected to reflect in revival of the sugar industry on sustainable basis.

Based on these positive steps, along with other internal measures, the management believes that operations at its manufacturing facilities will remain continued in the near foreseeable future on regular basis.

On account of delays in servicing of loans, the lenders to the Company have initiated recovery proceeding at various forums, including filing of application before National Company Law Tribunal under Section 7 of the Insolvency and Bankruptcy Code, 2016 by two of the lenders and approaching Debt Recovery Tribunal (DRT) for recovery of their dues. One of the lender had declared the Company and Guarantors to the credit facility, as willful defaulters, which has been set aside by the Hon'ble Chandigarh High Court. Against a criminal complaint filed by one of the lenders with the investigating agencies, the enforcement directorate had passed an attachment order against certain assets of the Company to the extent of Rs. 109.80 crores, against which the Company has preferred an appeal with the appropriate authority.

The Company has submitted a comprehensive debt resolution proposal with all the commercial banks and realignment of dues with other lenders, commensurating with its future cash flows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

Impact of COVID 19 Pandemic

The spread of COVID 19 pandemic and nationwide lockdown has caused disruption of supply chain across businesses and industries in India. Since the company is engaged in the manufacturing of essential commodities, timely steps taken by the government have ensured regular operations of the sugar mills in U.P. However, Covid-19 crisis, has adversely impacted domestic demand of sugar and of ethanol during complete lockdown periods. Under the directives of Ministry of Home affairs and State Government, the Company has started manufacturing of hand sanitizers in its distillery divisions. The demand for the company's products is expected to recuperate with the gradual lifting of nationwide lockdown by the Government.

The Company has considered the potential impact of COVID 19 and related restrictions on the carrying amount of inventory, and financial and non-financial assets and based on the information available to it up to the date of approving the financial statements written down the value of inventory to net realizable value, wherever required, and made provisions in financial and non-financial assets. However, the impact of COVID 19 as well as negative outlook of sugar sector on the carrying amount of its Property, Plant and Equipments and consequential impairment could not be ascertained and provided for due to non-availability of requisite information on account of lockdown restrictions.

As the date of approval of these results, it is not possible to reliably estimate the future financial effect of the COVID 19 situation on the Company. The impact assessment is a continuing process given the uncertainties associated with nature and duration of current situation. The eventual impact may differ from what has been assessed by the Management as at the date of approval of these financial results. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

Considering the steps initiated for achieving turnaround of sugar sector, ongoing discussions with lenders for resolution of their dues and continuing regular manufacturing operations in near foreseeable future, these financial statements are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities, in the normal course of business.

2. The loans availed by the Company have been classified as Non-Performing Assets (NPA) by all the lenders to the Company and interest thereon is not being charged to the loan accounts by them as per prevailing practices. The Company has submitted a comprehensive debt resolution proposal with all the commercial banks and realignment of dues with other lenders, commensurating with its future cash flows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the



Company. Accordingly, interest expenses for the quarter and year ended March 31, 2020 amounting to Rs. 3,430 lacs and Rs. 13,146 lacs (previous quarter and year ended March 31, 2019 Rs. 2,899 lacs and Rs. 12,336 lacs) respectively have not been recognized in the books of accounts. A total amount of Rs. 37,454 lacs towards accrued interest has not been provided for in the books of accounts as at March 31, 2020.

3. The Hon'ble High Court of Uttar Pradesh has directed the State Government to determine the interest liability for the period of delayed payment of sugarcane price for sugar seasons 2012-13 to 2014-15 but no notice of demand has been so far made for the same. Further, no notice for demand has been received for the interest on delayed payment to sugarcane farmers for subsequent sugar seasons. hence no provision for the same has been made in the books of accounts.
4. Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases", and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective approach. The effect of this adoption did not have any material impacts on the results for the quarter and year ended March 31, 2020.
5. In the consolidated financial results of the Company for the Year ended March 31, 2020, limited reviewed financial results of Simbhaoli Power Private Limited (SPPL), a material subsidiary has been considered and consolidated only for the period of nine months ended December 31, 2019. The financial results of SPPL for the quarter ended March 31, 2020 have not been consolidated, as the annual financial statements/results of SPPL have not been finalized and approved till date by SPPL.

