SIMBHAOLI SUGARS
Simbhaoli Sugars Limited
CIN-L15122UP2011PLC044210
GSTIN : 09AAPCS7569A1ZV
(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

Ref: SSL: Stock Exchange
November 30, 2020

Bombay Stock Exchange Limited
PhirozeJeejeebhoy Towers
Dalal Street, Fort
Mumbai
Fax No. 022-22723121/2037/2041

The National Stock Exchange of India Limited
Exchange Plaza, Bandra -Kurla Complex,
Mumbai- 400051
Fax No. 022-26598237/38

Ref: ISIN - INE748T01016
Scrip Code: NSE: SIMBHALS | BSE: 539742
Sub: Notice of 9th Annual General Meeting of the Members of the Company

Dear Sir,

This is to inform you that the 9th Annual General Meeting (AGM) of the members of the Company for the financial year 2019-20 is scheduled to be held at 11:00 am on Monday, December 21, 2020 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") in accordance with General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular").

In compliance with the above-mentioned circulars, we are enclosing herewith the Annual Report for the financial year 2019-20 regarding the disclosures under the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to take the above on record.

Thanking You,
Yours faithfully,
For Simbhaoli Sugars Limited

Kamal Samtani
(Company Secretary)

Copy to:
National Securities Depository Ltd.,
Trade World, 4th Floor, Kamla Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai – 400013

Central Depository Services (India) Ltd.,
17th Floor, P J Towers, I Street,
Mumbai – 400023

MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi - 110 020
Fax no. 011-2638738

9th Annual Report

2019-20

SIMBHAOLI SUGARS

Simbhaoli Sugars Limited

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SIMBHAOLI SUGARS LIMITED*

(Registered Office: Simbhaoli - 245 207, District Hapur, Uttar Pradesh)

(CIN: L15122UP2011PLC044210)

Email: kamal@simbhaolisugars.com;

Website: www.simbhaolisugars.com; Phone: 0120-4806666, Fax: 0120-2427166

NOTICE

Notice is hereby given that the 9th Annual General Meeting (AGM) of the members of Simbhaoli Sugars Limited will be held at11:00 am on Monday, December 21, 2020 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")to transact the following businesses:

ORDINARY BUSINESSES

1. **To receive, consider and adopt (a) the audited financial statements of the Company comprising of the balance sheet as on March 31, 2020 and the statement of profit and loss along with cash flow statement for the financial year ended on March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended on March 31, 2020 and the report of the Auditors thereon and, to consider and pass, with or without modification(s), the following resolutions as an Ordinary Resolution:**

   "Resolved that, the audited financial statements of the Company comprising of the balance sheet as on March 31, 2020 and the statement of profit and loss along with cash flow statement for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon laid before the 9th Annual General Meeting of the members of the Company, be and are hereby received, considered and adopted."

   "Resolved further that, the audited consolidated financial statements of the Company comprising of the balance sheet as on March 31, 2020 and the statement of profit and loss along with cash flow statement for the financial year ended on March 31, 2020 and the report of Auditors thereon laid before the 9th Annual General Meeting of the members of the Company, be and are hereby received, considered and adopted."

   "Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be deemed necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving effect to this resolution."

2. **Appointment of a director in place of Ms. Gursimran Kaur Mann, who shall retire by Rotation** -To consider, and if thought fit, to pass, with or without modification (s), the following resolution, as an Ordinary Resolution

   "Resolved that, Ms. Gursimran Kaur Mann (DIN 00642094), who retires by rotation under Section 152and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with the Articles of Association of the Company, at the conclusion of 9th Annual General Meeting of the members of the Company, and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director to the Board of the Company, whose period of office shall be liable to retire by rotation."

   "Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be deemed necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving effect to this resolution."

3. **Appointment of a director in place of Mr. Gurpal Singh, who shall retire by Rotation** -To consider, and if thought fit, to pass, with or without modification (s), the following resolution, as an Ordinary Resolution

   "Resolved that Mr. Gurpal Singh (DIN 00064807),who retires by rotation under Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with the Articles of Association of the Company,at the conclusion of 9th Annual General Meeting of the members of the Company, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director to the Board of the Company, whose period of office shall be liable to retire by rotation."

   "Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be deemed necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving effect to this resolution."

4. **Appointment of M/s Mittal and Company, Chartered Accountants as Statutory Auditors of the Company for another term of 5 years**-To consider, and if thought fit, to pass, with or without modification (s), the following resolution, as Ordinary Resolution

   "Resolved that, pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments there of for the time being in force) and on recommendation of the Audit Committee, M/s. M/s Mittal Gupta and Company, Chartered Accountants, (Firm Registration No. 01874C), Kanpur be and are hereby appointed as Statutory Auditors of the Company to hold office for another period of 5 (Five) years, from the conclusion of the 9thAnnual General Meeting till the conclusion of the 14thAnnual General Meeting of the members of the Company viz financial years 2020-21 upto 2024-25 at such remuneration as may be fixed by the Board of Directors, on recommendation of the Audit Committee from time to time."

   "Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute

all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be deemed necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving effect to this resolution."

SPECIAL BUSINESSES

5. **Appointment of Ms. Gursimran Kaur Mann as Managing Director of the Company**- To consider, and if thought fit, to pass, with or without modification(s), the following resolution, as a Special Resolution

"Resolved that, pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (here in after referred as 'the Act') and rules made there under, including any statutory modification(s) or re-enactment there of for the time being in force, the consent of the members of the Company be and is hereby accorded to the appointment of Ms. Gursimran Kaur Mann (DIN- 00642094) as the Managing Director of the Company for a period of one (1) years with effect from August 2, 2020 till August 1, 2021 with a liberty to the Board of Directors (here in after referred to as the 'Board', which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) for validation of the terms and conditions as set out in the explanatory statement, subject to the restrictions, if any, contained under the applicable provisions of the Act or otherwise as may be applicable in law as follows:

Designation: Managing Director

Period: August 2, 2020 till August 1, 2021

I. **Basic Salary:** ₹ 4,00,000 per month with such increments as may be decided by the Board of Directors of the Company from time to time within the permissible limits under the provisions of the Act.

II. **Family Allowance:** ₹ 2,00,000 per month with such increase as may be decided by the Board of Directors of the Company from time to time within the permissible limits under the provisions of the Act.

III. **Bonus:**The amount to be paid as per rules as applicable to the senior grade employees of the Company.

IV. **Perquisites:** In addition to the Basic Salary and Family Allowance, she shall also be entitled to the following perquisites and allowances as may be decided by the Board of Directors of the Company from time to time within the permissible limits under the provisions of the Act:

i. Housing:

a) Residential accommodation or House Rent Allowance to the extent of 60% of Basic Salary.

b) Expenses pertaining to gas, electricity, water and other utilities will be borne/ reimbursed by the Company.

c) The Company shall provide such furniture and furnishing as may be required by the Managing Director at her residence as per the rules of the Company.

ii. Leave Travel Concession: Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and her family during leave travel periods, wherever undertaken, whether in India or abroad as per the rules of the Company.

iii. Medical Reimbursement: Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for self and her family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for patient and attendants will also be payable as per the rules of the Company.

iv. Club Memberships: Subscription or reimbursement of membership fees for clubs in India and/or abroad, including admission and life membership fees as per the rules of the Company.

v. Entertainment Expenses: Reimbursement of entertainment expenses incurred in the course of business as per the rules of the Company.

vi. Personal Accident Insurance: Personal accident insurance policies in accordance with the Scheme applicable to senior grade employees as per the rules of the Company.

Explanation: Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at the cost on actual basis.

V. **Commission:** Commission at the rate of 1% (one per cent) of the net profits of the Company for each financial year as may be computed, while approving the financial statements for the respective financial year by the Board and payable after adoption of the same at the Annual General Meeting of the members of the Company.

VI. **Others:**

i. **Contribution to Provident Fund:** Company's contribution to Provident Fund equivalent to 12% of Basic Salary or up to such amount as may be decided by the Board of Directors of the Company from time to time within the permissible limits under the law.

ii. **Contribution to Superannuation Fund:** Company's contribution to Superannuation Fund equivalent to 5% of Basic Salary or up to such amount, as may be decided by the Board of Directors of the Company from time to time within the permissible limits under the law.

iii. **Gratuity:** Gratuity at the rate of one month's basic salary for each completed year of service subject to the Company's rules in this regard.

iv. **Leave Entitlement:** As per the rules of the Company. However, encashment of the un-availed leave may be allowed by the Board at the end of the tenure.

v. **Conveyance:** Company's chauffeur driven car(s) for the business as per the rules of the Company.

vi. **Communication Facilities:** The Company shall provide telephone, mobile handsets, telefax and other communication facilities to the Managing Director's at her residence as may be required for the Business of the Company.

vii. **Assistance:** Managing Director may also be provided assistance at her residence as may be required for the Business of the Company."

"Resolved further that, in case the Company has, in any financial year, no profits or if its profits are inadequate

anytime during the period of appointment, the Managing Director shall be paid the aforesaid remuneration as the minimum remuneration, with the liberty to the Board of Directors to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Managing Director in such manner as may be permitted in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment there of, as may be agreed to by and between the Board and the Managing Director."

"Resolved further that, the aforesaid appointment shall be subject to the following terms and conditions:

i. Managing Director shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) there of;

ii. The appointment may be terminated by either party giving the other party three months' notice or paying three months' salary in lie there of;

iii. If at any time the Managing Director ceases to be a director of the Company for any reason whats over, she shall cease to be the Managing Director of the Company; and

iv. The office of the Managing Director will be subject to retirement by rotation."

"Resolved further that, pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act 2013 read with Schedule V there to (including any amendment(s), statutory modification(s)or re-enactment(s) there of for the time being in force), Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and in recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded in case required necessary, to waive of the recovery of minimum remuneration paid or payable to the aforesaid Whole Time Director of the Company within the limits of the Schedule V to the Companies Act, 2013."

"Resolved further that, the Board of Directors of the Company be and is hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Ms. Mann in accordance with the provisions of the Act and rules made there under including any statutory modification(s) or re-enactment there of, for the time being in force and to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned there with or incidental there to for the purpose of giving effect to this resolution."

6. Appointment of Mr. Sachchida Nand Misra as Whole Time Director of the Company-To consider, and if thought fit, to pass, with or without modification(s), the following resolution, as a Special Resolution

"Resolved that, pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (here in after referred as 'the Act') and rules made there under, including any statutory modification(s) or re-enactment there of for the time being in force, the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Sachchida Nand Misra (DIN : 06714324) as the Whole Time Director of the Company, with effect from September 18, 2020 to September 17, 2021 with a liberty to the Board of Directors(here in after referred to as the Board, which term shall be deemed to include any Committee(s) constituted or to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) for variation of the terms and conditions as set out in the explanatory statement, subject to the restrictions, if any, contained under the applicable provisions of the Act or otherwise as may be applicable in law as follows:

Designation: Chief Operating Officer

Period: From September 18, 2020 to September 17, 2021

I. Basic Salary: ₹2,27,000 per month, with such increments as may be decided by the Board of Directors of the Company from time to time within the permissible limits under the provisions of the Act.

II. Family Allowance: ₹2,20,220 per month with such increase as may be decided by the Board of Directors of the Company from time to time within the permissible limits under the provisions of the Act.

III. Bonus: The amount to be paid as per rules as applicable to the senior grade employees of the Company.

IV. Other emoluments, benefits and the perquisites as per service rules of the Company, as may be approved by the Board of Directors of the Company from time to time.

Apart from the above, he shall also be entitled to the following benefits which shall not be included in computation of the aforesaid remuneration:

i) Car facilities for the business of the Company. The type make and model of the car shall be decided by the Board from time to time.

ii) Reimbursement of travelling, boarding, lodging, hotel and other expenses incurred for the business of the Company as per the travelling policy of the Company.

iii) Telephone/internet connection (s) to be used for the business of the Company.

iv) Company's contribution to the provident fund, as per rules, presently to the extent of 12% of the Basic Salary.

v) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service in the Company subject to the Company's rules in this regard."

"Resolved further that, the aforesaid appointment shall be subject to the following terms and conditions:

i) Chief Operating Officer shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) there of;

ii) The appointment may be terminated by either party giving the other party two months' notice or paying two months' salary in lieu there of;

iii) If at any time the Chief Operating Officer ceases to be a director of the Company for any reason whats over, he may continue to act as the Chief Operating Officer on such terms and conditions as may be decided by the Board of Directors of the Company; and

iv) The office of the Chief Operating Officer will be subject to retirement by rotation."

"Resolved further that, in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the period of appointment, the Whole Time Director shall be paid the aforesaid remuneration as the minimum remuneration, with the liberty to the Board of Directors to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Whole Time Director in such manner as may be permitted in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment there of, as may be agreed to by and between the Board and the Chief Operating Officer."

"Resolved further that, pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act 2013 read with Schedule V there to (including any amendment(s), statutory modification(s)or re-enactment(s) there of for the time being in force), Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and in recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded that if necessary, to waive of the recovery of minimum remuneration paid or payable to the aforesaid Whole Time Director of the Company within the limits of the Schedule V to the Companies Act, 2013"

"Resolved further that, the Board of Directors of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefts and amenities payable to Mr. Misra in accordance with the provisions of the Act and rules made there under including any statutory modification(s) or re-enactment there of, for the time being in force and to do, perform and execute all such acts, deeds and things and to settle any question, difculty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned there with or incidental there to for the purpose of giving efect to this resolution."

7. **Appointment of Mr. Atul Mahindru as Non-Executive-Independent Director-** To consider, and if thought ft, to pass, with or without modifcation (s), the following resolution, as an Ordinary Resolution

"Resolved that, pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifcation of Directors) Rules, 2014 (including any statutory modifcation(s) or re-enactment there of for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time, Mr. Atul Mahindru (DIN:08624563), who was appointed as an Additional Director of the Company by the Board of Directors with efect from November 28, 2019 in terms of Section 161(1) of the Act and Article 127 of the Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director to the Board of the Company to hold office for a term of five consecutive years with efect from November 28, 2019 to November 27, 2024."

"Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difculty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be deemed necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving efect to this resolution."

8. **Appointment of Mr. Shyam Sunder as Non-Executive–Independent Director-** To consider, and if thought ft, to pass, with or without modifcation (s), the following resolution, as anOrdinary Resolution

"Resolved that, pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifcation of Directors) Rules, 2014 (including any statutory modifcation(s) or re-enactment there of for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time, Mr. Shyam Sunder (DIN:08676856), who was appointed as an Additional Director of the Company by the Board of Directors with efect from February 13, 2020 in terms of Section 161(1) of the Act and Article 127 of the Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director to the Board of the Company to hold office for a term of five consecutive years with efect from February 13, 2020 to February 12, 2025."

"Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difculty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be deemed necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving efect to this resolution."

9. **Re-appointment of Justice (Retd.)Mr. C K Mahajan as Non-Executive Independent Director-**To consider, and if thought ft, to pass, with or without modifcation (s), the following resolution, as a Special Resolution

"Resolved that, pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualifcation of Directors) Rules, 2014 (including any statutory modifcation(s) or re-enactment there of for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) and Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time, Justice (Retd.) Mr. C K Mahajan (DIN : 00039060), who has attained the age of 75 years and who has submitted a declaration that he meets the criteria for independence as provided in the Act

and Listing Regulations, be and is hereby re-appointed as an Independent Non-Executive Director to the Board of the Company to hold office for second term of five consecutive years with effect from November 9, 2020 to November 8, 2025."

"Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be deemed necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving effect to this resolution."

10. Ratification of Remuneration to Cost Auditors -To consider, and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution

"Resolved that, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under including any statutory modification(s) or re-enactment there of for the time being in force, the consent of the members of the Company, be and is hereby accorded for the payment of remuneration of ₹ 3 lakh plus other out of pocket expenses as may be incurred on the concerned assignment for the financial year 2020-21, as may be approved by the Board, toMr. Satnam Singh Saggu, Cost Accountant (Membership Number 10555),who has been re-appointed as the Cost Auditors for audit of the cost accounting records of the Company."

"Resolved further that, the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be required and to sign and execute all documents or writings as may be necessary, proper or expedient including to delegate for matters concerned there with or incidental there to for the purpose of giving effect to this resolution.

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting (AGM) of the members of the Company is annexed hereto.
2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the members of the Company at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company situated at Simbhaoli-245207, District Hapur.
3. Since, the AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Register of Members and Share Transfer Books of the Company will remain closed from ***Tuesday, December 15, 2020 to Monday, December 21, 2020*** (both days inclusive).
6. Members holding shares in electronic form are, therefore requested to submit the Permanent Account Number to their Depository Participants with whom they are maintaining their demat accounts.
7. Electronic copy of the Annual Report which inter-alia contains the process of e-voting is being sent to the members, whose e-mail addresses as registered with the Company/ Depository Participant(s) for communication purposes, unless any member has requested for hard copy of the same. Any members may ask for physical copy of annual report.
8. Relevant documents referred to in this Notice are available for inspection at the Registered Office of the Company during business hours from 10:00 am to 5:30 pm on any working day up to one day prior to the date of the AGM and will also be available there on the date of meeting as well as available electronically during the AGM.
9. **Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.The Ministry of Corporate Affairs has clarified that as a measure of "Green initiative in Corporate Governance" it will be in compliance, if the Annual Report is sent through e-mail, to support this green initiative, members holding shares in demat form are requested to provide their e-mail ID to the depository through their concerned depository participant and members holding shares in physical form are requested to provide e-mail ID to the Company's RTA, M/s MAS Services Limited by filling the form available on the Company's website and also update the e-mailaddress as and when there is any change.**
10. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to fill up the prescribed form and send the same to the Company.
11. The Companyhas initiated the process for transfer of undelivered physical share certificate into the suspense account in dematerialized mode. Individual letters have been sent to the holders, who are holding shares in physical mode to give their permanent account number and bank account details to the Share Transfer Agent/ the Company. They are requested to convert the physical shares into dematerialized category as any request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015as amended vide notification No. SEBI/ LAD-NRO/GN/2018/24, dated June 8, 2018 read with Circular SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated July 16, 2018.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote electronic voting facility to its members for transacting all the businesses

as stated in this Notice through e-voting services being provided by National Securities Depository Limited (NSDL). The member may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

II. Pursuant to the relevant Circulars issued by MCA, the facility for voting through e-voting facility will also be available at the AGM for those members who have not cast their vote through remote e-voting before the AGM and who are not otherwise debarred from doing so.

III. The members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

PROCESS AND MANNER FOR MEMBERS OPTING FOR REMOTE E-VOTING ON NSDL E-VOTING SYSTEM CONSISTS OF TWO STEPS AS DETAILED HEREUNDER:

STEP 1 : LOG-IN TO NSDL E-VOTING SYSTEM

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: **https://www.evoting.nsdl.com/.**
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at **https://eservices.nsdl.com/** with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
   - **a) For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).
   - **b) For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12********** then your user ID is 12**********).
   - **c) For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:
   - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   - c) How to retrieve your 'initial password'?
     - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
     - ii. If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email id are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2 : CAST YOUR VOTE ELECTRONICALLY ON NSDL E-VOTING SYSTEM.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ID ARE NOT REGISTERED:

Members who have not registered their email ids, are requested to register the same for receiving all communications including Annual Report, Notices etc. from the Company electronically and also for remote e-Voting, e-Voting at the AGM and attending the AGM as per process mentioned below. Upon successful registration of email id, the login ID and password for e-Voting shall be shared on the member's registered email id.

Physical Shareholders - The members of the Company holding shares in physical form and who have not registered their email id may get their email id registered by sending a request duly signed by the shareholder (along with the joint holder(s), if any) to the Registrar and Transfer Agents (RTA) of the Company, MAS Services Limited at info@masserv.com, mentioning Folio

number, Name of the shareholder (including the joint holder(s), if any), scanned copy of the share certificate (Front and Back), Self attested copy of PAN Card and address proof such as Aadhaar, Passport, Voter Id, etc.

Demat Shareholders - The members of the Company holding shares in electronic form and who have not registered their email id, may contact their DP and get the same updated with their respective DP.

INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM:

1. Members will be able to attend the AGM through VC/OAVM facility through the NSDL e-Voting system at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting and encouraged to join through laptops for better experience
3. Please note that Members connecting from mobile devices or tablets or through Laptop etc. connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
4. For ease of conduct, the Company is pleased to provide two way teleconferencing facility to the members who would like to express their views/ask questions at the AGM. The members may register themselves atleast five (5) days in advance as a speaker by sending their request along with questions from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at kamal@simbhaolisugars.com
5. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions at the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
6. Members who would like to express their views/have questions but do not want to attend the meeting may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the Company suitably.
7. Institutional Investors who are members of the Company are encouraged to attend and vote at the AGM through VC/OAVM facility.
8. The Members will be allowed to join the AGM through VC/OAVM facility, fifteen (15) minutes before the scheduled time of commencement of the AGM and shall be closed after fifteen (15) minutes of the scheduled time of the AGM. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 members on first-come-first-served basis. The large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders Relationship Committee, Auditors etc. can attend the AGM without any restriction on account of first-come-first-served basis.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AT AGM:

1. The procedure for e-Voting at the AGM is same as mentioned above for remote e-Voting.
2. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/participate in the AGM through VC/ OAVM, but shall not be entitled to cast their vote again.
4. Members who need assistance before or during the AGM can send a request at evoting@nsdl.co.in or call on toll free no.: 1800-222-990. The details of the person who may be contacted for any grievances connected with the facility for e-Voting at the AGM shall be the same person mentioned for remote e-Voting.

OTHER INSTRUCTIONS FOR SHAREHOLDERS:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to acssandeepjoshi@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
4. The remote e-voting shall remain open from **Thursday, *December 17, 2020 (IST 10:00 am)* upto Sunday, December 20, 2020 (IST 5:00 pm).** The instructions for members for voting electronically are as under:
5. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-of date i.e. on **Monday, December 14, 2020** may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
6. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-of date i.e. **December 14, 2020.**

7. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-of date i.e. December 14, 2020 may also obtain the Login ID and Password by sending a request at evoting@nsdl.co.in or the Company at kamal@simbhaolisugars.com MAS Services Limited, RTA at info@masserv.com.

   Any member who has received the notice of Annual General Meeting but ceased to be a member as on cut-of date i.e. December 14, 2020 should treat this notice for information purpose only.

   In case of any grievance connected with voting by electronic means, you may contact Mr. Amit Vishal, Senior Manager, NSDL through e–mail at evoting@nsdl.co.in or amitv@nsdl.co.in or on toll free No.: 1800-222-990 or Mr. Sharwan Mangla, General Manager, MAS Services Limited, RTA at info@masserv.com or on Telephone No.: 011 – 26387281.

8. A person, whose name is recorded in the Register of Members or in the Register of Benefcial Owners maintained by the depositories as on the cut-of date i.e. December 14, 2020only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.

9. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "E-voting" facility of NSDL for all those members who are attending the AGM but have not cast their votes by availing the remote e-voting facility.

10. The Company has appointed Mr. Sandeep Joshi, (Practicing Company Secretary/ACS No. 20884) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.

11. The Scrutinizer shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, whether through remote e-voting or through e-voting during AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

12. Subject to receipt of requisite number of votes, the Resolution shall be deemed to be passed on the date of Annual General Meeting i.e. **Monday, December 21, 2020.**

13. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.simbhaolisugars.com and on the website of NSDL immediately after the declaration of result and communicated to the BSE Limited and National Stock Exchange of India Limited.

By Order of the Board of Directors of
Simbhaoli Sugars Limited

Kamal Samtani
Company Secretary
Membership No. FCS-5140

Date: Nov 24, 2020
Place: Noida

STATEMENT OF MATERIAL FACTS ANNEXED TO THE NOTICE AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013 ('THE ACT')

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 5

Based on the recommendation of Nomination and Remuneration Committee, the Company has considered and approved appointment of Ms. Gursimran Kaur Mann as the Managing Director of the Companywith efect from February 14, 2019 to August 01, 2020, and the resolution was passed at the 8th Annual General Meeting of the members of the Company held on September 25, 2019. Now, as term of her appointment expired on August 01, 2020, the Board of Directors of the Company ('the Board') on the recommendation of the Nomination and Remuneration Committee and subject to the approval of themembers of the Company and subject to the No objection of the lenders of the Company, has re-appointed Ms. Gursimran Kaur Mann as the Managing Director of the Company for a period of one year w.e.f August 02,2020 to August 01, 2021, at theremuneration as set out in the resolution subject to the limits prescribedunder the provisions of Schedule V Part II Section II to the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and such other approvals as may be required under law. The State Bank of India, lead bank has provided it's no objection for continuation of appointment of Ms. Gursimran Kaur Mann as Managing Director for a period of One year. The Company has also approached other lenders for their individual no objection letters, which are awaited.

Brief Profle of Ms. Gursimran Kaur Mann is as follows:

Ms. Gursimran Kaur Mann, Managing Director of the Company is a graduate in Economics and Political science from USA and has an MBA from London Business School. She has previously interned at Nestle India, Cargill Geneva, and ED&F Man Brazil. She joined Simbhaoli in the year 2005 and has played a key role in introducing market forecasting, hedging and pricing models in the Company as an efective risk management strategy. She was inducted to the Board of the Company as an executive director in year 2011. She has been discharging the key role as head of the Company's commercial, marketing, trading, legal, operations, sales including domestic international and trading business and all other operations along-with the Company's joint venture businesses. Ms. Mann has been the youngest member of the Indian Sugar Mills Association (ISMA) and served on committees for all the major national commodity exchanges, the Indian Sugar Export Corporation (ISEC) and the Confederation of Indian Industry (CII).

The Managing Director of the Company is proposed to be vested with all the key responsibilities of management and shall work under the guidance of the Board of Directors of the Company. Ms. Mann is holding 41,86,672 Equity Shares in the Share Capital of the Company. She is the daughter of Mr. Gurmit Singh Mann, the Chairman of the Company.

Ms. Gursimran Kaur Mann as Managing Director, has been reporting to the Chairman of the Company and her role includes supervision and regulation of the commercial, fnancial and legal functions of the Company, including implementation and review of the commercial reports, plan and execute long-term and short term earnings deriving strategies, setting and implementing commercial planning of the production based on inputs from

operations, budget and gap forecasting analysis and operating plans of the manufacturing units of the Company, supervision and regulation of their operations, setting out the production e f ciencies as per the business plans, review production and operating reports, resolve the operational, manufacturing and other related issues to achieve planned cost, quality, and delivery commitments to achieve fnancial plans with regards to revenue, cost control, prof t and debtors management and to carry out any other function as may be assigned by the Board of directors or Chairman of the Company from time to time.

The Managing Director has been implementing the functions assigned by the Board from time to time, including but not limited to making recommendations to the Board with respect to the investments/disinvestments decisions, senior level appointments, retrenchments and increments, collaborations/ joint ventures/ further capital issues, borrowings, appointment of internal auditors/statutory auditors/other intermediaries as may be required under laws as applicable to the Company and to take all extraordinary decisions and undertake activities, which are necessary to run the day to day operations of the Company and to carry out other supervisory and regulatory functions, including delegation/assignment of duties in the manner as may be required from time to time.

Although, the Company has well-structured operating units, good quality products and a reliable work force; yet on account of vagaries of the sugar industry, its high fxed cost structure, low back up from the by-products and e f ciency levels, the Company is passing through a phase characterized by lack of liquidity. A mix of factors, such as higher recoveries, government's mandatory export quota, successful ethanol blending program and sugar production forecast for the next season are indicating towards good business prospects of the sugar industry. Considering the aforesaid facts, and also to organize the businesses of the Company in the manner, the Companyis expected to come out from its current problems.

In the event during the tenure of Ms. Gursimran Kaur Mann, the Company has no profts, or its profts are inadequate, the remuneration payable would require approval of the members by way of a Special Resolution. Hence, it is proposed to appoint Ms. Gursimran Kaur Mann as the Managing Director of the Company for a period of one year from August 02, 2020 to August 1, 2021 (both days inclusive) at a remuneration as set out in the Resolution subject to the limits prescribed under the provisions of Schedule V Part II Section II to the Companies Act, 2013.

The additional information required to be disclosed pursuant to schedule V Part II Section II to the Companies Act, 2013 is annexed to this Notice as **Annexure-A.**The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed to this Notice as **Annexure-B.**

The Board, accordingly, recommends the resolution set out under item number 5 for approval of the members of the Company as a Special Resolution.

None of the promoters, directors, key managerial personnel or their relatives, except Mr. Gurmit Singh Mann and Ms. Gursimran Kaur Mann,their relatives and their jointly controlled entitiesare concerned or interested, fnancially or otherwise, in passing of the aforesaid resolution except to the extent of their shareholding as members of the Company.

Item No. 6

Based on the recommendation of Nomination and Remuneration Committee, the Company has considered and approved appointment of Mr. Sachchida Nand Misra as awhole time director of the Companywith e fect from February 14, 2019 to September 17, 2020 and the resolution was passed at the 8th Annual General Meeting of the members of the Company held on September 25, 2019. Now, as term of his appointment has expired on September 17, 2020, the Board of Directors of the Company ('the Board') on the recommendation of the Nomination and Remuneration Committee and subject to the approval of themembers of the Company and subject to No objection of the lenders of the Company, has re-appointed Mr. Sachchida Nand Misra as awhole time director of the Company for a period of one year w.e.f September 18, 2020 to September 17, 2021at theremuneration as set out in the resolution subject to the limits prescribedunder the provisions of Schedule V Part II Section II to the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and such other approvals as may be required under law. The State Bank of India, lead bank has provided it's no objection for continuation of appointment of Mr. Sachchida Nand Misra as awhole-time director for a period of One year. The Company has also approached other lenders for their individual no objection letters, which are awaited.

Brief profle of Mr. S N Misra is as follows:

Mr. SachidaNand Misra, is B.Sc from Gorakhpur University, A.N.S.I. from National Sugar Institute, Kanpur. He worked in Simbhaoli Sugars Limited (SSL) for about 22 years and has left the Company as GM (Unit Head) and joined as Vice President (Project) at Bajaj Hindusthan Limited Then, he joined as Executive President as group sugar technologist cum Unit head in Balrampur Chini Mill Group. He re-joined Erstwhile Simbhaoli Sugars Limited in 2013 as the Chief Operating O f cer of the Company. Presently, he is responsible forthe operations of the business units, technical supervision, sugarcane management, implementation and achieving business plan and operational policies, meeting statutory compliances at all the manufacturing units of the Company.

Presently, he is responsible for the implementation and achieving business plan directives, implementation of policy matters, boundary management, charting growth plans and to implement the decisions taken and apprising the Company's management on the operational and technical working of group companies from time to time, increasing production, assets capacity and fexibility, while minimizing unnecessary costs and maintaining current quality standards.

Hence, the resolution is proposed as a special resolution and the required additional information pursuant to schedule V Part II Section II of the Companies Act, 2013 and other details regarding, nature of his expertise in specifc functional areas and names of companies in which he holds directorships and member/chairmanships of Board Committees, shareholding and relationships between directors is annexed to this Notice as **Annexure-A.**The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed to this Notice as **Annexure-B.**

The Board, accordingly, recommends theresolution set out under item number 6 for approval of the members of the Company as a Special Resolution.

None of the Promoters, Directors, Key Managerial personnel or their relatives, except Mr. SachchidaNandMisra, is concerned or interested, fnancially or otherwise, in passing of the aforesaid Resolution except to the extent of his shareholding as a member of the Company.

Item No. 7

Pursuant to the provisions of Section 149, 152, 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and corporate governance norms of the Listing Agreement with the Stock Exchange under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment there of, the Board of Directors of the Company in its meeting held on November 14, 2019, on the recommendation of Nomination and Remuneration Committee, have appointed Mr. Atul Mahindru as the Additional Director, in the category of Independent Non-Executive Director to hold office for aperiod of 5 (five) consecutive years w.e.f November 28, 2019 to November 27, 2024.

The Board, accordingly, recommends theresolution set out under item number 7 for approval of the members of the Company as anOrdinary Resolution.

None of the Promoters, Directors, Key Managerial personnel or their relatives, except Mr. Atul Mahindru, is concerned or interested, financially or otherwise, in passing of the aforesaid Resolution except to the extent of his shareholding as a member of the Company.

Item No. 8

Pursuant to the provisions of Section 149, 152, 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and corporate governance norms of the Listing Agreement with the Stock Exchange under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment there of, the Board of Directors of the Company in its meeting held on February 13, 2020, on the recommendation of Nomination and Remuneration Committee, have appointed Mr. Shyam Sunder as the Additional Director, in the category of Independent Non-Executive Director to hold office for aperiod of 5 (five) consecutive years w.e.f February 13, 2020 to February 12, 2025.

The Board, accordingly, recommends theresolution set out under item number 8 for approval of the members of the Company as anOrdinary Resolution.

None of the Promoters, Directors, Key Managerial personnel or their relatives, except Mr. Shyam Sunder, is concerned or interested, financially or otherwise, in passing of the aforesaid Resolution except to the extent of his shareholding as a member of the Company.

Item No.9

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (here in after referred to as 'Listing Regulations') as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1st April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director, who has attained the age of 75 years, unless a special resolution is passed to that effect and justification there of is indicated in the explanatory statement annexed to the Notice for such appointment.

Accordingly, for continuation of appointment of Justice (Retd) C K Mahajan, who have attained the age of 75 years, the resolutions proposed under item no 9is required to be passed as a Special Resolution.

Justice (Retd) C K Mahajan, has been appointed as Non-Executive Independent Director of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached there to and Rules made there under and pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, till the unexpired period of his appointment upto November 8, 2020, as per resolution passed at 5th Annual General Meeting of the members of the Company held on Monday, Sept 26, 2016.

As term of appointment of Justice (Retd) C K Mahajan, has been completed on November 08, 2020, the Board has approved his appointment, an Independent Director to the Board of the Company for another term of five years with effect from November 09, 2020 till November 08, 2025.His directorship is not liable to retire by rotation.

He is a retired Judge of the Delhi High Court and has vast experience in law and justice. He has practiced as Advocate in many High Courts and/or other Tribunals and then became permanent Judge of the Delhi High Court in July 1999. He demitted office on May 31, 2005. Post retirement, he was appointed as Chairperson/President of various Committees and has also been appointed as Arbitrator in several matters

The brief resume of Mr. Mahajan, nature of his expertise in functional areas, disclosure of relationships between Directors, Directorships and Memberships of Committees of the Board of Listed entities and shareholding as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended is set out in this Notice as Annexure-A.

The Board of Directors accordingly recommends the Special Resolution as mentioned at item No. 9 of this Notice for approval of the Members of the Company.

Item No 10

The Board of Directors, had approved the appointment of M/s. Satnam Singh Saggu, Cost Auditor (Membership No.10555), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending March 31, 2021, at a remuneration of Rupees Three Lakh only excluding Goods and Services tax plus reimbursement of out of pocket expenses at actual, if any, in connection with the audit.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to Cost Auditoris required to be ratified by the members of the Company.Therefore, consent of the members is being sought for approving the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

None of the Promoters, Directors, Key Managerial personnel or their relatives, except Justice (Retd) C K Mahajan, is concerned or interested, financially or otherwise, in passing of the aforesaid Resolution except to the extent of his shareholding as a member of the Company.

Accordingly, resolution set out under item number 10 is recommended for approval of the members of the Company as an Ordinary Resolution.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or other wise, in passing of the resolution.

Annexure- A

Information under clause 1 (B) of Section II of Part II of the Schedule V to the Act and Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015)

S. No	I. General Information:	
1.	Nature of industry	Sugar Industry
2.	Date or expected date of commencement of commercial production	Not applicable. The Company's plants have been in operation for more than 8 decades.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable.
4.	Financial performance based on given indicators	The Company's operations are affected due to various reasons pertaining to sugar industry and is in losses for last 5 years
5.	Foreign investments or collaborations, if any.	1. The Company has made Foreign Investments only in Simbhaoli Global Commodities DMCC, Dubai, which is Wholly owned subsidiary. 2. Simbhaoli Power Private Limited is a 51% subsidiary, with a joint venture (JV) with Sindicatum Captive Energy Singapore Pte Limited (SCES) having business in cogeneration of power. 3. Uniworld Sugars Private Limited is a joint venture company between Simbhaoli Sugars Limited and ED&F Man Sugar Ltd, England, UK, having a 1,000 tpd (300,000 mt per annum) capacity sugar refinery near Kandla Port, Gujarat.

II. Information about the appointee:

SIMBHAOLI SUGARS

1.	Reasons of loss or inadequate profits	The Uttar Pradesh based sugar companies have been facing financial difficulties on account of higher sugar cane prices, lower realization of sugar and high finance cost.
2.	Steps taken or proposed to be taken for improvement	Various initiatives have been taken including business and financial restructuring of the busin and
3.	Expected increase in productivity and profits in measurable terms	

Annexure- B

Disclosure Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2

1	**Name of appointee**	**Ms. Gursimran Kaur Mann**	**Mr. Sachchida Nand Misra**	**Mr. Atul Mahindru**	**Mr. Shyam Sunder**	**Mr. C K. Mahajan**
2	**Age**	37 Years	62 Years	57 Years	60 Years	78 years
3	**Date of Appointment**	Aug 02, 2020	Sept 17, 2020	Nov. 28, 2019	Feb 13, 2020	Nov 09, 2020
4	**Nature of his expertise in specific functional areas**	Finance, Marketing, Trading, legal and sales operations along with the Company's joint venture businesses	Technical supervision, sugarcane management, implementation and achieving business plan and operational policies, meeting statutory compliances	Civil/Revenue, Criminal etc. Further, he is defending cases of State Bank of India, HP Housing Board (Now known as HIMUDA), Cantonment Board and HP Civil Supply Corporation.	The Statutory Audit of Banks, PSUs, Companies and State Governments Corporations. He has been appointed as Central Statutory Auditor of UCO bank, Punjab National Bank and Allahabad Bank including Branches /Concurrent Auditor of SBI, Bank of Baroda and other banks. Presently, he is partner of M/s Bhuvanesh & Shyam, Chartered Accountants, in Kanpur providing Audit and Assurance services, and Advisory in Direct and Indirect Taxes.	Practiced as Advocate in many High Courts and/ or other Tribunals and then became permanent Judge of the Delhi High Court in July 1999. He demitted o f ce on May 31, 2005. Post retirement, he was appointed as Chairperson/ President of various Committees and has also been appointed as Arbitrator in several matters.
5	**Qualification**	Graduate in Economic and Political science from Bryn Mawr college, USA and has an MBA from London Business School	B.Sc. from Gorakhpur University and A.N.S.I. from National Sugar Institute, Kanpur	B. Com, L.L.B and has been practicing as Advocate based in Dharamsala, HimachalPradesh.	Practicing Chartered Accountant since 1991. He started practice as Proprietorship Firm and later on associated with M/s Parikh & Jain, Chartered Accountants, Kanpur,	Retired Judge of the Delhi High Court and has vast experience in law and justice. He has also been appointed as Chairperson/ President of various Committees and act as Arbitrator in several matters.
6	**Experience**	Over 11 years	Over 36 years.	Over 30 years	Over 30 Years	46 years
7	**The number of Meetings of the Board attended during the Year**	6	4	1	1	1
8	**Board Membership of other listed companies as on March 31, 2020**	None	None	None	None	None
9	**Board Membership of other companies as on March 31, 2020**	1. Dholadhar Investments (P) Limited 2. Dholadhar Developers (P) Limited 3. Uniworld Sugars (P) Limited** 4. Simbhaoli Power (P) Limited 5. Integrated Casetech Consultants (P) Limited 6. Simbhaoli Global Commodities DMCC	Simbhaoli Speciality Sugars Private Limited	Nil	Nil	BL KashyapAnd Sons Ltd
10	**Names of companies in which the person also holds the Membership /Chairman of Committees of the Board**	I. Dholadhar Investments (P) Limited II. Dholadhar Developers (P) Limited III. Uniworld Sugars (P) Limited** IV. Simbhaoli Power (P) Limited V. Integrated Casetech Consultants (P) Limited VI. Simbhaoli Global Commodities DMCC	Simbhaoli Speciality Sugars Private Limited	None	None	B L Kashyap and Sons Limited

** Committee positions only of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee in public companies have been considered.*

*** Undergoing CIRP wide order CA 120/ALD of 2017 dated May 29, 2018.*

CHAIRMAN'S MESSAGE

Dear Shareholders,

During the Financial Year 2019-20, in spite of prevailing challenges, your Company has delivered improved operational and financial results due to the continued support of all its stakeholders.

The Company operated and ran all the plants with an optimal product mix of Sugar, Ethanol and Power as part of its continued focus on diversification towards allied products. Over time, your Company has emphasized looking at the composite value of the sugarcane being supplied to us by our partner farmers as the way forward towards a sustainable business proposition.In addition, we have continued our emphasis on manufacturing best-in-class sugar and other consumer products and expanding our pan- India sales and distribution network to increase share holder value.