Consequently, the consolidated financial statements/results of the Company as at March 31, 2020 have been prepared by consolidation based on the figures reported in the limited reviewed standalone balance sheet of SPPL as at December 31, 2019. The transactions entered into between the Company and SPPL during the aforesaid three months' periods which have not been eliminated in the consolidated financial results, have resulted an increase in the Total Revenue by Rs. 1,366 lacs and Expenses by Rs. 734 lacs. Further, Increase in the balances of subsidiary of Rs. 272 Lacs has been included in the consolidated balance sheet in the respective assets heads.

6. During the quarter ended September 30, 2019, Uttar Pradesh Electricity Regulatory Commission ('UPERC') has notified UPERC (Captive and Renewable Energy Generating Plants) Regulations, 2019 ('CRE Regulations 2019') which has, inter alia, reduced the tariff applicable to bagasse-based generation plants in the state of Uttar Pradesh w.e.f. April 1, 2019 which is significantly lower than the prevailing tariff. As per CRE Regulations, such reduction in tariff was made by UPERC citing lower fixed and variable costs for these power plants. This reduction in tariff may have an adverse impact on the business and operations of Simbhaoli Power Private Limited ("SPPL"), a subsidiary company. The management of SPPL believes that there are anomalies in the process of tariff fixation and this reduced tariff notified by UPERC is based on unrealistic assumptions and is contrary to past practices. SPPL, along with bagasse-based co-generators operating in the State, have filed a writ petition with Hon'ble High Court of Allahabad, Lucknow Bench, challenging CRE Regulations 2019 which have been accepted by the court. Pending outcome of the petition, the management of SPPL basis on opinion of legal counsel, is confident of relief from the Hon'ble High Court and suitable modification in CRE Regulations 2019 and thus does not expect the financial implications of this, if any, to be material.

SPPL has accounted for revenues from operations from April to September, 2019 at or basis pre CRE Regulations 2019 tariff rates. W.e.f. October 01, 2019, SPPL has billed and accounted for sale of power to the Uttar Pradesh Power Corporation Limited ('UPPCL'), the customer of SPPL, at reduced tariff rate under protest and subject to outcome of Hon'ble High Court decision on writ petition.

SPPL's computation, shows that revenue from operations for the nine months ended December 31, 2019 would have been lower by Rs. 797 lacs and cost of material consumed for the nine months ended December 31, 2019 would have been lower by Rs 52 Lacs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. Considering the current status and the matter is sub-judice, it is not possible for the management of SPPL to estimate the extent of the change, if any, in the tariff.

7. The standalone results are available on Company's website www.simbhaolisugars.com. The particulars in respect of standalone results are as under:

(Rs. in lacs)

Particulars (Standalone)	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Net Sales/Income from operations	35,925	21,375	37,130	100,944	95,212
Profit/(Loss) before tax	1,605	(901)	1,327	(2,165)	(4,915)
Profit/ (Loss) after tax	1,605	(901)	1,327	(2,165)	(4,915)



Other Comprehensive Income	(272)	-	(2,261)	(272)	(2,261)
Total Comprehensive Income	1,333	(901)	(934)	(2,437)	(7,176)
EBITDA	3,328	784	3,434	4,599	2,360

8. The figures for the last quarter are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures upto the third quarter of the financial year.
9. Sugar, one of the major businesses of the Company, is a part of seasonal industry. The results may vary from quarter to quarter.
10. The previous periods figures have been regrouped/rearranged wherever necessary.
11. The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on July 30, 2020.

Place: Noida
Date: July 30, 2020
Company Website: www.simbhaolisugars.com



For SIMBHAOLI SUGARS LIMITED
GURSIMRAN
KAUR MANN

Gursimran Kaur Mann
Managing Director



Statement on Impact of Audit Qualifications on Consolidated Audited Financial Results for the Financial