Through its continued emphasis on efficient operations, your Company achieved better sugar yields during the sugar season 2019-20 at all three sugar plants as compared to the previous year. All three distilleries have shown steady growth in terms of ethanol production in comparison to last year as well. In addition, we have enhanced the working capacity of one of our distilleries as well to further boost production.

Recently, the Company has also launched its range of Trust Hand Sanitizers to help the nation, especially its rural districts,to combat the COVID – 19 Pandemic. It was a matter of great pride for all of us that within a week of the Lockdown, the Company's scientists, engineers and production experts came together to develop the range of hand sanitizers that was supplied to various Government institutions and offices as well as distributed through our extended retail distribution network.

The spread of COVID-19 pandemic worldwide and resultant nation wide lockdown had caused disruption of supply chain across businesses and industries in India. However, since the Company is engaged in the manufacturing of essential commodities, timely steps taken by the government had ensured regular operations of the sugar mills in the state of Uttar Pradesh. The COVID-19 pandemic has obviously impacted the institutional demand for sugar, along with demand for sugar in the travel and hospitality sector, but we expect that it will gradually and steadily pick up again as the nation continues to successfully combat the pandemic.

One of thekey measures announced by the Government of India has been to leverage the sugarcane surplus in the country as a resource to meet the energy needs of the nation. Accordingly, it has pushed forward a bold policy encouraging the diversion of sugarcane juice and B-Heavy molasses to make green fuel for the country.The Government has revised the ethanol prices upwards for the supply to Oil Marketing Companies (OMCs). Suchpolicy measures will be helpful for achieving the ethanol blending program targets set by the Government of India to meet the fuel demands of the country through domestic sources such as ethanol.This could also herald a significant transformation of the Sugar Industry with significant benefits accruing especially to the rural economy of India.

In the current sugar season 2020-21, though Indian sugarcane harvesting might get affected amid the pandemic situation prevailing in the country, the Company has focused on continuing to work closely with the thousands of farmers who rely on your Company for their sustenance and livelihoods. We have further stepped up efforts towards better cane development and farm management, through adoption of techniques such as intercropping, conservation of energy and water resources through drip irrigation, waste-water management, and rain-water harvesting.We hope that these efforts will continue to bear fruit in the coming seasons.

As you know, the Company has over the last decade also launched and developed various consumer brands, with a focus on quality and innovation across the staples, food, and beverages category. In addition to the flagship brand, 'Trust', the portfolio has expanded considerably to include popular brands such as Sunehra and G-Low as well. Going forward, your Company plans to also make continuous efforts towards development of consumer-centric products, in response to changing consumer needs. The Company shall give more emphasis on new channels of distribution such as online market places, direct-to-consumer, and expanded rural distribution. As part of our effort to emerge as a consumer-centric organization, the Company has initiated e-commerce functionality through our revamped website to make its FMCG products available to the door step of the customers.

Finally, I wish to thank to our team of employees, farmers, all the lenders, associated As am walb am the ma א'

heights and leadership in the industry.

Please stay safe and keep your families and loved ones safe.

With Best Wishes,

Gurmit Singh Mann
Chairperson
(DIN - 00066653)

Place: Dharamshala
Date: Nov 24, 2020

BOARDS' REPORT

To the members of
Simbhaoli Sugars Limited

Your directors have pleasure in presenting the Ninth Board's Report together with management discussion and analysis report for the financial year ended on March 31, 2020.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Sugar Industry Overview

The global production of sugar for season 2020-21 is fore cast up 22 million metric tons (mmt) to188 mmt (raw value) due to higher production in Brazil, India, and Thailand. The consumption is expected to rise to a new record due to growth in markets such as India and is projected to continue to draw lower stocks despite are bound in output. The exports are forecast up sharply with rising supplies. The global production forecast is given below:

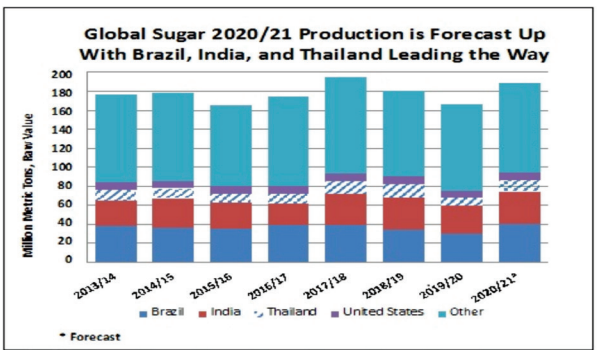
Brazil's production is forecast to rebound 9.6 mmt to 39.5 mmt raw value as initial concerns about the August-October dry spell in 2019 were of set by steady January-March, 2020 rainfall that improved the sugarcane harvest. The gasoline prices are expected to drastically change the dynamics for the Brazilian sugar/ethanol industry, negatively affecting the ethanol industry and significantly increasing sugar production.

Thailand's production is forecast to recover 4.7 to 12.9 mmt raw value on favourable cane yields and sugar extraction rates. The consumption is expected to continue increasing due to demand for direct sugar consumption and food-processing. With favourable supplies and global demand, exports are forecast at a record 11.0 mmt raw value and stocks are expected to be the lowest level in 8 years.

China's production is forecast to recover from the previous year's drought, up 0.5 mmt to 10.7 mmt raw value, primarily due to a rebound in cane sugar production in southern China. The consumption remain unchanged, imports are up slightly, and stocks are expected to fall for a sixth consecutive year as government policies continue to discourage stockholding.

India's production is forecast to rebound 17 percent to 33.7 mmt as above average water reservoir levels are expected to boost yields and to incentivize growers to harvest additional acreage. The consumption is forecast at a record due to a growing economy.

The production forecast is presented by way of below graph:



World Agricultural Outlook Board -USD

The global sugar prices were hovering around 14.5 cents per pound since mid-January 2020. However, with the recent impact of fall in crude oil prices, expectation of Brazil increasing sugar production & due to spread of the coronavirus diseases (COVID-19) pandemic, there has been a decline in the global prices as well. The raw sugar prices in the international market were down by 20% to 11.8 cent per pound in March 2020 from 14.8 cents per pound in February 2020.

Domestic Sugar Industry Overview

Sugar Output

(All fg. in Million MT)

Particulars	2018-19 (A)	2019-20 (P)	2020-21 (E)	% Change
Opening stock as on 1st Oct.	10.6	14.5	11.5	-20%
Production during the season	33.6	27.2	30.5	12%
Imports	-	-	-	
Total Availability	44.2	41.7	42.0	1%
Oftake				
i) Consumption	26.0	25.0	25.0	0%
ii) Exports	3.7	5.2	6.0	
Total Of-take	29.7	30.2	31.0	3%
Closing Stock as on 30th Sept.	14.5	11.5	11.0	-4%
Stock as % of Consumption	56%	46%	44%	

**The domestic sugar production is likely to increase to 30.5 Mmt in 2020-21, after adjusting impact of diversion of B-heavy molasses and sugarcane juice for ethanol manufacture.Source – ISMA and trade estimates*

With an opening balance of 14.5 mmt in October 2019, sugar production of 27.2 mmt, expected domestic sales of 25 mmt and exports of 5.2 mmt during the current season, the opening stocks in October 2020 has been estimated at 11.5 mmt. With the forecast of a bountiful monsoon, domestic sugar production is estimated at 30.5 mmt in the 2020-21 crushing season, with an increase by 12% than the production of 27.2 mmt this season, assuming normal rainfall and other optimum conditions. The pan India cane acreage has been pegged at 5.23 million hectares (MH) in 2020-21, 8 per cent higher than this season's cropped area of 4.84 MH.Due to higher cane availability and surplus sugar production, it is estimated that a larger quantity of cane juice and B-heavy molasses will get diverted for ethanol production.

In coming months, as and when the lockdown is lifted across States, sugar consumption is expected to pick up. Sugar is an essential commodity and with the continuation of packaged commodities in the Fast Moving Consumer Goods (FMCG) and reopening of restaurants, café, sweet shops, bakeries and other eatable outlets, the demand can't remain low for a long period of time.

As of May 31, 2020, the production in the north Indian state of Uttar Pradesh was down at 12.6 mmt. The western state of Maharashtra produced 6.1 mmt over the same period, reflecting the worst impact of the dry season in 2019. Karnataka produced 4.30 mmt until May 2020.

In the north and south, the sugar cane is still available for crushing while cane stocks for processing have already been exhausted in Maharashtra. Hence, the mills in northern and southern India are still producing sugar, while mills in the western region have stopped crushing cane during April 2020.

Price Trend

The ex-mill domestic sugar price for financial year 2019-20 is ranging between Rs 31,500 to Rs 34,200 per MT as compared with the previous year ranging between Rs 26,500 to Rs 33,000

per MT, due to the measures taken by the Government of India to safeguard the domestic sugar industry. Reduced inventory, higher exports and the minimum support price (MSP) on sugar, which will protect margins, are, in fact, positives for sugar mills.

Also, despite lower prices globally, Indian sugar mills have been receiving a premium for their sugar from Indonesia and Iran. Therefore, the current sugar season ending September 2020 is likely to finish with a lower closing stock than in the previous year.

Sugarcane

The Government of India has been considering the minimum selling price of sugar with an increase of Rs 2 per kg from existing Rs 31 per kg in order to help millers to clear cane dues of about Rs 22,000 Crore to farmers, while the Commission for Agricultural Costs and Prices has recommended raising the fair and remunerative price (FRP) of sugarcane by Rs 10 a quintal to Rs 285 for 2020-21. Other measures also being taken to ensure early clearance of substantial cane arrears to farmers.Of the Rs 22,000 Crore arrears, about Rs 17,683 Crore is based on the FRP rate, while the rest is based on SAP rates.

Domestic ethanol Industry

The Indian ethanol market is slated to grow and the Government has planned to enhance ethanol production to 9 billion litres from 3.55 billion litres in order to achieve the blending rate of 10% by 2022.The Government has given approvals to around 350 new plants in sugar mills for adding 5.5 billion litres of capacity entailing an investment of ₹ 18,000 Crore, for that purpose.

Ethanol can be produced directly from cane juice as well as from B-grade and C-grade molasses. The price of ethanol from sugarcane juice has been fixed at ₹59.48 per litre while ethanol extracted from B-grade molasses is priced at ₹54.27 per litre and the price of ethanol extracted from C-grade molasses has been fixed at ₹43.75 per litre. India is required to have a minimum of 4.25 billion litres of ethanol to meet the 10% blending target.

In the previous year, an aggregate of 1.91 billion litres of ethanol was blended with petrol, which resulted in 5.5% blending rate, as against 175 billion litres in 2019-20, which may result 4.5% blending in this year. The government plans to divert 8 lakh tonnes of surplus sugar in each of the next two years (2021- 2022) for ethanol production with the objective of maximizing profitability earned by Indian sugar companies.

GOVERNMENT MEASURES AND POLICIES

The Government of India has implemented various measures/ initiatives are enumerated below:

March 2019: The GOI has notified new schemes for extending financial assistance to sugar mills for enhancement and augmentation of ethanol molasses production capacity.

July 2019: The GOI, with a view to improve liquidity of the sugar industry; enabling them to clear cane price arrears of farmers and to stabilize domestic sugar price, notified the Scheme for Creation and Maintenance of Buffer Stock of 40 Lakh MT of sugar by the sugar mills for one year with effect from August 1, 2019. The funds to be provided to the sugar mills as reimbursement of the carrying cost towards maintenance of the buffer stock are to be used firstly for payment of cane price dues of farmers for the current sugar season 2018-19 and 2019-20 as also for arrears of previous sugar seasons.

Sept 2019: Pursuant to the Scheme for providing assistance to sugar mills for sugar season 2019-20, the Maximum Admissible Export Quantity (MAEQ) in respect of each sugar mill has been allocated.

Nov 2019: The GOI has allowed those sugar mills which had partially exported their Minimum Indicative Export Quota (MIEQ) of 2018-19 sugar season till 30.09.2019 to export the balance quantity of their MIEQ of 2018-19 sugar season by 31.12.2019, over and above MAEQ allocated for 2019-20 sugar season.

March 2020: The Distilleries were given permission by the State Administration to make hand sanitizers to meet the requirement arising out of the spread of Coronavirus diseases (COVID-19) Pandemic. With this sufficient quantity of hand sanitizers manufacturing capacities has been created in the country using ethanol as the key raw material.

BUSINESS OVERVIEW

Business Description: Operating Capacities

Simbhaoli group was started as a partnership firm in 1933 by Sardar Raghbir Singh Sandhanwalia and, in 1936, it was incorporated as a private limited company. In 1989, it went public and has been listed on Indian Stock Exchange for the past 30 years. In 1992, it acquired a distillery (owned by the family as an independent company) and thereby converted the Simbhaoli sugar plant into an integrated sugar complex. At present, Simbhaoli is part-owned by the third and fourth generations of this family, represented by Mr Gurmit Singh Mann, Chairman of the Company.

The group has three sugar complexes located at Simbhaoli (Western Uttar Pradesh), Chilwaria (Eastern Uttar Pradesh) and Brijnathpur (Western Uttar Pradesh), having an aggregate sugarcane crushing capacity of 19,500 tons crushed per day (TCD) including asugar refning capacity of 1200 tonsper day (TPD) forraw sugar processing, interchangeable with cane crushing capacities while the sugarcane is not available during of-season.

Joint Venture Companies

The Company has a joint venture arrangement with Sindicatum Captive Energy Singapore, (SCES) a clean energy fund in respect of its subsidiary Simbhaoli Power Private Limited (SPPL) engaged in the cogeneration of power from bagasse and other bio fuels. During the year, SCES has transferred all its shareholding, rights and obligations in the share capital of SPPL to Sindicatum Bagasse India Private Limited, a private limited Company incorporated and registered under the laws of Singapore, which is an affiliate of SCES.

SSL also has a joint venture with ED&F Man Holdings BV, and Volcafe Pte Ltd, in respect of Uniworld Sugars Private Limited (USPL). During the year 2017, due to continuous losses, the USPL business, having a 1000 TPD (300,000 mt per annum) capacity sugar refinery near Kandla Port, Gujarat was discontinued, the details mentioned elsewhere in this report.

Impact of Industry Scenario on Business of the Company

Indian sugar industry has been facing difficulties on account of high sugar production in the country since Financial Year 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 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 with allocation of MIEQ/MAEQ, 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 New Sugar Industrial Promotion Policy 2004-08. 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 Hon'ble 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 lenders 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 ₹ 109.80 Crore, 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, commensuration with its future cash flows. The majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

Impact of Covid-19 and Nation-wide Lockdown on the Operations of the Company

The spread of Coronavirus diseases (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 UP. 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 nation wide 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 out look of sugar sector on the carrying amount of its property, plant and equipment and consequential impairment could not be ascertained and provided for due to non- availability of requisite information on account of lockdown restrictions.

The ongoing Covid-19 pandemic is expected to put pressure on the sugar consumption patterns as there are curbs on social gatherings and outings. The industry is also facing reduced of-take from beverage and other FMCG companies amid the lockdown. This has even led to fall in domestic & international sugar prices recently.

Manufacturing of Liquid Hand Sanitizers & Disinfectants

Company's manufacturing units located in rural areas of Uttar Pradesh have initiated production of Liquid Hand Sanitizers & Disinfectants from April 2020 to help the nation, and especially its rural districts to combat the Covid–19 Pandemic. The Company will be utilizing the existing PAN India distribution network of its FMCG Brand, Trust, to distribute the sanitizers & disinfectants to not just lakhs of farmers and the local communities in UP, but to reach people in Rural Districts across the country. The Company's goal is to ensure its Sanitizers reach at least 50% of the Rural Districts of India. For this, the Company is working on making the sanitizers extremely affordable and also tailoring the packaging formats for rural India. This will become a shining example of the power of "For Rural India, by Rural India". The Company is proud to support the efforts of the Governments of India and State of Uttar Pradesh as well as communities across the country in fighting the Covid-19 pandemic.

Legal proceedings of investigation in the matter related to complaint filed by Oriental Bank of Commerce (OBC)

During the year 2017-18, the Oriental Bank of Commerce (OBC), one of the lenders arbitrarily initiated recovery actions against the Company in respect of its restructured corporate loan and also fled a criminal complaint in an arbitrary and wrongful manner in respect of original loan facilities, without the consent of the other lenders and without affording any opportunity to the Company to present its case. The Company and its management have refuted the charges on their part, and provided adequate documents while fully cooperating with the investigation. They have reiterated its commitment for repayment to all the lenders on the basis of future cash flows. Steps initiated by OBC have delayed the ongoing debt resolution process of the Company and adversely affected its business. Based on legal advice, the Company has been taking appropriate actions at the relevant forums including but not limited to seeking appropriate counter claims.

BUSINESS SEGMENTS

Sugar Operations: Sugar production has decreased due to agro-climatic conditions. Moreover, the rainfall in sugar season 2019-20 is higher as compared to the last sugar season 2018–19, due to which the cane maturity was not up to the mark and hence resulting in lower recovery across the entire state of Uttar Pradesh. Similarly, this has impacted the Distillery operations as Bio composting was hampered due to adverse weather.

Distillery Operations: During the sugar season 2019-20, the distilleries operations have been running at lower capacities due to rain, foggy weather, restriction during festivals, and shortage of bagasse/fuel.

Branding and specialty Sugar segment: In present Covid-19 scenario where online sales in India is rapidly spreading its wings and becoming the norm for fast growing businesses, your Company is putting our best to emerge as an organization which provides easy and early availability of its products to the doorstep of the customers. The Company has introduced e-commerce functionality on a wide range of its products through its Direct-to-consumer e-commerce website that will house its FMCG offerings. www.shop.simbhaolisugars.com.

The Company has been consistent in developing its sugar brand, 'Trust'. The sales and marketing infrastructure development exercises for distribution through modern retail and wholesale trade channels have been further strengthened during the year. Trust branded sugar sachets have created vast acceptability and leadership in the hospitality industry. Your Company has emerged as one of the largest sellers of Specialty Sugar, which includes sachets, consumer packets, pharmaceutical grade sugar etc. and it commands premium over and above the bulk sugar prices. Last year, the Company has launched it diabetic friendly Sugar brand with the name and style G-Low Sugar. During the year, the Company has expanded production and distribution of its newly Launched sugar brands.

International Trading:

The Company actively participated in the export campaign in the year under the Government MIEQ & MAEQ scheme. The Company has continued export trade with markets like Madagascar, Sri Lanka, Hong Kong , Nepal, Canada, middle east nations like – Qatar and Kuwait. During the year, the Company has exported 3619 MT of white sugar and 5300 MT of raw sugar under MIEQ Scheme. The Company has also exported 9005 MT of white sugar and 41156 MT of raw sugar under MAEQ Scheme.

The Company has also exported 4325 Cases of Indian Made Foreign Liquor from its distillery units.

HUMAN RESOURCES

The Company believes in cordial employer-employees relationship. Time to time training sessions which inter-alia includes Electrical safety, SAP, Chemical Handling, quality, behavioural training, motivational training are conducted in order to enhance work life balance of employees as well as to optimise the efficiency of all the units and employees. Keeping the philosophy of continuous training and job improvements, the Company has imparted 500 man-days (previous year 419 man-days) of training apart from the regular on the job trainings to its employees.

The Company has always been vigil against the sexual harassment at workplaceand duly constituted Internal Complaint Committee for the purpose in pursuance with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Policy for prevention of Sexual Harassment is available on the website of the Company. During the year no such complaint has been received.

SWOT

The areas of operations of the Company are well diversifed, with multi products and services spanning over a number of geographical locations. Each of the business segments has its own strengths and weaknesses and at the same time is subject to a variety of opportunities and threats. The management is consistently strategizing and implementing the restructuring exercises and cost optimisation for the business sustainability. The group has the following SWOT attributes:

Strengths

a. Over 9 decades of experience of Sugar Industry.
b. Our Manufacturing units are located in the sugarcane rich state of Uttar Pradesh, North India
c. Diversifed Product Range including pharmaceutical-grade and specialty sugars to cater different categories of customers
d. Enhanced it reach though various e-Commerce platforms
e. Introduced its own dedicated E-commerce portal
f. Well irrigated sugarcane area, which is not much dependant on weather pattern
g. Integrated facilities to produce white sugar using sugarcane as well as refning of raw sugar
h. Premium range of quality products, attracting a mark-up in domestic and global markets
i. Presence in branded and packaged segment which has further growth potential
j. Diversification into Sanitizers and Disinfectant Manufacturing

Weaknesses

a. Highly leveraged with high finance costs
b. Cyclical nature of the industry, which is subject to climate and economic cycles
c. Low capacity utilisation in distillation segments
d. Lack of parity between cost of production and sale values of sugar resulting in un-paid sugarcane price position

e. Existing and anticipated litigation arising out of weak financial position of the Company

f. Delay in financial restructuring pending over past three years resulting in financial limitations

Opportunities

a. To produce and gain out of non-sugar base revenues including ethanol, being the focus area for the Company and also being encouraged by government policies

b. To be flexible in the refining of raw sugar for improving capacity utilisation throughout the year

c. To be a regular trader in the commodities with quality, brands and product mix whenever there is a viability

d. Presence in branded and packaged segment which has further growth potential

e. Enhancement of Alcohol capacity for manufacture of disinfectants

Threats

a. Worldwide Covid-19 emergency and impact there of in India

b. Increase in production and distribution cost due to Lockdown scenario

c. Recovery steps initiated by the lenders for over due outstanding.

d. The vendors and creditors related uncertainties on account of payment defaults

e. Significant higher production of sugar in the country may lead to downward trends in sugar prices

f. Volatile commodity markets have a bearing on international and domestic operations

g. Regulated environment may pose adversities for business decisions

h. Un-hedged positions in sugar and currency markets

i. Coercive actions by the State administration particularly for cane payment

Quality management system: The sugar units of the Company are compliant with internationally recognized quality, environment and food safety standards and are ISO 9001, ISO 14001 and FSSC 22000 certified. Management systems are applied to develop a systematic work culture that emphasizes process ownership across all levels of the organization.

RISK ASSESSMENT AND MITIGATION

The sugar industry faces challenges from the evolving marketplace continuously that impacts important issues in risk management and threatens profit margins. The business of the Company is exposed to several kinds of risks from time to time, which include the following:

Strategic Risks: These risks are relating to the flux and movement of money and capital in the Company. This will include cash flow management, investment evaluation and credit default. These risks emanate out of the decisions, the Company takes in the markets, resources and delivery of services.

Operational Risks: Most common, and often combatable in all situations, these risks related to business operations such as those relating to determination, identification and procurement of vendors, services delivery to vendors, security and surveillance, labour issues, blocking of funds and business activity disruptions.

Resource Risks: The Company may at times, become susceptible to various risks associated with the procurement of talent, capital and infrastructure, as may be specific to the industry.

Technological Risk: The business of the Company, particularly potable alcohol and speciality sugar, is subject to frequent and revolutionary technology changes as new products are being developed in this segment. This also leads to risk of obsolescence of machinery as well as inventory.

Industry and Competition Risks: The risks relating to the sugar and alcohol industry, including competition in the industry, technical landscape, risks arising out of volatilities of the manufacturing lines, and those relating to brands of the Company.

Risk of Clash and Breakage: The risk of clash and breakage is mainly referred to the risks associated with the manufacturing output caused due to quiver, bump, squeezing, lacquer desquamation, nick and so on, in transit. Fragmentation is mainly referred to fragile substances and includes loss including breaching and smash in transit due to careless loading and unloading and bumping of conveyance and may also occur during warehousing.

Risk of Theft, Pilferage and Non-Delivery: The risks relating to theft or pilferage, when the goods manufactured are failed to be delivered to the buyer the risk of non-delivery concerns a situation where the whole cargo is not delivered to the consignee.

Currency Risks: The Company, on account of international trading activities, deals in various foreign currencies and is exposed to fluctuations in the currency markets from time to time.

Risks relating to regulatory and compliance framework: The risks due to inadequate compliance of regulations, contractual obligations and intellectual property violations leading to litigations and related costs and effect on brand value and image.

Business existence risk: The risk relating to management disruption due to change in ownership as a result of ongoing restructuring.

The key objective of the risks analysis is to ensure sustainable business operations, and to promote an approach in risk management process by eliminating risks. In order to achieve this key objective, the Company has implemented such policies, which provides pro-active approach to manage various types of risks associated with day to day affairs of the Company and minimize adverse impact on its business objectives.

Environmental Compliances: The Company considers its prime responsibility towards protection of hygienic and pollution free environment. The Company has remained is in compliance of all environmental laws of the country. Company's effluent treatment plants were periodically inspected by State and Central Pollution Control Boards and other agencies.

Internal Control System - Implementation of Internal Financial Controls and Internal Audit Processes.

The Company has established and implemented internal financial controls based on the formal system of internal financial controls under the Companies Act, 2013 read with relevant Indian Accounting Standards (AS), considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls with reference to consolidated financial

statements issued by the Institute of Chartered Accountants of India ('ICAI'). The system includes procedures, policies, the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's polices, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information , as required under the Companies Act, 2013 ('the Act'). The Company has been following–up the systems and control to safeguard the assets and interest of stakeholders against loss from any unwarranted action. All business transactions are authorized, recorded and reported accordingly. Under the system, certain Standard Operating Procedures/Policies with reference to the delegation of authorities, material procurement and management, accounting processes and systems, payment authorization, capex monitoring, insurance, and employee welfare etc. have been adopted. Review systems have been established and implemented to ensure the adequacy of control systems and their monitoring.

An independent internal audit process has been established with reference to the business operations of the Company. The internal audit reports along-with management comments are regularly being placed before the audit committee of the Board.

The legal matters with the former director/senior executive employees due to irregularities/misappropriation of inventory of the Company are going on before the appropriate authorities. The management is confident that these cases shall be concluded without material financial implications on the Company.

Materiality of Related Party Transactions: The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act 2013, the rules made there under and the listing regulations. The Policy has been reviewing in order to make it align with recent updates in Companies Act, 2013 as well as SEBI Listing Regulations.

During the Financial Year 2019-20, all transactions with related parties were at arm's length basis and were in the ordinary course of business. There was no materially significant related party transaction with the Company's Promoters, Directors, Key Managerial Persons (KMP), Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its approval. The particulars of contracts entered during the year are enclosed herewith as Annexure 2 as per prescribed Form AOC-2.

Corporate Social Responsibility (CSR): Pursuant to the provisions of Section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), read with Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors of the Company has formed a Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') headed by an independent director, to inter alia, carry out the following functions:

- to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in prescribed Schedule VII of the said Act;
- to recommend the amount of expenditure to be incurred on CSR activities; and
- to monitor the Corporate Social Responsibility Policy from time to time.

The Composition of Corporate Social Responsibility Committee is mentioned elsewhere forming part of this Annual Report.

Company is not mandatorily required to spend any amount for Corporate Social Responsibility in terms of criteria prescribed under the provisions of Section 135 of the Companies Act, 2013, yet Company has its own CSR policy indicating the guidelines for social welfare activities to be undertaken and implementing programs in the felds of education, healthcare, clean water, social welfare, village infrastructure development in reserved areas of its sugar mills. The Company has been accepting its social responsibility obligations and encouraging cleaner surroundings, improving village level infrastructure, unclogged drains and spreading the awareness and providing necessary training and learning process for the value of good hygiene and sanitation. A Charitable trust named Simbhaoli India Foundation (SIF), has also been working to ensure social obligations of the Company.

The Company has been regular in CSR activities for the development, upliftment and advancement of the conditions of the people living in the villages in the vicinity of mills, however, during the year under review, separate accounts on the expenditure incurred, have not been maintained for this purpose.

Information Technology - During nation wide lock-down due to CoVID-19 pandemic the IT division of your Company has provided tremendous support to enable employees smoothly work from Home as well as to get them connected over virtual meetings. The information technology system of the Company is operating on SAP based enterprise resource planning (ERP) environment, optimizing the performance of its businesses as well as the business network.

OPERATIONS OF SUBSIDIARY/ASSOCIATE COMPANIES

Simbhaoli Power Private Limited(SPPL): SPPL is a 51% subsidiary, with a joint venture with Sindicatum Captive Energy Singapore Pte Limited. SPPL is generating the power using the sugar mill bagasse and third-party biomass at the Simbhaoli and Chilwaria Sugar complexes of the Company and selling the surplus power to State utilities under the long-term power purchase agreements. During the year, SPPL has generated 2.27 lacs MWh of power (Previous year 3.43 lacs MWh) and exported 1.36 lacs MWh (Previous year 2.38 lacs MWh).

Recently, Uttar Pradesh Electricity Regulatory Commission (UPERC) has notified the updated UPERC (Captive and Renewable Energy Generating Plants) Regulations, 2019 to supersede the earlier Regulations of 2014. Under the new regulations, the tarif of bagasse-based power generation and supply to UPPCL has been reduced by nearly ₹2 per Kwh (unit) which has afected the financials of SPPL substantially.

Financial Statements of SPPL have not yet been considered and approved by their Management. Therefore, the results of SPPL for the financial year 2019-20 ended on March 31, 2020 are not

available. For non-consolidation of accounts of SPPL detailed notes are forming part of Financial Statements.

Uniworld Sugars Private Limited(USPL): UniWorld Sugars Private Limited (USPL), a 50:50 joint venture company of Simbhaoli Sugars Limited, discontinued its operations in June 2017 due to non-availability of the raw sugar. During the financial year 2018-19, Corporate Insolvency Resolution Process (CIRP) was initiated against USPL by the Hon'ble National Company Law Tribunal, Allahabad Bench (NCLT) vide its order dated May 29, 2018, on an application of one of the vendors of the USPL. The 270 days of the CIRP period are completed on February 23, 2019, and in the absence of any resolution plan, the liquidation application was filed by the Resolution Professional with the Hon'ble NCLT on February 25, 2019. The Hon'ble NCLT has granted additional time to find suitable Resolution Plan for the Company, on which the Resolution Professional is working with the lenders of the USPL.

Integrated Casetech Consultants Private Limited (ICCPL): Integrated Casetech Consultants Private Limited (ICCPL), is an 85% subsidiary company and the technology vertical of SSL. It has been providing the operations and maintenance services to various sugar companies in India and abroad.

Due to lack of working capital and Covid-19 the Company is facing problems regarding the completion of the projects undertaken by it. During the year, the Company has achieved total revenue of ₹2401.07 Lacs (previous Year ₹1,633.09 lacs) reflecting a substantial increase in revenue in the current year. Company has earned a profit of ₹28.68 Lacs in comparison to profit of ₹18.87 lacs in previous year.

Simbhaoli Global Commodities DMCC: Simbhaoli Global Commodities DMCC, a wholly owned subsidiary company of Simbhaoli Sugars Limited was incorporated for trading in sugar, molasses, ethyl alcohol, fuel alcohol and other agro based commodities in the overseas market. The operations of the Company depend upon various national and international factors.Sugar is the main part of the business, upon which other businesses can derive the resultant benefits based on excess/ shortage of sugar in international market. The government regulations in India for export/import of these commodities adversely affected the running of its business through Dubai. Thus, due to heavily regulated imports and exports by the Government and the recessionary conditions in the global market, the Company has not been able to do its business and therefore not able to operate in the coming years as well. The Company has made an application for de-registration and termination of the license with the Dubai Multi Commodities Centre Authority. The approval is awaited.

Simbhaoli Specialty Sugars Private Limited (SSSPL): Simbhaoli Specialty Sugars Private Limited is the wholly owned subsidiary of Simbhaoli Sugars Limited. No major business activities have been carried out by this Company during the year. Company has earned income from other source of ₹ 6.48 Lacs during Financial year 2019-20.

OPERATIONS

A summary of the physical operations of all the business units of the Company for the year 2019-20 is stated as under:

Manufacturing Facilities	Unit	Simbhaoli		Chilwaria		Brijnathpur		Total
Particulars	Sugar Year	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20
Sugarcane crushed	Lacs mt	14.46	15.18	4.44	5.10	5.31	4.74	24.21
Sugar recovery	%	11.51	11.19	9.90	10.60	10.31	9.40	10.95
Raw/ below grade sugar refned	000'mt	36.04	30.38	0.67	0.60	17.62	4.87	54.33
Net Sugar produced#	000' mt	166.42	169.83	43.96	54.06	54.69	44.55	265.07
Gross season for sugar plant	Days	187	188	114	133	180	171	NA
Date of start of the Sugar plant	-	04.11.2019	31.10.2018	27.11.2019	27.11.2018	04.11.2019	09.11.2018	NA
Date of closure of Sugar plants	-	08.05.2020	07.05.2019	19.03.2020	09.04.2019	01.05.2020	29.04.2019	NA
Days of operations of distillery **	Days	253	206	157	107	213	140	NA
Alcohol/ Ethanol produced **	B.L (Lacs)	104	91	72	54	109	66	285

#including conversion of Raw and below grades white sugar into refned sugar.
**As per Financial Year

FINANCIAL ANALYSIS

A summary of the standalone financial results of the Company for the year ended March 31, 2020 is stated as under:

(₹ in lacs)

Particulars	Financial Year 2019-20	Financial Year 2018-19
Gross Sales/Income from operations	120831.90	111109.11
Other Income	2574.42	1585.35
Profit/(Loss) before Interest, depreciation and exceptional items	4598.76	2360.13
Interest expense	3163.07	3419.83
Depreciation	3600.60	3670.22
Profit/(Loss) before tax & exceptional items	(2164.91)	(4,729.92)
Exceptional (Gains)/Loss	-	184.59
Net Profit/ (Loss) after Tax before Other Comprehensive Income	(2164.91)	(4914.51)
Other Comprehensive Income/(Loss)	(272.14)	(2261.27)
Net Profit/ (Loss)	(2437.05)	(7175.78)

During the Financial Year 2019-20, Gross Sales have increased from ₹1111.09 Crore to 1208.32 Crore and Net sales have increased from ₹952.13 ₹Crore to ₹1009.44 Crore. EBIDTA has been at ₹45.99 Crore as against the previous year of Rs 23.60 Crore. Net loss for the year is ₹24.37 Crore as against Net Loss of ₹71.76 Crore in previous year.

Dividend: During the year, the business of the Company has been affected adversely on account of the lower realization from sugar sales, less capacity utilisation of distilleries, high finance cost, and other industry related issues. There being no profits during the year, your directors do not recommend any dividend.

Unpaid/unclaimed Dividend: There is no unpaid/unclaimed dividend in the Company. Hence, provisions of Section 125/126 of the Companies Act, 2013 are not applicable.

Share Capital: The paid-up capital of the Company is ₹41,27,90,200 divided into 4,12,79,020 equity shares of ₹10 each. Pursuant to exercise of option of conversion of warrants, 18,00,000 and 20,00,000 equity shares were allotted on March 29,2018 and March 29, 2019 respectively to the specified promoters.

During the year, there was lapse of 12,00,000 fully convertible warrants issued and allotted on December 22, 2017, due to non-exercise of option by the allottee(s) for the conversion within stipulated period. Pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018, an amount of ₹ 96.30 lacs, being 25% of the subscription amount lying in the books towards upfront payment has been forfeited.

Long term borrowings: Long term borrowings are at ₹359.03 Lacs (previous year₹525.22 Lacs), as during the year loans were repaid to related parties.

Short term borrowings: During the year, the short-term borrowings have been repaid resulting Nil Short term borrowings against the previous year of ₹137.95 lacs.

Investments: The Company has the following investments as on March 31, 2020:

(₹ in Lacs)

S. No.	Particulars	Opening balance as on April 1, 2019	Additions/ (Deductions) during the year	Balance as on March 31, 2020
1	2,00,800 equity shares of ₹ 10 each in Integrated Casetech Consultants Private Limited	383.73	-	383.73
2	1,68,07,062 Equity shares of ₹ 10 each in Uniworld Sugars Pvt. Ltd	-	-	-
3	300 Equity Shares of AED 1000 each in Simbhaoli Global Commodities DMCC	-	-	-
4	55,38,734 Equity shares of ₹ 10 each in Simbhaoli Power Pvt Ltd	5,493.59	-	5,493.59
5	48,92,941 debentures of ₹ 100 each of Simbhaoli Powers Pvt. Ltd.	5,108.99	(55.29)	5,053.70
6	19,000 equity shares of ₹ 10 each of Simbhaoli Speciality Sugar Private Limited	190.00	-	190.00
7	Investments in Government Securities (NSC- Post O f ce)	2.11	-	2.11
8	Investment –Subsidiary (at Cost)	45.00	-	45.00
9	**Investments at the end of the year**	**11,223.42**	**(55.29)**	**11,168.13**

Status of shares under pledge: Out of the promoters' shareholding, 33.14% in the total share capital is pledged with the financial institutions as security against various credit facilities availed by the Company. Out of the 29,011,770 shares held by the Company in Uniworld Sugars Private Limited, the pledge on 1,12,04,708 shares to secure the term loan of USPL, have been invoked by the IDBI Bank Limited.

Inventories: Inventory amounting to ₹55,088.78 lacs (previous year ₹48,094.92 lacs) include finished goods, raw material, process stocks, and store items. The sugar stock at the end of the year is valued of ₹ 3168per qtl (previous year ₹3,125 per qtl).

Sundry debtors: Sundry debtors (net) amounting to ₹3562.19 lacs (previous year ₹5,668.00 lacs), are considered good and realisable. Provisions are generally made for all debtors outstanding for over 360 days' subject to their scope of realization, industry trend and management's perception.

Cash and Cash Equivalents: Cash and Cash Equivalents are at ₹4,288.57 lacs (previous year ₹1,306.69 lacs).

Bank Balances other than cash & Cash equivalents: Bank balance of ₹1,632.74 lacs (previous year ₹1,022.51 lacs)comprise of EMD paid to Banks for OTS of ₹ 571.60 lacs (Previous Year Nil)and fxed deposits for an amount of ₹ 1061.14lacs (previous year ₹1022.51 lacs) as pledged with banks for securing certain loans, letters of credit, guarantees and other short- term facilities.

Other Financial Assets (Non-Current): Other financial assets of ₹1328.80 lacs (previous year ₹3256.49lacs) comprises interest accrued on debentures Nil (previous year ₹3046.10 lacs) reclassifed to Other Financial Assets (Current), interest accrued on fxed deposits ₹ 21.59 lacs (previous year ₹19.03 lacs). Further, fxed deposits for an amount of₹197.94 lacs (previous year ₹127.19 lacs) are pledged with banks for securing certain loans, letters of credit, guarantees and other long term facilities. And Retention money from SPPL of ₹1100.00 lacs has been reclassifed here from Trade Receivable.

Other Financial Assets (Current): Other financial assets of ₹3,557.89 lacs (previous year ₹492.37 lacs) comprises interest accruedon debentures ₹3,100.65 lacs reclassifed from Other Financial Assets (Non-Current) and finance lease ₹Nil (previous year ₹94.22 lacs) and royalty ₹274.98 lacs (previous year ₹274.98 lacs) receivable from Simbhaoli Power Private Limited.

Other Current Assets: Other current assets of ₹8879.39 lacs (previous year ₹5,325.48 lacs) comprise a receivable of ₹590.84 lacs (previous year ₹961.58 lacs) are considered good and realisable. Provisions are generally made for all receivables outstanding for over 360 days subject to their scope of realization, industry trend and management's perception. Government Grant of ₹7292.25 (previous year ₹3,700.72 lacs), Claim receivables of ₹300.26 lacs (previous year ₹179.62 lacs), Balance with authorities ₹339.28 lacs (previous year ₹227.73 lacs) and prepaid expenses ₹239.15 lacs (previous year ₹150.21 lacs).

Trade payables, other current liabilities, and provisions: a) Trade payables at ₹90016.35 lacs (previous year ₹79,278.02lacs) includes amount payable against sugarcane supply, other raw materials, stores and servicesb) Other current liabilities of ₹1,532.06 lacs (previous year ₹1,075.92 lacs) refect amount payable against statutory dues, advance received from customers other miscellaneous liabilities. c) Provisions for employee benefts stood at ₹107.35 lacs (previous year₹89.73 lacs) as per actuarial valuation.

Sales and other income: The segment wise allocation of revenues for the year 2019-20 and for preceding two accounting years is as under:

Other income of ₹2574.42 lacs (previous year ₹1,585.35 lacs) comprises interest and rent received from subsidiary companies, liabilities/provisions which are no longer required and written back and other miscellaneous earnings.

Raw Material Consumption: ₹82,201.69 lacs (previous year ₹87,477.74 lacs) i M

Key Ratios		2019-20	2018-19	% Change
Debtor Turnover	Times	24.79	23.38	6%
Inventory Turnover	Times	2.35	2.89	-19%
*Interest Coverage Ratio	Times	1.47	0.61	*141%
Current Ratio	Times	0.35	0.30	17%
#Debt Equity Ratio	Times	(84.89)	88.44	-196%
**Operating Profit Margin Ratio(%)	%	5.69%	2.52%	126%
Net Profit Margin Ratio(%) or Sector specific equivalent Ratio	%	-2.09%	-5.08%	59%
##Return on Net Worth		(84.12)	81.67	-203%

* Lower losses on account of higher sales and better operations as compared to last year.

#Reduced due to increase in accumulated losses during the year.

**Ratio has improved due to increase in operating revenue on account higher sales and better operations during the current year

Although Net revenues have increased during the year but due to increase in accumulated losses, ratio has further gone negative.

Accounting Policies

The Company's Board of Directors accepts the responsibility for the preparation and presentation of financial statements that give a true and fair view of the Financial position, financial performance, cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under section 133 of the Companies Act, 2013. The Board also accepts the responsibility for the integrity and objectivity of these financial statements, as well as for various estimates/ judgments used in preparation of these statements. The estimates and/or judgments have been made on a consistent, reasonable and prudent basis to reflect true and fair view of the state of the affairs of the Company.

These financial statements have been prepared on going concern basis using the significant accounting policies and measurement bases. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted ora revision to an existing accounting standard requires a change in accounting policy hitherto in use. In those cases the new accounting policy is adopted in accordance with the transitional provisions stipulated in that Ind AS and in absence of such specific transitional provision, the same is adopted retrospectively for all the periods presented in these financial statements.

Loans, Guarantees, and Investments Under Section 186

The particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013 and rules made there under are furnished in Note 3 in the Notes to accounts forming part of the Annual Report.

Particulars of Contracts or Arrangements made with Related Parties

The particulars of contracts or arrangements made with related parties made pursuant to Section 188 of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Indian Accounting Standards 24 issued by the Institute of Chartered Accountants of India are furnished in Note 11 in the Notes to accounts forming part of the Annual Report.

Debt Servicing and Public Deposits

During the year, pending completion of the debt resolution, the Company has not been able to meet its obligations towards the lenders for repayment of both principal and interest. The Company has approached its lenders to implement debt resolution plan of its outstanding debts in accordance with its available future cash flows, sustainability of the business and nature of the business of industry. There has been delays in submission of the plan and its consideration on account of continuous changes in regulatory frameworks, particularly, withdrawal of the arrangement of corporate debt restructuring and joint lenders forum. Subsequent to the intervention by the Hon'ble Supreme Court on such matter, the revised plans have been submitted to all the lenders for suitable resolution, which is under consideration by them. The specific requests have been made to take a collective approach with regard to possible resolution instead of taking multiple recovery/coercive measures. The proposal includes waiver of un-paid interest on overdue loan accounts till implementation of the proposed restructuring. The Company has approached its lenders to implement debt resolution plan of its outstanding debts and accordingly submitted a One Time Settlement Proposal (OTS) to its commercial lenders wherein resolution of outstanding debts of commercial banks are proposed to be settled through payment of One Time Agreed amount.In addition, The Company has also proposed certain percentage of shares in the equity share capital in direct proportion to lenders' outstanding principal amount. OTS proposal submitted by the Company is under consideration by the lenders.

With delays in repayment of the loans, and the cane price arrears, the Company's credit rating has continued to remain below investment grade.

The loans availed by the Company have been classified as Non-Performing Assets (NPA) by all the lenders and interest thereon is not being charged by them as per applicable practices. The Company is hopeful that the resolution exercise including waiver of un-paid interest on certain loan accounts shall be completed in due course of time, and accordingly, interest expenses for the year ended March 31, 2019 amounting to ₹ 12,336.46 lacs (previous year ₹ 11,971.59 lacs), aggregating to Rs 24,308 lacs has not been recognized in the financial statements.

Certain lenders to the Company have resorted to initiate recovery proceedings at Debt Recovery Tribunals, for which replies are being submitted based upon the legal advices. The Company, under discussions with its lenders, has identified and taking all measures to satisfy the lenders and to work out a common resolution plan to their satisfaction.

During the year, one of the lenders to the Company has approached Hon'ble National Company Law Tribunal (NCLT), Allahabad for initiating of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016. Considering the nature of industry and ongoing discussions with the lenders, the Company is hopeful that debt resolution shall be worked out with all the lenders leading to a consented settlement.

The Company has not accepted any public deposits and no deposits are unpaid for any previous year.

Material Changes and Commitments affecting the Financial position of the Company, which have Occurred Between the end of the Financial Year and the Date of Report

During the year, the Company has faced legal actions on account of defaults in repayments of loans and delay in approval of debt resolution. The detail has been reported elsewhere in this report.

Application for Reclassification of Promoters of the Company

The special resolution for reclassification of promoters was passed at 6th Annual General Meeting of the members of the

Company. Thereafter, an application seeking reclassification of certain members of Promoter group of the Companyto Public category in terms of provisions of erstwhile regulation 31A (7) of SEBI (LODR) Regulations, 2015, was fled with SEBI/Stock Exchanges. The Company has submitted the documents in support of the application as per the requirement.The exchange had advised that as per erstwhile regulation no 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide notifcation dated Nov 16, 2018, it is required that the outgoing promoters shall hold less than 10% shares in the share capital of the Company.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the ensuing Annual General Meeting of the members of the Company, Ms. Gursimran Kaur Mann and Mr. Gurpal Singh shall be retiring by rotation in terms of the provisions of Section 152 of the Companies Act, 2013. They have ofered themselvesfor re-appointment. The Board consideredand approved the re-appointment subject to the approval by the members.

During the year, Mr. Atul Mahindru and Mr. Shyam Sunder were appointed as Additional Director (independent)to the Board of the Company under Section 149 and Section 160 of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and they shall hold o f ce for a period of 5 (fve) consecutive years, subject to the approval of the members at the ensuing annual general meeting.

During the year, the Company has passed the resolutions for continuation of the appointment of Mr Gurmit Singh Mann, Mr. S K Ganguli, and Justice (Retd) C K Mahajan, who have attained the age of 75 years, in terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and they shall hold o f ce till the unexpired period from the respective dates of their appointments.

Lt General (Retd) D S Sidhu, an Independent Director, has submitted his resignation from the directorship with efect from August 12, 2019 on account of the other pre-occupations. During his tenure, he has guided the Company through his immenseknowledge and experience. The Directors placed on record the appreciation and noted the valuable contribution of the outgoing director during his association with the Company.

During the Year, there was no change in the KMP's of the Company.

Declaration of Independent Directors

The Independent Directors of the Company have given declaration stating that they continue to confrm the criteria set out for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's Policy on Director's Appointment and Remuneration

The Company's policy relating to appointment of directors, payment of managerial remuneration, directors' qualifcations, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 has been disseminated at the Company's website at the link-http://www.simbhaolisugars.com/ company_policies.asp.

Number of Board Meetings conducted during the Year

During the year, 5 meetings of Board of Directors have been conducted. Details of meetings have been disclosed in Corporate Governance Report forming part of the Annual Report.

Board Evaluation

In compliance with the requirement of Section 134(3)(p) and Schedule IV of the Companies Act, 2013 and Rules framed there under and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company evaluated and assessed the performance of the Company's Chairman, Individual Directors, Board as a whole and its Committees on the basis of parameters set by the Nomination and Remuneration Committee. Independent Directors of your Company have also conducted an evaluation of performance of Executive Directors, Chairman of the Board and Committee(s) of the Board.

All the independent directors possess the requisite qualifcations and experience in the respective areas. They have been discharging their duties diligently as defned in schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are contributing towards improvement in the governance standards of the Company.

Every year, the independent directors review the performance of the non-independent directors based on the criterion such as job profle and market perception, self-declaration on the jobs handled/taken up, opinion from peer and sub-ordinates, their performance evaluations, reporting and participation in the Company meetings and they have found their performance to be satisfactory period under review.The Directors have considered the principles for review of the performance of the non-independent and also the independent directors, based on certain appropriate criterion. They fnd the quality, quantity and timeliness of fow of information between the Company management and the Board that is necessary for the Board to efectively and reasonably perform their duties to be satisfactory.

Secretarial Audit

M/s Amit Gupta & Associates, Company Secretaries, have been engaged as the Secretarial Auditors of the Company under the provisions of the Companies Act, 2013 for the fnancial year 2020-21. Secretarial Audit Report for the FY 2019-20 is given as **Annexure-1** to this report.Secretarial Audit report of Simbhaoli Power Private Limited, material subsidiary, have also been attached as Annexure 1A.

Explanation or comments on qualifcations, reservations or adverse remarks or disclaimers made by the Secretarial Auditors in their reports

There is no qualifcation in both the Secretarial Audit Report(s). However, Comments/Remarks are there in the Secretarial Audit Report(s) which are self-explanatory and explained at the appropriate sections in the Annual Report.

Cost Auditors and Cost Records

In terms of provision of Section 148(1) of the Companies Act, 2013 maintenance of Cost Records is required by the Company and accordingly such accounts and records are made and maintained.

The Board of Directors, in compliance with the provisions of the Companies Act, 2013, Rules and Notifcations issued thereunder, have appointed M/s Satnam Singh Saggu, Cost Accountants, as Cost Auditors to conduct Audit of the Cost Accounts maintained by the Company for the Financial Year 2020-21.

ANNUAL RETURN

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013 a copy of the annual return of the Company has been placed on the website of the company under Investors section and furnished in Annexure-3 and attached to this Report.

SUBSIDIARY, JOINT VENTURE, AND ASSOCIATE COMPANIES

The Company has four subsidiary companies, viz. Simbhaoli Power Private Limited (SPPL), Integrated Casetech Consultants Private Limited (ICCPL), Simbhaoli Speciality Sugars Private Limited (SISPL) and Simbhaoli Global Commodities DMCC, Dubai (SGC). Uniworld Sugars Private Limited (USPL) is a joint venture company, under CIRP defined elsewhere.The consolidated financial statements presented by the Company include financial information of its subsidiary companies prepared in compliance with applicable accounting standards.

A Statement containing salient features of Financial Statements of Subsidiaries/ JV/ Associates Companies in Form AOC-1 is annexed as **Annexure- 6.**

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to export; initiatives taken to increase exports; development of new export markets for products and services; exports and import plans are mentioned elsewhere in the Directors Report.

During the year, Foreign Exchange aggregating to ₹11.15 Crore was earned by the Company against export of Company's product and ₹1.43 lakh was spent on travelling. The Foreign currency exposures not hedged by derivative instruments or otherwise are given in Notes to the Financial Statements.

Material Orders Passed by Regulators, Courts Or Tribunal

There were no significant or material orders passed by the Regulators, Courts or Tribunal which impact the goingconcern status of the Company and the Company'soperations in future.

EMPLOYEE STOCK OPTION SCHEME

No stock options schemes have been introduced during the year.

CORPORATE GOVERNANCE

The Report on Corporate Governance from the Practicing Company Secretary and certificate from Chief Operating Officer and Chief Financial Officer form part of this Annual Report.

VIGIL MECHANISM

The Company has established a vigil mechanism, which overseas through the Audit Committee, the genuine concerns expressed by the employees and other directors. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company in order to provide adequate safeguards against victimization of all persons.

The policy on the vigil mechanism comprising of the whistle blower policy, has been disseminated at the Company's website at link-http://www.simbhaolisugars.com/company_policies.asp. During the year, no such complaint has been received by the Company.

LISTING OF SECURITIES

The equity shares of the Company are listed with the BSE Limited and National Stock Exchange of India Limited. The annual Listing fee for the financial year 2020-21 has been paid to both the stock exchanges.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION INITIATIVES, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology initiatives, Research and Development, Foreign exchange Earnings and out go as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure-4.**

PARTICULARS OF EMPLOYEES

The disclosure under the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1)of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure -5.**

There was no employee of the Company, who has been paid remuneration under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AUDITORS

M/s Mittal Gupta & Co, Chartered Accountants, Kanpur were appointed as statutory auditors of the Company for a period of five years completed in current financial year 2019-20. Your directors have recommended their re-appointment for another term of five years viz. 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25.They have, being eligible, offered themselves for the aforesaid appointment.

Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their reports

Explanation or comments on qualifcations, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their reports are self-explanatory and explained in details in notes to the accounts and at other appropriate sections in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, read with the Rules made there under, with respect to the Directors' responsibility statement, it is hereby confirmed:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2019-20 ended on March 31, 2020 and of the profit and loss of the Company for that period;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis;

e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. the directors had devised proper systems to ensure

compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CAUTIONARY STATEMENT

Certain statements in this report may be forward looking and represent intention of the management. Actual results may differ materially due to a number of risks or uncertainties associated with the business. Investors/stakeholders, therefore, are advised to make their own judgments before taking any investment, business decisions.

ACKNOWLEDGEMENT

The Board of Directors sincerely submit appreciation remarks the guidance provided by the Government of India, State Government of Uttar Pradesh, the lender banks and institutions and the co-operation and assistance received from all executives, staff and workmen of the Company.

They also express special thanks to the joint venture partners for their association in running the affairs of the business of the respective subsidiary/associate companies, being part of the future growth of the Company.

The Directors also wish to state the gratitude to the Indian Sugar Mills Association, farmers, suppliers, and all other concerned persons who have continued their valuable support to the Company.

For and on behalf of the Board of Directors
Simbhaoli Sugars Limited

SD/-
Gurmit Singh Mann
Chairperson
(DIN - 00066653)

Place : Dharamsala
Date : July 30, 2020

Annexure-1

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

SIMBHAOLI SUGARS LIMITED,

(Formerly known as Simbhaoli Spirits Limited)

(CIN - L15122UP2011PLC044210)

Simbhaoli-245207, District Hapur Uttar Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s SIMBHAOLI SUGARS LIMITED(CIN - L15122UP2011PLC044210)(formerly known as Simbhaoli Spirits Limited) (hereinafter referred as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion

i. The Company has, during the audit period covering the financial yearended on 31stMarch,2020 complied with the statutory provisions listed hereunder; and also

ii. The Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31stMarch,2020 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **- Not applicable as the Company has not made any such transaction during the financial year under review;**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   e. The Securities and Exchange Board of India (Share Based Employee Benefts) Regulations, 2014;

   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **- Not applicable as the Company has not issued any listed debt securities during the period under review;**

   g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client;

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **- Not applicable as the Company has not bought back/proposed to buyback any of its securities during the financial year under review.**

vi. The following other laws on account of the nature of industry are specifcally applicable to the Company:

(a) Sugar Cess Act, 1982
(b) Levy Sugar Price Equalisation Fund Act, 1976
(c) Food Safety and Standards Act, 2006
(d) Essential Commodities Act,1955
(e) Sugar Development Fund Act, 1982
(f) Agricultural and Processed Food Products Export Act, 1986
(g) The Boilers Act, 1923
(h) The Legal Metrology Act, 2009
(i) The Environment Protection Act, 1986
(j) The Water (Prevention and Control of Pollution) Act, 1974
(k) The Air (Prevention and Control of Pollution) Act, 1981

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with BSE Limited & The National Stock Exchange of India Limited, Mumbai.

During the period under review, the Company has complied with the provisions of the Act, and the Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

i. The Company has filed with delay few forms/returns/ documents etc. with the Registrar of Companies, Ministry of Corporate Affairs, Kanpur,on payment of additional fee under the provisions of the Companies Act, 2013.

ii. The Company approved the quarterly consolidated financial results for the quarter ended on June 30, 2019 in the meeting of the Board of Directors held on Aug 14, 2019, to which NSE has raised a query, which was replied by the Company.

ii. The Company supplies bagasse (raw material), to a related party as per the terms of Bagasse Supply Agreement ("BSA"). We are unable to comment on the arm's length, pending , reconciliation of accounts arising out of disagreement with the Related Party.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors& Non-Executive Directors as on March 31, 2020, *except in respect of Regulation 17(1)(b) & 25(6), wherein there was a delay in filling vacancy caused by resignation of Independent Directors.*
- Adequate notice is given to all directors to convene the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifcations on the agenda items before the meeting for meaningful participation at the meeting.
- Majority decisionsare carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that the systems and processes in the Company require further strengthening and improvements, considering the size and operations of the Company to enable better monitoring and ensuring of timely compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

(i) Oriental Bank of Commerce, one of the Financial Creditors has fled an application with Hon'ble National Company Law Tribunal (NCLT), Allahabad for seeking the initiation of Corporate Insolvency Resolution Process of Simbhaoli Sugars Limited under section 7 of the Insolvency and Bankruptcy Code, 2016. In the civil writ petition no.1124/2018 of Simbhaoli Sugars Limited vs the Reserve Bank of India and others, Hon'ble Supreme Court of India had issued notice and directed that Status Quo be maintained in the meantime. However Oriental Bank of Commerce, has revived its application vide Company Petition No (IB) 331/ALD/2018 under Section 7 of the Insolvency and Bankruptcy Code, 2016 after the Hon'ble Supreme Court has disposed of the Company's civil writ petition no. 1124 of 2018 of Simbhaoli Sugars Limited Vs Reserve Bank of India and others, vide its order dated April 2, 2019. The matter was last listed on April 17, 2020 and is presently pending.

(ii) Punjab National Bank, another fnancial creditor has filed an application with Hon'ble National Company Law Tribunal (NCLT), Allahabad vide C.P. No. (IB) 455/ALD/2019 for seeking the initiation of Corporate Insolvency Resolution Process of Simbhaoli Sugars Limited under section 7 of the Insolvency and Bankruptcy Code, 2016. The matter was last listed on March 27, 2020 and is presently pending.

(iii) Pursuant to the approval of the members of the Company in their 6th annual general meeting held on September 18, 2017 regarding the issue of 50,00,000 warrants under the provisions of the Companies Act, 2013 read with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for preferential issues, the Company has allotted 50,00,000 warrants, to specifed promoters on December 22, 2017. Each warrant is convertible into equivalent number of equity share in the share capital of the Company at a price of Rs. 32.10 (including premium of Rs. 22.10) per equity share within a period of 18 months from the date of allotment at the option of the warrant holder. Out of these 50,00,000 warrants, the warrant holders have opted for conversion of 18,00,000 warrants on March 29, 2018 and 20,00,000 warrants on March 29, 2019 and the Company has allotted 18,00,000 equity shares and 20,00,000 equity shares of Rs. 10 each as fully paid-up at an exercise price of Rs. 32.10 (including premium of Rs. 22.10) per equity share. Accordingly 12,00,000 fully convertible warrants issued and allotted on December 22, 2017, at an issue price of Rs. 32.10 (inclusive of premium of Rs. 22.10) per share convertible into equivalent no. of equity shares within a period of 18 months from the date of allotment, lapsed due to option not exercised by the allottee for the aforesaid conversion

within stipulated period and the amount of Rs. 96.30 lacs lying in the books towards upfront payment being 25% of the subscription amount has been forfeited under the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018.

(iv) The Special Resolution for reclassifcation of promoters' category was passed at 6th Annual General Meeting of the members of the Company. Thereafter, an application seeking reclassifcation of Mr. Gurpal Singh, Mr. Govind Singh Sandhu, Ms. Jai Inder Kaur, Mr. Angad Singh and M/s Pritam Singh Sandhu Associates Private Limited (Collectively referred to as 'Sandhu Group/ Exiting Promoter'), from existing promoter group to the public category shareholders, in terms of provisions of regulation 31A (7) of SEBI (LODR) Regulations, 2015, was fled with SEBI/Stock Exchanges. The approval from SEBI/Stock Exchanges is still awaited.

(v) Under the First Information Report (FIR) registered with CBI, on Feb 22, 2018 against the Company, its Directors and other unknown persons of OBC the investigation proceedings are going on.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682

To,

The Members,

SIMBHAOLI SUGARS LIMITED,

Simbhaoli-245207, District Hapur Uttar Pradesh

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verifcation was done on test basis to ensure that correct facts are refected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verifed the correctness and appropriateness of fnancial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verifcation of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the e f cacy or efectiveness with which the management has conducted the afairs of the Company.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682

Annexure-1A to Secretarial Audit report

To,
The Members,
Simbhaoli Power Private Limited
Kothi No. 1,
Power Division Compound
Simbhaoli UP 245207

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verifcation was done on the random test basis to ensure that correct facts are refected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verifed the correctness and appropriateness of fnancial records and Books of Accounts of the Company.
4. Whenever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verifcation of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the e f cacy or efectiveness with which the Management has conducted the afairs of the Company.

Abhishek Thakur & Associates
Company Secretaries

Abhishek Thakur
Membership No. F10660
Certificate of Practice No.22092

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

To,
The Members,
Simbhaoli Power Private Limited
Kothi No. 1,
Power Division Compound
Simbhaoli UP 245207

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Simbhaoli Power Private Limited (hereinafter called the" Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (including erstwhile regulation);

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings except as mentioned below;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act"):- Not Applicable during the period under review

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefts) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (including erstwhile regulation);

(vi) The Management has identifed and confrmed the following laws as being specifcally applicable to the Company:

1) Electricity Act, 2003 and rules and regulations made there under;

2) The Boilers Act, 1923

3) Electricity Safety Act, 1998

I have also examined compliance with the applicable clauses/ Regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notifed by Ministry of Corporate Affairs.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent of Regulation 24, Since Company is a material subsidiary of a Listed Company.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board/ Committee Meetings. Agenda and detailed notes on agenda were sent in advance (and at a shorter notice for which necessary approvals obtained) and a system exists for seeking and obtaining further information and clarifcations on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, no specifc events / actions took place having a major bearing on the Company's afairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Abhishek Thakur & Associates
Company Secretaries

Abhishek Thakur
Membership No. F10660
Certificate of Practice No.22092

Note:

1. This report is to be read with my letter of even date which is annexed as Annexure-A and forms an integral part of this report.
2. This report is based only on Secretarial information provided to us during the course of audit.
3. Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., received by way of electronic mode from the Company and could not be verifed from the original records. The management has confrmed that the records submitted to us are the true and correct.
4. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been compiled by the Company up to the date of this Report pertaining to Financial Year 2019-2020. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.

Annexure-2

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	NA
f)	Amount paid as advances, if any	NA

2. Details of materials contracts or arrangements or transactions at arm's length basis.

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Simbhaoli Power Private Limited - Subsidiary
b)	Nature of contracts/arrangements/ transaction	A. Sale of fnished goods B. Expenses paid C. Expenses Recovered D. Management Service Agreement
c)	Duration of the contracts/arrangements/ transaction	Long Term
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	A. ₹ 1600.16 Lakhs B. ₹ 2531.46 Lakhs C. ₹ 3.53 Lakhs D. ₹ 245.67 Lakhs
e)	Date of approval by the Board	A. January 14, 2013 B. January 14, 2013 C. January 14, 2013 D. January 14, 2013
f)	Amount paid as advances, if any	-

Annexure-3

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on fnancial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1.	CIN	L15122UP2011PLC044210
2.	Registration Date	04/04/2011
3.	Name of the Company	Simbhaoli Sugars Limited
4.	Category/Sub-category of the Company	Indian Non-Government Company
5.	Address of the Registered o f ce & contact details	Simbhaoli, District- Hapur, Uttar Pradesh-245207
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	Sugar	1072	74
2	Alcohol	1101	26

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name & Address of the Company	CIN	Holding/subsidiary/ associate	% of Shares Held	Applicable Section
1	Simbhaoli Speciality Sugars Pvt. Ltd	U21015DL1995PTC069925	Wholly Owned Subsidiary	100%	2(87) ii
2	Integrated Casetech Consultants Pvt Ltd	U74140DL2008PTC092701	Subsidiary	85.16%	2(87) i & ii
3	Simbhaoli Power Pvt Ltd	U40300UP2011PTC045360	Subsidiary	51%	2(87) ii
4	Simbhaoli Global Commodities DMCC	N.A	Wholly Owned Subsidiary	100%	2(87) ii
5	Uniworld Sugars Pvt Ltd	U15422UP2009PTC038540	Associate	21.37%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year*
	Demat	Physical	Total Shares	% of Total Shares	Demat	Physical	Total Shares	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	12475941	-	12475941	30.22	12475941	-	12475941	30.22	0.00
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	9539849	-	9539849	23.11	9539849	-	9539849	23.11	0.00
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	**22015790**	**-**	**22015790**	**53.33**	**22015790**	**-**	**22015790**	**53.33**	**0.00**
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other…	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**22015790**	**-**	**22015790**	**53.33**	**22015790**	**-**	**22015790**	**53.33**	**0.00**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	1755	1755	-	-	1755	1755	0.00	0.00
b) Banks/FI	4357	-	4357	0.01	1170	-	1170	0.00	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS/FPI	1	-	1	-	1	-	1	-	0.00
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	**4358**	**1755**	**6113**	**0.01**	**1170**	**1755**	**2926**	**0.01**	**0.00**
(2) Non Institutions									
a) Bodies corporates	8307467	6901	8314368	20.14	7724215	6901	7731116	18.73	
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 2 lakhs	7773154	539402	8312556	20.14	7950112	526299	8476411	20.53	
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs	2192945	-	2192945	5.31	2722659	-	2722659	6.60	
Non-resident Indian	269412	-	269412	0.65	280444	-	280444	0.68	
Clearing Member	167285	-	167285	0.41	49323	-	49323	0.12	
NBFC	200	-	200	0.00	-	-	-	-	
Trust	351	-	351	0.00	351	-	351	0.00	0.00
Sub Total (B)(2):	**18710814**	**546303**	**19257117**	**46.65**	**18727104**	**533200**	**19260304**	**46.66**	
Total Public Shareholding (B)= (B)(1)+(B)(2)	**18715172**	**548058**	**19263230**	**46.67**	**18728275**	**534955**	**19263230**	**46.67**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**40730962**	**548058**	**41279020**	**100**	**40744065**	**534955**	**41279020**	**100**	

(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged encumbered to total shares	
1.	Mr. Gurmit Singh Mann	4726154	11.45	0	4726154	11.45	0.00	0.00
2.	Mr. Gurpal Singh	2402770	5.82	0	2402770	5.82	0.00	0.00
3.	Ms. Gursimran Kaur Mann	4186672	10.14	0	4186672	10.14	0.00	0.00
4.	Mr. Govind Singh Sandhu	733139	1.78	0	733139	1.78	0.00	0.00
5.	Ms. Jai Inder Kaur	417356	1.01	90.53	417356	1.01	90.53	0.00
6.	Mr. Angad Singh	9850	0.02	0	9850	0.02	0.00	
7.	M/s Dholadhar Investments Pvt Ltd	7462114	18.08	75.16	7462114	18.08	75.16	0.00
8.	M/s Pritam Singh Sandhu Associates Private Limited	2077735	5.03	31.08	2077735	5.03	31.08	0.00
	Total	**22015790**	**53.33**	**30.13**	**22015790**	**53.33**	**30.13**	**0.00**

(iii) Change in Promoters' Shareholding

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A.	**Mr. Gurmit Singh Mann**				
1	At the beginning of the year	4726154	11.45	4726154	11.45
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	4726154	11.45	4726154	11.45
B.	**Mr. Gurpal Singh**				
1	At the beginning of the year	2402770	5.82	2402770	5.82
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	2402770	5.82	2402770	5.82
C.	**Ms. Gursimran Kaur Mann**				
1	At the beginning of the year	4186672	10.14	4186672	10.14
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	4186672	10.14	4186672	10.14
D.	**Mr. Govind Singh Sandhu**				
1	At the beginning of the year	733139	1.78	733139	1.78
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	733139	1.78	733139	1.78
E.	**Ms. Jai Inder Kaur**				
1	At the beginning of the year	417356	1.01	417356	1.01
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	417356	1.01	417356	1.01
F.	**Mr. Angad Singh**				
1	At the beginning of the year	9850	0.02	9850	0.02
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	9850	0.02	9850	0.02
G.	**M/s Dholadhar Investments Private Limited**				
1	At the beginning of the year	7462114	18.08	7462114	18.08
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	7462114	18.08	7462114	18.08
H.	**M/s Pritam Singh Sandhu Associates Private Limited**				
1	At the beginning of the year	2077735	5.03	2077735	5.03
2	Increase/Decrease in Shareholding through Allotment	-	-	-	-
3	At the end of the year	2077735	5.03	2077735	5.03

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Pearl Innovative Marketing Private Limited**				
1	At the beginning of the year	2270623	5.50	2270623	5.50
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	2270623	5.50	2270623	5.50
2.	**M/s Shri Vatsala Traders Pvt. Ltd**				
1	At the beginning of the year	1865434	4.52	1865434	4.52
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	1865434	4.52	1865434	4.52
3.	**M/s U K Paints India Private Limited**				
1	At the beginning of the year	765481	1.85	765481	1.85
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	765481	1.85	765481	1.85
4.	**M/s Wang Investment and Finance Pvt Ltd**				
1	At the beginning of the year	774159	1.88	774159	1.88
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	774159	1.88	774159	1.88
5.	**M/s JM Financial Services Limited**				
1	At the beginning of the year	924665	2.24	922665	2.24
2	Increase/(Decrease)in Shareholding	228465	(0.70)	228465	(0.70)
3	At the end of the year	636200	1.54	636200	1.54
6.	**M/s Citland Commercial Credits Limited**				
1	At the beginning of the year	355147	0.86	355147	0.86
2	Increase/Decrease in Shareholding	-		-	
3	At the end of the year	355147	0.86	355147	0.86
7.	**M/s Monica Trading Private Limited**				
1	At the beginning of the year	353483	0.86	353483	0.86
2	Increase/Decrease in Shareholding	-		-	
3	At the end of the year	353483	0.86	353483	0.86
8.	**Mr. Manu Gopal Das Chhabria**				
1	At the beginning of the year	182964	0.44	182964	0.44
2	Increase/Decrease in Shareholding	-		-	
3	At the end of the year	182964	0.44	182964	0.44
9.	**Mr. Akhtar Banu Altalib**				
1	At the beginning of the year	157857	0.38	157857	0.38
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	157857	0.38	157857	0.38
10.	**Mr. Shivinder Pal Singh Mann**				
1	At the beginning of the year	146250	0.35	146250	0.35
2	Increase/Decrease in Shareholding	-		-	
3	At the end of the year	146250	0.35	146250	0.35

(v) Shareholding of Directors & Key Managerial Personnel

S. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Mr. Gurmit Singh Mann**				
1	At the beginning of the year	4726154	11.45	4726154	11.45
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	4726154	11.45	4726154	11.45
2.	**Mr. Gurpal Singh**				
1	At the beginning of the year	2402770	5.82	2402770	5.82
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	2402770	5.82	2402770	5.82

S. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	**Ms. Gursimran Kaur Mann**				
1	At the beginning of the year	4186672	10.14	4186672	10.14
2	Increase/(Decrease) in Shareholding	-	-	-	-
3	At the end of the year	4186672	10.14	4186672	10.14
4.	**Mr. Sanjay Tapriya**				
1	At the beginning of the year	422	0.00	422	0.00
2	Increase/Decrease in Shareholding	(422)	-	(422)	-
3	At the end of the year	0	0	0	0
5.	**Mr. S N Misra**				
1	At the beginning of the year	1521	0.00	1521	0.00
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	1521	0.00	1521	0.00
6.	**Mr. S K Ganguli**				
1	At the beginning of the year	585	0.00	585	0.00
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	585	0.00	585	0.00
7.	**Mr. H P Kain**				
1	At the beginning of the year	-	-	-	-
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	-	-	-	-
8.	**Justice C K Mahajan (Retd)**				
1	At the beginning of the year	422	0.00	422	0.00
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	422	0.00	422	0.00
9.	**Mr. B K Goswami $**				
1	At the beginning of the year	-	-	-	-
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	-	-	-	-
10.	**Lt. Gen. Dalbir Singh Sidhu (Retd.)$**				
1	At the beginning of the year	963	0.00	963	0.00
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	963	0.00	963	0.00
11.	**Mr. Atul Mahindru#**				
1	At the beginning of the year	-	-	-	-
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	-	-	-	-
12.	**Mr. Shyam Sunder@**				
1	At the beginning of the year	-	-	-	-
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	-	-	-	-
13.	**Mr. D C Popli**				
1	At the beginning of the year	1900	0.00	1900	0.00
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	1900	0.00	1900	0.00
14.	**Mr. Kamal Samtani**				
1	At the beginning of the year	4403	0.00	4403	0.00
2	Increase/Decrease in Shareholding	-	-	-	-
3	At the end of the year	4403	0.00	4403	0.00

$ Ceased to be director w.e.f. Aug 12, 2019 & August 14, 2019 respectively.
# Appointed as Additional Director (Independent) w.e.f. November 28, 2019
@ Appointed as Additional Director (Independent) w.e.f. February 13, 2020

V) INDEBTEDNESS-Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lacs)

S. No	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	89234.42	15726.93	-	104961.35
ii)	Interest due but not paid	12724.77	5734.28	-	18459.05
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	101959.19	21461.22	-	123420.40
Change in Indebtedness during the financial year					
	* Addition	1839.88	-	-	1839.88
	* Reduction	-	383.62	-	383.62
	Net Change	**1839.88**	**383.62**	**-**	**1456.26**
Indebtedness at the end of the financial year					
i)	Principal Amount	89088.72	15373.69	-	104462.40
ii)	Interest due but not paid	14710.35	5703.91	-	20414.26
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	**103799.07**	**21077.60**		**124876.66**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

(₹ in Lacs)

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Ms. Gursimran Kaur Mann (MD)$	Mr. S N Misra (COO)#	Total Amount
1	Gross salary	111.66	71.87	183.53
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	100.80	56.03	156.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.86	15.84	26.70
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, Contribution to PF & Gratuity	8.16	3.25	11.41
	Total (A)	**119.82**	**75.12@**	**194.94**
	Ceiling as per the Act			

* Standalone figure from the company
@In addition, he has been given rent free accommodation of Rs. 8.18 lacs

B. Remuneration to other directors:

(₹ in Lacs)

S. No	Particulars of Remuneration	Fee for attending Board/ Committee meetings (Per meeting)*	Total Amount
	Independent Director		
1.	Mr. S K Ganguli	0.25	2.35
2.	Mr. B K Goswami $	0.25	-
3.	Justice (Retd) C K Mahajan	0.25	0.25
4.	Lt Gen D S Sidhu $	0.25	0.50
5.	Mr. H P Kain	0.25	2.10
6.	Mr. Atul Mahindru@	0.25	0.25
7.	Mr. Shyam Sunder#	0.25	0.40
	Total Remuneration		**5.85**

* Meeting fee revised w.e.f. Feb 15, 2019 as: Board Meeting Rs. 25,000, Audit Committee and Independent Directors meeting Rs. 15,000, Nomination and Remuneration Committee and Security Allotment Committee meeting Rs. 10,000.
@ Appointed as Additional Director (Independent) w.e.f. November 28, 2019
# Appointed as Additional Director (Independent) w.e.f. February 13, 2020
$ Ceased to be director w.e.f. Aug 12, 2019 & August 14, 2019 respectively.

C. Remuneration to key Managerial Personnel other than MD/ Manager/WTD:

(₹ in Lacs)

S. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	CS	
1	Gross salary	62.04	24.87	86.74
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	58.75	22.66	81.41
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.29	2.21	5.50
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, Contribution provident fund & gratuity.	2.50	1.68	4.18
	Total	**64.54**	**26.54**	**91.08**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the financial year under report the Company has not received any penalties/punishments/ Compounding of offences under the Companies Act, 2013.

Annexure-4

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Energy conservation measures taken

1. Modification of Raw centrifugal machines by replacing ABB make DCS 400 DC with ABB make DCS 800 DC drive along with Mitsuibishi PLC and touch screen based HMI to reduce breakdown and maintenance cost.
2. Installation of variable frequency device (VFD) at CSD and SSD to reduce power consumption.
3. Bottom Mounted Circulators at Raw Sugar plant modified to top mounted circulators to prevent breakdown and to increase efficiency.
4. Modification of process house pumps in to hydrodynamic type to prevent leakages.
5. Aeration coil provided in equalisation tank of E.T.P. to improve the working of E.T.P.
6. Various measures taken to Recycle Reuse and Reduce hot/cold water used in the process.
7. Installation of hot and cold water flow meters at different stations to optimize the water consumption and reduction of bore-well water.
8. Installation of WK continuous centrifugal at CFW curing to replace old centrifugal to increase efficiency and reduce breakdown.
9. Installation of Power capacitor bank to improve power factors.

(b) Additional investments and proposals for reduction of consumption of energy

i. Activities are regularly being pursued on continuous basis for reducing the steam and power consumption in all three sugar and alcohol plants.

ii. Further, Steam saving is planned at all the distillery units with the replacement of high pressure steam / incineration boiler.

(c) Impact of above measures

The above measures have reduced the steam and power consumption at all the sugar units and have increased bagasse saving in all the units. The saved bagasse at SSD and CSD are being supplied to Simbhaoli Power Pvt Ltd for conversion into power. Bagasse saved at BSD is utilized for of season consumption in distillery division.

Quality of water discharged from ETP has improved significantly and there have been reduction in effluent generation in all units. Fresh water consumption has been reduced and water as a resource is being used judiciously.

TECHNOLOGY ABSORPTION, ADAPTATION AND RESEARCH AND DEVELOPMENT

1. Efforts made

Efforts made and steps taken in the previous years towards technology absorption, adaptation and innovations were continued during the year.

2. Benefits

The benefts derived in the form of cost reduction and the improvement in the quality of the product continued to be available to the Company.

3. Particulars of technologies imported during the last five years

Not applicable

Disclosure of particulars with respect to technology absorption for the year ended March 31, 2020.

I. Specific areas in which research and development carried out by the Company

1) Increase in capacity of juice tanks to stop spillage and wastage of juice during sudden power failure.

2) Efficiency of pumps is improved by installation of VFDs which minimised the running load.

3) Automation has been done in various areas like mechanized harvesting, auto-control valves in juice heating, auto-weighing system in pharma-section and smart weighment for sugarcane etc.

4) Recycling of cold and hot water to reduce effuent and consumption of bore-well water.

II Benefit derived

(i) Power consumption reduced significantly.

(ii) The saved bagasse will be helpful for Simbhaoli Power Private Limited to run the plant in of season.

III. Future plan of action

Efforts will be made to enlarge these activities/capacities in future.

Form of Disclosure of particulars with respect to conservation of energy for the year ended March 31, 2020

A. Power and fuel consumption

S.No	Particulars	Unit	Year ending March 31, 2020	Year ending March 31, 2019
1	**Electricity**			
	Purchased			
	Units	Kwh ('000)	3544	1252
	Total Amount	₹ Lakhs	166.96	70.39
	Rate/Unit	₹/Kwh	4.71	5.62
	Own Generation			
	(i) Through diesel generator			
	Units	Kwh ('000)	1649	515
	Unit per ltr. of diesel oil	Kwh	3.55	3.48
	Total Amount	₹ Lakhs	294.44	91.28
	Cost/Unit	₹/Kwh	17.86	17.72
	(ii) Through steam turbine			
	Units	Kwh ('000)	94628	96730
	Units per ltr. of fuel/gas	Kwh	N.A.	N.A.
	Total Amount	₹ in lakhs	1495.38	2218.43
	Cost/Unit	₹/Kwh	1.58	2.29
2	**Coal/Coke**			
	Quantity	Tonnes	Nil	Nil
	Total Cost	₹ Lakhs	Nil	Nil
	Average Rate	₹/MT	N.A.	N.A.
3	**FurnaceOil/L.D.O**			
	Quantity	Kilo Ltrs.	Nil	Nil
	Total Cost	₹ Lakhs	Nil	Nil
	Average Rate	₹/K Ltrs	N.A.	N.A.
4	**Others**			
	Fire Wood			
	Quantity	Tonnes	Nil	Nil
	Total Cost	₹ in Lakhs	Nil	Nil
	Average Rate	₹/MT	N.A.	N.A
	Bagasse/Husk (Purchased)			
	Quantity	Tonnes	22701	18294
	Total Cost	₹ Lakhs	663.16	351.25
	Average Rate	₹/MT	2921	1920

B. Consumption per MT of Sugar Production

S.No	Particulars	Unit	Year ending March 31, 2020	Year ending March 31, 2019
1	Electricity	Kwh	336	327
2	Coal/Coke	Tonnes	0.000	0.000
3	Fire Wood	Tonnes	0.000	0.000
4	Bagasse (Purchased)	Tonnes	0.000	0.000

C. Consumption per K. Ltr. of Alcohol Production

S.No	Particulars	Unit	Year ending March 31, 2020	Year ending March 31, 2019
1	Electricity	Kwh	515	450
2	F.O./L.D.O	K.Ltrs.	0.000	0.000
3	Bagasse/Husk (Purchased)	Tonnes	0.796	0.931

NOTES:

- For electricity generated through diesel generator, cost of the diesel has been considered.
- Since various types of fuel used are alternative to each other, no standard can be fxed for their consumption.
- Due to change in mix of fuel used, no comparison can be made with the earlier years.
- Cost of electricity generated through steam turbine has been arrived at after giving credit for the exhaust steam subsequently used in the manufacturing process.
- Costs have been given based on the records maintained as per Companies (Cost Records and Audit) Amendment Rules 2017, applicable to Sugar and Alcohol industry.