Year ended March 31, 2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	126618	126821
	2	Total Expenditure	131491	144585
	3	Net Profit/(Loss)	(4159)	(18050)
	4	Earnings Per Share	(8.53)	(43.06)
	5	Total Assets	239454	238709
	6	Total Liabilities	230555	268009
	7	Net Worth	8899	-29300
	8	Any other financial item(s) (as felt appropriate by the management)		-
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:		
		<p>1. The Consolidated Annual Financial Results include the limited reviewed financial results for the nine month ended December 31, 2019 of one subsidiary i.e, Simbhaoli Power Private Limited, whose financial results reflect total assets of Rs. 34495 Lakhs as at December 31, 2019, total revenue of Rs. 4199 Lakhs and net loss after tax and total comprehensive loss of Rs. 1007 Lakhs, as considered in the Consolidated Annual Financial Results which have been reviewed by their independent auditors. As stated in Note no.5 of consolidated annual financial results, the consolidated annual financial results have been prepared by the management by consolidating only the limited reviewed financial statement, for the nine months periods ended on December 31, 2019 as the annual standalone financial statements for the year ended for March 31, 2020 and financial results for the quarter then ended have not been yet finalized, approved and submitted by the management of SPPL for the purpose of consolidation. Consequently, the consolidated annual financial results for the quarter and year ended March 31, 2020 does not include the financial results for the three months period i.e. from January 1, 2020 to March 31, 2020 and various transactions entered into between the Company and SPPL during the aforesaid three months periods have not been eliminated but included in the enclosed financial results. Had the annual financial results for the year ended March 31, 2020 and quarterly financial results for the quarter then ended of SPPL been consolidated, many elements in the accompanying financial results would have been materially affected. The effects on the consolidated financial results due to the failure to consolidate the annual financial results have not been determined. Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the limited review report for the nine month ended December 31, 2019 of their auditors of SPPL as no further information have been</p>		





	<p>made available to us by the management of SPPL or by the management of holding company.</p> <ol style="list-style-type: none"> 2. As stated in Note no. 6 of consolidated annual financial results, during the quarter ended September 30, 2019, Uttar Pradesh Electricity Regulatory Commission ('UPREC') has notified UPREC (Captive and Renewable Energy Generation Plants) Regulations, 2019 ('CRE Regulation 2019') which has, inter alia, reduced the tariff applicable to bagasse based generation plants in the state of Uttar Pradesh w. e. f. April 1, 2019. Based on writ petition filed and legal opinion obtained, SPPL has recorded revenue from operations for the period April to September, 2019 at or basis pre CRE Regulation 2019 Tariff Rate instead at the reduced tariff as per CRE Regulation 2019.W.e.f. October 01,2019,the SPPL has accounted for the sale of power to Uttar Pradesh Power Corporation Limited ('UPPCL'), The customer , at reduced tariff rate under protest and subject to outcome of Hon'ble High Court Decision on the petition. Management's computation, as reviewed by the statutory auditors of SPPL, shows that revenue from operations for the nine months ended December 31, 2019 would have been lower by Rs 797 Lakhs and cost of material consumed for the nine months ended December 31, 2019 would have been lower by Rs 52 Lakhs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. These conditions as discussed in detail in Note No 6 indicate the existence of material uncertainty in relation to tariff under CRE Regulations 2019 and its consequential impact on the financial statements, if any. 3. Non provisions for impairment in the carrying value of Property, Plant and Equipment's. Auditors were not made available of appropriate impairment assessment carried out by the management and accordingly, they were unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these financial results. 4. Non-provision of interest expense amounting Rs. 3,431 Lacs and Rs. 13,146 Lacs (Previous year Rs. 12,336 Lacs) on certain borrowings for the quarter and year ended March 31, 2020 respectively for the reasons stated in the said note. Consequently, Finance Costs, Net Loss and Total Comprehensive Income for the periods are understated by the aforesaid respective amounts. The aggregate amount of interest expense not provided for in the accounts aggregates to Rs. 37,454 Lacs till March 31, 2020 (Rs. 24,308 Lacs till March 31, 2019). Consequently, Current Financial Liabilities are understated and other equity as at March 31, 2020 and March 31, 2019 are overstated by the aforesaid respective amounts. 5. Non- provision of interest liability in respect of delayed payment of sugarcane price for the reasons stated in the said note. The amount of interest not provided for in the books has not been ascertained.
b.	<p>Type of Audit Qualification:</p> <ol style="list-style-type: none"> 1. Qualified Opinion 2. Qualified Opinion 3. Qualified Opinion 4. Qualified Opinion 5. Qualified Opinion
c.	<p>Frequency of qualification:</p> <ol style="list-style-type: none"> 1. First Time 2. First Time