Foreign exchange earning and outgoing-Mention in Board Report.

Annexure - 5

Information pursuant to Section 197(12) of the Companies Act 2013 read with Rule 5(1)and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Median remuneration of all the employees of the Company for the Financial year 2019-20	₹22924 Per Month
The percentage increase in the median remuneration of employees in the Financial year2019-20	6.49%
The number of permanent employees on the rolls of Company as on March 31, 2020	1518

*inclusive of the workers at the manufacturing units

Ratio of the Remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year.

As the sugar industry is running into losses, there has been no substantial increase in the remuneration of the Directors/KMPs for the financial year 2019-20. Mr. Gurmit Singh Mann and Mr. Gurpal Singh are the non-executive directors of the Company and were not paid any remuneration or sitting fees during this year. The details of the remuneration paid to other directors and Key Managerial Personnel is given below:

Name of Director/KMP	Remuner-ation (₹ Lacs)	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the Financial Year 2019-20
Ms. Gursimran Kaur Mann, Managing Director	119.82	43.574	Neg.
Mr. S N Misra, Chief Operating Officer	75.12	27.32	9.00
Mr. Dayal Chand Popli, Chief Financial Officer	64.54	23.47	9.11
Mr. Kamal Samtani, Company Secretary	26.54	9.65	7.280

Notes:

1. The ratio of remuneration median remuneration is based on remuneration paid during the period April 1, 2019 to March 31, 2020.
2. Remuneration is inclusive of arrears of previous year, if any.
3. The independent directors are being paid only the sitting fees and the relevant disclosures are made in the Corporate Governance report forming part of this Annual Report.

The explanation on the relationship between average increase in remuneration and company performance;

Revenue from operations for the year 2019-20 is ₹1208.32 lacs. Although, there is no direct relationship between remuneration and company performance as the remuneration is paid at par with the industrial norms for retention of employees with the Company.

Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

There is no direct relationship between remuneration of KMPs and company-performance as the remuneration is paid within industry norms for retention of KMPs with the Company.

Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies

Market capitalization of the Company as on March 31, 2020 was as follows:

(Fig in ₹ Crore)

Stock Exchange	2020	2019
NSE	17.54	37.56
BSE	16.09	37.24

Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

There was no substantial increase on the remuneration of the employees during the year.

Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;

As aforementioned, the Company has been facing financial difculties on account of mismatch in the sugar viz sugarcane pricing, as per the norms fxed by the State Government. With erosion of substantial part of the net-worth and increased dependency on the Government policy change,the Company has been sufering from the losses. In addition, the Company has been paying for retention of KMPs within the permissible limits and as far as possible to run the afairs if the Company.

The key parameters for any variable component of remuneration availed by the directors;

As per terms of employment, commission on net profit is the only variable component of remuneration to Whole Time Directors.On account of the continued losses there was no commission paid to any of the Directors.

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

None of the employees has been paid remuneration in excess of the highest paid Director during the year.

Affirmation that the remuneration is as per the remuneration policy of the company.

The remuneration is being paid as per the remuneration policy of the Company.

Annexure - 6

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

(Amount ₹ in Lacs)

S. No	Particulars	Details			
1.	Name of the subsidiary	Integrated Casetech Consultants Pvt Ltd	Simbhaoli Global Commodities, DMCC	Simbhaoli Power Private Limited*	Simbhaoli Speciality Sugars Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.12.2019	Year ended 31.03.2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	USD and Exchange Rate is taken as INR 64.4932 for Statement of Profit & Loss items, INR 65.0441 for Balance Sheet items and Share Capital at INR 48.8647 Per US$	N.A.	N.A.
4.	Share capital	23.58	39.94	1086.00	1.90
5.	Reserves & surplus	380.11	(155.62)	14106.06	137.87
6.	Total assets	1781.07	27.29	34494.97	138.33
7.	Total Liabilities	1781.07	27.29	34494.97	138.33
8.	Investments	0.15	-	408.49	-
9.	Turnover	2375.64	-	4082.43	-
10.	Profit/Loss before taxation	39.40	(83.08)	(1006.79)	4.38
11.	Provision for taxation	(10.72)	-	(0.04)	(1.24)
12.	Profit/Loss after taxation	28.68	(83.08)	(1006.83)	3.13
13.	Proposed Dividend	-	-	-	-
14.	% of shareholding	85.16	100	51	100

** Figures of nine months ended December 31, 2019 have been incorporated for the reasons as mentioned in the Board Report.*

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No	Name of Associates/Joint Ventures	Uniworld Sugars Private Limited*
1	Latest audited Balance Sheet Date	31.03.2018
2	Shares of Associate/Joint Ventures held by the company on the year end	29011770
3	Amount of Investment in Associates/Joint Venture (in ₹ lacs)	Nil
4	Extend of Holding %	21.37%
5.	**Description of how there is significant influence**	Company along with its affiliates holds 25.15% shares
6.	**Reason why the associate/joint venture is not consolidated**	N.A.
7.	**Net worth attributable to shareholding as per latest audited Balance Sheet (in ₹ lacs)**	N.A.
8.	**Profit/Loss for the year (in ₹ lacs)**	N.A.

CORPORATE GOVERNANCE REPORT

[Pursuant to Schedule V part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Corporate Governance philosophy of the Company is not only to adhere to the statutory requirements in letter but also in spirit in order to enhance and retain investors' trust. The Company is conscious and continues to voluntarily formulate and comply with the best governance principles to ensure creation of long term value for its stakeholders on sustainable basis. The Company relentlessly strive to align its vision and business strategy with the welfare and best interest of all stakeholders. The Company strongly believes that a good governance practice builda foundation of trust and confdence which in turn attracts and retains fnancial and human capital. These resources, in turn, are leveraged to maximize long-term shareholders value, while preserving the interests of multiple stakeholders. In this regard, the Company selects and supervises the senior management, who are responsible for conducting the business of the Company, in a manner, which promotes the basic governing principles of the organization.

The Board of Directors has established corporate governance guidelines through various policies, codes and mechanism which provide a framework for an efective governance system of the Company as developed over more than eight decades. The policies lay down the principles so that the interest of all the stakeholders is taken care with adequate disclosure. The Board regularly monitors and reviews the Company's governance standards and makes changes from time to time whenever needed. Over the years, the Company has redesigned its strategies for sustainable business growth with internal and external expertise. As a business philosophy, these practices are being pursued in all the spheres of operations, to protect the interests of all the stakeholders of the Company and the society.

BOARD OF DIRECTORS

Composition and category

The Board has an optimum combination of Executive and Non-Executive Independent Directors. As on March 31, 2020, the Board of Directors of the Company ('Board') consists of 10 (ten) directors; out of which 5 (fve) belong to the non-independent category and 5 (fve) are independent directors. The Chairperson belongs to the promoters' category. The composition of the Board of Directors is governed under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations'), as amended from time to time. The composition of the Board and the number of other directorship(s) and committee membership/ chairmanship(s) held by the directors as on March 31, 2020 are as follows:

S. No	Name of Director & Category	Shares held in the Company	No. of other Directorships* in other companies	No. of committee** position held in other companies		Names of the other listed entities where the person is a director and the category of directorship
				Member	Chairman	
	Directors					
1	Mr. Gurmit Singh Mann Chairperson DIN: 00066653	4,726,154	2	-	-	N/A
2	Ms. Gursimran Kaur Mann DIN: 00642094	4,186,672	2	-	-	N/A

*Other directorships exclude foreign companies, private limited companies and alternate directorships.

**Only membership in Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committees has been reckoned for committee memberships in other companies.

$Appointed as Additional Director (Independent) w.e.f. November 28, 2019

Appointed as Additional Director (Independent) w.e.f. February 13, 2020

The Broad profile of the key functional directors/Key Managerial Personnel's and Senior Grade Employees

The Company has the following key functional directors and key managerial personnel:

1. *Mr. Gurmit Singh Mann, has been the Chairperson of the Company for past several decades. Mr. Mann has vast industry experience of over 53 years. He became the Managing Director of the Company in 1972 and CMD in the year of 1989. In year 2013, he became the Executive Chairman with the change in the management structure of the Erstwhile Simbhaoli Sugars Limited. He has exemplary knowledge on the sugar and alcohol products and has immense communication skills. He has been widely travelling in India as well as abroad and possesses good knowledge about the sugarcane rich geographical area.*
2. *Ms. Gursimran Kaur Mann, Managing Director of the Company is a graduate in Economics and Political science from USA and has an MBA from London Business School. She has previously interned at Nestle India, Cargill Geneva, and ED&F Man Brazil. She has been discharging the key role as head of Simbhaoli'scommercial, marketing, trading, legal, operations, domestic and international sales and trading business and all other operations along with the Company's joint venture businesses.*
3. *Mr. Gurpal Singh, Director of the Company is a graduate in economics and has around 32 years of experience in the management of the various functional areas of the Company. He has been taking care of the overall external supervisory function and boundary management of the Company.*

4. *Mr. Sanjay Tapriya, Director of the Company is a commerce graduate and the fellow member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He joined as the Company Secretary in 1986 and thereafter inducted to the Board of the Company as functional Director-Finance (CFO) in 2003. During his association, a number of developments have taken place and their successful implementation has been the key factor for the growth of the Company. He has been upgraded to the position of Chief Executive Officer of Uniworld Sugars Private Limited, a joint venture Company with ED&F Man Sugar Ltd, UK and SSL in the year 2013.*

5. *Mr. S N Misra, Whole Time Director and Chief Operating Officer of the Company is a Science Graduate from Gorakhpur University, A.N.S.I. from National Sugar Institute, Kanpur. He has worked in Simbhaoli Sugars Limited (SSL) for about 23 years. He is designated as the Whole Time Director and Chief Operative Officer (COO) and responsible for the operations of the business units, technical supervision, sugarcane management, implementation and achieving business plan and operational policies, meeting statutory compliances at all the manufacturing units of the Company.*

6. *Mr. Dayal Chand Popli, Chief Financial Officer (CFO) of the Company is a commerce graduate and the fellow member of the Institute of Cost Accountants of India. He holds a good track record in the fields of accountancy, taxation, costing and other professional services. He has over 31 years of experience in various accounts related areas. Previously, he has also worked in the Companies like Hero group, Nestle India, DCM Shriram Industries, Mawana Sugars, in accounts, costing and finance department.*

7. *Mr. Kamal Samtani, Company Secretary (CS) of the Company is a Science graduate and fellow member of the Institute of Company Secretaries of India. He is also an associate member of the Insurance Institute of India in general insurance branch. He started his carrier as management trainee in LML Limited and then joined Lloyd group. He joined Simbhaoli Sugars in January 2005. During the association with Company, he has undertaken various capital raising issues including Rights Issue, FCCBs, Convertible Warrants, ESOPsand other functions in the areas of Joint Venture, Hive-Off/Amalgamation and Corporate Legal Functions etc.*

Pecuniary relationship and transactions with non-independent directors

During the year, there has not been any material pecuniary relationship and transaction between the non-independent directors and the Company.

Appointment of Independent Directors

All independent directors have immense experience, specialized qualifcations and possess the expert knowledge in the respective areas. The Independent directors are not liable to retire by rotation. None of the directors are members of more than ten committees or chairperson of more than fve committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and interests and have been taken on record by the Board.

Pursuant to Section 149 read with Schedule IV and other applicable provisions of the Act and the Companies (Appointment and Qualifcation of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. S K Ganguli (DIN- 00058198), Justice (Retd)C K Mahajan (DIN- 00039060), Mr. H P Kain (DIN-08277248), Mr. AtulMahindru (DIN-08624563) and Mr. Shyam Sunder (DIN- 08676856) were appointed as the Independent Directors to the Board of the Company to hold office for a period of 5 (five) consecutive years from their respective dates of appointment as mentioned elsewhere in this report. The Board of Directors have confrmed that in the opinion of the Board, the independent directors fulfll the conditions specifed in the Listing regulations and are independent of the management. The details of appointment and cessation during this year is given elsewhere forming part of this Report.

Familiarization Program for Independent Directors

The Independent Directors inducted on the Board are provided with an orientation through a formal familiarization program. These programs include presentations on the business structure and performance of the Company, the nature of industry and its dynamism, products, group structure and subsidiaries, the roles, responsibilities, and liabilitiesof Independent Directors etc. Further, business updates, legal updates and major risks related to industry and risk management strategies are being made available to the Independent Directors, especially to the audit committee members on an ongoing basis, by the Company officials, statutory and internal auditors, on a quarterly basis.

The details of Independent Directors comprising of brief profle, nature of expertise, and shareholding are given below:

Name of the Directors	Mr. S K Ganguli	Justice (Retd) C K Mahajan	Mr. H P Kain	Mr. Atul Mahindru	Mr. Shyam Sunder
Date of Birth	Dec 21, 1938	May 31, 1943	Aug 3, 1952	Jan 30, 1963	Jan 12, 1960
Date of Appointment	Aug 11, 2015	Nov 09, 2015	Nov 14, 2018	Nov 28, 2019	Feb 13, 2020
Qualificaton	FCA	M.A. LL.B	IRS	B.Com. LLB	Practicing CA
Expertise	Mr. Ganguli is a commerce graduate and qualifed chartered accountant, who has been in the accounting and audit profession for last 44 years.	Justice Mahajan is a retired Judge of the Delhi High Court and has vast experience in law and justice. He has also been appointed as Chairperson/ President of various Committees and act as Arbitrator in several matters.	Mr. Kain is a retired IRS (Income Tax). He has also worked as SDM in the districts of Rampur & Unnao in UP State, Under Secretary in the Ministry of Finance (CEIB), Regional Director (North), Staf Selection Commission, CPIO under RTI Act etc.	Shri AtulMahindru is B. Com, L.L.B and has been practicing as Advocate based in Dharamsala, Himachal Pradesh. He has been dealing in all types of cases such as Civil/ Revenue, Criminal etc. Further, he is defending cases of State Bank of India, HP Housing Board (Now known as HIMUDA), Cantonment Board and HP Civil Supply Corporation. He has the experience of around 30 years in legal profession	Mr. Shyam Sunder is Practicing Chartered Accountant since 1991. He started practice as Proprietorship Firm and later on associated with M/s Parikh & Jain, Chartered Accountants, Kanpur, established in 1970, and conducted the Statutory Audit of Banks, PSUs, Companies and State Governments Corporations. He has been appointed as Central Statutory Auditor of UCO bank, Punjab National Bank and Allahabad Bank including Branches / Concurrent Auditor of SBI, Bank of Baroda and other banks. Presently, he is partner of M/s Bhuvanesh & Shyam, Chartered Accountants, in Kanpur providing Audit and Assurance services, and Advisory in Direct and Indirect Taxes.
Shareholding of Directors in the Company (No. of shares)	585	422	Nil	Nil	Nil

BOARD PROCEDURES

Board Meetings and Attendance

There have been 5 Board meetings of the Company during the year, details of which are provided hereunder:

Dates of Board Meeting	Board Strength	Directors Present
May 30, 2019	9	6
August 05, 2019	9	8
August 14, 2019	8	7
November 7, 2019	8	7
November 14, 2019 (Adjourned Meeting)	8	5
February 13, 2020	9	7

The attendance of the directors at these meetings and at the last annual general meeting was as follows:

Name of the Directors	No. of Board Meetings Attended	Attendance at the last AGM held on Sept 25, 2019
Mr. Gurmit Singh Mann	5	Yes
Ms. Gursimran Kaur Mann	4	No
Mr. Gurpal Singh	5	No
Mr. Sanjay Tapriya	4	Yes
Mr. S N Misra	4	No
Mr. S K Ganguli	5	No
Justice (Retd) C K Mahajan	1	No
Mr. H P Kain	4	Yes
Mr. AtulMahindru$	1	N/A
Mr. Shyam Sunder#	1	N/A

$Appointed as Additional Director (Independent) w.e.f. November 28, 2019
 # Appointed as Additional Director (Independent) w.e.f. February 13, 2020

Information to Board

The important matters related to the operations of the Company, its business plans, financial affairs and results, indebtness issues, legal and corporate governance issues, growth strategies, restructuring plans, senior personnel appointments periodical financial and operational results, capital expenditure, sale and acquisition of assets, capital budget, business plans, mortgages, guarantees and loans, analysis of operations, major litigations, feedback reports, minutes of committee meetings, minutes/ transactions of subsidiary companies, staf related matters, labour relationship, accidents/mishaps, information technology, strategies, insider trading compliances, and general notices of interest of directors and KMPs etc. are placed before the Board regularly and Board is authorized to approve them, and take decision in this regard. The Company management has been making full disclosure to the Board regarding these matters in the manner as may be applicable to the Company by law, or as directed by the Board, from time to time.

BOARD COMMITTEES

Board of directors has constituted the following committees and each committee has specifc terms of reference. The Company Secretary acts as the Secretary to all the committees.The Board has fourmandatory committees

i) Audit Committee,

ii) Nomination and Remuneration Committee,

iii) Stakeholders Relationship Committee, and

iv) Corporate Social Responsibility Committee

I. Audit Committee

The Audit Committee of the Board of Directors of the Company is constituted in line with the provisions of the Act read with the Listing Regulations. The Audit Committee comprises of two non-executive independent directors and one executive director. Mr. H P Kain, Independent Director acts as the Chairperson of the Committee. The other directors and the statutory and internal auditors of the Company are the regular invitees to the meetings of the Audit Committee. The Committee also reviews the observations of the Internal and Statutory Auditors, along with the comments and action taken thereon by the Management. The details of committee meetings during the financial year are as follows:

Name of Member	Meetings Held	Meetings Attended
Mr. H P Kain	4	4
Mr. S K Ganguli	4	4
Mr. S N Misra	4	4
Mr. Shyam Sunder#	1	1

#Appointed as memberw.e.f February 13, 2020

All the members of the Committee have sound knowledge in the felds of finance and accounts. The role and terms of reference of audit committee covers all the areas as prescribed under Section 177 of the Act read with provisions of Regulation 18 and Part C of Schedule II of the Listing Regulations. Further, the terms of reference of the scope of Audit Committee, are as follows

i. Oversight of the Company's financial reporting process and the disclosure of its financial information;

ii. Recommendation for appointment, remuneration and terms of appointment of auditors;

iii. Reviewing, with the management, the annual financial statements and auditor's report thereon;

iv. Matters included in the director's responsibility statement;

v. Reviewing, with the management, the quarterly financial results;

vi. Reviewing the transactions with related parties;

vii. Review of inter-corporate loans and investments;

viii. Compliance with listing and other legal requirements concerning financial statements/results;

ix. Valuation of undertakings or assets of the Company, wherever it is necessary;

x. Evaluation of internal financial controls and risk management system along-with verification of the adequacy of internal control system;

xi. Reviewing, with the management, the completion of the audit along-with the duties discharged by the statutory and internal auditors;

xii. Review the functioning of the whistle blower mechanism;

xiii. Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision;

xiv. To consider and approve all related party transactions of the Company and provide omnibus approval wherever required in accordance with Company's Policy on materiality;

xv. To review compliance with the provisions of Insider Trading Regulations at least once in a financial year and shall verify that the system for internal control is adequate and operating effectively;

xvi. Carrying out any other functions as prescribed by the Board from time to time.

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted under the provisions of Section 178 of the Act and rules made thereunder read with Regulation 19 and Part D of Schedule II of the Listing Regulations. It comprises of three directors; out of which two are independent directors. Mr. H P Kain acts as the Chairperson of the Committee. The objective of this Committee is to lay down a framework in relation to remuneration to the Directors and Key Managerial Personnel. The Committee recommends to the Board the terms and conditions of their respective appointment comprising of the formulation of the criteria for determining qualifications, positive attributes and independence, policies relating to the remuneration, role, responsibilities and other terms; continuing evaluation process and the grievances, if any, raised by such persons and take steps as considered necessary; seek such reports and compliances and also consider their removal, if required in the interest of the Company. The performance evaluation was carried out by the Committee as per the criteria framed by it. The criteria framed by Nomination and Remuneration Committee was also duly adopted by the Board. The details of committee meetings held during the financial year and attended by the members are as follows:

Name of the Member	Meetings Held	Meetings Attended
Mr. H P Kain	1	1
Mr. S K Ganguli	1	1
Mr. Gurmit Singh Mann	1	1

III. Stakeholders Relationship Committee

The Board has constituted Stakeholders Relationship Committee under the provisions of Section 178 of the Act and rules made thereunder read with Regulation 20 and Part D of Schedule II of the Listing Regulations. It comprises of three non-executive independent directors. Mr. S K Ganguli acts as the Chairperson of the Committee. The Committee deals with redressal of the shareholders' grievances relating but not limiting to transfer of shares, non-receipt of annual reports, change of addresses, non-receipt of dividend etc. The details of Committee meetings during the financial year are as follows:

Member	Meetings Held	Meetings Attended
Mr. S K Ganguli	4	4
Mr. H P Kain	4	3
Mr. Sanjay Tapriya	4	3

During the year, one investor complaint was received and same was duly redressed. There was no pending complaint as on March 31, 2020.

IV. Corporate Social Responsibility Committee

The Board of Directors have constituted CSR Committee under the provisions of Section 135 of the Act and the Rules framed there under, comprising of four directors. Mr. H P Kain acts as the Chairperson of the Committee. The terms of reference of this Committee include the formulation and recommendation to the Board, the plans for CSR activities, amount of expenditure to be incurred; and monitor the implementation of the CSR Policy of the Company.

Since, the Company has been incurring losses, no meeting of this Committee was held during the year. However, the Company has been regular to take CSR initiatives in the vicinity of the sugar complexes to uplift the standards of people residing in rural areas. The constitution of the Committee is as follows:

Member	Designation in the Committee
Mr. H.P. Kain*	Chairperson
Ms. Gursimran Kaur Mann	Member
Mr. Sanjay Tapriya	Member
Mr. S N Misra	Member
Mr. Dayal Chand Popli	Member

*Mr. H.P. Kain was appointed as Chairperson of the Committee w.e.f June 27, 2020.

Meeting of Independent Directors

During the year under review, separate meeting of the Independent Directors of the Company was held on June 27, 2020.The details of the evaluation have been mentioned elsewhere forming part of the Report.

Remuneration policy as applicable to the directors

The remuneration policy as adopted by the Company and applicable to the directors provides for the following:

The directors in employment are paid remuneration as per their respective terms as approved by the Board of Directors and the members of the Companyin accordance with the provisions of the Act. No sitting fee is payable to them.Details of remuneration paid during the financial year is mentioned elsewhere forming part of the Report.

No remuneration is being paid to the independentdirectors. However, the Company has been paying the sitting fees of ₹25,000/15,000/10,000per meeting to attend meetings of Board/ Audit Committee/Nomination and Remuneration Committee respectivelyplus reimbursement of the travelling expenses incurred by the Independent Directors for attending the meetings.

During the year, the sitting fees as accrued to Independent Directors is given elsewhere forming part of this Report. No equity shares and/or convertible securities were issued to the executive/ non-executive directors.

Disclosure of payment of remuneration to whole time directors under Part II of section II (B) of Schedule V to the Companies Act, 2013

Mr. Gurmit Singh Mann, Chairperson, and Mr. Gurpal Singh, Director are non-executive promoter directors of the Company. Ms. Gursimran Kaur Mann, Managing Director belongs to the Promoters category.

Mr. S N Misra, is the Chief Operating Officer and whole-time director, occupying the position at professional capacity not forming part of Promoter category.

During the year, the aggregate remuneration paid to Ms Mann and Mr Misra was within the limits of Schedule V to the Act. The remuneration comprises of fixed components and there is no performance linked incentives criterion. No severance fee is payable to them. No stock option has been granted by

the Company to the directors. The appointment is liable to be terminated on a notice of two/three months or payment of salary in lieu thereof.

Compliance officer

Mr. Kamal Samtani, the Company Secretary is also acting as the compliance o f cer of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis report is made a part of report of directors.

GENERAL MEETINGS

Annual General Meeting

The 9thannual general meeting for the year 2019-20, will be convened in due course of time after intimation to the members of the Company. The last three AGMs were held as follows:

AGM	Day and Date	Venue
6th	Monday, 18-09-2017	Venue : Officers' Club, Sugar Mills Complex, at Simbhaoli - 245 207, Distt. Hapur, Uttar Pradesh
7th	Thursday, 27-09-2018	
8th	Wednesday, 25-09-2019	

E-Voting/Poll: (Details of E-voting/Poll carried out at AGM/ EGM)

In pursuance to the provisions of Section 108 of the Act read with Rules made there under, the Company o fered E-voting facility to its members to cast their vote electronically on all resolutions set forth in the Notice of 8th AGM.

Special resolutions passed at the last three annual general meetings

AGM	Subject matter of special resolution
6th AGM held on 18-09-2017	1) Approval of the appointment of Ms. Gursimran Kaur Mann as the Managing Director 2) Approval of the Appointment of Mr. Sachchida Nand Misra as the Chief Operating O f cer and Whole Time Director 3) Approval of the appointment of Mr. Karan Singh as Chief General Manager & the Whole Time Director 4) Approval of the re-classi fcation of certain speci fed promoters from promoters category to public category 5) Approval of the conversion of loan into share capital under the provisions of 62 of the Companies Act, 2013 6) Approval for the empowering the Board for conversion of unsecured loan into share capital 7) Approval of the mortgage and or charge upto an amount of ₹1600 crore under section 180(1)(a) of the Companies Act, 2013 8) Approval of the empowering the Board for the borrowings powers upto ₹1600 Crore under section 180(1)(c) of the Companies Act, 2013 9) Approval of the limits for investments upto ₹500 crore under section 186 of the Companies Act, 2013
7th AGM held on 27-09-2018	No Special Resolution
8th AGM held on 25-09-2019	1) Continuation of appointment of Mr. Gurmit Singh Mann, as a Director of the Company, who has completed the age of 75 years. 2) Continuation of appointment of Mr. S K Ganguli, as an Independent Director of the Company, who has completed the age of 75 years. 3) Continuation of appointment of Justice (Retd) C K Mahajan, as an Independent Director of the Company, who has completed the age of 75 years. 4) Appointment of Ms. Gursimran Kaur Mann as the Managing Director of the Company for a period starting from February 14, 2019 to August 1, 2020. 5) Appointment of Mr. S N Misra as the Chief Operating O f cer and Whole Time Director of the Company for a period starting from February 14,2019 to September 17, 2020.

Postal Ballot

The Company had not conducted any Postal Ballot during the year and none of the businesses were proposed to be transacted in the ensuing AGM require passing a special resolution through postal ballot.

SUBSIDIARY COMPANIES

The financials of the subsidiary companies have regularly been reviewed by the audit committee and the Board of the Simbhaoli Sugars Limited, the holding company. The minutes of the meetings of the Board of the unlisted subsidiary companies are placed before the Board Meeting of the holding company and taken on record by it. The holding company's Board is also periodically informed about all signi fcant transactions and arrangements entered into by the subsidiary companies.

The Company has not disposed-o f/reduced its shareholding in subsidiary companies during the year. The Company has also formulated a policy for determining the Material Subsidiary, which is disclosed on Company's website.

WHISTLE BLOWER POLICY

The Board has formulated a Whistle Blower Policy to provide a framework for promoting the responsible and secure vigil mechanism within the organization. It provides guidance and a procedural framework to directors, employees, customers, vendors and/or thirdparty intermediaries, who may raise a concern about irregularities and/or frauds and any other wrongful conduct, act or any omission or misrepresentation of facts, within the Company without fear of reprisal, discrimination or adverse employment consequences.

This Policy is also intended to enable the Company to address such disclosures or complaints by taking appropriate action, including, but not limited to disciplinary action that could include terminating the employment and/or services of those responsible including undertaking legal actions. During the year, no such complaint was received.

DISCLOSURES

Related Party Transactions and their basis

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance

with the applicable provisions of the Act and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. The particulars of contracts and arrangements with related parties referred to in section 188(1) and applicable rule of the Companies Act, 2013 in form AOC-2 forming part of this Report. However, the details of the transactions with related parties are provided in the Company's financial statements in accordance with the Accounting Standards as mandated under the provisions of the Act. The related party transactions are presented to the meetings of the Audit Committee and Board, for approval on regular basis.The Company's policy on related party transactions is disclosed on its website.

Disclosure of accounting treatment

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities and assets for defined benefit plans that are measured at fair value and less cost of sale wherever require.

Reconciliation of Share Capital Audit

The Reconciliation of Share Capital is being caried out by Practicing Company Secretaries to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital with the Stock Exchanges on quarterly basis.

Internal Control Compliances

With the changing environment and growth in the business, the Company is in process of review and strengthening its internal control procedures and compliance standards. The Company has designed a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the generally accepted accounting principles. The Company has been following the InternalFinancial Control mechanism and documentation is regularly maintained for the purpose of audit. The Internal Financial Controls are adequate and effective, which implies orderly and efficient conduct of business, and prevention and detection of frauds and errors.

Code of Conduct

For the Board of Directors and the Senior Management: Pursuant to Regulation 17(5) of the Listing Regulations, the Board of Directors has laid down a 'Code of Conduct' for all the Board and Senior Management members. The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the Company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances.

The Company has issued code of conduct for its Board and senior management in compliance with Listing Regulations, with the stock exchanges, advising and cautioning management staff and other business associates on the procedure to be followed, while dealing in equity shares of the Company and have complied with the disclosure requirements. The Code of Conduct is available on the website of the Company.

Code of conduct for prevention of Insider Trading Practices: In compliance with the Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated, adopted and implemented "Code of Conduct to regulate, monitor and reporting trading by Insiders" in the securities of the Company. Further, the Company has amended the policy as per the requirement of Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of non- compliance

There were no instances of non-compliance of any matter related to the capital markets during the last three years. No penalties or strictures have been imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets.

Communication

The quarterly financial results of the Company are being sent to the stock exchanges immediately after their approval from the Board and also published in reputed national and regional newspapers.The Company provides comprehensive details of the operations of the Company, the financial results and other information on the Company's website.

All the policies of the Company are available at the link as mentioned below:

http://www.simbhaolisugars.com/company-policies.php

Compliance Certificate of the Auditors

Certificate from the Company's Secretarial Auditors, M/s. Amit Gupta and Associates, confirming the compliance with conditions of corporate governance as stipulated under the Listing Regulations, is attached to this Report.

ISSUE PROCEEDS

Not Applicable, as during the year, the Company has not raised any funds towards the share capital from the public.

SHAREHOLDERS' INFORMATION

Financial Year: 12-month period starting April to the month of March of the subsequent year.

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai. Tel: 91-22-22721233/34, Fax: 91-22-22721919 Website: www.bseindia.com Scrip Code: 539742	**National Stock Exchange of India Limited,** Exchange Plaza, Bandra Kurla Complex, Mumbai Tel : 91-22-26598100 Fax : 91-22-265988120 Website: www.nseindia.com Scrip code :SIMBHALS

The annual Listing fee for the financial year 2020-21 has been paid to both the stock exchanges.

Depositories

National Securities Depository Limited, Trade World, 4th Floor, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Tel: 91-22-24994200 Fax: 91-22-24972993/2497 Email info@nsdl.co.in Website : www.nsdl.co.in	Central Depository Services (India) Limited, A-Wing, 25th foor, NM Joshi Marg, Lower Parel (East), Mumbai – 400013 Tel: 91-22-2272333 Fax: 91-22-22723199 Email: investors@cdslindia.com Website: www.cdslindia.com

ISIN:Equity Shares-INE748T01016 and Warrants ISIN-INE748T13011

Stock Market Data

The details of high and low price of equity shares of the Company in comparison to broad based indices are as follows:

Month	BSE				NSE			
	Share Price (₹)		Sensex S&P		Share Price (₹)		Nifty 50	
	High	Low	High	Low	High	Low	High	Low
Apr-19	12.04	9.03	39487.45	38571.00	12.5	8.85	11856.15	11549.10
May-19	11.29	9.7	40124.96	36956.10	11.75	9.8	12041.15	11108.30
Jun-19	10.5	6.99	40312.07	38870.96	10.5	6.3	12103.05	11625.10
Jul-19	8.91	5.8	40032.41	37708.41	9.5	5.6	11981.75	10999.40
Aug-19	6.65	5.4	37731.51	36102.35	6.65	5.4	11181.45	10637.15
Sep-19	10.25	6.9	39441.12	35987.80	8.85	5.95	11694.85	10670.25
Oct-19	7.15	6.1	40392.22	37415.83	7.25	6	11883.95	11090.15
Nov-19	7.15	6.3	41163.79	40014.23	6.45	5.5	12158.8	11823.20
Dec-19	6.49	5.8	41809.96	40208.70	6.35	5.8	12287.15	11832.30
Jan-20	8.32	6.8	42273.87	40476.55	8.25	6.2	12389.05	11929.60
Feb-20	12.04	9.03	41709.3	38219.97	12.5	8.85	12231.75	11175.05
Mar-20	11.29	9.7	39083.17	25638.90	11.75	9.8	11389.5	7511.10

Distribution of share holding as at March 31, 2020:

Category	No. of Shareholders	% of no. of shareholders	No. of shares	% of capital
1 to 5000	11552	77.97	1839750	4.457
5001 to 10000	1501	10.131	1114543	2.7
10001 to 20000	801	5.406	1160712	2.812
20001 to 30000	280	1.89	700123	1.696
30001 to 40000	156	1.053	552385	1.338
40001 to 50000	109	0.736	498024	1.206
50001 to 100000	224	1.512	1598348	3.872
100001 and above	193	1.303	33815135	81.918
Total	**14816**	**100**	**41279020**	**100**

As on March 31, 2020, 3,87,30,962 Equity Shares of the Company constituting 98.50% of total equity capital were under demat categories with NSDL and CDSL.

Shareholding Pattern as on March 31, 2020

Equity Shares:

Category	No. of Shares held	% age
A: Indian Promoters	22015790	53.33
Sub-Total (A)	**22015790**	**53.33**
B: Non – Promoters Holding:		
Mutual Funds	1755	0.01
Foreign Institutional Investors (FII)	1	0.00
Financial Institutions and Banks	1170	0.00
Private Corporate Bodies	7731116	18.73
Indian Public (individuals)	11199070	27.13
NRIs/ OCBs	280444	0.68
Any other (Clearing Members and Trust)	49674	0.12
Sub-Total (B)	**19263230**	**46.67**
Grand Total (A+B)	**41279020**	**100**

Share warrants/ESOP/Convertible Securities

During the year, 12 Lakh share warrants issued to specified promoters were lapsed, the details given elsewhere forming part of the Report.

LOCATION OF THE PLANTS AND OPERATING DIVISIONS

Simbhaoli Complex	Simbhaoli, District Hapur Uttar Pradesh - 245 207	Tel.No. +91 5731-23117/8/9 Tel.No. +91 5731-226410/11
Chilwaria Complex	Chilwaria, Distt. Bahraich, Uttar Pradesh - 271 801	Tel.No. +91 5252-244251/2
Brijnathpur Complex	Brijnathpur, District Hapur Uttar Pradesh - 245 101	Tel. No. +91 9837790990 Tel. No. +91 9917473169
***Gandhidham Complex**	Village Versamedi, Tehsil Anjar, Gandhidham, District Bhuj -Kachchh, Gujarat -370201	Tel. No. +91 283-6294594

**1000 TPD Raw Sugar refining plant of Uniworld Sugars Private Limited, a joint venture company.*

Any correspondence with units can be sent to info@simbhaolisugars.com

INVESTOR SERVICES

Quarterly/half yearly results are disclosed to Stock Exchanges and also published in daily newspapers viz., Business Standard (Hindi & English). As per the requirements of Regulation 46 of the Listing Regulations, the quarterly/half yearly results are displayed on the Company's website. The Company provides information to the Stock Exchanges as per the requirements of the Listing Regulations. No presentations were made to institutional investors/analysts. The Company has a designated e-mail address viz.,kamal@simbhaolisugars.com, exclusively for investor servicing.

Share Transfer System

Share transfer requests are affected/confirmed within period as prescribed under Listing Regulations through M/s Mas Services Limited, the Registrar and share transfer agent. Investor correspondence can be made at any of the following addresses:

i. Mas Services Limited: T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020
   Phone No.: +91-11-26387281/82/83
   E-mail: info@masserv.com

ii. Registered Office: Simbhaoli, District Hapur, Uttar Pradesh– 245 207
   Phone No. +91-5731-226411/223118
   E-mail: kamal@simbhaolisugars.com

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

i. Number of complaints filed during the financial year: Nil

ii. Number of complaints disposed of during the financial year: Nil

iii. Number of complaints pending as on end of the financial year: Nil

Discretionary requirements as specified in Part E of Schedule II of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015:

a. **Maintaining Non-Executive Chairman's Office:** Not Applicable as the Chairman is a promoter Executive Director.

b. **Shareholder Rights:** The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its websiteand in Stock Exchange websites. Therefore, no individual communications are sent to the shareholders in this regard.

c. **Modified opinion(s) in audit report:** The Auditors opinion on the consolidated financial statements is not modified in respect of the mentioned matters in the audit reports (Forming part of this Report)

Non-mandatory requirements

Non-mandatory requirements of the Listing Regulations have

been adopted by the Company to the extent they are in line with the nature of business activities of the Company.

Nomination

The prescribed form for nomination can be obtained from the Company/Transfer agent. Nomination facility in respect of shares held in electronic form is also available with depository participant as per the bye-laws and business rules applicable to NSDL and CDSL.

Unclaimed dividend and interest

There is no unclaimed dividend and interest outstanding at the end of the financial year. The amount of dividend/debenture installment or interest thereon remaining un-claimed for a period of seven years has been transferred to the credit of investors' education and protection fund.

CEO AND CFO CERTIFICATION

The Chief Operating Officer and Chief Financial Officer of the Company have submitted the annual certificate on financial reporting and internal controls to the Board in terms of the Listing Regulations, which form part of this report. The Key Managerial Personnel place before the meetings of the Board the quarterly certificates on compliances in terms of the Companies Act, Listing Regulations, and other corporate laws, as applicable to the Company.

Certificate on Compliance with Code of Conduct

We hereby confirm that the Company has obtained an affirmation from all the members of the Board and management personnel that they have complied with the Code of Conduct for the financial year 2019-20.

For **and on behalf of Board of Directors**
of Simbhaoli Sugars Limited

Gurmit Singh Mann
Chairperson
(DIN - 00066653)

Place : Noida
Date : July 30, 2020

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

UNDER REGULATION 15(2) OF SEBI (LODR) REGULATIONS, 2015

To,

The Members,

SIMBHAOLI SUGARS LIMITED,

(CIN - L15122UP2011PLC044210)

Simbhaoli, Hapur Road, Uttar Pradesh

1. We have examined the compliance of conditions of Corporate Governance by Simbhaoli Sugars Limited ("the Company"), for the year ended on March 31, 2020, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period April 01, 2019 to March 31, 2020.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2020, except in respect of Regulation 17(1)(b) & 25(6), wherein there was a delay in filling vacancy caused by resignation of Independent Directors.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682

CEO/CFO CERTIFICATION

The Board of Directors
Simbhaoli Sugars Limited
Simbhaoli, District Hapur,
Uttar Pradesh - 245 207

Re: Certification by CEO/CFO for the Financial Year ended on March 31, 2020

We, S N Misra, Chief Operating O f cer and Dayal Chand Popli, Chief Financial O f cer of Simbhaoli Sugars Limited to the best of our knowledge and belief, certify that:

(a) We have reviewed the f nancial statements comprising of the balance sheets as on March 31, 2020, pro f t and loss account, the cash f ow statement and the boards' report for the year ended March 31, 2020 and based upon our knowledge and information con f rm that;

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the Company's a f airs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) We accept responsibility for establishing and maintaining internal controls for f nancial reporting for the Company and we have:

  (i) evaluated the e f ectiveness of the internal control systems of the Company,

  (ii) disclosed to the auditors and the audit committee of the Board, de f ciencies in the design or operation of internal controls, if any, of which we are aware, and

  (iii) taken necessary steps or proposed to take to rectify these de f ciencies.

(c) We have indicated to auditors and the audit committee of the Board that there have been:

  (i) no signi f cant changes in internal control over the f nancial reporting during the year and the quality of internal control is improved with the implementation of SAP;

  (ii) no signi f cant changes in accounting policies during the year;

(d) no instances of signi f cant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a signi f cant role in the Company's internal control system.

(e) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(f) In accordance with Regulation 17(5) of the Listing Regulations, all the directors and the Senior Management Personnel of the Company have a f rmed compliance to their respective Codes of Conducts, as applicable to them for Financial Year ended March 31, 2020

We state that, over the last few years, Uttar Pradesh based sugar companies have been facing f nancial di f culties on account of higher sugar cane prices, lower realization of sugar and high f nance cost in last 3-4 years. The state administration took control over the sugar stocks and initiated multiple coercive actions, and there have been some delays in discharge of the statutory liabilities. However, the Company has been implementing a number of measures for its business viability and we are con f dent to come out of the di f cult stage over a period of time.