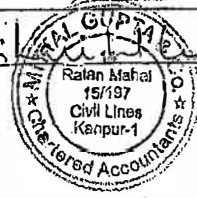


		<p>3. First Time</p> <p>4. Third Time</p> <p>5. Second Time</p>
	d.	<p>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>2. SPPL's computation, shows that revenue from operations for the nine months ended December 31, 2019 would have been lower by Rs 797 Lakhs and cost of material consumed for the nine months ended December 31, 2019 would have been lower by Rs 52 Lakhs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. Considering the current status and the matter is sub judice ,it is not possible for SPPL to estimate the extent of the change in the tariff , if any</p> <p>4. Finance Costs, Net Loss and Total Comprehensive Income for the period are understated by Rs. 13,146 Lacs. Current financial liabilities have been understated and other equity has been overstated as at March 31,2020 by Rs. 37,454 Lacs.</p>
	e.	<p>For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	(i)	<p>Management's estimation on the impact of audit qualification: N.A.</p>
	(ii)	<p>If management is unable to estimate the impact, reasons for the same:</p> <p>1. the annual standalone financial statements for the year ended for March 31, 2020 have not been submitted by the management of SPPL for the purpose of consolidation. Hence the impact of non-consolidation of three months transactions of SPPL could not be ascertained by the Holding company.</p> <p>3. The impact of COVID 19 as well as negative outlook of sugar sector on the carrying amount of its Property, Plant and Equipment's and consequential impairment could not be ascertained and provided for due to non- availability of requisite information on account of lockdown restrictions.</p> <p>5. Considering that no notice of demand has been served upon the Company and the amount has not been ascertained, no provision has been made in this regards. Based on the past industry practices, the management is confident that no interest liability will arise for these period.</p>
	(iii)	<p>Auditors' Comments on (i) or (ii) above:</p> <p>1. Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the limited review report for the nine month ended December 31,2019 of their auditors of SPPL as no further information have been made available to us by the management of SPPL or by the management of holding company</p> <p>3. Since, we were not made available of appropriate impairment assessment carried out by the management, we were unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these financial results.</p> <p>5. Since, the amount of the interest on delayed payment to sugarcane farmers has not been quantified by the management, we were not able to report the impact of the same.</p>
III.	Signatories:	
	• Director	<p>GURSIMRAN KAUR MANN</p> <p><small>Digitally signed by Gursimran Kaur Mann DN: cn=Gursimran Kaur Mann, o=SB BHAOLI SUGARS LIMITED, ou=SB BHAOLI SUGARS LIMITED, email= gkaur@sbbsl.com, c=IN</small></p>



	• CFO	
	• Audit Committee Chairman	HAR PRASAD KAIN
	• Statutory Auditor	

Place: Noida
Date: July 30, 2020





SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
Regd. Office : Simbhaoli Dist. Hapur (U.P.) - 245207
CIN - L15122UP2011PLC044210 E-mail: info@simbhaolisugars.com Website: www.simbhaolisugars.com
EXTRACT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
MARCH 31, 2020

Sl. No.	Particulars	Quarter ended			Year Ended	
		Mar 31, 2020	Dec 31, 2019	Mar 31, 2019	Mar 31, 2020	March 31, 2019
		Audited #	Unaudited	Audited/ Recasted #	Audited	Audited/ Recasted
1.	Total income from operations (net)	37,239	22,918	42,304	1,06,219	1,08,223
2.	Net Profit/ (loss) for the period before Tax and exceptional items	1,618	(1,359)	4,032	(3,873)	(1,659)
3.	Net Profit/ (loss) for the period before Tax and after exceptional items	1,618	(1,359)	3,013	(3,873)	(2,678)
4.	Net Profit/ (loss) for the period after Tax and exceptional items	1,621	(1,362)	2,567	(3,885)	(3,128)
5.	Total Comprehensive Income for the period [comprising net profit/(loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1,347	(1,362)	2,632	(4,159)	(3,063)
6.	Paid up equity share capital (face value Rs.10/- each)	4,128	4,128	4,128	4,128	4,128
7.	Other Equity	-	-	-	(6,677)	(3,072)
8.	-EPS before exceptional item	3.93	(3.30)	9.13	(9.41)	(5.37)
	-EPS after exceptional item	3.93	(3.30)	6.53	(9.41)	(7.96)

Refer Note no. 9

Notes :

1 The above is an extract of the detailed format of financial results for the quarter and nine months ended March 31, 2020 filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of financial results for the quarter and nine months ended December 31, 2019 are available on the Stock Exchange websites (www.bscindia.com and www.nseindia.com) and the Company's website (www.simbhaolisugars.com).

2 Indian sugar industry has been facing difficulties on account of high sugar production in the country in since 2016-17 resulting in surplus sugar. For the year ended March 31, 2020, and previous years, the Company has incurred losses due to high sugarcane costs fixed by the Governments, and comparatively lower prices of finished goods which are also being regulated and controlled, and other external factors. The operations of the company though remained intact, however due to continuing losses, its net worth has been fully eroded resulting in its failure in meeting its payment obligations to lenders and sugarcane farmers in terms of respective agreements and understanding.