Sachchida Nand Misra
Chief Operating Officer
DIN - 06714324

Dayal Chand Popli
Chief Financial Officer
FCMA- 12257

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[As per Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations].

To,

The Members,

SIMBHAOLI SUGARS LIMITED,

(CIN - L15122UP2011PLC044210)

Simbhaoli, Hapur Road, Uttar Pradesh

1. We have examined the status of directors for the year ended on March 31, 2020, pursuant to the provisions of Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") .
2. It is neither an audit nor an expression of opinion regarding the legality of debarring or disquali f cation by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate A f airs (MCA) or any such statutory authority.
3. Our examination was limited to a review of the relevant records of the Company and website of MCA, stock exchange(s) & SEBI and it is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the declarations and disclosures made by the Directors and the representation given by the Management, we certify that none of the directors on the board of Simbhaoli Sugars Limited, have been debarred or disquali f ed from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate A f airs or any such statutory authority during the year ended at March 31, 2020.

For **Amit Gupta & Associates**
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIMBHAOLI SUGARS LIMITED

Report on the audit of the Standalone financial statements

Qualified Opinion

1. We have audited the accompanying standalone Ind AS financial statements of Simbhaoli Sugars Limited ("the Company"), which comprise the Balance Sheet as at March 31st, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

   In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis for qualified opinion paragraph below, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31st, 2020, and total comprehensive loss (comprising of loss and other comprehensive loss), its cash flows and the changes in equity for the year then ended.

Basis for Qualified opinion

i) We draw attention to Note No. 4 of the statement regarding non provisions for impairment in the carrying value of property, plant and equipment. 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.

ii) We draw attention to Note No. 10 of the Statements regarding non-provision of interest expense amounting Rs.13,146.17 Lakhs (Previous year Rs. 12,336.46 Lakhs) on certain borrowings for the year ended March 2020 for the reasons stated in the said note. The total amount of interest expense not provided for in the accounts aggregates to Rs. 37,454.23 Lakhs till 31st March 2020(Previous year Rs.24,307.59 Lakhs). Had the aforesaid interest expense been provided for, the Finance Cost, Net Loss after tax and Total Comprehensive Loss for the year ended March 31st, 2020 would have been increased by Rs. 13,146.17 Lakhs (P.Y. Rs. 12,336.46 Lakhs), the Current Financial Liability as at March, 2020 would have been increased and shareholder's funds as at March 31st, 2020 would have been decreased by Rs. 37,454.23 Lakhs (P.Y. 24,307.59 Lakhs)

iii) We draw attention to Note No. 24 of the statement regarding non provision of disputed value of bagasse amounting to Rs. 253.13 Lakhs, sold to Simbhaoli Power Private Limited, a subsidiary company, for the reasons stated in the said note. Consequently, the revenue for the year has been overstated; Net loss and total comprehensive Income for the year has been understated; Receivables and total equity as at March 31st, 2020 has been overstated by the aforesaid amount.

iv) We draw attention to Note No.6, 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. Our report is modifed in respect of above matters

Material Uncertainty related to Going Concern:

As stated in Note No. 4, the financial statement of the company has been prepared on going concern basis. Events or conditions as set forth in Note No. 4 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 the sugar and distilleries operation on sustainable basis.

Our report is not modifed in respect of the above matter.

Others Matter

We draw your attention to Note No. 4 to the financial statement, which describes the Management's assessment of the impact of COVID -19 pandemic and the resultant lock-down on the significant uncertainties 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 statement. 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 difer from those estimated as at the date of approval of these financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter:

S. No.	Key Audit Matters	Auditor's Response
1	**Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability** During the year, the Company has recognized accruals/subsidy claims amounting to Rs. 5,915.84 Lakhs (P.Y. 4,201.83 Lakhs). As at March 31st 2020, the Company has receivables of Rs. 7,292.25 Lakhs relating to such claims which is significant to the financial statements. We consider this as key audit matters because recognition of accruals/claims and assessment of recoverability of the claims is subject to significant judgment of the management. The area of judgment includes certainty around the	**Principal Audit Procedures** We understood and tested the design and operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the claims. We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the notifcations/policies and collections. We considered the relevant notifications/policies issued by various authorities to

S. No.	Key Audit Matters	Auditor's Response
	satisfaction of conditions specifed in the notifcations/policies, collections, provisions thereof, likelihood of variation in the related computation rates, and basis for determination of accruals/ claims. For details: - Refer Note No. 20 to the Financial Statements.	ascertain the appropriateness of the recognition of accruals/ claims, adjustments to claims already recognized pursuant to changes in the rates and basis for determination of claims. We tested the ageing analysis and assessed the information used by the management to determine the recoverability of the claims by considering claim collection against historical trends. Based on the fulfilment of the conditions as precedent in relevant notification management is reasonably certain about the recoverability of the claims/ accrual. Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and their recoverability is considered to be reasonable.
2.	**Valuation and determination of inventory** As on March 31st 2020, the Company has inventory of sugar with the carrying value Rs. 48,795.81 Lakhs which forms major part of the total assets of the company. The inventory of sugar is valued at the lower of cost and net realizable value. The Physical Verifcation of inventory could not be observed by us due to lock-down restrictions at the year-end. We considered the value of the inventory of sugar as a key audit matter given the relative size of the balance in the fnancial statements and signifcant judgment involved in the consideration of factors such as minimum sale price, monthly quota, fuctuation in selling prices and the related notifcations of the Government in determination of net realizable value.	**Principal Audit Procedures** We understood and tested the design and operating effectiveness of controls as established by the management for valuation of inventory of sugar. We considered various factors including the actual selling price prevailing around and subsequent to the year-end, minimum selling price & monthly quota and other notifcations of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole. Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year ends and comparison with cost for valuation of inventory is considered to be reasonable. The Company has procedure of physical verification of inventories at regular intervals. Physical Verifcation of fnished goods, By products across all units were carried out during the month of June 2020 in the presence of independent frm of Chartered Accountants who have been entrusted with the responsibilities of observing and participating in such verifcation. We have reviewed the credentials, technical and other expertise of the professional frm deployed for carrying amount and observing verifcation. We received the report and certificate submitted by Chartered Accountants Firm. We applied 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, production ,consumption and sales, results of cyclical count performed by the management through the year and such other third party evidences, as applicable. While necessary review and other corroborative evidence were obtained and verified, reliance has been placed on professional expert's report and conclusion drawn by them on the matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the fnancial statements and our auditor's report thereon.

Our opinion on the fnancial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the fnancial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the fnancial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the companies act, 2013("the Act")with respect to the preparation of these standalone Ind AS fnancial statements that give a true and fair view of the state of afairs(fnancial position) , proft or loss (fnancial performance including other comprehensive income) changes in equity and cash fows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards(Ind AS) specifed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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; and design, implementation and maintenance of

adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 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 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 made by management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable ;
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act and not in excess of the limits laid down therein.
3. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive loss), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
   (e) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
   (f) On the basis of the written representations received from the directors as on March 31st, 2020 taken on

record by the Board of Directors, none of the directors is disqualified as on March 31st, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note no. 6 to the financial statement.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **MITTAL GUPTA & CO.**
Chartered Accountants
(Firm's Registration No. 01874C)

(B. L. Gupta)
Partner
(Membership No. 073794)
UDIN: 20073794AAAABP5936

Place : Kanpur
Date : July 30, 2020

Annexure - 'A' to the Independent Auditors' Report

(The "Annexure A" referred to in our Independent Auditor's Report of even date to the members of the Company on the standalone financial statements for the year ended 31st March, 2020.)

i. In respect of company's fxed assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

b) The Company has a phased program of physical verifcation of its property, plant & equipment which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain property, plant &equipment were physically verifed by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verifcation.

c) The title deeds of all immovable properties, as disclosed in the financial statements except in case of an immovable properties situated at Brijnathpur having carrying amount of Rs. 8.62 Lakhs, are held in the name of the company

ii. The inventories (other than lying with third parties) have been physically verifed by the management at reasonable interval during the year. In our opinion and according to the information and explanations given to us, the frequency of such verifcation is reasonable. As explained to us, no material discrepancies were noticed on physical verifcation of inventories as compared to book records.

iii. According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not granted any secured or unsecured loan to the companies, frms, limited liability partnership and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii), of the said order is not applicable to the company.

iv. According to the information and explanations given to us and based on our examinations of the records, in our opinion, the company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013 in respect to loans and investments made, guarantee and securities provided by it.

v. According to the information and explanations given to us, in our opinion, the Company has not accepted any deposit in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed there under. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this connection.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 under section 148 of the Companies Act and are of the opinion that, prima facie, the prescribed cost record have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has generally been regular in depositing undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, services tax, customs duty, excise duty, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities though there has been slight delay in few cases. There are no undisputed statutory dues as referred to above as at 31st March,2020 outstanding for a period of more than six months from the date they become payable except for the following:

	(Amount in Lakhs.)
Purchase Tax	15.34
Import Duty	416.37
TDS Demand	0.48
Vat Payable	9.87
Kerala Turnover Tax	74.71

b) According to the information and explanations given to us, the particulars of Income tax, Service-tax, Sales-tax, Custom Duty, Excise Duty, Entry tax, Value Added Tax,

Goods and Service Tax as at 31st March, 2020 which have not been deposited on account of any dispute, are as reported in Note No.16 to the accompanying financial statements.

viii. According to the information and explanations given to us and as per examination of records, the Company has defaulted in repayment of loans and borrowings to banks and Government. Details of defaults in respect of principal and interest dues to Government and banks are stated in Note No.10 to accompanying financial statements. The Company has not borrowed any money by way of issue of debentures.

ix. According to the information and explanations given to us and as per examination of records and as per examination of records, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable to the company.

x. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company. Accordingly the paragraph 3 (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with the provisions of sections 177 and 188 of the Act as applicable, and the details of such related party transactions have been disclosed in the financial statements under Note no11 as required by the applicable Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. In our opinion and on the basis of information and explanation given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **MITTAL GUPTA & CO**
Chartered Accountants
(Firm's Registration No. 01874C)

(B. L. Gupta)
Partner
(Membership No. 073794)

Place : Kanpur
Date : July 30, 2020

Annexure - 'B' to the Independent Auditor's Report

(The Annexure – 'B' referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2020)

Report on the Internal Financial Control under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Simbhaoli Sugars Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statement, based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statement was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statement and their operating effectiveness. Our audit of internal financial control with reference to financial

statement included obtaining an understanding of internal financial control with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statement.

Meaning of Internal Financial Controls with reference to financial statement

A Company's internal financial control with reference to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statement

Because of the inherent limitations of internal financial controls with reference to financial statement, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statement to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion except for the matters described in the Basis for Qualified Opinion, Material Uncertainty on Going Concern paragraph, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at 31st March, 2020, based on the internal controls with reference to financial statement criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **MITTAL GUPTA & CO**
Chartered Accountants
(Firm's Registration No. 01874C)

(B. L. Gupta)
Partner
(Membership No. 073794)

Place : Kanpur
Date : July 30, 2020

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
BALANCE SHEET
AS AT MARCH 31, 2020

	Notes	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
ASSETS			
Non-current assets			
Property plant and equipment	3.1	126,108.32	129,423.27
Capital work-in-progress	3.1	836.43	135.88
Intangible assets	3.2	38.61	13.08
Right of use Assets	3.3	3.16	-
Financial assets			
Investments	3.4	11,168.13	11,223.42
Other financial assets	3.5	1,328.80	3,256.49
Non-current Tax Assets	3.6	655.35	543.70
Other non-current assets	3.7	272.84	330.65
Total non-current assets		**140,411.64**	**144,926.49**
Current assets			
Inventories	3.8	55,088.78	48,094.92
Financial assets			
Trade and other receivables	3.9	3,562.19	5,668.00
Cash and cash equivalents	3.10	4,288.57	1,306.69
Bank balances other than cash & cash equivalents	3.11	1,632.74	1,022.51
Other financial assets	3.13	3,557.89	492.37
Other current assets	3.14	8,879.39	5,325.48
Total current assets		**77,009.56**	**61,909.97**
Total assets		**217,421.20**	**206,836.46**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3.15	4,127.90	4,127.90
Other equity			
Reserve & Surplus	3.16	(5,358.52)	(2,942.64)
Total equity		**(1,230.62)**	**1,185.26**
LIABILITIES			
Non current liabilities			
Financial liabilities			
Borrowings	3.17	359.03	525.22
Other financial liabilities	3.18	48.53	75.08
Provisions	3.19	457.21	415.89
Total non-current liabilities		**864.77**	**1,016.19**
Current liabilities			
Financial liabilities			
Borrowings	3.20	-	137.95
Trade and other payables			
Total outstanding dues of micro enterprises and small enterprises	3.21	272.30	57.64
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.21	89,744.05	79,220.38
Other financial liabilities	3.22 (i)	126,127.93	124,053.39
Lease liability on right of use assets	3.22 (ii)	3.36	-
Provisions	3.23	107.35	89.73
Other Current liabilities	3.24	1,532.06	1,075.92
Total current liabilities		**217,787.05**	**204,635.01**
Total equity and liabilities		**217,421.20**	**206,836.46**
See accompanying notes forming part of the financial statements	**1 to 26**		

For and on behalf of the Board of Directors

In terms of our report attached
For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

B. L. GUPTA
Partner
(M.No. - 073794)

Place : Kanpur
Date : July 30, 2020

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Noida
Date : July 30, 2020

Gursimran Kaur Mann
Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

SIMBHAOLI SUGARS

For and on behalf of the Board of Directors

In terms of our report attached
For

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

	Particular	Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Net profit/(loss) before tax and exceptional items	(2,164.91)	(4,729.92)
	Adjustments for:		
	Depreciation and amortization	3,600.60	3,670.22
	Finance costs	3,163.07	3,419.74
	Interest income on financial assets	(1,223.22)	(1,167.11)
	Liability/provisions no longer required written back	(679.68)	(44.14)
	Bad Debts and advances written of	13.56	60.29
	Gain on foreign exchange fuctuation	(16.18)	(13.21)
	Profit on redemption of Mutual Funds Units	(30.99)	(17.40)
	Loss/ (profit) from sale /discard of property, plant and equipment (net)	449.12	0.03
	Provision for doubtful debts and advances	139.90	58.11
	Mollasses Storage Fund	21.21	11.23
	Operating profit/(loss) before working capital changes	**3,272.48**	**1,247.84**
	Adjustments for (increase)/decrease in operating assets:		
	Changes in trade and other receivables	1,968.53	(2,222.10)
	Changes in other non current and current financial asset	(954.77)	(104.60)
	Changes in other non current and other current assets	(3,518.15)	(4,131.24)
	Changes in inventories	(6,993.86)	(14,591.22)
	Changes in trade and other payables	11,145.87	23,015.22
	Changes in other non-current and other current financial liabilities	314.14	(737.79)
	Changes in other non-current and other current liabilities	456.14	(253.75)
	Changes in long term and short term provision	59.11	64.69
	Cash (used)/generated from operations	**5,749.49**	**2,287.05**
	Direct taxes (paid)/refund	(111.49)	(164.92)
	Net cash (used) / from operating activities	**5,638.00**	**2,122.13**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Additions to property, plant & equipment and intangible assets	(1,443.61)	(487.08)
	Sale of property, plant & equipment and intangible assets	9.86	1.77
	Proceeds from maturity of national savings certifcate	0.00	0.50
	Interest received on debentures/fxed deposits/inter corporate deposits	1,139.65	1,223.18
	Investment in Mutual funds	(3,020.00)	(3,779.50)
	Proceeds from Redemption of Mutual Funds	3,050.99	3,796.90
	Changes in fxed deposit placed with Banks	(109.38)	(54.99)
	Net cash (used) / from investing activities	**(372.49)**	**700.78**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds from share warrants/ Share Capital	-	212.53
	EMD Paid to banks for OTS	(571.60)	-
	Payment of lease liability	(6.00)	-
	Interest expenses	(1,207.08)	(741.23)
	Repayment of long term borrowings	(225.39)	(828.26)
	Proceeds/(repayment) of short term borrowings(net)	(273.56)	(962.69)
	Net cash (used) / from financing activities	**(2,283.63)**	**(2,319.65)**
D.	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**	2,981.88	503.26
E.	**Cash and cash equivalents (opening balance)**	1,306.69	803.43
F.	**Cash and cash equivalents (closing balance) (D+E)**		
	Cash and bank balances (D+E)	**4,288.57**	**1,306.69**

Notes:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2) Cash and cash equivalents as at the Balance Sheet date consists of:

Particular	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
(a) Balance with Banks on current accounts	4,275.58	1,297.82
(b) Cash in hand	12.99	8.87
Closing Cash and Cash Equivalents (Refer Note No. 3.10)	**4,288.57**	**1,306.69**

3) Figure in bracket indicate cash outfow.

4) Previous year fgures have been regrouped and recasted wherever necessary to confrm to the current year's classifcation.

For and on behalf of the Board of Directors

In terms of our report attached
For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

B. L. GUPTA
Partner
(M.No. - 073794)

Place : Kanpur
Date : July 30, 2020

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating O f cer
DIN -06714324

Dayal Chand Popli
Chief Financial O f cer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Noida
Date : July 30, 2020

SIMBHAOLI SUGARS

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
STATEMENT OF STANDALONE CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2020

EQUITY SHARE CAPITAL **(₹ lacs)**

For the year ended March 31, 2019			For the year ended March 31, 2020		
Balance as at April 01, 2018	Changes in Equity share capital during the year	As at March 31, 2019	Balance as at April 01, 2019	Changes in Equity share capital during the year	As at March 31, 2020
3,927.90	200.00	4,127.90	4,127.90	-	4,127.90

SIMBHAOLI SUGARS

NOTES FORMING PART OF THE ACCOUNTS

1. Background

Simbhaoli Sugars Limited ('the Company') (previously known as Simbhaoli Spirits Limited) having CIN No. L15122UP2011PLC044210 is a public limited company under the provisions of the Companies Act, 2013 incorporated and registered with Registrar of Companies, Kanpur Uttar Pradesh on April 04, 2011. Currently equity shares of the Company are listed at BSE and NSE. The Hon'ble High Court of Judicature at Allahabad has sanctioned the Scheme of Amalgamation of Erstwhile Simbhaoli Sugars Limited (ESSL), the Transferor Company with the Company, the Transferee Company w.e.f. April 01, 2015 (the Appointed Date) and consequent thereto, the entire business undertakings of ESSL, stands transferred to and vested in the Company, as a going concern with effect from the Appointed Date. The Company has three sugar complexes - Simbhaoli (Western Uttar Pradesh), Chilwaria (Eastern Uttar Pradesh) and Brijnathpur (Western Uttar Pradesh) having an aggregate crushing capacity of 19,500 TCD. The Company is technology driven with a business mix that spans from refned (sulphur less) sugar, specialty sugars, extra neutral alcohol (ENA), ethanol, sanitizer and bio-manure. The Company is engaged in sugar refning (Defeco Remelt Phosphotation and Ion Exchange technology), high value, niche products (specialty sugars) and clean energy (ethanol). The Company sells international standard refned, pharmaceutical grade and specialty sugars to the retail and bulk institutional consumer segments.

The Company is operating its different businesses through subsidiaries the details are given below:

S. No.	Name of subsidiary/ Joint Venture	Business	Country of Incorporation	% voting power held as at	
				March 31, 2020	March 31, 2019
1.	Simbhaoli Power Private Limited	Generation of green power	India	51.00	51.00
2.	Integrated Casetech Consultants Private Limited	Consultancy business	India	85.16	85.16
3.	Simbhaoli Global Commodities DMCC	Trading of sugar & alcohol	Dubai	100.00	100.00
4.	Simbhaoli Speciality Sugars Pvt. Ltd.	Packaging	India	100.00	100.00

These financial statements of the Company for the year ended 31st March, 2020 are approved and authorized for issue by the Company's Board of Directors on **July 30, 2020**.

2.1 Basis of preparation and presentation

i) Statement of Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notifed under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant amendment rules thereafter and accounting principles generally accepted in India.

These financial statements have been prepared on going concern basis using the signifcant accounting policies and measurement bases summarized below. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use. In those cases the new accounting policy is adopted in accordance with the transitional provisions stipulated in that Ind AS and in absence of such specifc transitional provision, the same is adopted retrospectively for all the periods presented in these financial statements.

ii) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifes new standard or amendments to the existing standards. There is no such notifcation which would have been applicable from April 1, 2020.

iii) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) and assets for defned benefit plans that are measured at fair value and less cost of sale wherever required. The methods used to measure fair values are discussed further in notes to financial statements.

iv) Functional and presentation currency

These financial statements are presented in Indian rupees (INR), which is company's functional currency. All amounts have been rounded of to nearest lacs unless otherwise indicated.

v) Operating Cycle

All assets and liabilities have been classifed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 based on the nature of services rendered and time between the acquisition of asset for providing services and their realization in cash and cash equivalents.

2.2 Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classifcation.

An asset is treated as current when it satisfes any of the following criteria:

- Expected to be realized or intended to be sold or consumed within normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

A liability is treated as current when it satisfes any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or

- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments does not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.3 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgement are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving critical judgements are as follows:

i) Material uncertainty about going concern:

In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The management is aware, in making its assessments, of material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern. Further details on going concern are disclosed in Note No. 4.

ii) Fair value measurements of financial instruments:

When the fair value of financial assets and liabilities recorded in the Balance sheet cannot be measured based on the quoted market price in the active markets, their fair value is measured using valuation technique. The input to these model is taken from the observable market wherever possible, but if this is not feasible, a review of judgement is required to establish fair values. Changes in assumptions related to these inputs could affect the fair value of financial instrument.

iii) Employee benefit plans:

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv) Recoverability of trade receivables:

The Company has a stringent policy of ascertaining impairments, if any, as result of detailed scrutiny of major cases and through determining expected credit losses. Despite best estimates and periodic credit appraisals of customers, the Company's receivables are exposed to delinquency risks due to material adverse changes in business, financial or economic conditions that are expected to cause a significant change to the party's ability to meet its obligations. All such parameters relating to impairment or potential impairment are reviewed at each reporting date

v) Provision and contingencies:

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgement by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

vi) Income Tax:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vii) Useful life and residual value of plant, property equipment and intangible assets:

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

2.4 Significant Accounting Policies

A. Property, Plant & Equipment & Capital work in Progress

a) Recognition and measurement

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used for more than one period.

The cost of an item of property, plant and equipment is being recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of assets, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipments and servicing equipments which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption. When parts of an item of Property, plant & equipments have different useful lives, they are accounted for as separate component.

When a significant part of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part and recognise the new part with its own associated life and it is depreciated accordingly. Likewise when a major repair is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

The present value of the expected cost of decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria of provisions are met.

The cost and related accumulated depreciation are eliminated from the financial statement upon sale or retirement of the asset and resultant gains or losses are recognized in the Statement of Profit and Loss.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

b) Subsequent Expenditure.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will fow to the Company.

B. Intangible Assets

Intangible assets are recognized when it is probable that the future benefits that are attributable to the assets will fow to the Company and the cost of the assets can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss when the asset is derecognized.

C. Depreciation and Amortization

The classification of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. The depreciation is provided by applying the following method at the useful lives specifed in schedule II to the Companies Act, 2013:

All Depreciable PPE except Vehicles	-	Straight line method
Vehicles	-	Written down value method

PPE costing up to Rs. 5,000 are fully depreciated in the year of purchase. Freehold land is not depreciated.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life of the assets. The Company uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

Right of use assets are depreciated on straight line method (SLM) over the period of life of right of use assets or lease terms whichever expire earlier except in case of right of use assets, the ownership of which is proposed to be transferred to the company or the cost of such assets reflects that the company will exercise a purchase option, the same is depreciated on straight line method (SLM) over the useful life of the assets.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year and are given effect to wherever appropriate.

D. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(a) The Company as a lessee

The Company's lease asset class primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identifed asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identifed asset, the company assesses whether:

i) The contract involves the use of an identifed asset.

ii) The Company has substantialized all of the economic benefts from use of the asset through the period of the lease and;

iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash fows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right- of- use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classifed as fnancing cash fows.

(b) As a lessor

Leases for which the company is a lessor is classifed as fnance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classifed as fnance lease. All other leases are classifed as operating lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sub-lease is classifed as fnance lease or operating lease with reference to right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of such lease

Transition

Efective April 1, 2019, the company adopted Ind AS 116- "Leases" and applied the standard to all its existing lease contracts existing as on April 1, 2019 using modifed retrospective method and has taken cumulative adjustment to the retained earnings, on the date of initial application. The company has also applied practical expedient provided in the standard which permits the Company not to reassess the existing contracts and to apply the new standard only on those contracts which were classifed as operating leases under Ind AS 17, excluding leases of low value assets and leases expiring within twelve months from the date of initial application. The Company recorded the lease liability at the present value of the remaining lease payments discounted at incremental borrowing rate on the date of initial application and right of use asset has been measured at an amount equal to lease liability adjusted for previously recognized prepaid or accrued lease payments. Details of impact of transition are given at note no. 5.

E. Government Grant

Grants from the government are recognized at their fair value where there is reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Governments Grants relating to the purchase, construction or otherwise acquired non-current assets, are recognized as deferred income in the balance sheet and are credited to proft or loss on a systematic and rational basis over the expected lives of the related assets and presented in other income.

Government Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate fnancial support to the company with no future related costs are recognized in statement of proft or

loss in the period in which they become receivable.

F. Borrowing

Long term borrowing are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difrence between the proceeds (net of trasaction costs) and the redemption amount is recognised in the statement of Proft and Loss over the period of the borrowing using the efective interest method.

G. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange diferences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred.

H. Employee benefit plans:

Expenses and liabilities in respect of employee benefts are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefts'.

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expense of as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

A defned contribution plan is a post-employment benefit plan under which an entity pays fxed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specifed monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defned contribution plans are recognized as an employee benefit expense in statment of proft or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Retirement benefit in the form of superannuation fund is a defned contribution scheme. The Company has established a Superannuation Fund Trust to which contributions are made quarterly. The Company recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Company has no other obligations beyond its quarterly contributions.

iii) Defined benefit plans

A defned benefit plan is a post-employment benefit plan other than a defned contribution plan. The company net obligation in respect of defned benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defned benefit obligation is performed annually by a qualifed actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefts available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefts, consideration is given to any minimum funding requirements.

Re-measurements of the net defned benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the efect of the asset ceiling (if any, excluding interest), are recognized as other comprehensive income. The company determines the net interest expense (income) on the net defned benefit liability (asset) for the period by applying the discount rate used to measure the defned benefit obligation at the beginning of the annual period to the then-net defned benefit liability (asset), taking into account any changes in the net defned benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defned benefit plans are recognized in proft or loss.

When the benefts of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in statemenr of proft or loss. The company recognizes gains and losses on the settlement of a defned benefit plan when the settlement occurs.

iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefts other than post-employment benefts is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gain or losses are recognized in statement of proft or loss in the period in which they arise.

v) Voluntary Retirement Scheme

Expenditure on voluntary retirement scheme is charged to the Statement of Proft and Loss in the year in which it is incurred.

I. Inventories

Inventories, except By-products are valued at the lower of cost and net realizable value. By-products are valued at estimated net realizable value. The bases of determining cost for diferent categories of inventory are as follows:

Stores and spare parts	-	Monthly weighted average.
Raw materials	-	First in frst out (FIFO)
Process stocks/fnished goods	-	Material cost plus appropriate share of labour and manufacturing overheads
Stock in trade	-	First in frst out (FIFO)

J. Financial Instruments

a) Financial Asset

i) Classification

The company classifes fnancial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through proft or loss on the basis of its business model for managing the fnancial assets and contractual cash fow characteristics of the fnancial asset.

ii) Initial Recognition and Measurement

All fnancial assets are recognised initially at fair value, in the case of fnancial assets not recorded at fair value through proft or loss, transaction costs that are attributable to the acquisition of the fnancial asset.

The fnancial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative fnancial instruments.

iii) Subsequent Measurement

For the purpose of subsequent measurement, fnancial assets are classifed in the following categories:

- At amortized cost,
- At fair value through other comprehensive income (FVTOCI), and
- At fair value through proft or loss (FVTPL).

iv) Debt instrument at amortized cost

A "Debts instrument" is measured at the amortized cost if both the following condition are met:

- The assets are held within a business model whose objective is to hold assets for collecting contractual cash fow(business model test) , and
- Contractual terms of the assets give rise on specifed dates to cash fows that are solely payments of principle and interest on the principle amount outstanding (contractual cash fow characteristics).

After initial measurement, such financial assets are subsequently measured at amortized cost using the efective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount, premium, fee or costs that are an integral part of an EIR. The EIR amortization is included in fnance income in the statement of proft and loss. The losses arising from impairment are recognized in the statement of proft and loss.

v) Debt instrument at fair value through profit or loss

Debt instruments included within the fair value through proft or loss (FVTPL) category are measured at fair value with all changes recognized in the statement of proft and loss.

vi) Debt instruments at fair value through other comprehensive income

A fnancial asset should be measured at FVTOCI if both the following conditions are met:

- The asset is held within a business model in which asset are managed both in order to collect contractual cash fows and for sale, and
- Contractual terms of the assets give rise on specifed dates to cash fows that are solely payments of principle and interest on the principle amount outstanding.

After initial measurement (at fair value minus transaction cost), such fnancial assets are measured at fair value with changes in fair value recognized in Other comprehensive income except for:

a) Interest calculated using EIR

b) Foreign exchange gain and losses, and

c) Impairment losses and gains

vii) Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiaries, Joint ventures and associates which are carried at cost/deemed cost and reviewed for impairment at each balance sheet date. Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. April 01, 2016. Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in statment of proft or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classifcation is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price, if loss, is recognized through retained earnings and after initial recognition subsequent changes in fair value of equity instruments is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to proft or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

viii) De-recognition

A fnancial asset (or, where applicable, a part of a fnancial asset) is primarily derecognized when:

- The right to receive cash fows from the assets have expired or
- The company has transferred substantially all the risks and rewards of the assets, or
- The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

b. Financial liabilities

i) Classification

Debt and equity instruments issued by the company are classifed as either fnancial liabilities or as equity in accordance with the substance of the contractual agreements and the defnitions of fnancial liability and equity instrument.

ii) Initial recognition and measurement

The company recognizes financial liability when it becomes a party to the contractual provision of the instrument. All financial liabilities are recognized initially at fair value, for financial liability not subsequently measured at FVTPL, at transaction costs that are directly attributable to the issue of financial liability.

iii) Subsequent Measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

iv) Financial liability at amortized costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gain and losses are recognized in statement of profit and loss when the liabilities are derecognized.

Amortization cost is calculated by taking into account any discount or premium on acquisition and transaction cost. These amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & borrowings.

v) Financial liability at FVTPL

Financial liabilities are classified at FVTPL when the financial liability is either contingent consideration recognized by the company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designed as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gain or loss arises on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

vi) Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue cost.

Repurchase of the company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the company's own equity instruments.

vii) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modifcation is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognized in the Statement of Profit and Loss.

c) Offsetting of financial instrument

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

K. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, deposits held at call with banks, balance with banks on current account and short term, highly liquid investments with an original maturity of three months or less that are readily convertible to cash and which are subject to an insignifcant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short term deposits, net of outstanding bank overdraft as they being considered as integral part of the company's cash management.

L. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefts will flow to the Company and the revenue can be reliably measured.

Sale of Goods

The Company derives revenue primarily from, sale of sugar and other by-products produced from processing of sugar cane, and sale of chemical, liquor etc. Revenue from sale of goods is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount and pricing incentives, rebates, other similar allowances to the customers and also excluding value added taxes, goods and other taxes and amounts collected on behalf of third parties or government, if any.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income is recognized when the Company's right to receive the dividend is established, it is probable that the economic benefts associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Export Incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Insurance Claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it

is reasonable to expect ultimate collection.

M. Expenses

All expenses are accounted for on accrual basis.

N. Foreign currency translations

Standalone financial statements have been presented in Indian Rupees (INR), which is Company's functional and presentation currency.

a) Initial Recognition

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifes for recognition.

b) Transactions and balances

Monetary assets and liabilities related to foreign currency transactions outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

O. Taxes

a) Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

b) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set of the recognized amounts, and it is intended to realize the asset and settle the liability on net basis or simultaneously.

c) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. In case of a history of continuous losses, the company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

P. Impairment

i) Non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortization but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of

profit or loss in the year in which an asset is identified as impaired.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

ii) Financial assets

The company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instrument and are measured at amortized cost e.g. loans, debt securities, deposits, and bank balance.
- Trade receivables:

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on life time expected credit loss at each reporting date, right from its initial recognition.

Q. Earnings per share

Basic earnings per share are calculated by dividing the profit/loss for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

R. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognized for future operating losses

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognized but disclosed, when possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

S. Operating Segments

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the different risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and Liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

T. Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.1 PROPERTY, PLANT AND EQUIPMENT

₹ lacs

Particulars	Land Freehold#	Buildings	Railway Siding	Plant & Machinery	Furniture & Fixtures	Vehicles	Other Equipments	Total	Capital Work in Progress
Gross block									
Gross carrying amount as at April 01, 2018	85,108.31	13,733.63	0.50	49,070.18	224.52	182.52	732.12	149,051.78	202.62
Additions during the year	-	79.99	-	391.37	3.75	12.02	31.05	518.18	241.66
Disposals/Deductions during the year	-	-	-	0.90	-	6.23	3.36	10.49	308.40
Gross carrying amount as at March 31, 2019	**85,108.31**	**13,813.62**	**0.50**	**49,460.65**	**228.27**	**188.31**	**759.81**	**149,559.47**	**135.88**
Depreciation/Amortisation									
Accumulated depreciation/amortisation as at April 01, 2018	-	3,094.71	0.30	12,693.05	134.46	149.41	406.54	16,478.47	-
Depreciation/Amortisation for the year	-	798.39	0.10	2,721.29	32.12	13.20	102.96	3,668.06	-
Disposals/Deductions during the year	-	-	-	0.90	-	6.19	3.24	10.32	-
Accumulated depreciation/amortisation as at March 31, 2019	-	3,893.10	0.40	15,413.44	166.58	156.42	506.26	20,136.20	-
Net carrying amount as at March 31, 2019	**85,108.31**	**9,920.52**	**0.10**	**34,047.21**	**61.69**	**31.89**	**253.55**	**129,423.27**	**135.88**
Gross block									
Gross carrying amount as at April 01, 2019	85,108.31	13,813.62	0.50	49,460.65	228.27	188.31	759.81	149,559.47	135.88
Additions during the year	-	113.10	-	542.62	2.21	11.88	66.20	736.01	834.97
Disposals/Deductions during the year	-	40.27	-	979.66	5.44	34.54	43.72	1,103.63	134.42
Gross carrying amount as at March 31, 2020	**85,108.31**	**13,886.45**	**0.50**	**49,023.61**	**225.04**	**165.65**	**782.29**	**149,191.85**	**836.43**
Depreciation/Amortisation									
Accumulated depreciation/amortisation as at April 01, 2019	-	3,893.10	0.40	15,413.44	166.58	156.42	506.26	20,136.20	-
Depreciation/Amortisation for the year	-	784.31	0.10	2,684.60	9.40	9.70	103.62	3,591.73	-
Disposals/Deductions during the year	-	27.13	-	537.73	5.29	32.43	41.83	644.41	-
Accumulated depreciation/amortisation as at March 31, 2020	-	4,650.29	0.50	17,560.30	170.69	133.69	568.06	23,083.53	-
Net carrying amount as at March 31, 2020	**85,108.31**	**9,236.16**	**-**	**31,463.31**	**54.35**	**31.96**	**214.23**	**126,108.32**	**836.43**

Notes:

1. The Company has availed loan from banks and other entities against securities of aforesaid assets.The details of charge created and security terms against borrowings are stated at Note No.10
2. Refer note no.6(v)for the information on contractual commitments for acquisition of property, plant and equipments

\# Includes Rs.8.62 Lacs (Previous year Rs.8.62 lacs) pertaining to land situated at Brijnathpur pending registration in favour of the company

3.2 INTANGIBLE ASSETS

₹ lacs

Particulars	Software
Gross Block	
Gross carrying amount as at April 01, 2018	26.11
Additions during the year	1.03
Disposals/Deductions during the year	-
Gross carrying amount as at March 31, 2019	**27.14**
Amortisation	
Accumulated amortisation as at April 01, 2018	11.90
Amortisation for the year	2.16
Disposals/Deductions during the year	-
Accumulated amortisation as at March 31, 2019	**14.06**
Net carrying amount as at March 31, 2019	**13.08**
Gross block	
Gross carrying amount as at April 01, 2019	27.14
Additions during the year	28.97
Disposals/Deductions during the year	-
Gross carrying amount as at March 31, 2020	**56.11**
Amortisation	
Accumulated amortisation as at April 01, 2019	14.06
Amortisation for the year	3.44
Disposals/Deductions during the year	-
Accumulated amortisation as at March 31, 2020	**17.50**
Net carrying amount as at March 31, 2020	**38.61**

3.3 RIGHT OF USE ASSETS (ROU)

Particulars	Software
Gross carrying amount as at April 01, 2019	8.58
Additions during the year	-
Disposals/Deductions during the year	-
Gross carrying amount as at March 31, 2020	**8.58**
Depreciation	
As at April 01, 2019	-
Charges for the year	5.42
As at March 31, 2020	5.42
Net carrying amount as at March 31, 2020	**3.16**

Note :- Lease Liabilty towards Right of use assets, Refer Note no.5

NON CURRENT ASSETS / FINANCIAL ASSETS

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.4 INVESTMENTS		
Investment in Government securities (at cost)		
Unquoted		
6-Years Post O f ce National Savings Certi fcate	2.11	2.11
(Deposited with government authorities)		
Investment in Equity instruments		
- Subsidiaries (at deemed cost) *		
Unquoted		
2,00,800 (Previous year 2,00,800) equity shares of ₹10 each fully paid up of Integrated Casetech Consultants Private Limited	383.73	383.73
300 (Previous year 300) equity shares of AED 1,000 each fully paid up of Simbhaoli Global Commodities DMCC **	-	-
55,38,734 (Previous year 55,38,734) equity shares of ₹10 each fully paid up of Simbhaoli Power Private Limited #	5,493.59	5,493.59
19,000 (Previous year 19,000) equity shares of ₹ 10 each of Simbhaoli Specialty Sugar Private Limited	190.00	190.00
- Others (at deemed cost)		
One share of ₹ 20 fully paid up in Simbhaoli Co-operative Cane Development Union Limited (*₹ 20)	*	*
Investment in Debentures		
- Subsidiary (at amortised cost)		
Unquoted		
48,92,941 (Previous year 48,92,941) compulsorily convertible debentures of ₹ 100 each of Simbhaoli Power Private Limited	5,053.70	5,108.99
Other Investment		
- Subsidiary (at cost)		
Business transfer agreement consideration receivable	45.00	45.00
	11,168.13	**11,223.42**
Aggregate amount of		
- Quoted investment [Market value ₹ Nil (Previous year ₹ Nil)]	-	-
- Unquoted investment	**11,168.13**	**11,223.42**
- Unquoted investment - Impairment in the value of investments	**39.94**	**39.94**
Summary:		
- Aggregate investments carried at deemed cost	6,114.43	6,114.43
- Aggregate investments carried at amortised cost	5,053.70	5,108.99
Total carrying amount of pledged investments	**1,913.93**	**1,913.93**

First pari passu charge on pledge of 19,29,655 (Previous year 19,29,655) equity shares of the Company in favor of bankers of Simbhaoli Power Private Limited.

* Refer Note No. 1- for extent of holding / voting power

** Net of Impairment

3.5 OTHER FINANCIAL ASSETS (carried at amortised cost)

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Fixed deposits with banks (Earmarked)	197.94	127.19
Interest accrued on fxed deposits	21.59	19.03
Interest accrued on debentures #	-	3,046.10
Security deposits	9.27	64.17
Retention money #	1,100.00	-
	1,328.80	**3,256.49**

includes

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Name of Subsidiaries				
Simbhaoli Power Private Limited	1,100.00	3,046.10	1,100.00	3,334.10

SIMBHAOLI SUGARS

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.6 NON CURRENT TAX ASSETS		
(Unsecured and considered good unless otherwise stated)		
Advance tax	655.35	543.70
	655.35	**543.70**

3.7 OTHER NON-CURRENT ASSETS

(Unsecured and considered good unless otherwise stated)		
Capital advances	10.92	32.97
Security deposit	34.56	17.78
Other advances *	227.36	279.90
	272.84	**330.65**

* Includes amount deposited with Government authorities under protest.