Meanwhile, recognizing the industry requirements, the Government has implemented a number of measures to improve the financial health of the sugar industry, including support for liquidation of cane arrears, fixing minimum obligation for export to manage the sugar inventory, fixation of Minimum Support Price (MSP) of sugar, providing cash subsidies on production and export of sugar, and mandatory blending of ethanol with petrol at certain level with remunerative price of ethanol. In addition, pursuant to an order of Hon'ble High Court of Uttar Pradesh, pronounced in favour of sugar industry, the sugar industry as well as the Company is confident to receive much awaited amounts being accrued benefits due to it from state government under the erstwhile Sugar Promotion Policy 2004-09. All those measures are expected to reflect in revival of the sugar industry on sustainable basis.

Based on these positive steps, along with other internal measures, the management believes that operations at its manufacturing facilities will remain continued in the near foreseeable future on regular basis.

On account of delays in servicing of loans, the lenders to the Company have initiated recovery proceeding at various forums, including filing of application before National Company Law Tribunal under Section 7 of the Insolvency and Bankruptcy Code, 2016 by two of the lenders and approaching Debt Recovery Tribunal (DRT) for recovery of their dues. One of the lender had declared the Company and Guarantors to the credit facility, as willful defaulters, which has been set aside by the Hon'ble Chandigarh High Court. Against a criminal complaint filed by one of the lenders with the investigating agencies, the enforcement directorate had passed an attachment order against certain assets of the Company to the extent of Rs. 109.80 crores, against which the Company has preferred an appeal with the appropriate authority.

The Company has submitted a comprehensive debt resolution proposal with all the commercial banks and realignment of dues with other lenders, commensurating with its future cash flows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

Impact of COVID 19 Pandemic

The spread of COVID 19 pandemic and nationwide lockdown has caused disruption of supply chain across businesses and industries in India. Since the company is engaged in the manufacturing of essential commodities, timely steps taken by the government have ensured regular operations of the sugar mills in U.P. However, Covid-19 crisis, has adversely impacted domestic demand of sugar and of ethanol during complete lockdown periods. Under the directives of Ministry of Home Affairs and State Government, the Company has started manufacturing of hand sanitizers in its distillery divisions. The demand for the company's products is expected to recipitate with the gradual lifting of nationwide lockdown by the Government.

The Company has considered the potential impact of COVID 19 and related restrictions on the carrying amount of inventory, and financial and non-financial assets and based on the information available to it up to the date of approving the financial statements written down the value of inventory to net realizable value, wherever required, and made provisions in financial and non-financial assets. However, the impact of COVID 19 as well as negative outlook of sugar sector on the carrying amount of its Property, Plant and Equipments and consequential impairment could not be ascertained and provided for due to non-availability of requisite information on account of lockdown restrictions.

As the date of approval of these results, it is not possible to reliably estimate the future financial effect of the COVID 19 situation on the Company. The impact assessment is a continuing process given the uncertainties associated with nature and duration of current situation. The eventual impact may differ from what has been assessed by the Management as at the date of approval of these financial results. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

Considering the steps initiated for achieving turnaround of sugar sector, ongoing discussions with lenders for resolution of their dues and continuing regular manufacturing operations in near foreseeable future, these financial statements are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities, in the normal course of business.

3 The loans availed by the Company have been classified as Non-Performing Assets (NPA) by all the lenders to the Company and interest thereon is not being charged to the loan accounts by them as per prevailing practices. The Company has submitted a comprehensive debt resolution proposal with all the commercial banks and realignment of dues with other lenders, commensurating with its future cash flows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company. Accordingly, interest expenses for the quarter and year ended March 31, 2020 amounting to Rs. 3,430 lacs and Rs. 15,146 lacs (previous quarter and year ended March 31, 2019 Rs. 2,899 lacs and Rs. 12,336 lacs) respectively have not been recognized in the books of accounts. A total amount of Rs. 37,454 lacs towards accrued interest has not been provided for in the books of accounts as at March 31, 2020.