CURRENT ASSETS

3.8 INVENTORIES

(At lower of cost and net realisable value)		
Raw materials	79.47	133.72
Work-in-progress	967.66	1,480.94
Finished goods #	52,529.91	44,862.97
Stock-in-trade	37.28	-
Stores and spares	1,466.61	1,609.12
Loose Tools	7.85	8.17
	55,088.78	**48,094.92**
Note.		
# includes Goods in Transit	17.62	78.58
Carrying amount of inventories pledged as security for borrowing	55,088.78	48,094.92
Amount of write down of inventories recognized as expenses	1,386.19	1,727.99

FINANCIAL ASSETS

		As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.9	**TRADE AND OTHER RECEIVABLES (carried at amortised cost)**		
	Secured-considered good	-	-
	Unsecured-considered good*	3,562.19	5,668.00
	Unsecured- consider credit Impaired #	347.87	315.43
	Sub-total	**3,910.06**	**5,983.43**
	Less: Provision for the impaired receivables !	347.87	315.43
		3,562.19	**5,668.00**

* includes:

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2020	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Name of Subsidiaries				
#Simbhaoli Global Commodities DMCC	122.41	122.41	122.41	122.41
*Simbhaoli Power Private Limited	193.39	860.56	193.39	860.56
! Provision for the impaired receivables- Simbhaoli Global Commodities DMCC	122.41	122.41	122.41	122.41

		As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.10	**CASH AND CASH EQUIVALENTS**		
	Balances with banks:		
	- on current account	4,275.58	1,297.82
	- Cash on hand	12.99	8.87
		4,288.57	**1,306.69**
3.11	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**		
	EMD Paid to banks for OTS	571.60	-
	Fixed deposit with bank (Earmarked)	1,061.14	1,022.51
		1,632.74	**1,022.51**
3.12	**LOANS (carried at amortised cost)**		
	Loans to subsidiaries		
	Considered good	-	-
	Considered credit impaired *	22.24	22.24
		22.24	22.24
	Less: Provision for credit impaired loan*	22.24	22.24
		-	-

* Includes

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2020	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Name of Subsidiaries				
Simbhaoli Global Commodities DMCC	22.24	22.24	22.24	22.24
Provision for credit impaired loan - Simbhaoli Global Commodities DMCC	22.24	22.24	22.24	22.24

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.13 OTHER FINANCIAL ASSETS (carried at amortised cost)		
(Unsecured and considered good unless otherwise stated)		
Interest accrued on fxed deposits	81.77	26.57
Interest accrued on debentures #	3,100.65	-
Security deposit	87.36	95.97
Others #	288.11	369.83
	3,557.89	**492.37**

includes

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2020	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Name of Subsidiaries				
Simbhaoli Power Private Limited	3,375.64	369.20	3,375.64	369.20

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.14 OTHER CURRENT ASSETS		
(Unsecured and considered good unless otherwise stated)		
Advance recoverable in cash or in kind or for value to be received		
Considered good	590.84	961.58
Considered doubtful	13.76	13.76
	604.60	975.34
Less : Provison for doubtful advances	13.76	13.76
	590.84	961.58
Claims receivable	300.26	179.62
Prepaid expenses	239.15	150.21
Advance to employees	40.97	31.21
Government Grants	7,292.25	3,700.72
Balance with authorities	339.28	227.73
Security deposits		
Considered good	76.64	74.41
Considered doubtful	25.00	25.00
	101.64	99.41
Less : Provision for doubtful security deposits	25.00	25.00
	76.64	74.41
	8,879.39	**5,325.48**

3.15 EQUITY SHARE CAPITAL

	As at March 31, 2020		As at March 31, 2019	
	(No. of Shares)	**₹ lacs**	**(No. of Shares)**	**₹ lacs**
Authorized				
Equity shares of ₹ 10 each with voting rights	6,80,00,000	6,800.00	6,80,00,000	6,800.00
Preference shares of ₹ 100 each	40,00,000	4,000.00	40,00,000	4,000.00
	7,20,00,000	**10,800.00**	**7,20,00,000**	**10,800.00**
Issued, subscribed and paid up				
Equity shares of ₹ 10 each with voting rights fully paid-up	41,279,020	4,127.90	41,279,020	4,127.90
	41,279,020	**4,127.90**	**41,279,020**	**4,127.90**

SIMBHAOLI SUGARS

A) Reconciliation of number of Authorised shares and amount outstanding at the beginning and at the end of the year

	As at March 31, 2020		As at March 31, 2019	
	(No. of Shares)	₹ lacs	(No. of Shares)	₹ lacs
Equity shares with voting rights (one per share)				
As at beginning of the year	6,80,00,000	6,800.00	6,80,00,000	6,800.00
Add: Addition during the year	-	-	-	-
As at end of the year	**6,80,00,000**	**6,800.00**	**6,80,00,000**	**6,800.00**
Preference shares				
As at beginning of the year	40,00,000	4000.00	40,00,000	4,000.00
Add: Addition during the year	-	-	-	-
As at end of the year	**40,00,000**	**4000.00**	**40,00,000**	**4,000.00**

B) Reconciliation of number of issued, subscribed and paid-up shares and amount outstanding at the beginning and at the end of the year

Equity shares with voting rights (one per share)				
As at beginning of the year	41,279,020	4,127.90	39,279,020	3,927.90
Add: Issue of shares against conversion of share warrants	-	-	2,000,000	200.00
As at end of the year	**41,279,020**	**4,127.90**	**41,279,020**	**4,127.90**

C) Shareholders holding more than 5% of the shares in the Company

S.No.	Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
		(No. of Shares)	% of share holding	(No. of Shares)	% of share holding
i)	Dholadhar Investments Private Limited	7,462,114	18.08	7,462,114	18.08
ii)	Mr. Gurmit Singh Mann	4,726,154	11.45	4,726,154	11.45
iii)	Ms. Gursimran Kaur Mann	4,186,672	10.14	4,186,672	10.14
iv)	Mr. Gurpal Singh	2,402,770	5.82	2,402,770	5.82
v)	Pearl Innovative Marketing Private Limited	2,270,623	5.50	2,270,623	5.50
vi)	Pritam Singh Sandhu Associates Pvt. Ltd.	2,077,735	5.03	2,077,735	5.03

D) The Company has allotted 3,74,79,020 Equity shares of ₹ 10 each aggregating ₹ 3,747.90 lacs during the financial year 2015-16 on Amalgamation of Erstwhile Simbhaoli Sugars Limited without payment being received in cash..

E) The Company has allotted 20,00,000 equity shares of ₹ 10/- each at a premium of ₹ 22.10 per share on March 29, 2019 to the specified promoters and directors on conversion of 20,00,000 equity warrants.

F) Rights, preference and restriction attached to equity shares (₹ 10 each):

i) Voting right shall be in same proportion as the capital paid upon such equity share.

ii) The dividend proposed by the Board of Directors which is subject to the approval of the shareholders in the Annual General Meeting shall be in the same proportion as the capital paid upon such equity share.

iii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to capital paid upon such equity share.

	As at March 31, 2020 ₹ lacs	As at March 31,2019 ₹ lacs
3.16 OTHER EQUITY		
Molasses Storage Fund		
Opening balance	24.18	12.95
Add: Addition during the year	21.21	11.23
Closing balance	**45.39**	**24.18**
Share Warrant		
Opening balance	96.30	525.77
Add: Money received against share warrant	-	212.53

	As at March 31, 2019 ₹ lacs	As at March 31, 2018 ₹ lacs
Less: Money utilised for conversion of share warrants into equity shares	-	642.00
Less: Share warrant Money forfeited during the year	96.30	-
Closing balance	**-**	**96.30**
Securities premium		
Opening balance	46,301.79	45,859.79
Add: Addition during the year	-	442.00
Closing balance	**46,301.79**	**46,301.79**
Forfeiture Reserve		
Opening balance	-	-
Add: Addition during the year	96.30	-
Closing balance	**96.30**	**-**
Retained Earnings		
Opening balance	(44,683.29)	(39,829.98)
Add: Profit/(loss) during the year	(2,164.91)	(4,914.51)
Add: transfer from Other Comprehensive Income	(272.14)	61.20
Closing balance	**(47,120.34)**	**(44,683.29)**
Other Comprehensive Income		
Opening balance	(4,681.66)	(2,359.19)
Add: Other Comprehensive Income for the year	(272.14)	(2,261.27)
Less: Transfer to Retained earnings	(272.14)	61.20
Closing balance	**(4,681.66)**	**(4,681.66)**
	(5,358.52)	**(2,942.64)**

Notes:

i) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974 and the said storage fund is represented by investment in the form of fxed deposits with banks amounting to Rs.96.07 lacs (Previous year Rs. 82.07 lacs).

ii) The Company has issued and allotted 50,00,000 fully convertible share warrants to specifed promoters on December 22, 2017, at an issue price of Rs. 32.10 (inclusive of premium of Rs. 22.10) per share convertible into equivalent number of equity shares within a period of 18 months from the date of allotment.
Since, during the financial year 2019-20, Ms Gursimran Kaur Mann, one of the allottee has not exercised the option for conversion of remaining 12,00,000 share warrants within stipulated period, the amount of Rs. 96.30 lacs being upfront payment of 25% of the subscription amount paid against such 12,00,000 share warrants was forfeited.

iii) Securities Premium is used to record premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Act.

iv) Forfeiture reserve represents the amount forfeited against non conversion of share warrant into equity share within stipulated period by specifed promoters.

v) Retained earnings represents the undistributed profit/ amount of accumulated loss of the Company.

vi) Other comprehensive income (OCI) represents the balance in equity relating to re-measurement gain / (loss) of defned benefit obligation and FVTOCI of equity instruments in joint venture. This would not be re-classifed to Statement of Profit and Loss.

NON-CURRENT LIABILITIES

FINANCIAL LIABILITIES

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.17 BORROWINGS (carried at amortised cost)		
Unsecured		
- from related parties [Refer Note No. 10]	359.03	525.22
	359.03	**525.22**

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.18 OTHER FINANCIAL LIABILITIES (carried at amortised cost)		
Deferred Income	48.53	75.08
	48.53	**75.08**
3.19 PROVISIONS		
Provision for employee benefit		
Compensated absences	457.21	415.89
	457.21	**415.89**
CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
3.20 BORROWINGS (carried at amortised cost)		
Unsecured		
Loans repayable on demand		
- from banks [Refer Note No. 10]	-	137.95
	-	**137.95**
3.21 TRADE AND OTHER PAYABLES		
Total outstanding dues to micro and small enterprises [Refer Note No. 7]	272.30	57.64
Total outstanding dues of other than micro and small enterprises	89,744.05	79,220.38
	90,016.35	**79,278.02**
3.22 (i) OTHER FINANCIAL LIABILITIES (carried at amortised cost)		
Current maturities of long-term debt (secured)		
- from others [Refer Note No. 10]	-	100.00
Recalled Loans - dues to Banks/ Financial Institutions [Refer Note No. 10]	104,003.37	104,198.18
- From others	100.00	-
Interest accrued but due on borrowings [Refer Note No. 10]	20,414.26	18,459.05
Employees dues	1,420.28	1,193.00
Security deposits	75.00	-
Others liabilities (including capital creditors)	88.46	76.60
Deferred income	26.56	26.56
	126,127.93	**124,053.39**
3.22 (ii) LEASE LIABILITY ON RIGHT OF USE ASSETS		
Lease Liabilites	3.36	-
	3.36	**-**
3.23 PROVISIONS		
Provision for employee benefts		
Compensated absences	107.35	89.73
	107.35	**89.73**
3.24 OTHER CURRENT LIABILITIES		
Statutory dues payable	757.19	85.78
Advance received from customers	613.99	789.47
Security deposits	157.61	182.69
Other payables	3.27	17.98
	1,532.06	**1,075.92**

		Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
3.25	**REVENUE FROM OPERATIONS**		
	Revenue from sale of products		
	Sale of Products [Refer Note No. 19]	114,425.45	109,211.72
		114,425.45	**109,211.72**
	Other Operating revenue		
	Sale of Scrap	62.41	91.97
	Cane / Export Subsidy	5,089.45	403.02
	Freight and Insurance charges recovered	1,008.64	1,180.98
	Job Work Charges	242.80	194.19
	Other miscellaneous income	3.15	27.23
		120,831.90	**111,109.11**
3.26	**OTHER INCOME**		
	Interest income on financial assets carried at amortised cost		
	Fixed deposits with banks	76.76	58.16
	Debentures	1,143.01	1,107.16
	Others	3.45	1.79
	Other Non operating income		
	Rent	57.60	59.06
	Liabilities/provisions no longer required, written back	679.68	44.14
	Gain on foreign exchange fuctuation	16.18	47.11
	Profit on redemption of Mutual Funds Units	30.99	17.40
	Excise duty refund	333.69	-
	Miscellaneous	233.06	250.53
		2,574.42	**1,585.35**
3.27	**COST OF MATERIALS CONSUMED**		
	Sugarcane	81,696.99	86,889.27
	Molasses	52.31	181.57
	ENA and others	452.39	406.90
		82,201.69	**87,477.74**
3.28	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**		
	Opening stock		
	Finished goods #	44,852.37	30,804.78
	Work-in-progress	1,480.94	897.34
	Stock-in-trade	-	-
		46,333.31	31,702.12
	Closing stock		
	Finished goods	52,529.91	44,852.37
	Work-in-progress	967.66	1,480.94
	Stock-in-trade	37.28	-
		53,534.85	46,333.31
	Net (increase)/ decrease in inventories	**(7,201.54)**	**(14,631.19)**

* The amount of excise duty on stock represents differential excise duty on opening and closing stock.

Includes Goods in transit amounting to Rs.17.62 lacs (Previous Year Rs. 78.58 lacs)

Note : The amount of loss due to write down the inventories at net realisable value recognised as expenses and is included in change in inventories is Rs.1,386.19 lacs (Previous year Rs.1,727.99 lacs).

SIMBHAOLI SUGARS

		Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
3.29	**EXCISE DUTY ON SALE OF GOODS**		
	Excise duty on sale of goods	19,887.97	15,896.54
		19,887.97	**15,896.54**
3.30	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries and wages	4,997.35	4,712.39
	Contribution to provident and other funds #	544.88	503.06
	Staf welfare expenses	153.84	119.03
		5,696.07	**5,334.48**
	# includes gratuity expense [Refer Note No. 15]		
3.31	**FINANCE COSTS**		
	Interest expense on fnancial liabilities measured at amortized cost	3,043.12	3,205.08
	Other interest	119.17	72.33
	Other borrowing costs	-	142.42
	Interest expenses on lease liability	0.78	-
		3,163.07	**3,419.83**
3.32	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation of property, plant and equipment [Refer Note No. 3.1]	3,591.74	3,668.06
	Amortization of intangible assets [Refer Note No. 3.2]	3.44	2.16
	Depreciation of right of use Assets [Refer No.3.3]	5.42	-
		3,600.60	**3,670.22**
3.33	**POWER & FUEL**		
	Baggasse	1,585.49	689.69
	Electricity	776.75	534.76
	Other	481.64	466.33
		2,843.88	**1,690.78**
3.34	**OTHER EXPENSES**		
	Consumption of stores and spare parts *	3,789.88	3,773.88
	Rent	-	170.45
	Short term Lease expenses	180.47	-
	Repairs		
	- Buildings	113.57	72.87
	- Machinery	2,119.05	1,879.81
	- Others	220.68	149.87
	Insurance	184.91	123.35
	Rates and taxes	265.95	146.86
	Bad debts and advances written of (net)	13.56	60.29
	Provision for credit loss on receivables and advances & other	139.90	58.11
	Freight, Unloading & Material shifting	1,479.20	1,748.79
	Commission to selling agents	487.71	452.32
	Recovery Charges	-	190.72
	Travelling and conveyance	192.90	171.83
	Other Selling Expense	361.83	432.94
	Export expenses	530.04	190.30
	Loss on sale /discard of property, plant & equipment's	449.12	0.03
	Sugar development expense	86.53	37.93
	Printing and stationery	38.22	35.13
	Contractor & security charges	399.15	393.86
	Legal and professional expense [includes auditor's remuneration - Refer Note No. 18]	359.04	364.39
	Commitment Charges	350.70	1,250.43
	Miscellaneous expenses	750.63	707.33
		12,513.04	**12,411.49**

*Stores, oils and chemicals allocated to other revenue heads Rs.1,505.23 lacs (previous year Rs. 1,390.64 lacs)

	Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
3.35 EXCEPTIONAL ITEMS		
Impairment of Investment in, loan and trade receivable from subsidiaries [Refer Note No. 14]	-	184.59
	-	**184.59**

4. Indian sugar industry has been facing difficulties on account of high sugar production in the country 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 Government, 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 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 lenders 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 ethanol during complete lockdown period. 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 approval of 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.

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 statements. 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.

5. Disclosure in respect of Non-Cancellable Operating Lease:

The company had taken head office premises on long term lease in an earlier year. This Lease Contract have been classified as long term lease and accordingly accounted for as per Ind-As 116.

As stated in note no. 2.4D- "leases" , effective from April 1,2019, the company has adopted Ind-As 116 'Leases' and applied it to all lease contracts existing on April 1, 2019 using the modified

retrospective approach. Incremental borrowing rate of 12.50 % has been used for measurement of present value of remaining lease payments and right of use assets.

Following are the changes in the carrying value of right of use assets for the year ended March 31,2020:

Particulars	Premises
Transition effect as on April 01,2019	8.58
Reclassified on account of adoption of Ind AS 116 as on April 01,2019	-
Addition during the year	-
Deletion during the year	-
Depreciation during the year	(5.42)
Balance as at March 31,2020	**3.16**

Following is the break-up of current and non-current lease liabilities as at March 31, 2020 :

(₹ lacs)

Particulars	As at March 31, 2020
Current Lease Liabilities in respect of long-term lease	3.36
Current Lease Liabilities in respect of short-term lease	-
Non-Current Lease Liabilities	-
Total	**3.36**

Following is the movement in long term lease liabilities during the year ended March 31, 2020:

(₹ lacs)

Particulars	As at March 31, 2020
Balance at the Beginning / Reclassifed	**8.58**
Additions during the year	-
Finance Cost Accrued during the year	0.78
Deletions during the year	-
Payment of Lease Liabilities during the year	(6.00)
Translation Difference	-
Balance at the end	**3.36**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

(₹ lacs)

Particulars	As at March 31, 2020
Future Minimum lease payment	-
Not Later then one year	3.50
Later then one year but not later then five year	-
Later then five year	-

6. Contingent liabilities and commitments (to the extent not provided for):

i) Claims against the Company not acknowledged as debts Rs. 620.01 lacs (Previous Year Rs. 812.11 lacs).

(₹ lacs)

Description	As at March 31, 2020	As at March 31, 2019
Sales Tax/Trade Tax Act	54.42	54.42
Central Excise Act	121.49	258.78
Finance Act, 1994	28.25	83.06
Others	415.85	415.85
Total	**620.01**	**812.11**

All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not in the opinion of the management, have a material effect on results of operations or financial position of the Company.

The amount shown in Note No. 6 (i) above represent the best possible estimates arrived on the basis of demand raised by the claimant and does not include interest if any, payable thereon from the date of demand. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the company or the claimants, as the case may be and, therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals

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.

The Allahabad High Court vide Order dated 21.12.2017 stayed the retrospective operation of orders of UP State Government pertaining to waiver of society commission for earlier years. Considering the fact that no notice of demand for such society commission's amount has been served upon the company, the same has not been acknowledged as debts and no provision has been made. Based on the past industry practices, the management is confident that no liability will arise for the said periods.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. The company will make provision, on receiving further clarity on the subject.

Capital and other commitment

Estimated value of contracts (net of advances) remaining to be executed on Capital account Rs. 750.24 lacs (Previous year Rs. 20.79 lacs). The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The Company does not have any other long-term commitments or material non-cancellable contractual commitments / contracts, which may have a material impact on the financial statements.

7. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act,2006 (MSMED ACT, 2006).

On the basis of supplier information available with the Company who have registered under the MSMED Act, 2006, the following are the details:

(₹ lacs)

S. No.	Description	As at March 31, 2020	As at March 31, 2019
1	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	272.30	57.64
2	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	17.06	12.80
3	The amount of interest paid by the company in terms of section 16, of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year.	-	-
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	2.80	9.34
5	The amount of interest accrued but not due during the year.	-	1.50
6	The amount of further interest due and payable even in the succeeding period.	42.00	22.14

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

8. The Special Resolution for reclassification of promoters' category was passed at 6th Annual General Meeting of the members of the Company. Thereafter, an application seeking reclassification of certain outgoing promoters from existing promoter group to the public category shareholders, in terms of provisions of regulation 31A (7) of SEBI (LODR) Regulations, 2015, was filed with SEBI/Stock Exchanges. The approval from SEBI/ Stock Exchanges is awaited.

9. Certain banks had advanced Agri loans to sugarcane farmers through the erstwhile Simbhaoli Sugars Limited (ESSL) under the management and collection agreements and were provided Corporate Guarantee and post-dated cheques as security. These loans were to be repaid by the Company to the banks from the dues payable to sugarcane farmers against their supplies, but due to the overall downturn in the sugar industry and primacy to pay sugarcane dues ahead of all other payments, the Company could not repay these loans on the due date. Company had submitted a financial restructuring plan to its lenders in FY 2014-15. As per sanction of CDREG dated February 02, 2016 all the dues outstanding were proposed to be converted into term loans, subject to the consent of respective commercial banks. Two of the commercial banks have converted their dues into term loan in the financial year 2016-2017 and one of the commercial banks have converted their dues into term loan in financial year 2017-18.

Oriental Bank of Commerce (OBC), one of its bank, who has converted Agri Loan into corporate loan as aforesaid in financial year 2016-17. Prior to such conversion, OBC arbitrarily classified its outstanding Agri Loan as "Suspected Fraud" liability in March 2015 but subsequently, after following due process, including but not limited to obtaining specific permission from the Reserve Bank of India (RBI), and in consultation with all other Consortium Lenders, sanctioned and disbursed a corporate loan in February 2016 for liquidating the Agri Loans. In addition, in an application filed by OBC at the Debt Recovery Tribunal, OBC confirmed a simultaneous closure of the matter and a consented decree was passed.

OBC had arbitrarily initiated recovery actions against the Company for the restructured corporate loan including an application filed before National Company Law Tribunal (NCLT), Allahabad Bench and recently Punjab National Bank had also filed an application before NCLT, Allahabad Bench under Insolvency and Bankruptcy Code, 2016 for recovery of their dues, causing a serious threat to the value available to all the stakeholders. OBC, had declared company and guarantors as willful defaulters against which company and guarantors have contested such declaration in the Hon'ble Punjab and Haryana High Court and earlier this year such impugned order of OBC was Set Aside by Hon'ble High Court. While on a Show Cause Notice on Willful Default by Punjab National Bank to company and its promoter, basis representations made before the screening committee and taking into account that forensic audit report of the Company, initiated by the Lenders, was also closed by unanimous consensus in Joint Lenders Meeting stating that there was no fraud or willful default, PNB has kept the declaration of willful default in Abeyance.

OBC had also filed a criminal complaint with the investigating agency declaring the credit facilities as "Suspected Fraud". The Company has denied any fraud on its part, provided adequate documentation for the same, while reiterating its commitment for repayment to all the lenders, basis future cash flows. Against such criminal complaint, 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 and the matter is sub-judice. The Company has sought legal advice in this matter and the legal advisors have opined that there have been various gross omissions and commissions at the banks' end including but not limited to OBC and that the Company should take appropriate action at the relevant forums at the required time.

10. The loans availed by the Company have been classified as Non-Performing Assets (NPA) by all the lenders and interest thereon is not being charged to the loan accounts by the commercial lenders as per circular of RBI. The Company has submitted a comprehensive debt resolution proposal with all the lenders, commensurating with its future cash flows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company and some of them had accepted the offered Earnest Money Deposit. Accordingly, interest expenses pertaining to commercial lenders, for the year ended March 31, 2020 amounting to Rs. 13,146.17 lacs (previous year ended March 31, 2019 Rs. 12,336.46 lacs) has not been recognized in the statement of profit and loss. A total amount of Rs. 37,454.23 lacs towards accrued interest has not been provided for in the books of accounts as at March 31, 2020. Since all the lenders have recalled their Credit Facilities during the last year, their principal and interest outstanding dues as at March 31, 2020 have been classified and shown under "Other Current Financial Liabilities". The terms of repayment, nature of security and overdue including unaccounted interest, if any, in accordance with existing agreements are as under:

(A) Long term borrowings (Secured)

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Commercial Banks - Under Recalled Loans	17,398.93	17,438.33	12.50% p.a.	1 First pari passu charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the Company. 2 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company. 4 First Charge on the Divestment proceeds from Sale of investments in Uniworld Sugar Pvt. Ltd. and Chilwaria Sugar Complex	Principal overdue above 90 days Rs. 17,398.93 lacs (Previous year Rs. 17,438.33 lacs). Interest overdue below 90 days of Rs. 734.01 lacs (Previous year - Rs. 652.06 lacs) and above 90 days Rs. 9,923.27 lacs (Previous year - Rs. 7,183.72 lacs).
From Commercial Bank - Under Recalled Loans	10,301.47	10,321.27	11.35% p.a	1 Subservient first pari-passu charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the company with FACR 1.25 times (minimum) 2 Credit facilities are also secured by Personal guarantee of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director.	Principal overdue above 90 days Rs. 10,301.47 lacs (Previous year Rs. 10,321.27 lacs). Interest overdue below 90 days of Rs. 433.37 lacs (Previous year - Rs. 364.40 lacs) and above 90 days Rs. 4,894.68 lacs (Previous year - Rs. 3,291.61 lacs).
From Commercial Bank - Under Recalled Loans	22,347.00	22,347.00	8.60% p.a	1 First sub-servient charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the Company. 2 Personal guarantees Mr. Gurmit Singh Mann, Chairman and Ms. Gursimran Kaur Mann, MD of the Company.	Principal overdue above 90 days Rs. 22,347.00 lacs (Previous year - Rs. 22,347.00 lacs). Interest overdue below 90 days of Rs. 613.49 lacs (Previous year - Rs. 524.72 lacs) and above 90 days Rs. 4,431.66 lacs (Previous year - Rs. 2,180.00 lacs).
From Co-operative Bank - Under Recalled Loans	4,913.74	4,913.74	12.00% p.a	1. First pari passu charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the Company. 2 Mortgage of residential property of Promoter Director. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director of the Company.	Principal overdue above 90 days Rs. 4,913.74 lacs (Previous year- Rs. 4,913.74 lacs). Interest overdue below 90 days of Rs. 154.05 lacs (Previous year-Rs. 168.55 lacs) and above 90 days Rs. 1,426.97 lacs (Previous year-Rs. 793.65 lacs).
Others - Under Recalled Loans	3,054.74	3,054.74	Range between 1.57 % to 10.00 % p.a.	1 Term loan from Sugar Development Fund of Rs. 2,954.74 lacs (previous year Rs. 2,954.74 lacs) is secured by way of second exclusive charge on all movable and immovable fxed assets of the respective division. 2 Term loan from Sugar Technology Mission of Rs. 100.00 lacs (previous year Rs. 100.00 lacs) is secured by way of exclusive frst charge on Sugarcane Juice Purifcation project at Simbhaoli Sugar Division of the Company.	Principal overdue above 90 days Rs. 3,054.74 lacs (Previous year - Rs. 3,054.74 lacs). Interest overdue below 90 days of Rs. 78.05 lacs (Previous year - Rs. 124.70 lacs) and above 90 days Rs. 1,765.29 lacs (Previous year - Rs. 1,306.21 lacs).

(B) Unsecured loans from Related Parties of Rs. 359.03 lacs (Previous year - Rs. 525.22 lacs) carry interest rate (Ranges between) from 10.15 % to 11.05 % p.a. are payable after repayment of term loan in accordance with Scheme.

(C) Short term borrowings (Secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Commercial Banks - Under Recalled Loans	17,187.32	17,224.28	12.50% p.a.	1 First pari passu charge by way of hypothecation of all current assets of respective division. 2 Third pari passu charge on entire fxed assets of the Company, both present and future, including equitable mortgage on the land of the Company. 3 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 4 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director of the Company. 5 Charge over SSL's Share of Dividend in Simbhaoli Power Private Limited	Interest overdue of below 90 days Rs. 959.78 lacs (Previous year - Rs. 695.22 lacs) and above 90 days Rs. 15,437.02 lacs (Previous year- Rs. 12,015.84 lacs).
From Co-operative Bank - Under Recalled Loans	9,012.47	9,039.27	11.25% p.a	1 Pledge of sugar stock of the respective division of the Company. 2 Personal guarantees of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms Gursimran Kaur Mann, MD of the Company. 3 Equitable Mortgage of the Property of M/s. Simbhaoli Specialty Sugars Ltd. 4 Collaterally Secured by way of Hypothecation of Debtors of the Mill 5 First Charge on the Semi-fnished sugar including sugar in process, raw material of the Respective division of the company. 6 First Charge and Lien on the Land, Building Plant & Machinery of the respective division of the company subject to charge of the Government of India and Term Lending Institutions for the existing loan/credit facilities.	Interest overdue below 90 days of Rs. 290.76 lacs (Previous year -Rs. 260.28 lacs) and above 90 days Rs. 2,269.12 lacs (Previous year -Rs. 1,172.95 lacs)
From Co-operative Bank - Under Recalled Loans	4,873.04	4,895.78	11.50% p.a	1 Pledge of sugar stock of the respective division of the Company. 2 First Charge on the Semi-fnished sugar including sugar in process, raw material of the Respective division of the company. 3 Second Charge on the Land, Building Plant & Machinery of the respective division of the company 4 Personal guarantee of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company.	Interest overdue below 90 days of Rs. 206.43 lacs (Previous year -Rs. 199.71 lacs) and above 90 days Rs. 769.09 lacs (Previous year - Rs. 947.44 lacs)

(D) Short term borrowings (Un-secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Commercial Banks - Under Recalled Loans	15,014.66	15,063.76	Range between 9% to 10.70% p.a	N.A	Principal overdue above 90 days of Rs. 15,014.66 lacs (Previous year - Rs. 15,063.76 lacs). Interest overdue below 90 days of Rs. 689.71 lacs (Previous year- Rs. 662.54 lacs) and above 90 days Rs. 12,756.98 lacs (Previous year- Rs. 10,164.52 lacs).

(E) Unsecured loans from Related Parties of Rs.Nil (Previous year -Rs. 25.00 lacs) and Others Rs. Nil (Previous year -Rs. 112.95 lacs) carry interest rate (ranges between) from 10.65 % to 10.95 % p.a. are payable on demand.

11. Related Party disclosures under Ind AS 24

i) Name of related parties and description of relationship:

Subsidiaries:

- Simbhaoli Global Commodities DMCC (DMCC)
- Integrated Casetech Consultants Private Limited (ICCPL)
- Simbhaoli Power Private Limited (SPPL)
- Simbhaoli Speciality Sugars Private Limited (SSSPL)

Associate:

- Uniworld Sugars Private Limited (USPL)

Key Management Personnel (KMP):

- Mr. G. M. S. Mann - Chairman
- Mr. Gurpal Singh – Director
- Ms. Gursimran Kaur Mann - Director
- Mr. Sanjay Tapriya – Director
- Mr. S.N. Misra – Chief Operating O f cer
- Mr. S.K. Ganguli – Independent Director
- Mr. Atul Mahindru – Independent Director (w.e.f. November 14, 2019)
- Mr. Shyam Sunder – Independent Director (w.e.f. Feburary 13, 2020)
- Mr. C.K. Mahajan – Independent Director
- Mr. D.C. Popli – Chief Financial O f cer
- Mr. Kamal Samtani – Company Secretary
- Mr. H. P. Kain- Independent Director (w.e.f. November 14,2018)
- Mr. B.K. Goswami (ceased to be key management personnel w.e.f. April 12, 2019)
- Mr. Dalbir Singh (ceased to be key management personnel w.e.f. August 14, 2019)

Relatives of Key management personnel:

- Mrs. Mamta Tapriya (wife of Mr. Sanjay Tapriya),
- Mrs. Usha Misra (wife of Mr. S.N. Misra)
- Mr. Govind Singh Sandhu (brother of Mr. Gurpal Singh),
- Mr. G.M.S. Mann (HUF)

Enterprise over which key management personnel exercise significant influence:

- Dholadhar Developers Private Limited

  (enterprise over which Mr. G. M. S. Mann and Ms. Gursimran Kaur Mann exercise signifcant influence)
- Dholadhar Investments Private Limited

  (enterprise over which Mr. G. M. S. Mann and Ms. Gursimran Kaur Mann exercise signifcant influence)
- Mahajan Law House

  (enterprise over which Mr. C.K. Mahajan exercise signifcant influence)

Trusts:

- Simbhaoli Superannuation Trust
- Simbhaoli Gratuity Trust
- Simbhaoli Foundation Trust

ii) Transactions with the above parties :

(₹ lacs)

Description	Year ended March 31, 2020	Year ended March 31, 2019
Transactions		
Rent Paid	**15.38**	**16.92**
Mrs. Mamta Tapriya	1.20	1.08
Mrs. Usha Misra	8.18	9.84
SSSPL	6.00	6.00
Rent Received	**3.72**	**3.72**
ICCPL	3.60	3.60
Simbhaoli Foundation Trust	0.12	0.12
Managerial Remuneration	**286.02**	**254.56**
Ms. Gursimran Kaur Mann	119.82	119.44
Mr. S.N.Misra	75.12	51.23
Mr. D.C.Popli	64.54	59.15
Mr. Kamal Samtani	26.54	24.74
Loans Repaid	**191.00**	**328.00**
Dholadhar Investments Private Limited	-	214.00
Mr. G.M.S. Mann	166.00	114.00
Mr. Sanjay Tapriya	25.00	-
Expenses paid	**1,211.57**	**2,538.83**
SPPL	1,208.52	2,531.46
Mahajan Law House	3.05	7.37
Interest paid	**36.53**	**56.09**
Mr. Sanjay Tapriya	1.18	2.86
Dholadhar Investments Private Limited	35.35	53.23
Sale of finished goods	**904.14**	**1,600.16**
SPPL	904.14	1,600.16
Advance Received against sale of Assets	**11.88**	**-**
Dholadhar Developers Pvt. Ltd.	11.88	-
Sitting Fees paid	**5.85**	**8.45**
Mr. Shyam Sunder	0.40	-
Mr. S.K.Ganguli	2.35	3.00
Mr. B.K.Goswami	-	3.00
Mr. Dalbir Singh	0.50	1.15
Mr. C.K.Mahajan	0.25	0.65
Mr. Atul Mahindru	0.25	-
Mr. H.P. Kain	2.10	0.65
Exceptional items	**-**	**184.59**
Impairment in the value of equity in DMCC	-	39.94
Credit loss provision in respect of loan to DMCC	-	22.24
Credit loss provision in respect of trade receivable from DMCC	-	122.41
Other Comprehensive Income	**-**	**2,322.29**
Fair valuation loss in the equity investment of USL	-	2,322.29
Expenses recovered	**6.22**	**11.23**
ICCPL	6.22	6.03
SPPL	-	3.53
USPL	-	1.67
Contributuion in Trusts	**10.02**	**21.54**
Simbhaoli Supernnuation Trust	10.02	21.54
Interest Income	**1,171.73**	**1,113.45**
SPPL	1,171.73	1,113.45
Management fees charged	**209.19**	**245.67**
SPPL	209.19	245.67
Operation and job work charges paid	**177.60**	**159.25**
USPL	1.45	3.25
ICCPL	176.15	156.00
Share warrant money forfeited during the year	**96.30**	**-**
Ms. Gursimran Kaur Mann	96.30	-
Share application money received during the year	**-**	**212.53**
Mr. G. M. S. Mann	-	75.18
Ms. Gursimran Kaur Mann	-	137.35
Share warrant application money converted into Equity share during the year	**-**	**642.00**
Mr. G. M. S. Mann	-	160.50
Ms. Gursimran Kaur Mann	-	481.50
Share warrants forfeited during the year (no.)	**12.00**	**-**
Ms. Gursimran Kaur Mann	12.00	-
Share warrant converted into equity share during the year (no.)	**-**	**20.00**
Mr. G. M .S. Mann	-	5.00
Ms. Gursimran Kaur Mann	-	15.00

Note: The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

iii) Balance outstanding at the end of the year

(₹ lacs)

Description	Year ended March 31, 2020	Year ended March 31, 2019
Other financial assets - Non current	**1,100.00**	**3,046.10**
SPPL	1,100.00	3,046.10
Other financial assets-Current	**3,375.64**	**369.20**
SPPL	3,375.64	369.20
Short term borrowings	**-**	**25.00**
Mr. Sanjay Tapriya	-	25.00
Trade payables	**96.91**	**61.70**
Mr. Gurpal Singh	-	0.28
Ms. Gursimran Kaur Mann	35.43	5.62
Mr. S.N.Misra	0.76	0.09
Mr. Karan Singh	-	0.41
Mr. S.C.Kumar	-	1.02
Mr. S.K.Ganguli	-	2.65
Mr. B.K.Goswami	0.93	2.70
Mr. Dalbir Singh	-	0.58
Mr. D.C.Popli	0.25	0.77
Mr. Kamal Samtani	0.79	0.88
Mr. Sanjay Tapriya	11.05	0.41
Mrs. Mamta Tapriya	1.62	1.54
Mahajan Law House	-	0.67
Mrs. Usha Misra	-	0.74
USPL	-	1.59
SSSPL	46.08	41.75
Long-term borrowings	**359.03**	**525.22**
Mr. G.M.S. Mann	32.63	198.82
Dholadhar Investments Private Limited	326.40	326.40

(₹ lacs)

Description	Year ended March 31, 2020	Year ended March 31, 2019
Unsecured Loans given	**22.24**	**22.24**
Simbhaoli Global Commodities, DMCC	22.24	22.24
Trade Receivable	**246.76**	**1,017.21**
DMCC	-	122.41
ICCPL	53.20	34.21
SPPL	193.39	860.56
Simbhaoli Foundation Trust	0.17	0.03
Other Financial Liabilities- Current	**43.70**	**-**
Dholadhar Developers Pvt. Ltd.	11.88	-
Dholadhar Investments Private Limited	31.82	-
Impairment/ Credit loss provision	**144.65**	**144.65**
Loan and advances - DMCC	22.24	22.24
Trade Receivable -DMCC	122.41	122.41
Pledge of Investment (No. of shares) (in lacs) #	**309.42**	**309.42**
SPPL	19.30	19.30
USPL	290.12	290.12
Share warrant at the end of the year (no.)	**-**	**12.00**
Ms. Gursimran Kaur Mann	-	12.00
Investment outstanding - equity instruments (Rs. lacs)	**6,067.32**	**6,067.32**
ICCPL	383.73	383.73
SSSPL	190.00	190.00
SPPL	5,493.59	5,493.59
Investment outstanding - debt instruments (Rs. lacs)	**5,053.70**	**5,108.99**
SPPL	5,053.70	5,108.99
Investment outstanding - others (Rs. lacs)	**45.00**	**45.00**
SPPL	45.00	45.00

to banker for loan availed by SPPL & USPL

iv) The shareholders of the company in its 8th AGM held on September 25, 2019 ,after obtaining necessary approval from bankers, has approved appointment of and remuneration payable to Mr. S.N.Misra and Ms. Gursimran Kaur Mann w.e.f September 1, 2017 for a period of three years in terms of provision of section 197 and section 200 of the Companies Act, 2013. The details of remuneration paid to Managing Director, Whole Time Director and Key Management Personnel are as under:-

(₹ lacs)

Details of Remuneration paid/payable to KMP				
Particulars	**Ms. Gursimran Kaur Mann**	**Mr. S.N. Misra**	**Mr. D.C. Popli**	**Mr. Kamal Samtani**
Year ended March 31, 2020				
Short-term employee benefits				
Salary	100.80	56.03	58.75	22.66
Perquisites	10.86	15.84	3.29	2.21
Post-employment benefits				
Contribution to Provident Fund, Gratuity and other Funds*	8.16	3.25	2.50	1.68
	119.82	**75.12**	**64.54**	**26.54**
Year ended March 31, 2019				
Short-term employee benefits				
Salary	96.59	42.77	53.74	21.01
Perquisites	14.69	6.02	3.17	2.17
Post-employment benefits				
Contribution to Provident Fund, Gratuity and other Funds*	8.16	2.44	2.24	1.56
	119.44	**51.23**	**59.15**	**24.74**

* The said amount does not include amount in respect of gratuity & leaves as the same are not ascertainable.

12. Segment reporting

i) Operating segments:

The company's operating segments are business segments, viz. sugar and alcohol, basis which chief operating decision maker (CODM) evaluates the company's performance and allocates resources

ii) Geographical segments:

Since the Company's activities/operations are primarily within the country and considering the nature of products it deals in, the risks and returns are same and as such there is only one geographical segment.

iii) Segment accounting policies:

In addition to the significant accounting polices applicable to the business segments as set out in note 2 above the accounting policies in relation to segment accounting are as under:

A) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

B) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include income taxes. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segments is allocated to the segments on a reasonable basis.

C) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated on consolidation.

iv) (a) Information About Business Segments (₹ lacs)

	Particulars	Sugar		Alcohol		Elimination		Unallocated		Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
A.	**Segment revenue**										
	External sales:	79,491.51	80,442.87	34,933.94	28,768.85	-	-	-	-	114,425.45	109,211.72
	Inter segment sales	6,459.75	2,346.09	-	29.48	(6,459.75)	(2,375.56)	-	-	-	-
	Other operating Revenue	6,088.31	1,680.60	318.14	216.79	-	-	-	-	6,406.45	1,897.39
	Total revenue	**92,039.57**	**84,469.56**	**35,252.08**	**29,015.12**	**(6,459.75)**	**(2,375.56)**	**-**	**-**	**120,831.90**	**111,109.11**
B.	**Segment results**	264.38	(5,005.78)	387.36	3,408.06	-	-	-	-	651.74	(1,597.72)
	Unallocated net expenses/ income	-	-	-	-	-	-	(346.42)	(287.54)	(346.42)	(287.54)
	Operating profit/(loss)	-	-	-	-	-	-	-	-	998.16	(1,310.18)
	Finance cost	-	-	-	-	-	-	3,163.07	3,419.74	3,163.07	3,419.74
	Exceptional items (net)	-	-	-	-	-	-	-	184.59	-	184.59
	Provision for taxes	-	-	-	-	-	-	-	-	-	-
	Net Profit/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,164.91)**	**(4,914.51)**

Note: Inter segment revenues are eliminated upon consolidation and reflected in the adjustment and eliminations column finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at company level.

iv) (b) Information About Business Segments (₹ lacs)

	Particulars	Sugar		Alcohol		Unallocated		Total	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	OTHER INFORMATIONS								
C.	**ASSETS**								
	Segment assets	160,072.49	152,903.00	42,023.71	40,359.00		-	202,096.20	193,262.00
	Unallocated assets	-	-	-	-	4,156.87	2,351.46	4,156.87	2,351.46
	Investment	-	-	-	-	11,168.13	11,223.00	11,168.13	11,223.00
	Total assets	**160,072.49**	**152,903.00**	**42,023.71**	**40,359.00**	**15,325.00**	**13,574.46**	**217,421.20**	**206,836.46**
D.	**EQUITY AND LIABILITIES**								
	Segment liabilities	90,141.79	79,883.27	2,715.85	2,017.38		-	92,857.64	81,900.65
	Shares capital and reserves	-	-	-	-	(1,230.62)	1,185.26	(1,230.62)	1,185.26
	Secured and unsecured loans	-	-	-	-	104,462.40	104,961.35	104,462.40	104,961.35
	Unallocated liabilities	-	-	-	-	21,331.78	18,789.20	21,331.78	18,789.20
	Total liabilities	**90,141.79**	**79,883.27**	**2,715.85**	**2,017.38**	**124,563.56**	**124,935.81**	**217,421.20**	**206,836.46**

iv) (c) Reconciliations of amounts reflected in the financial statement

i) Reconciliation of assets **(₹ lacs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Segment operating assets	217,421.20	206,836.46
Total Assets	**217,421.20**	**206,836.46**

ii) Reconciliation of liabilities		(₹ lacs)
Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Segment operating liabilities	217,421.20	206,836.46
Total Liabilities	**217,421.20**	**206,836.46**

iv) (d) Geographical information:

The Company operated only in India during the year ended March 31, 2020 and March 31, 2019.

iv) (e) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Company for the year ended March 31, 2020 and March 31, 2019.

iv) (f) Information About Business Segments (₹ lacs)

Particulars	Sugar		Alcohol		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
E. OTHER INFORMATIONS								
Capital expenditure	373.06	145.88	1,024.70	297.66	67.77	8.97	1,465.53	452.51
Depreciation and amortization expense (net of revaluation reserve)	2,568.10	2,607.18	1,011.01	1,046.90	21.49	16.14	3,600.60	3,670.22
Non cash expenses other than depreciation	342.23	135.20	253.41	93.35	6.94	74.47	602.58	303.02

Note: Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets.

13. In the view of the history of continuous losses,the company has recognised deferred tax assets only to the extent of deferred Tax liability, which can legally be offset under tax laws.

Details of deferred tax assets recognised and not recognised and details of deferred tax liabilites are as under:

i. Details of recognised Deferred Tax Asset/ (Liability) **(₹ lacs)**

	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset :		
On account of carried forward losses	3,116.32	4,604.79
On account of carried forward unabsorbed depreciation	13,888.10	14,070.42
Liabilities and provisions tax deductible only upon payment/actual crystallization:		
-Interest payable to banks/financial institutions	8,686.01	8,019.36
-Others	361.98	170.36
	26,052.41	**26,864.93**
Deferred Tax Liability :		
On account of accelerated depreciation for tax purposes	10,528.70	11,189.19
On account of diference in the tax base value and carrying amount of land	15,523.71	15,675.74
	26,052.41	**26,864.93**
Net Deferred Tax	**-**	**-**

ii. Movement in recognised Deferred Tax Assets / (Liabilities) **(₹ lacs)**

	Carried forward losses & Unabsorbed Depreciation	Property Plant & Equipment	Interest payable to banks/ financial institutions	Other items	Total
At 31st March 2018	**17,730.61**	**(27,490.34)**	**7,991.18**	**1,768.55**	**-**
(Charged)/credited:-					
-to profit & loss	944.60	625.41	28.18	(1,598.19)	-
-to other comprehensive income	-	-		-	-
At 31st March 2019	**18,675.21**	**(26,864.93)**	**8,019.36**	**170.36**	**-**
(Charged)/credited:-					
-to profit & loss	(1,670.79)	812.52	666.65	191.62	-
-to other comprehensive income	-	-		-	-
At 31st March 2020	**17,004.42**	**(26,052.41)**	**8,686.01**	**361.98**	**-**

iii. Details of unrecognised Deferred Tax Asset **(₹ lacs)**

	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset :		
Tax Efect on Tax Losses	9,385.30	8,628.24
Tax Efect on diference in the tax base value and carrying amount of Investments other than charged to OCI	321.34	267.31
Tax efect on items charged to OCI (Net)	2,911.80	2,700.80
	12,618.44	**11,596.35**

	As at March 31, 2020	As at March 31, 2019
Expiry profle of unrecognised unused tax losses		
Unused tax losses (business loss) shall expire on-		
March, 31, 2026	4,874.40	4,874.40
March, 31, 2024	4,510.90	3,753.84
	9,385.30	**8,628.24**

13 A. Tax Expenses **(₹ lacs)**

i) Income Tax Expenses

	As at March 31, 2020	As at March 31, 2019
Current Tax	-	-
Deferred tax	-	-
Total Income Tax Expenses	-	-

ii) Reconciliation of tax expense and accounting profit multiplied by India's tax rate: **(₹ lacs)**

	As at March 31, 2020	As at March 31, 2019
Profit/(Loss) for the year (before income tax expense)	(2,164.91)	(4,914.51)
Applicable tax rate	34.94%	34.94%
Computed tax expenses	**(756.51)**	**(1,717.33)**
Expenses not allowed for tax purposes	22.03	39.31
Reversal of Deferred Tax liability on land (Net)	(152.04)	(76.34)
Deferred Tax Assets on business losses not recognised	757.06	1,733.54
Deferred Tax Assets on gratuity not recognised	129.46	20.82
Total	**-**	**-**

14. Exceptional items represent:

During the previous year, the Company has impaired the carrying value of investment amounting to Rs. 39.94 lacs in Simbhaoli Global Commodities, DMCC and also made provision for credit loss in respect of loans and advances Rs. 22.24 lacs and trade receivables for Rs. 122.41 lacs due from Simbhaoli Global Commodities, DMCC.

15. Employee Benefits

The Company has classifed the various benefts provided to employees as under: -

i) Defined Contribution Plan:

A) Provident fund

B) Superannuation fund

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Descrption	Year ended March 31, 2020	Year ended March 31, 2019
- Employers' Contribution to Provident Fund	405.11	390.97
- Employers' Contribution to Superannuation Fund	12.82	18.97

ii) Disclosure in respect of defined benefit plans (Gratuity & compenstaed absence) is as under:

(A) Principal Assumptions				
	Gratuity (Funded)		**Compensated Absence (Unfunded)**	
Particulars	**2019-20**	**2018-19**	**2019-20**	**2018-19**
Discount Rate (Per Annum)	6.60%	7.55%	6.60%	7.75%
Expected Rate of Salary Increase	5.2% for the frst Year & 5% thereafter	8% for the frst Year & 5% thereafter	5.2% for the frst Year & 5% thereafter	8% for the frst Year & 5% thereafter
Mortality Rate (% of IALM 06-08)	100%	100%	100%	100%
Attrition/Withdrawl Rate	2.00%	2.00%	2.00%	2.00%
Rate of Leave Availment (Per Annum)	NA	NA	Earned Leave-0% Sick Leave-10%	Earned Leave-0% Sick Leave-10%
Rate of Leave Encashment during Employment (Per Annum)	NA	NA	0%	0%

(₹ lacs)

(B) Amount Recognised in Statement of Profit & Loss in respect of the Defined Benefit Obligation				
Particulars	**Gratuity (Funded)**		**Compensated Absence (Unfunded)**	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Components of defined benefit cost recognised in profit or loss				
Current Service Cost	94.89	88.81	65.78	80.94
Past Service Cost	-	-	4.00	-
Interest Cost	35.53	31.76	38.26	34.15
Actuarial (gain)/loss from change in financial assumptions	-	-	35.46	20.53
Actuarial (gain)/loss arising from experience adjustments	-	-	31.12	15.32
Components of defined benefit cost recognised in profit or loss	**130.42**	**120.57**	**170.68**	**150.94**
Components of defined benefit cost recognised in Other Comprehensive Income				
Actuarial (gain)/loss from change in demographic assumptions	(0.43)	-	-	-
Actuarial (gain)/loss from change in financial assumptions	106.16	58.88	-	-
Actuarial (gain)/loss arising from experience adjustments	173.64	(131.06)	-	-
Return on plan assets (higher)/lower that discount rate	(7.23)	11.16	-	-
Total actuarial (gain)/loss recognised in Other Comprehensive Income	**272.14**	**(61.02)**	-	-
Total amount recognised in statement of profit & loss	**402.56**	**59.55**	**170.68**	**150.94**

(₹ lacs)

(C) The amount included in Balance Sheet arising from the company's obligation in respect of its defined benefit plan is as follows:				
Particulars	**Gratuity (Funded)**		**Compensated Absence (Unfunded)**	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Present Value of Defined Benefit Obligation	1,792.97	1,441.29	564.56	505.61
Fair Value of Plan Asset	952.84	971.64	-	-
Net liability arising from defined benefit obligation	**(840.12)**	**(469.65)**	**(564.56)**	**(505.61)**
* Non Current Liability	-	-	(457.21)	(415.88)
* Current Liability	(840.12)	(469.65)	(107.35)	(89.73)

(₹ lacs)

(D) Movement in the fair value of plan assets are as follows:				
Particulars	**Gratuity (Funded)**		**Compensated Absence (Unfunded)**	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Opening fair value of plan assets	971.64	960.10	NA	NA
Expected return on plan assets	73.52	74.36	NA	NA
Employer Contribution	32.08	-	NA	NA
Re measurement gain/(loss)				
* Return on plan assets (higher)/lower than discount rate	7.23	(11.16)	NA	NA
Benefit Paid	(131.63)	(51.66)	NA	NA
Closing fair value of plan assets	**952.84**	**971.64**	**NA**	**NA**

(₹ lacs)

(E) Movement in the present value of defined benefit obligations are as follows:				
Particulars	**Gratuity (Funded)**		**Compensated Absence (Unfunded)**	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Opening defined benefit obligation	**1,441.29**	**1,370.20**	**505.61**	**440.93**
Current service cost	94.89	88.81	65.78	80.94
Interest cost	109.05	106.12	38.26	34.15
Remeasurement (gains)/losses:				
* Actuarial (gain)/loss from change in demographic assumptions	(0.43)	-	0.06	-
* Actuarial (gain)/loss from change in financial assumptions	106.16	58.88	35.45	20.53
* Actuarial (gain)/loss arising from experience adjustments	173.64	(131.06)	31.12	15.32
Past Service Cost	-	-	-	-
Benefts paid by employer	(131.63)	(51.66)	(111.72)	(86.26)
Benefts paid from plan assets	-	-	-	-
Closing defined benefit obligation	**1,792.97**	**1,441.29**	**564.56**	**505.61**

(F) Sensitivity Analysis
Gratuity (Funded)

(₹ lacs)

Particulars	**Change in assumption by**	**Impact on defined benefit obligation**				
		Increase in assumption			**Decrease in assumption**	
		Increase/decrease	**31-Mar-20**	**31-Mar-19**	**31-Mar-20**	**31-Mar-19**
Discounting rate	1.00%	In Rs.	1,684.73	1,345.85	1,915.01	1,548.79
		In %	(6.00%)	(6.60%)	6.80%	7.50%
Future salary growth rate	1.00%	In Rs.	1,913.66	1,548.69	1,684.01	1,344.03
		In %	6.70%	7.50%	(6.10%)	(6.70%)
Attrition rate	0.50%	In Rs.	1,803.90	1,457.42	1,780.94	1,423.59
		In %	0.60%	1.10%	(0.70%)	(1.20%)
Mortality rate	10.00%	In Rs.	1,793.55	1,442.16	1,792.38	1,440.42
		In %	0.00%	0.10%	0.00%	(0.10%)

Compensated Absence (Unfunded)

(₹ lacs)

Particulars	**Change in assumption by**	**Impact on defined benefit obligation**				
		Increase in assumption			**Decrease in assumption**	
		Increase/decrease	**31-Mar-20**	**31-Mar-19**	**31-Mar-20**	**31-Mar-19**
Discounting rate	1.00%	In Rs.	528.44	473.91	605.71	541.55
		In %	(6.40%)	(6.30%)	7.30%	7.10%
Future salary growth rate	1.00%	In Rs.	605.95	541.97	527.60	473.02
		In %	7.30%	7.20%	(6.50%)	(6.40%)
Attrition rate	0.50%	In Rs.	562.90	505.85	566.21	505.16
		In %	(0.30%)	0.00%	0.30%	(0.10%)
Mortality rate	10.00%	In Rs.	505.62	505.62	564.64	505.61
		In %	0.00%	0.00%	0.00%	0.00%

* The plan assets are maintained with ICICI Prudential life Insurance Company Ltd. The details of investment maintained by the ICICI prudential Life Insurance Company Ltd have not been made available to the Company and have therefore not been disclosed.

Disclosure relating to present value of defned benefit obligation and fair value of plant assets and net actuarial gain/ loss

(₹ lacs)

Particulars	**Gratuity (Funded)**					**Compensated absences (Non funded)**				
	2019-20	**2018-19**	**2017-18**	**2016-17**	**2015-16**	**2019-20**	**2018-19**	**2017-18**	**2016-17**	**2015-16**
Present value of obligation as at the end of the year	1,792.97	1,441.29	1,370.20	1,888.69	1,646.45	564.56	505.61	440.93	367.85	239.01
Fair value of plan assets as at the end of the year	952.84	971.64	960.10	1,074.98	1,008.32	-	-	-	-	-
Net asset/(liability) recognised in the balance sheet	(840.13)	(469.65)	(410.10)	(813.71)	(638.13)	(564.56)	(505.61)	(440.93)	(367.85)	(239.01)

G. Risks related to defined benefit plans:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above benefts which are as follows:

1) **Interest rate risk:** The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in increase in the value of the liability.

2) **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of its liquid assets not being sold in time.

3) **Salary Escalation Risk:** The present value of the defned benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

4) **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability.

5) **Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

6) **Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

7) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Note: The above is a standard list of risk exposures in providing the gratuity benefit. Q

SIMBHAOLI SUGARS

17. Earnings per share (₹ lacs)

Description		Year ended March 31, 2020	Year ended March 31, 2019
Profit/(loss) after tax and exceptional items as per Statement of Profit and Loss	(A)	(2,164.91)	(4,914.51)
Add/Less: Exceptional Items net of taxes		-	184.59
Profit/(loss) after tax and before exceptional items	(B)	(2,164.91)	(4,729.92)
Weighted average number of equity shares outstanding (Par value ₹ 10 per share)			
- For basic and diluted earnings per share (Nos.)	(C)	41,279,020	39,295,458
Earnings per share (₹)			
- Basic and diluted EPS before exceptional item	(B÷C)	(5.24)	(12.04)
- Basic and diluted EPS after exceptional item	(A÷C)	(5.24)	(12.51)

Note: Since effect of potential equity shares to be issued on conversion of warrant option is anti-dilutive the basic EPS is reported as diluted EPS.

18. Auditors' remuneration (excluding service tax/Goods and Service Tax): (₹ lacs)

Description	Year ended March 31, 2020	Year ended March 31, 2019
- Statutory audit	10.00	10.00
- Audit of Consolidated Financial Statement	5.00	5.00
- Limited review of unaudited financial results	15.00	15.00
- Reimbursement of out of pocket expense for statutory audit and others	5.58	1.79

19. Details of revenue from sale of products (₹ lacs)

Description	Year ended March 31, 2020	Year ended March 31, 2019
Manufactured		
- Sugar	79,383.48	78,278.35
- Rectified spirit and Country Liqour	22,518.26	17,857.02
- Denatured spirit	11,828.23	9,767.18
- IMFL	462.52	1,039.77
- Others	232.96	2,269.40
Total	**114,425.45**	**109,211.72**

20. Disclosure related to Government Grant

The Company is eligible to receive various grants announced by Central and U.P. State Government for Sugar Industry by way of production subsidy, reimbursement of society commission and interest subvention on certain term loan, loans at concessional rate etc. The Company is also eligible to receive grant announced by U.P State Government for promotion of industry in general under UPSIPP Scheme 2013. The Company has recognised these Government grants in the following manners:

(₹ lacs)

Nature of Grant/Assistance	Treatment in Accounts	Year ended March 31, 2020	Year ended March 31, 2019
Production subsidy from Central Government. [Refer note a]	Deducted from Cost of Raw material consumed [Refer Note No. 3.27]	489.36	2,896.43
	Shown as separate line items "Cane/ Export subsidy" under other operating revenue".(Refer note 3.25)	1.24	-
Government Grant of ₹ 4.50 per quintal of cane purchase during SS 2017-18 as announced by the U.P. State Government [Refer note d]	Shown as separate line items "Cane/ Export subsidy" under other operatingr revenue".(Refer note 3.25)	-	403.02
	Deducted from Cost of Raw material consumed [Refer Note No. 3.27]	-	98.83
Transport Subsidy from Central Government. [Refer note b]	Deducted from export expenses under other expenses schedule [Refer Note 3.34]	337.03	803.55
	Shown as separate line items "Cane/ export subsidy" under other operating revenue (Refer note 3.25)	28.71	-
MAEQ Subsidy 2019-20 from Government (Refer note c)	Shown as separate line items "Cane/ export subsidy" under other operating Revenue (Refer note 3.25)	5,059.50	-

a) The Central Government vide its Notification No. 1(14)/2018-SP-I dated October 05, 2018 announced Scheme for Assistance to Sugar mills for Sugar season 2018-19, (Scheme) with a view to offset the Cane cost and facilitate timely payment of Cane price dues. Every sugar mill which fulfills the conditions stipulated in the Scheme to eligible for assistance at the rate of Rs. 13.88 per qtl. of cane crushed during sugar season 2018-19 or the proportionate inter-se allocation of estimated 3000 Lakh MT. of cane to be crushed (for sugar season

2018-19) on the basis of the average sugar production of last three sugar seasons i.e. 2015-16, 2016-17, & 2017-18, whichever is lower.

For the eligibility under the Scheme, the Sugar mills have to supply at least 80% of indented quantity of Ethanol to OMC; have to file updated online return in Proforma II as prescribed under DFPD under the provisions of Sugar Control Order 1966 and have to fully comply with all the orders/directives of DFPD during sugar season 2018-19 till the date of submission of the claim.

Till March 31, 2020, the Company has complied with all the conditions as stated in the scheme and submitted the claim.Subsidy accrued under the scheme till 31st March, 2020 of Rs. 3387.04 lacs and out of which Rs. 1279.48 lacs has been received till 31st March, 2020.

b) The Central Government vide its Notification No. 1(4)/2018-SP-I dated September 28, 2018 announced Minimum Indicative Export Quota (MIEQ) under Tradeable Export Scrip Scheme and allocated quota of 123899 MT of raw/white sugar or 16.7 kg of sugar per MT of actual cane crushed during 2018-19 sugar season, whichever is lower for export to sugar mills of the company. Further, the Central Government vide its Notification No. 1(14)/2018-S.P.-I dated October 5, 2018 announced the Scheme for Defraying Expenditure towards internal transport, freight, handling, and other charges on export @ Rs. 3000 per MT. of sugar exported for Mills located in other than coastal states or actual expenditure, whichever is lower. The conditions stipulated under this scheme are same as stipulated in the Scheme for Assistance to Sugar Mills as stated hereinabove.The company has submitted the claim for subsidy accrued under this Scheme till 31st March 2020 of Rs 1169.29 lacs and out of which Rs 237.46 lacs has been received till 31st March, 2020.

c) The Central Government vide its notification 1(14)/2019-S.P.-I dated 12th September 2019, announced Scheme for Assistance to Sugar mills for the sugar season 2019-20 (Scheme) for expenses on marketing cost including handling,upgrading and other processing costs and cost of international and internal transport and freight charges on export of sugars under Maximum Admissible Export Quantity (MAEQ) Scheme.Every sugar mill which fulfills the conditions as stipulated in the Scheme will be eligible for assistance @ Rs 10448 per MT on export of sugar limited to MAEQ.

Till March 31, 2020, the Company has complied with all the conditions as stated in the scheme and the management is also confident that all the conditions set out in the Scheme shall be fully complied with at the time of submission of the claim. Accordingly assistance accrued under the Scheme till 31st March 2020 has been recognised during the year.

d) The Company has received government grant of Rs. 4.50 per quintal of cane purchase during sugar season 2017-18 under the scheme announced by the U.P State Government vide notifications no. 13/201//1697/46-3-18-3(37)/2018 dtd. October 01, 2018 which has been accounted for in the financial statements as mentioned hereinabove.

21. Capital Management

The capital structure as at March 31,2020 and March 31, 2019 is as follows.

(₹ lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Total equity attributable to equity shareholders	(1,230.62)	1,185.28
Borrowings	58,474.91	58,700.50
Total Capital	**57,244.30**	**59,885.78**
Total equity attributable to equity shareholders as percentage of total capital	(2.15%)	1.98%
Total borrowing as percentage of total capital	102.15%	98.02%

In the previous year, Company has raised additional capital through preferential issue of warrant to the promoters, to comply with the condition for infusion of capital imposed by the lenders.

22. Financial risk management objectives

The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of the financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and bank balances that derive directly from its operations. The Company also holds investments in equity shares and debentures of its subsidiaries and joint ventures.

The Company's activities expose it mainly to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

i) Credit risk

a. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Company is exposed to credit risk from trade receivables and deposits with banks. To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. Company has also taken advances and security deposits from its customer / agents, which mitigate the credit risk to an extent. The ageing of the trade receivables is given below:

(₹ lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Up to 6 months	3,111.82	5,172.01
More than 6 months	798.24	810.42
Total receivables	**3,910.06**	**5,983.43**

b. The impairment analysis is performed at each balance sheet date on individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company makes general provision for lifetime expected credit loss based on its previous experiences of provision/write of in the previous years.

(₹ lacs)

Particulars	Trade Receivables	Loan and Advances*	Security Deposits
Balance as at March 31, 2018	**140.76**	**13.85**	**27.50**
Provided during the year 2018-19	180.70	22.24	-
Amount written of	6.03	-	2.50
Reversed during the year 2018-19	-	0.09	-
Balance as at March 31, 2019	**315.43**	**36.00**	**25.00**
Provided made during the year 2019-20	139.90	-	-
Amount written of	107.46	-	-
Reversed during the year 2019-20	-	-	-
Balance as at March 31, 2020	**347.87**	**36.00**	**25.00**

C. Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

ii) Liquidity risk

Liquidity risk is the risk that a company may encounter di f culties in meeting its obligations associated with fnancial liabilities that are settled by delivering cash or other fnancial assets. Since the Company is making continuous losses, presently it monitors rolling forecasts of its liquidity requirements to ensure it has su f cient cash to meet operational needs. The table below provides undiscounted cash fows towards fnancial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	As at March 31, 2020 (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	104,462.40	104,103.37	359.03	104,462.40
Trade payables	90,016.35	90,016.35	-	90,016.35
Other fnancial liabilities-Current	21,998.00	21,998.00	-	21,998.00
Total	**216,476.75**	**216,117.72**	**359.03**	**216,476.75**

Particulars	As at March 31, 2019 (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	104,961.35	104,436.13	525.22	104,961.35
Trade payables	79,278.02	79,278.02	-	79,278.02
Other fnancial liabilities-Current	19,728.65	19,728.65	-	19,728.65
Total	**203,968.02**	**203,442.80**	**525.22**	**203,968.02**

iii) Market risk

The company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that afects its assets, liabilities and future transactions. Market risks comprises of four types of risks such as:

a) Interest rate risks

Interest rate risk is the risk that the fair value or future cash fows of a fnancial instrument will fuctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with foating interest rates.

b) Commodity risk

'Sugar industry being cyclical in nature, realisations get adversely afected during downturn. Higher cane price or higher production than the demand ultimately afect profitability. The Company has partly mitigated this risk adopting integrated business model by diversifying into distillation, for better price realisation of the by-products.

c) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash fows of an exposure will fuctuate because of changes in foreign exchange rates.

The Company's exposure to the risk of changes in foreign exchange rates is limited to the Company's operating activities (when revenue or expense is denominated in a foreign currency), which are not material.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise as follows:

Description	As at March 31, 2020		As at March 31, 2019	
	Amount in foreign currency (Lacs)	Amount (₹ Lacs)	Amount in foreign currency (Lacs)	Amount (₹ Lacs)
Trade Receivables -USD	$1.59	124.79	$3.62	250.71
Advance Received from Customer – USD	-	-	$0.13	8.99

D) Regulatory risk

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations afect the sugar industry and the Company's operations and proftability. Distillery business is also dependent on the Government policy.

23. Financial instruments - Accounting, Classification and Fair value measurements

i) Financial instruments by category

As at March 31, 2020 (₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Equity instruments	6,067.32	-	-	-	6,067.32
- Debt instruments	-	5,053.70	-	-	5,053.70
- Government securities	2.11	-	-	-	2.11
- Others	-	45.00	-	-	45.00
Trade receivables	-	3,562.19	-	-	3,562.19
Cash and cash equivalent	-	4,288.57	-	-	4,288.57
Bank balances other than cash & cash equivalents	-	1,632.74	-	-	1,632.74
Other fnancial assets	-	4,886.69	-	-	4,886.69
Total financial assets	**6,069.43**	**19,468.89**	**-**	**-**	**25,538.32**
Financial liabilities					
Borrowings	-	459.03	-	-	459.03
Trade payables	-	90,016.35	-	-	90,016.35
Other fnancial liabilities	-	126,079.82	-	-	126,079.82
Total financial liabilities	**-**	**216,555.20**	**-**	**-**	**216,555.20**

As at March 31, 2019 (₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Equity instruments	6,067.32	-	-	-	6,067.32
- Debt instruments	-	5,108.99	-	-	5,108.99
- Government securities	2.11	-	-	-	2.11
- Others	-	45.00	-	-	45.00

As at March 31, 2019 **(₹ lacs)**

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Trade receivables	-	5,668.00	-	-	5,668.00
Cash and cash equivalent	-	1,306.69	-	-	1,306.69
Bank balances other than cash & cash equivalents	-	1,022.51	-	-	1,022.51
Other financial assets	-	3,748.86	-	-	3,748.86
Total financial assets	**6,069.43**	**16,900.05**	**-**	**-**	**22,969.48**
Financial liabilities					
Borrowings	-	663.17	-	-	663.17
Trade payables	-	79,278.02	-	-	79,278.02
Other financial liabilities	-	124,128.47	-	-	124,128.47
Total financial liabilities	**-**	**204,069.66**	**-**	**-**	**204,069.66**

ii) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Following methods and assumptions used to estimate the fair values:

- Fair value of cash and cash equivalents and short term deposits, trade and other short term receivables, trade payables, short term borrowings and other current financial assets and liabilities carried at amortized cost is not materially different from its carrying cost, largely due to the short-term maturities of these financial assets and liabilities

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no transfer from one level to another level during the year.

Following table shows the reconciliation from the opening balances to its closing balances of the Level 3 values:

(₹ lacs)

Particulars	Carrying Amount
Balance as at April 01, 2018	2,322.29
Less : Fair value loss recognized in Other Comprehensive Income in FY 2018-19	2,322.29
Balance as at March 31, 2019	-
Less : Fair value loss recognized in Other Comprehensive Income in FY 2019-20	-
Balance as at March 31, 2020	**-**

24. 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.253.13 lacs being the difference in the value of bagasse sold in the accounting year.
25. Details of loan and advances given, investment made and securities provided as required to be disclosed as per provisions of Section 186 (4) of the Companies Act, 2013 have been disclosed in respective heads.
26. The previous year's figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceeding year including figures as on the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on behalf of the Board of Directors

In terms of our report attached
For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

B. L. GUPTA
Partner
(M.No. - 073794)

Place : Kanpur
Date : July 30, 2020

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Noida
Date : July 30, 2020

Gursimran Kaur Mann
Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIMBHAOLI SUGARS LIMITED

Report on the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated financial statements of Simbhaoli Sugars Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31st, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information and notes for the year ended on that date (hereinafter referred to as " the Consolidated financial statement").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group as at March 31st, 2020, their consolidated losses including other comprehensive loss, their consolidated cash flows and consolidated statement of changes in equity for the year then ended.

Basis for Qualified Opinion

i) The Consolidated Financial Statements include the financial Statements for the nine month ended December 31st, 2019 of one subsidiary i.e, Simbhaoli Power Private Limited, whose financial Statements reflect total assets of Rs. 34,494.99 Lakhs as at December 31st, 2019, total revenue of Rs.4198.63 Lakhs and net loss after tax and total comprehensive loss of Rs. 1006.79 Lakhs, as considered in the Consolidated Financial Statements which have been reviewed by their independent auditors. As stated in Note no.26 of consolidated financial Statements, have been prepared by the management of holding company by consolidating only the limited reviewed financial statement for the nine months ended on December 31st, 2019 because the standalone financial statements for the year ended for March 31st, 2020 have not been yet finalized, approved and submitted by the management of SPPL for the purpose of consolidation. Consequently, the consolidated financial Statements for the year ended March 31st, 2020 does not include the financial Statements for the three months period i.e. from January 1, 2020 to March 31st, 2020 and various transactions entered into between the holding Company and SPPL during the aforesaid three months periods have not been eliminated but included in the enclosed financial Statements. Had the financial Statements for the year ended March 31st, 2020 of SPPL been consolidated, many elements in the accompanying financial Statements would have been materially affected. The effects on the consolidated financial Statements due to the failure to consolidate the financial Statements have not been determined. Our opinion on the consolidated financial Statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on report for the nine month ended December 31st, 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.

ii) As stated in Note no.27 of consolidated financial Statements, 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 tarif applicable to bagasse based generation plants in the state of Uttar Pradesh w. e. f. April 1, 2019. Based on writ petition fled and legal opinion obtained, SPPL has recorded revenue from operations for the period April to September, 2019 at or basis pre CRE Regulation 2019 Tarif Rate instead at the reduced tarif. Management's computation, as reviewed by the statutory auditors of SPPL, shows that revenue from operations for the nine months ended December 31st, 2019 would have been lower by Rs 796.16.Lakhs and cost of material consumed for the nine months ended December 31st, 2019 would have been lower by Rs 51.91Lakhs, if accounted for at or basis reduced tarif as per CRE Regulations 2019. These conditions as discussed in detail in Note No 27 indicate the existence of material uncertainty in relation to tarif under CRE Regulations 2019 and its consequential impact on the financial statements, if any.

iii) We draw attention to Note No.4 of the consolidated financial Statements regarding non provisions for impairment in the carrying value of Property, Plant and Equipments by the Holding Company 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 financial Statements.

iv) We draw attention to Note No. 9 of the consolidated Financial Statements regarding non-provision of interest expense amounting Rs.13,146.17 Lakhs (Previous year Rs. 12,336.46 Lakhs) on certain borrowings for the year ended March 31st , 2020 for the reasons stated in the said note. The total amount of interest expense not provided for in the accounts aggregates to Rs. 37,454.23 Lakhs till March 31st, 2020 (Previous year Rs.24,307.59 Lakhs). Had the aforesaid interest expense been

provided for, the Finance Cost, Net Loss after tax and Total Comprehensive Loss for the year ended March 31st , 2020 would have been increased by Rs. 13,146.17 Lakhs (P.Y. Rs. 12,336.46 Lakhs), the Current Financial Liability as at March 31st , 2020 would have been increased and shareholder's funds as at March 31st , 2020 would have been decreased by Rs. 37,454.23 Lakhs (P.Y. 24,307.59 Lakhs)

v) We draw attention to Note No. 5, of the consolidated financial 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 on the above matters.

Material Uncertainty related to Going Concern:

As stated in Note No. 4 of the consolidated financial Statements, the financial statement of the holding company has been prepared on going concern basis. Events or conditions as set forth in Note No. 4 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 holding company to continue 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 report is not modified in respect of the above matter.

Other Matters

We draw your attention to Note No. 4 to the consolidated financial Statements, 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 consolidated financial statements. Based on the information available on this date, Management believes that no further adjustments are required to the consolidated financial Statement. 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 financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the basis for qualified opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report. Below Key Audit Matters have been reproduced from the report on the audit of standalone financial statements of the Holding Company.

S. No.	Key Audit Matters	Auditor's Response
1	**Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability** During the year, the Holding Company has recognized accruals/subsidy claims amounting to Rs. 5,915.84 Lakhs (P.Y. 4,201.83 Lakhs). As at March 31st, 2020, the Company has receivables of Rs. 7,292.25 Lakhs relating to such claims which is significant to the financial statements. We focused on this area because recognition of accruals/ claims and assessment of recoverability of the claims is subject to significant judgment of the management. The area of judgment includes certainty around the satisfaction of conditions specified in the notifications/policies, collections, provisions thereof, likelihood of variation in the related computation rates, and basis for determination of accruals/ claims. For details: - Refer NoteNo.17 to the Financial Statements.	**Principal Audit Procedures** We understood and tested the design and operating effectiveness of controls as established by management of the Holding Company in recognition and assessment of the recoverability of the claims. We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specifed in the notifcations/policies and collections. We considered the relevant notifcations/ policies issued by various authorities to ascertain the appropriateness of the recognition of accruals/claims, adjustments to claims already recognized pursuant to changes in the rates and basis for determination of claims. We tested the ageing analysis and assessed the information used by the management of the Holding Company to determine the recoverability of the claims by considering claim collection against historical trends. Based on the fulfllment of the conditions as precedent in relevant notification management of the Holding Company is reasonably certain about the recoverability of the claims/ accrual. Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and their recoverability are considered to be reasonable.
2.	**Valuation and determination of inventory** As on March 31st, 2020, the holding company has inventory of sugar with the carrying value Rs. 48,795.81 Lakhs which forms major part of the total assets of the Holding Company. The inventory of sugar is valued at the lower of cost and net realizable value. The Physical Verification of inventory could not be observed by us due to lock-down restrictions at the year-end. We considered the value of the inventory of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgment involved in the consideration of factors such as minimum sale price, monthly quota, fuctuation in selling prices and the related notifcations of the Government in determination of net realizable value.	**Principal Audit Procedures** We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar. We considered various factors including the actual selling price prevailing around and subsequent to the year-end minimum selling price & monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole. Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year ends and comparison with cost for valuation of inventory is considered to be reasonable. The Company has procedure of physical verifcation of inventories at regular intervals. Physical Verifcation of fnished goods, By products across all units were carried out during the month of June 2020 in the presence of independent firm of Chartered Accountants who have been entrusted with the responsibilities of observing and participating in such verifcation. We have reviewed the credentials, technical and other expertise of the professional frm deployed for carrying amount and observing verifcation. We received the report and certifcate submitted by Chartered Accountants Firm.

S. No.	Key Audit Matters	Auditor's Response
		We applied 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, production ,consumption and sales, results of cyclical count performed by the management through the year and such other third party evidences, as applicable. While necessary review and other corroborative evidence were obtained and verifed, reliance has been placed on professional expert's report and conclusion drawn by them on the matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The Other information comprises the information included in the report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the for the matters stated in section 134(5) of the companies act, 2013("the Act")with respect to preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

The respective responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose for preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those respective boards of directors of the companies included in the group are also responsible for overseeing the financial reporting process of the group.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 Standards of Auditing (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 these consolidated financial statements.

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 financial statements, 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 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 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 made by management.
- Conclude on the appropriateness of management's 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 Group's ability to continue as a Going Concern. 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 financial

statements 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 and its jointly controlled entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding financial information of the entities or business activities within the group of which we are independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors.
- We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are independent 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements include the audited financial statements of one subsidiary, whose financial statements / financial information reflect total assets of Rs. 141.68 Lakhs as at March 31st , 2020, total revenue of Rs. 6.48 Lakhs, net profit after tax and total comprehensive income of Rs. 3.13 Lakhs for the year ended March 31st , 2020 respectively and cash outflows of Rs. 0.03 Lakhs for the year ended March 31st , 2020, as considered in the consolidated financial statements 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these 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.

Report on Other Legal and Regulatory Requirements

1. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with provisions of section 197 of the Act and not in excess of the limits laid down therein.
2. As required by Section-143(3) of the Act, we report that:-
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   (e) On the basis of the relevant assertion contained in the audit reports on consolidated financial statements of each subsidiary company which are incorporated in India, none of the Directors of any such company is disqualified as on March 31st, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Group and the operating effectiveness of such Controls, refer to our separate report in Annexure – 'A'
   (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on separate financial statements as also the other financial information of a subsidiary, as noted in the 'Other Matter' Paragraph:

i. The consolidated financial statements disclosed the impact of pending litigations on its financial position of the Group. Refer Note No. 5 to the consolidated financial statement.

ii. The Group does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiary company.

For **MITTAL GUPTA & CO**
Chartered Accountants
(Firm's Registration No. 01874C)

(B. L. Gupta)
Partner
(Membership No. 073794)
UDIN:20073794AAAABQ1348

Place : Kanpur
Date : July 30, 2020

Annexure - 'A' to the Independent Auditor's Report

(The Annexure – 'A' referred to in our Independent Auditors' Report to the members of the Simbhaoli sugars ltd. ("the Holding Company") on the consolidated Ind AS financial statements for the year ended March 31st, 2020)

Report on the Internal Financial Control under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Simbhaoli Sugars Ltd. ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the group") as at March 31st , 2020 and for the year ended March 31st , 2020, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to consolidated financial statements criteria established by the Group considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls with reference to consolidated financial statements issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's polices, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information , as required under the Companies Act, 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial control with reference to consolidated financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control with reference to consolidated financial statements (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A group's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that , in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of consolidated financial statement in accordance with generally accepted accounting principles, and that receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition ,use ,or disposition of the company's assets that could have a material effect on the consolidated financial statement.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion except for the matters described in the Basis for Qualified Opinion, Material Uncertainty on Going Concern, the Holding Company has, in all material respects, an adequate internal financial control system with reference to consolidated financial statements and such internal financial control with reference to consolidated financial statements were operating effectively as at March 31st , 2020, based on the internal controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Reporting issued by ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one subsidiary company which is company incorporated in India, is based solely on the corresponding reports of the auditor of such company. Our opinion is not modified in respect of the above matter.

We draw attention to the fact that Auditors' report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in respect of one subsidiary i.e. Simbhaoli Power Private Ltd. has not been provided to us and accordingly we do not express any opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Simbhaoli Power Private Ltd. as the standalone financial statements for the year ended for March 31st , 2020 then ended have not been yet finalized, approved and submitted by the management of SPPL for the purpose of consolidation.