4 The Hon'ble High Court of Uttar Pradesh has directed the State Government to determine the interest liability for the period of delayed payment of sugarcane price for sugar seasons 2012-13 to 2014-15 but no notice of demand has been so far made for the same. Further, no notice of demand has been received for the interest on delayed payment to sugarcane farmers for subsequent sugar seasons. Hence no provision for the same has been made in the books of accounts.

5 Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases", and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective approach. The effect of this adoption did not have any material impacts on the results for the quarter and year ended March 31, 2020.

6 In the consolidated financial results of the Company for the Year ended March 31, 2020, limited reviewed financial results of Simbhaoli Power Private Limited (SPPL), a material subsidiary has been considered and consolidated only for the period of nine months ended December 31, 2019. The financial results of SPPL for the quarter ended March 31, 2020 have not been consolidated, as the annual financial statements/results of SPPL have not been finalized and approved till date by SPPL.

Consequently, the consolidated financial statements/results of the Company as at March 31, 2020 have been prepared by consolidation based on the figures reported in the limited reviewed standalone balance sheet of SPPL as at December 31, 2019. The transactions entered into between the Company and SPPL during the aforesaid three months' periods which have not been eliminated in the consolidated financial results, have resulted an increase in the Total Revenue by Rs. 1,366 lacs and Expenses by Rs. 734 lacs. Further, increase in the balances of subsidiary of Rs. 272 Lacs has been included in the consolidated balance sheet in the respective assets heads.



7 During the quarter ended September 30, 2019, Uttar Pradesh Electricity Regulatory Commission ('UPERC') has notified UPERC (Captive and Renewable Energy Generating Plants) Regulations, 2019 ('CRE Regulations 2019') which has, inter alia, reduced the tariff applicable to bagasse-based generation plants in the state of Uttar Pradesh w.e.f. April 1, 2019 which is significantly lower than the prevailing tariff. As per CRE Regulations, such reduction in tariff was made by UPERC citing lower fixed and variable costs for these power plants. This reduction in tariff may have an adverse impact on the business and operations of Simbhaoli Power Private Limited ('SPPL'), a subsidiary company. The management of SPPL believes that there are anomalies in the process of tariff fixation and this reduced tariff notified by UPERC is based on unrealistic assumptions and is contrary to past practices. SPPL, along with bagasse-based co-generators operating in the State, have filed a writ petition with Hon'ble High Court of Allahabad, Lucknow Bench, challenging CRE Regulations 2019 which have been accepted by the court. Pending outcome of the petition, the management of SPPL basis on opinion of legal counsel, is confident of relief from the Hon'ble High Court and suitable modification in CRE Regulations 2019 and thus does not expect the financial implications of this, if any, to be material.

SPPL has accounted for revenues from operations from April to September, 2019 at or basis pre CRE Regulations 2019 tariff rates. W.e.f. October 01, 2019, SPPL has billed and accounted for sale of power to the Uttar Pradesh Power Corporation Limited ('UPPCL'), the customer of SPPL, at reduced tariff rate under protest and subject to outcome of Hon'ble High Court decision on writ petition.

SPPL's computation, shows that revenue from operations for the nine months ended December 31, 2019 would have been lower by Rs. 797 lacs and cost of material consumed for the nine months ended December 31, 2019 would have been lower by Rs 52 Lacs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. Considering the current status and the matter is sub-judice, it is not possible for the management of SPPL, to estimate the extent of the change, if any, in the tariff.

8 The standalone results are available on Company's website www.simbhaolisugars.com. The particulars in respect of standalone results are as under:

Particulars of standalone	(Rs. in Lacs)				
	Quarter ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Net Sales/Income from operations	35,925	21,375	37,130	1,00,944	95,212
Profit/(Loss) before tax	1,605	(901)	1,327	(2,165)	(4,915)
Profit/(Loss) after tax	1,605	(901)	1,327	(2,165)	(4,915)
Other Comprehensive Income	(272)	-	(2,261)	(272)	(2,261)
Total Comprehensive Income	1,333	(901)	(934)	(2,437)	(7,176)
BBITDA	3,328	784	3,434	4,599	2,360

9 The figures for the last quarter are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures upto the third quarter of the financial year

10 Sugar, one of the major businesses of the Company, is a part of seasonal industry. The results may vary from quarter to quarter.

11 The previous periods figures have been regrouped/rearranged wherever necessary

12 The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on July 30, 2020

For Simbhaoli Sugars Limited

GURSIMRAN
KAUR MANN

Gursimran Kaur Mann
Managing Director
DIN: 00642094

Place: Noida
Date: July 30, 2020

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