For **MITTAL GUPTA & CO**
Chartered Accountants
(Firm's Registration No. 01874C)

(B. L. Gupta)
Partner
(Membership No. 073794)

Place : Kanpur
Date : July 30, 2020

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2020

	Notes	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
ASSETS			
Non-current assets			
Property plant and equipment	3.1	154,133.09	158,235.85
Capital work-in-progress	3.1	836.43	135.88
Intangible assets	3.2	50.58	27.04
Goodwill		1,311.48	1,311.48
Financial assets			
Investments	3.3	2.26	2.26
Other financial assets	3.4	261.51	242.60
Deferred Tax Assets	3.5	112.98	115.50
Non-current Tax Assets	3.5 A	740.38	780.12
Other non-current assets	3.6	462.50	559.29
Total non-current assets		**157,911.21**	**161,410.02**
Current assets			
Inventories	3.7	55,218.62	48,179.40
Financial assets			
Current Investment	3.8	408.49	313.23
Trade and other receivables	3.9	9,998.12	14,490.95
Cash and cash equivalents	3.10	4,634.36	1,387.97
Bank balances other than cash & cash equivalents	3.11	1,693.69	1,112.51
Other financial assets	3.12	533.84	862.46
Other current assets	3.13	9,021.70	5,469.64
Assets classified as held for sale		33.73	45.66
Total current assets		**81,542.55**	**71,861.82**
Total		**239,453.76**	**233,271.84**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3.14	4,127.90	4,127.90
Other equity	3.15	(6,676.67)	(3,072.55)
Non-controlling interest		11,447.66	11,981.34
Total equity		**8,898.89**	**13,036.69**
LIABILITIES			
Non current liabilities			
Financial liabilities			
Borrowings	3.16	4,292.23	6,137.23
Other financial liabilities	3.17	-	2,961.50
Provisions	3.18	472.54	433.98
Total non-current liabilities		**4,764.77**	**9,532.71**
Current liabilities			
Financial liabilities			
Borrowings	3.19	-	137.95
Trade and other payables			
Total outstanding dues of micro enterprises and small enterprises	3.20	272.30	57.64
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.20	91,636.05	80,771.65
Other financial liabilities	3.21	131,480.21	127,290.48
Provisions	3.22	205.12	173.05
Other Current liabilities	3.23	1,698.91	1,444.70
Current Tax Liabilities	3.24	497.51	826.97
Total current liabilities		**225,790.10**	**210,702.44**
Total equity and liabilities		**239,453.76**	**233,271.84**
See accompanying notes forming part of the financial statements	1 to 29		

For and on behalf of the Board of Directors

In terms of our report attached
For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

B. L. GUPTA
Partner
(M.No. - 073794)

Place : Kanpur
Date : July 30, 2020

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Noida
Date : July 30, 2020

Gursimran Kaur Mann
Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2020

	Notes	Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
Revenue from operations			
Revenue from operations	3.25	126,106.69	124,120.46
Other Income	3.26	1,511.31	317.78
Total income		**127,618.00**	**124,438.24**
Expenses			
Cost of materials consumed	3.27	83,561.97	92,273.76
Purchases of stock-in-trade	3.28	2,895.03	2,179.70
Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.29	(7,199.79)	(14,589.77)
Excise Duty on sale of goods	3.30	19,887.97	15,896.53
Employee benefits expense	3.31	7,821.07	7,069.81
Finance costs	3.32	4,732.75	5,677.65
Depreciation and amortization expense	3.33	4,390.94	4,788.34
Power and Fuel	3.34	1,691.38	723.49
Other expenses	3.35	13,709.79	12,077.49
Total expenses		**131,491.11**	**126,097.01**
Profit/(loss) before exceptional items and tax		(3,873.11)	(1,658.77)
Exceptional items - expenses/(income)	3.36	-	1,019.17
Profit/ (loss) before sharing of Profit/(loss) in Joint Venture and Tax		**(3,873.11)**	**(2,677.94)**
Profit/(loss) before tax		**(3,873.11)**	**(2,677.94)**
Tax expense:			
- Current Tax		8.78	447.18
- Deferred Tax		3.14	2.61
- Tax adjustments related to earlier years		-	0.25
Total Tax Expense		11.92	450.04
Profit after Tax		**(3,885.03)**	**(3,127.98)**
Other Comprehensive Income			
A. (i) Items that will not be re-classifed to profit or loss:		(274.62)	65.93
(ii) Income tax relating to items that will not be re-classifed to profit or loss		0.65	(1.26)
B. (i) Items that will be re-classifed to profit or loss:		-	(0.35)
(ii) Income Tax relating to items that may be reclassifed to profit or loss		-	-
Total Other Comprehensive Income (net of tax)		**(273.98)**	**64.32**
Total Comprehensive Income		**(4,159.01)**	**(3,063.66)**
Profit/loss for the year attributable to:			
1). Owners of the parent		(3,351.62)	(3,871.78)
2). Non Controlling Interest		(533.41)	743.80
Other Comprehensive Income attributable to:			
1). Owners of the parent		(273.72)	72.46
2). Non Controlling Interest		(0.26)	(8.14)
Total Comprehensive Income attributable to:			
1). Owners of the parent		(3,625.34)	(3,799.32)
2). Non Controlling Interest		(533.67)	735.66
Earnings per equity share-basic/diluted (Rs.)			
- Before exceptional items		(9.41)	(5.37)
- After exceptional items		(9.41)	(7.96)
See accompanying notes forming part of the financial statements	**1 to 29**		

For and on behalf of the Board of Directors

In terms of our report attached
For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

B. L. GUPTA
Partner
(M.No. - 073794)

Place : Kanpur
Date : July 30, 2020

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Noida
Date : July 30, 2020

Gursimran Kaur Mann
Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

SIMBHAOLI SUGARS

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

Particular	Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) before tax and exceptional items	(3,873.11)	(1,658.77)
Adjustments for:		
Depreciation and amortization (net of revaluation reserve)	4,390.94	4,788.34
Finance costs	4,732.75	5,677.65
Interest income on financial assets	(374.45)	(76.04)
Liability/provisions no longer required written back	(558.74)	(54.77)
Bad Debts and advances written of	13.56	81.86
Unrealised foreign exchange fuctuation	18.25	4.51
Proft on redemption of Mutual Funds Units	(66.25)	(62.07)
Loss/ (proft) from sale of property, plant and equipment (net)	449.12	0.03
Provision for doubtful debts and advances	173.43	149.42
Mollasses Storage Fund	21.21	11.23
Operating profit/(loss) before working capital changes	**4,926.71**	**8,861.39**
Adjustments for (increase)/decrease in operating assets:		
Changes in trade and other receivables	4,287.89	(5,796.97)
Changes in other non current and current financial asset	408.54	(536.12)
Changes in other non current and other current assets	(3,488.90)	(4,215.63)
Changes in inventories	(7,039.22)	(14,380.86)
Changes in trade and other payables	11,363.47	22,337.40
Changes in other non-current and other current financial liabilities	445.48	(728.40)
Changes in other non-current and other current liabilities	254.00	(402.35)
Changes in long term and short term provision	70.63	71.67
Cash (used)/generated from operations	**11,228.60**	**5,210.14**
Direct taxes (paid)/refund	(276.08)	(372.52)
Net cash (used) / from operating activities	**10,952.52**	**4,837.62**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant and equipment	(1,438.04)	(518.54)
Sale of property, plant and equipment	9.86	1.77
Sale of/ (Investments) Mutual Funds (Net)	(29.01)	414.94
Proceed from maturity of national saving certifcate	-	0.50
Interest received on debentures/fxed deposits/inter corporate deposits	303.18	249.56
Changes in fxed deposit placed with Banks	(47.62)	(114.64)
Net cash (used) / from investing activities	**(1,201.63)**	**33.59**
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from share warrants /Share Capital	-	212.53
EMD Paid to banks for OTS	(571.60)	-
Interest expenses	(3,018.32)	(2,825.20)
Repayment of long term borrowings	(2,540.60)	(2,483.13)
Proceeds/(repayment) of short term borrowings(net)	(373.98)	(962.69)
Net cash (used) / from financing activities	**(6,504.50)**	**(6,058.49)**
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,246.39	(1,187.29)
E. Cash and cash equivalents (opening balance)	1,387.97	2,575.26
F. Cash and cash equivalents (closing balance) (Refer note 3.10) (D+E)		
Cash and bank balances (D+E)	**4,634.36**	**1,387.97**

Notes:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2) Cash and cash equivalents as at the Balance Sheet date consists of:

(Rs. lacs)

Particular	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
(a) Balance with Banks on current accounts	4,617.78	1,369.55
(b) Cash in hand	16.58	18.42
Closing Cash and Cash Equivalents(Refer Note No. 3.10)	**4,634.36**	**1,387.97**

3) Figure in brackets represent cash outfow for respective activities.

4) Previous year fgures have been regrouped and recasted wherever necessary to confrm to the current year's classifcation.

For and on behalf of the Board of Directors

In terms of our report attached
For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

B. L. GUPTA
Partner
(M.No. - 073794)

Place : Kanpur
Date : July 30, 2020

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Noida
Date : July 30, 2020

Gursimran Kaur Mann
Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

SIMBHAOLI SUGARS

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

1. Background

The Consolidated financial statements comprise of financial statement of Simbhaoli Sugars Limited and its subsidiaries namely Simbhaoli Power Private Limited, Integrated Casetech Consultants Private Limited, Simbhaoli Global Commodities DMCC and Simbhaoli Speciality Sugars Private Limited (collectively "the Group").

Simbhaoli Sugars Limited ('the Company') (previously known as Simbhaoli Spirits Limited) having CIN No. L15122UP2011PLC044210 is a public limited company under the provisions of the Companies Act, 2013 incorporated and registered with Registrar of Companies, Kanpur Uttar Pradesh on April 04, 2011. Currently equity shares of the Company are listed at BSE and NSE. The Hon'ble High Court of Judicature at Allahabad has sanctioned the Scheme of Amalgamation of Erstwhile Simbhaoli Sugars Limited (ESSL), the Transferor Company with the Company, the Transferee Company w.e.f. April 01, 2015 (the Appointed Date) and consequent thereto, the entire business undertakings of ESSL, stands transferred to and vested in the Company, as a going concern with effect from the Appointed Date. The Company has three sugar complexes - Simbhaoli (Western Uttar Pradesh), Chilwaria (Eastern Uttar Pradesh) and Brijnathpur (Western Uttar Pradesh) having an aggregate crushing capacity of 19,500 TCD. The Company is technology driven with a business mix that spans from refned (sulphur less) sugar, specialty sugars, extra neutral alcohol (ENA), ethanol, sanitizer and bio-manure. The Company is engaged in sugar refning (Defeco Remelt Phosphotation and Ion Exchange technology), high value, niche products (specialty sugars) and clean energy (ethanol). The Company sells international standard refned, pharmaceutical grade and specialty sugars to the retail and bulk institutional consumer segments.

The Group is operating its different businesses through subsidiaries, the details are given below:

S. No.	Name of subsidiary/ Joint Venture	Business	Country of Incorporation	% voting power held as at	
				March 31, 2020	March 31, 2019
1.	Simbhaoli Power Private Limited	Generation of green power	India	51.00	51.00
2.	Integrated Casetech Consultants Private Limited	Consultancy business	India	85.16	85.16
3.	Simbhaoli Global Commodities DMCC	Trading of sugar & alcohol	Dubai	100.00	100.00
4.	Simbhaoli Speciality Sugars Pvt. Ltd.	Packaging	India	100.00	100.00

These financial statements of the Group for the year ended 31st March, 2020 are approved and authorized for issue by the Company's Board of Directors on **July 30, 2020.**

2.1 Basis of preparation and presentation of Consolidated Financial Statements

i) Statement of Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notifed under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant amendment rules thereafter and accounting principles generally accepted in India.

These consolidated financial statements have been prepared on going concern basis using the signifcant accounting policies and measurement bases summarized below. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use. In those cases the new accounting policy is adopted in accordance with the transitional provisions stipulated in that Ind AS and in absence of such specifc transitional provision, the same is adopted retrospectively for all the periods presented in these consolidated financial statements.

ii) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifes new standard or amendments to the existing standards. There is no such notifcation which would have been applicable from April 1, 2020.

iii) **Principles of consolidation**

A. The consolidated financial statements related to Simbhaoli Sugars Limited ("The Company") and its Subsidiaries (collectively referred as "The Group").

In the case of subsidiaries, control is achieved when the Group is exposed, or has right, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifcally, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

i. The Group re-assesses whether or not it controls an investee if facts and circumstances indicates that there are changes to one or more of the three elements of control.

ii. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the Group ceases to control the subsidiary.

iii. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that the Group member's financial statement in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

iv. The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent the Group, i.e. year ended on March 31, 2020, except in case of Simbhaoli

Power Private Limited where nine months consolidation has been done (Refer Note no. 4).

v. Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

B. Consolidation procedure

The consolidated financial statements relate to Simbhaoli Sugars Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

i. The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

ii. Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

iii. In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

iv. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

v. The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

vi. Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to owners of the Group.

vii. Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the owners of the Group.

C. Associates

The Group's investments in its associate are accounted for using the equity method.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

iv) Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) and assets for defined benefit plans that are measured at fair value and less cost of sale wherever required. The methods used to measure fair values are discussed further in notes to consolidated financial statements.

(v) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees (INR), which is group's functional currency. All amounts have been rounded of to nearest lacs unless otherwise indicated.

(vi) Operating Cycle

All assets and liabilities have been classifed as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 based on the nature of services rendered and time between the acquisition of asset for providing services and their realization in cash and cash equivalents

2.2 Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classifcation.

An asset is treated as current when it satisfes any of the following criteria:

- Expected to be realized or intended to be sold or consumed within normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

A liability is treated as current when it satisfes any of the following.

- Expected to be settled in the Group's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments does not afect its classifcation.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classifed as non-current.

The Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classifcation of assets and liabilities.

2.3 Use of Estimates and management judgements

The preparation of consolidated financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the group to make judgements, estimates and assumptions that afect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgements are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may difer from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods afected.

The areas involving critical judgement are as follows:

i) Material uncertainty about going concern:

In preparing consolidated financial statements, management has made an assessment of Group's ability to continue as a going concern. Consolidated financial statements are prepared on a going concern basis. The management is aware, in making its assessments, of material uncertainties related to events or conditions that may cast signifcant doubt upon the group's ability to continue as a going concern. Further details on going concern are disclosed in Note No. 5

ii) Fair value measurements of financial instruments:

When the fair value of financial assets and liabilities recorded in the Balance sheet cannot be measured based on the quoted market price in the active markets, their fair value is measured using valuation technique. The input to these model is taken from the observable market wherever possible, but if this is not feasible, a review of judgement is required to establish fair values. Changes in assumptions related to these inputs could afect the fair value of financial instrument.

iii) Employee benefit plans:

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv) Recoverability of trade receivables:

The Group has a stringent policy of ascertaining impairments, if any, as result of detailed scrutiny of major cases and through determining expected credit losses. Despite best estimates and periodic credit appraisals of customers, the Group's receivables are exposed to delinquency risks due to material adverse changes in business, financial or economic conditions that are expected to cause a signifcant change to the party's ability to meet its obligations. All such parameters relating to impairment or potential impairment are reviewed at each reporting date

v) Provision and contingencies:

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgement by management regarding the probability of exposure to potential loss. The timing of recognition and quantifcation of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

vi) Income Tax:

The Group's tax jurisdiction is India. Signifcant judgements are involved in estimating budgeted profts for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable proft would be available against which the losses could be utilized. Signifcant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profts together with future tax planning strategies

vii) Useful life and residual value of plant, property equipment and intangible assets:

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

2.4 Significant Accounting Policies

A. Property, Plant & Equipment & Capital work in Progress

i. Recognition and measurement

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used for more than one period.

The cost of an item of property, plant and equipment is being recognized as an asset if and only if it is probable that future economic benefts associated with the item will fow to the Group and the cost of the item can be measured reliably.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of assets, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipments and servicing equipments which meet the defnition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of proft and loss on consumption. When parts of an item of Property, plant & equipments have diferent useful lives, they are accounted for as separate component.

When a signifcant part of property, plant and equipment are required to be replaced at intervals, the group derecognizes the replaced part and recognise the new part with its own associated life and it is depreciated accordingly. Likewise when a major repair is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfed. All other repair and maintenance costs are recognized in the

Statement of Profit and Loss as incurred.

The present value of the expected cost of decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria of provisions are met.

The cost and related accumulated depreciation are eliminated from the financial statement upon sale or retirement of the asset and resultant gains or losses are recognized in the Statement of Profit and Loss.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

ii. Subsequent Expenditure.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will fow to the Group.

B. Intangible Assets

Intangible assets are recognized when it is probable that the future benefts that are attributable to the assets will fow to the Group and the cost of the assets can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is refected in the statement of proft and loss in the year in which the expenditure is incurred.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognized in proft or loss when the asset is derecognized.

C. Depreciation and Amortization

The classifcation of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. The depreciation is provided by applying the following method at the useful lives specifed in schedule II to the Companies Act, 2013:

However, in respect of the plant and machinery acquired under Business Transfer Agreement by SPPL (Simbhaoli Power Private Limited), where life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset etc.

Category of PPE	Depreciation Method
Building owned by SPPL	Written down value Method
Other Buildings	Straight line Method
Plant & Machinery (used in generation of power)	Straight line Method
Plant & Machinery (other than above)	Straight Line Method
Computer Equipment	Straight line Method
Furniture & Fixtures	Straight line Method
Motor Vehicles	Written down value Method
Office Equipment	Straight line Method

PPE costing up to Rs. 5,000 are fully depreciated in the year of purchase. Freehold land is not depreciated.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life of the assets. The Group uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

Right of use assets are depreciated on straight line method (SLM) over the period of life of right of use assets or lease terms whichever expire earlier except in case of right of use assets, the ownership of which is proposed to be transferred to the Group or the cost of such assets refects that the group will exercise a purchase option, the same is depreciated on straight line method (SLM) over the useful life of the assets.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each fnancial year and are given efect to wherever appropriate.

D. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any signifcant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term refects the current economic circumstances.

i. The Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identifed asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identifed asset, the group assesses whether:

a) The contract involves the use of an identifed asset.

b) The group has substantialized all of the economic benefts from use of the asset through the period of the lease and;

c) The group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend

or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash fows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right- of- use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classifed as fnancing cash fows.

ii. As a lessor

Leases for which the group is a lessor is classifed as fnance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classifed as fnance lease. All other leases are classifed as operating lease. When the group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sub-lease is classifed as fnance lease or operating lease with reference to right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of such lease.

Transition

Efective April 1, 2019, the group adopted Ind AS 116- "Leases" and applied the standard to all its existing lease contracts existing as on April 1, 2019 using modified retrospective method and has taken cumulative adjustment to the retained earnings, on the date of initial application. The group has also applied practical expedient provided in the standard which permits the group not to reassess the existing contracts and to apply the new standard only on those contracts which were classifed as operating leases under Ind AS 17, excluding leases of low value assets and leases expiring within twelve months from the date of initial application.

E. Government Grant

Grants from the government are recognized at their fair value where there is reasonable assurance that the grant will be received, and the group will comply with all attached conditions.

Government Grants relating to the purchase, construction or otherwise acquired non-current assets, are recognized as deferred income in the balance sheet and are credited to proft or loss on a systematic and rational basis over the expected lives of the related assets and presented in other income.

Government Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate fnancial support to the group with no future related costs are recognized in statement of proft or loss in the period in which they become receivable.

F. Borrowing

Long term borrowing are initially recognised at net of material transaction costs incurred and measured at amortised cost.Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of Proft and Loss over the period of the borrowing using the efective interest method.

G. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred.

H. Employee benefit plans:

Expenses and liabilities in respect of employee benefts are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefts'.

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expense of as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

A defned contribution plan is a post-employment benefit plan under which an entity pays fxed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defned contribution plans are recognized as an employee benefit expense in statment of proft or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Retirement benefit in the form of superannuation fund is a defned contribution scheme. The Group has established

a Superannuation Fund Trust to which contributions are made quarterly. The Group recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Group has no other obligations beyond its quarterly contributions.

iii) Defined benefit plans

A defned beneft plan is a post-employment beneft plan other than a defned contribution plan. The Group's net obligation in respect of defned beneft plans is calculated separately for each plan by estimating the amount of future beneft that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defned beneft obligation is performed annually by a qualifed actuary using the projected unit credit method. When the calculation results in a potential asset for the group, the recognized asset is limited to the present value of economic benefts available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefts, consideration is given to any minimum funding requirements.

Re-measurements of the net defned beneft liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the efect of the asset ceiling (if any, excluding interest), are recognized as other comprehensive income. The group determines the net interest expense (income) on the net defned beneft liability (asset) for the period by applying the discount rate used to measure the defned beneft obligation at the beginning of the annual period to the then-net defned beneft liability (asset), taking into account any changes in the net defned beneft liability (asset) during the period as a result of contributions and beneft payments. Net interest expense and other expenses related to defned beneft plans are recognized in proft or loss.

When the benefts of a plan are changed or when a plan is curtailed, the resulting change in beneft that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in statemenr of proft or loss. The group recognizes gains and losses on the settlement of a defned beneft plan when the settlement occurs.

iv) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefts other than post-employment benefts is the amount of future beneft that employees have earned in return for their service in the current and prior periods; that beneft is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gain or losses are recognized in statement of proft or loss in the period in which they arise.

v) Voluntary Retirement Scheme

Expenditure on voluntary retirement scheme is charged to the Statement of Proft and Loss in the year in which it is incurred.

I. Inventories

Inventories, except By-products are valued at the lower of cost and net realizable value. By-products are valued at estimated net realizable value. The basis of determining cost for diferent categories of inventory are as follows:

Stores and spare parts	-	Monthly weighted average
Raw materials	-	First in frst out (FIFO)
Process stocks/fnished Goods	-	Material cost plus appropriate share of labour and manufacturing overheads.
Stock in trade	-	First in frst out (FIFO)

J. Financial Instruments

i) Financial Asset

a. Classification

The group classifes fnancial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through proft or loss on the basis of its business model for managing the fnancial assets and contractual cash fow characteristics of the fnancial asset.

b. Initial Recognition and Measurement

All fnancial assets are recognised initially at fair value, in the case of fnancial assets not recorded at fair value through proft or loss, transaction costs that are attributable to the acquisition of the fnancial asset.

The fnancial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative fnancial instruments.

c. Subsequent Measurement

For the purpose of subsequent measurement, fnancial assets are classifed in the following categories:

- At amortized cost,
- At fair value through other comprehensive income (FVTOCI), and
- At fair value through proft or loss (FVTPL).

d. Debt instrument at amortized cost

A "Debts instrument" is measured at the amortized cost if both the following condition are met:

- The assets are held within a business model whose objective is to hold assets for collecting contractual cash fow(business model test), and
- Contractual terms of the assets give rise on specifed dates to cash flows that are solely payments of principle and interest on the principle amount outstanding (contractual cash fow characteristics).

After initial measurement, such financial assets are subsequently measured at amortized cost using the efective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount, premium, fee or costs that are an integral part of an EIR. The EIR amortization is included in fnance income in the statement of proft and loss. The losses arising from impairment are recognized in the statement of proft and loss.

e. Debt instrument at fair value through profit or loss

Debt instruments included within the fair value through proft or loss (FVTPL) category are measured at fair value with all changes recognized in the statement of proft and loss.

f. Debt instruments at fair value through other comprehensive income

A financial asset should be measured at FVTOCI if both

the following conditions are met:

- The asset is held within a business model in which asset are managed both in order to collect contractual cash fows and for sale, and
- Contractual terms of the assets give rise on specifed dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

After initial measurement (at fair value minus transaction cost), such financial assets are measured at fair value with changes in fair value recognized in Other comprehensive income except for:

(i) Interest calculated using EIR

(ii) Foreign exchange gain and losses , and

(iii) Impairment losses and gains

g. Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. April 01, 2016. Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in statment of profit or loss. The Group may make an irrevocable election to present in OCI subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classifcation is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price, if loss, is recognized through retained earnings and after initial recognition subsequent changes in fair value of equity instruments is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

h. De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

- The right to receive cash fows from the assets have expired or
- The group has transferred substantially all the risks and rewards of the assets, or
- The group has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

ii) Financial liabilities

a. Classification

Debt and equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual agreements and the defnitions of financial liability and equity instrument.

b. Initial recognition and measurement

The group recognizes financial liability when it becomes a party to the contractual provision of the instrument. All financial liabilities are recognized initially at fair value, for financial liability not subsequently measured at FVTPL, at transaction costs that are directly attributable to the issue of financial liability.

c. Subsequent Measurement

All financial liabilities are subsequently measured at amortised cost using the efective interest method or at FVTPL.

d. Financial liability at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Efective Interest Rate (EIR) method. Gain and losses are recognized in statement of profit and loss when the liabilities are derecognized.

Amortization cost is calculated by taking into account any discount or premium on acquisition and transaction cost. These amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & borrowings.

e. Financial liability at FVTPL

Financial liabilities are classifed at FVTPL when the financial liability is either contingent consideration recognized by the group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designed as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gain or loss arises on re-measurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any interest paid on the financial liability.

f. Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognized at the proceeds received, net of direct issue cost.

Repurchase of the group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the group's own equity instruments.

g. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modifed, such an exchange or modifcation is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognized in the Statement of Profit and Loss.

h. Offsetting of financial instrument

Financial assets and financial liabilities are ofset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to ofset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

K. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, deposits held at call with banks, balance with banks on current account and short term, highly liquid investments with an original maturity of three months or less that are readily convertible to cash and which are subject to an insignifcant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short term deposits, net of outstanding bank overdraft as they being considered as integral part of the group's cash management.

L. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Sale of Goods

The Group derives revenue primarily from, sale of sugar and other by-products produced from processing of sugar cane, and sale of chemical, liquor etc. Revenue from sale of goods is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the group expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount and pricing incentives, rebates, other similar allowances to the customers and also excluding value added taxes, goods and other taxes and amounts collected on behalf of third parties or government, if any.

Revenue from Contracts

Revenue from contracts with customers is recognised upon satisfaction of performance obligation by transferring of control of promised products or services to customers at an amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount that the Group expects to be entitled to in exchange of transferring promised goods or services to a customer.

The Group identifies each performance obligation at contract inception to determine whether it satisfes the performance obligation over time or at a point of time. Accordingly:

- Revenue related to fxed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulflling warranty obligations.
- Revenue from the sale of distinct third party equipment is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue from Power generation is recognised on accrual basis as per terms of Power Purchase Agreement (PPA) with Uttar Pradesh Power Corporation Limited. The normal credit term is 30 days upon delivery.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specifed in the contract with the customer. Revenue also excludes taxes collected from customers.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the efects of variable consideration, the existence of signifcant fnancing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a signifcant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The terms of power e f ciency adjustment on sale of power in contracts with customer give rise to variable consideration.

Group's contract with customers does not contain any signifcant fnancing component or non- cash consideration or right to return with customers.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The contract assets are shown as "Unbilled Income".

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities are shown as "Advance from Customers".

Contracts are subject to modifcation to account for changes in contract specifcation and requirements. The Company reviews modifcation to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Interest Income

Interest income from a fnancial asset is recognized when it is probable that the economic benefit will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the efective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the fnancial asset to that asset's

net carrying amount on initial recognition.

Dividend Income

Dividend income is recognized when the Group's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Export Incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Insurance Claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Income from REC

Income from REC is recognized to the extent approved and credited in company's favour by concerned authority in the account maintained with Renewable Energy Certificate Registry of India at the minimum expected realizable value, determined based on the rates specified under the relevant regulations. The difference between the amount recognized initially and the amount realized on sale of such RECs at the Power Exchange are accounted for as and when such sale take place.

M. Expenses

All expenses are accounted for on accrual basis.

N. Foreign currency translations

Consolidated financial statements have been presented in Indian Rupees (INR), which is Group's functional and presentation currency.

i. Initial Recognition

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifes for recognition.

ii. Transactions and balances

Monetary assets and liabilities related to foreign currency transactions outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

O. Taxes

i. Income tax

Income tax comprises current and deferred tax. It is recognized in statement of profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

ii. Current tax

Current tax comprises the ex BDC BT/T0 1 Tf8 0 0 8 77.9295 172.18iC20 1 Tf0.01 tion is recognized in the Statement

P. Impairment

i) Non-financial assets

Goodwill and Intangible assets that have an indefnite useful life are not subject to amortization but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash fows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of proft or loss in the year in which an asset is identifed as impaired.

An impairment loss is reversed in the statement of proft and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

ii) Financial assets

The group applies 'simplifed approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instrument and are measured at amortized cost e.g. loans, debt securities, deposits, and bank balance.
- Trade receivables:

  The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on life time expected credit loss at each reporting date, right from its initial recognition.

Q. Earnings per share

Basic earnings per share are calculated by dividing the proft/ loss for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the proft/(loss) for the year (before other comprehensive income), adjusting the after tax efect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

R. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outfow of resources embodying economic benefts will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of proft or loss net of any reimbursement. Provisions are not recognized for future operating losses

If the efect of the time value of money is material, provisions are discounted using a current pre-tax rate that refects, when appropriate, the risks specifc to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confrmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outfow of economic benefts will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outfow of economic benefts is remote.

A contingent asset is not recognized but disclosed, when possible asset that arises from past events and whose existence will be confrmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

S. Operating Segments

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defned in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identifed taking into account nature of products and services, the diferent risks and returns and the internal business reporting systems.

Revenue and Expenses have been identifed to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and Liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

T. Cash Flow Statement

Cash fows are stated using the indirect method, whereby proft/ loss before tax is adjusted for the efects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing fows. The cash fows from operating, investing and financing activities of the Group are segregated.

3.1 PROPERTY, PLANT AND EQUIPMENT

₹ lacs

Particulars	Land Freehold#	Buildings	Railway Siding	Plant & Machinery	Furniture & Fixtures	Vehicles	Other Equipments	Total	Capital Work in Progress
Gross block									
Gross carrying amount as at April 01, 2018	85,125.11	16,571.14	0.50	79,419.32	247.92	210.51	759.08	182,333.58	202.62
Additions during the year	-	79.99	-	392.80	3.85	12.02	60.90	549.56	241.66
Disposals/Deductions during the year	-	-	-	1,190.88	-	6.23	3.36	1,200.48	308.40
Gross carrying amount as at March 31, 2019	**85,125.11**	**16,651.13**	**0.50**	**78,621.24**	**251.77**	**216.30**	**816.62**	**181,682.66**	**135.88**
Depreciation/Amortisation									
Accumulated depreciation as at April 01, 2018	-	3,595.86	0.30	14,480.09	137.40	167.27	417.88	18,798.80	-
Depreciation/Amortisation for the year	-	1,014.37	0.10	3,606.84	34.44	16.38	111.35	4,783.47	-
Disposals/Deductions during the year	-	-	-	126.04	-	6.19	3.22	135.45	-
Accumulated depreciation as at March 31, 2019	-	4,610.23	0.40	17,960.88	171.84	177.45	526.01	23,446.81	-
Net carrying amount as at March 31, 2019	**85,125.11**	**12,040.90**	**0.10**	**60,660.36**	**79.93**	**38.84**	**290.62**	**158,235.85**	**135.88**
Gross block									
Gross carrying amount									
Gross carrying amount as at April 01, 2019	85,125.11	16,651.13	0.50	78,621.24	251.77	216.30	816.62	181,682.66	135.88
Additions during the year	-	113.10	-	602.68	2.41	11.88	11.67	741.74	834.97
Disposals/Deductions during the year	-	40.27	-	1,001.46	5.44	34.54	21.68	1,103.39	134.42
Gross carrying amount as at March 31, 2020	**85,125.11**	**16,723.96**	**0.50**	**78,222.46**	**248.74**	**193.64**	**806.61**	**181,321.01**	**836.43**
Depreciation/Amortisation									
Accumulated depreciation/Amortisation as at April 01, 2019	-	4,610.23	0.40	17,960.88	171.84	177.45	526.01	23,446.81	-
Depreciation/Amortisation for the year	-	931.46	0.10	3,357.02	11.15	17.15	68.62	4,385.51	-
Disposals/Deductions during the year	-	27.11	-	559.02	5.29	32.43	20.55	644.40	-
Accumulated depreciation/amortisation as at March 31, 2020	-	5,514.57	0.50	20,758.88	177.70	162.18	574.08	27,187.92	-
Net carrying amount as at March 31, 2020	**85,125.11**	**11,209.39**	**0.00**	**57,463.57**	**71.04**	**31.46**	**232.53**	**154,133.09**	**836.43**

Notes:

1. The Company has availed loan from banks and other entities against securities of aforesaid assets.The details of charge created and security terms against borrowings are stated at Note No.10
2. Refer note no.6(v)for the information on contractual commitments for acquisition of property, plant and equipments

Includes Rs.8.62 Lacs (Previous year Rs.8.62 lacs) pertaining to land situated at Brijnathpur pending registration in favour of the company

3.2 INTANGIBLE ASSETS

₹ lacs

Particulars	Software
Gross Block	
Gross carrying amount as at April 01, 2018	56.31
Additions during the year	1.04
Disposals/Deductions during the year	-
Gross carrying amount as at March 31, 2019	**57.35**
Amortisation	
Accumulated amortisation as at April 01, 2018	25.44
Amortisation for the year	4.87
Disposals/Deductions during the year	-
Accumulated amortisation as at March 31, 2019	30.31
Net carrying amount as at March 31, 2019	**27.04**
Gross block	
Gross carrying amount as at April 01, 2019	57.35
Additions during the year	28.97
Disposals/transfers during the year	-
Gross carrying amount as at March 31, 2020	**86.32**
Amortisation	
Accumulated amortisation as at April 01, 2019	30.31
Amortisation for the year	5.43
Disposals/transfers during the year	-
Accumulated amortisation as at March 31, 2020	35.74
Net carrying amount as at March 31, 2020	**50.58**

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
NON CURRENT ASSETS		
FINANCIAL ASSETS		
3.3 INVESTMENTS		
Investment in Government securities (at cost)		
Unquoted		
6-Years Post Office National Savings Certificate (Deposited with government authorities)	2.11	2.11
Others (at deemed cost)		
One share of ₹ 20 fully paid up in Simbhaoli Co-operative Cane Development Union Limited (*₹ 20)	*	*
Other		
- Unquoted		
Casetech Employees Share Plan Trust	0.15	0.15
	2.26	**2.26**
Aggregate amount of		
- Quoted	-	-
[Market value ₹ Nil lacs (March 31, 2019: ₹ Nil lacs)]		
- Unquoted	**2.26**	**2.26**
Summary:		
- Aggregate investments carried at cost	2.26	2.26
- Aggregate investments carried at amortised cost	-	-
- Aggregate investments carried at fair value through other comprehensive income	-	-
3.4 OTHER FINANCIAL ASSETS (carried at amortised cost)		
(Unsecured and considered good unless otherwise stated)		
Fixed deposits with banks (Earmarked)	197.94	159.40
Interest accrued on fixed deposits	21.59	19.03
Security deposits	41.98	64.17
	261.51	**242.60**
3.5 Deferred Tax Asset/ (Liability)		
A) Deferred Tax Asset/ (Liability)		
Deferred Tax Asset :		
On account of carried forward losses	3,173.26	4,604.79
On account of carried forward unabsorbed depreciation	20,676.82	20,918.92
Liabilities and provisions tax deductible only upon payment/actual crystallization:		
-Interest payable to banks/financial institutions	8,686.01	8,019.36
-Others	391.10	193.08
	32,927.19	**33,736.15**
Deferred Tax Liability :		
On account of accelerated depreciation for tax purposes	17,311.81	17,958.65
On account of difference in the tax base value and carrying amount of land	15,523.71	15,675.75
	32,835.52	**33,634.40**
Mat Credit Entitlement	21.34	13.75
Net Deferred Tax	**112.98**	**115.50**

B) Movement in Deferred Tax Liabilities/ Deferred Tax Assets

C) Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits.

SIMBHAOLI SUGARS

3.5A	**NON-CURRENT TAX ASSETS**		
	(Unsecured and considered good unless otherwise stated)		
	Advance tax (net)	740.38	780.12
		740.38	**780.12**
3.6	**OTHER NON-CURRENT ASSETS**		
	(Unsecured and considered good unless otherwise stated)		
	Capital advances	10.92	32.61
	Security deposit	45.74	18.46
	Other advances *	405.84	508.22
		462.50	**559.29**

* Includes amount deposited with Government authorities under protest.

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
CURRENT ASSETS		
3.7 INVENTORIES		
(at lower of cost and net realisable value)		
Raw materials	132.23	120.23
Work-in-progress	967.66	1,480.94
Finished goods#	52,538.76	44,862.97
Stock-in-trade	37.28	-
Stores and spares	1,534.83	1,707.09
Loose Tools	7.85	8.17
	55,218.62	**48,179.40**
Note.		
# includes Goods in Transit	17.62	78.58
Carrying amount of inventories pledged as security for borrowing	55,218.62	48,179.40
Amount of write down of inventories recognized as expenses	1,386.19	1,727.99
FINANCIAL ASSETS		
3.8 CURRENT INVESTMENT		
Investments in mutual funds - quoted		
13,138.88 units (31 March 2019: 10,740.64 units) in SBI premier liquid fund -		
Regular plan - growth	408.49	313.23
	408.49	**313.23**
Aggregate book value of quoted investments	402.36	304.60
Aggregate market value of quoted investments	408.49	313.23
3.9 TRADE AND OTHER RECEIVABLES (carried at amortised cost)		
Secured - considered good	-	-
Unsecured - considered good*	9,998.12	14,490.95
Unsecured- consider credit Impaired	259.00	193.02
Sub Total	**10,257.12**	**14,683.97**
Less: Provision for the impaired receivables	259.00	193.02
	9,998.12	**14,490.95**
* The transactions of SPPL have not been eliminated for last three months.[Refer Note No. 4]		
3.10 CASH AND CASH EQUIVALENTS		
Balances with banks:		
- on current account	4,617.78	1,369.55
Cash on hand	16.58	18.42
	4,634.36	**1,387.97**
3.11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
EMD Paid to banks for OTS	571.60	-
Fixed deposit with bank (Earmarked)	1,122.09	1,112.51
	1,693.69	**1,112.51**
3.12 OTHER FINANCIAL ASSETS (carried at amortised cost)		
(Unsecured and considered good unless otherwise stated)		
Interest accrued on fxed deposits	89.46	31.84
Interest accrued on debentures *	48.24	-
Security deposit	212.10	113.88
Unbilled Revenue	143.98	698.11
Others	40.06	18.63
	533.84	**862.46**
*The transactions of SPPL have not been eliminated for last three months.[Refer Note No. 4]		

3.13 OTHER CURRENT ASSETS	**11**	**11**

SIMBHAOLI SUGARS

C) Shareholders holding more than 5% of the shares in the Company

S.No.	Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
		(No. of Shares)	% of share holding	(No. of Shares)	% of share holding
i)	Dholadhar Investments Private Limited	7,462,114	18.08	7,462,114.00	18.08
ii)	Mr. Gurmit Singh Mann	4,726,154	11.45	4,726,154.00	11.45
iii)	Ms. Gursimran Kaur Mann	4,186,672	10.14	4,186,672.00	10.14
iv)	Mr. Gurpal Singh	2,402,770	5.82	2,402,770.00	5.82
v)	Pearl Innovative Marketing Private Limited	2,270,623	5.50	2,270,623.00	5.50
vi)	Pritam Singh Sandhu Associates Pvt. Ltd.	2,077,735	5.03	2,077,735.00	5.03

D) The Company has allotted 3,74,79,020 Equity shares of Rs 10 each aggregating Rs. 3,747.90 lacs during the financial year 2015-16 on Amalgamation of Erstwhile Simbhaoli Sugars Limited without payment being received in cash..

E) The Company has allotted 20,00,000 equity shares of Rs. 10/- each at a premium of Rs. 22.10 per share on March 29,2019 to the specified promoters and directors on conversion of 20,00,000 equity warrants.

F) Rights, preference and restriction attached to equity shares (Rs. 10 each):

i) Voting right shall be in same proportion as the capital paid upon such equity share.

ii) The dividend proposed by the Board of Directors which is subject to the approval of the shareholders in the Annual General Meeting shall be in the same proportion as the capital paid upon such equity share.

iii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to capital paid upon such equity share.

	As at March 31, 2020 ₹ lacs	As at March 31,2019 ₹ lacs
3.15 OTHER EQUITY		
Molasses Storage Fund		
Opening balance	24.18	12.95
Add: Addition during the year	21.21	11.23
Closing balance	**45.39**	**24.18**
Share Warrant		
Opening balance	96.30	525.77
Add: Money received against share warrant	-	212.53
Less: Money utilised for conversion of share warrants into equity shares	-	642.00
Less: Share warrant Money forfeited during the year	96.30	-
Closing balance	**-**	**96.30**
Securities premium		
Opening balance	46,301.79	45,859.79
Add: addition during the year	-	442.00
Closing balance	**46,301.79**	**46,301.79**
Forfeiture Reserve		
Opening balance	-	-
Add: Additions during the year	96.30	-
Less: Deductions during the year	-	-
Closing balance	**96.30**	**-**
Foreign Currency Translation Reserve		
Opening balance	(0.19)	0.16
Add: Additions during the year	-	(0.35)
Closing balance	**(0.19)**	**(0.19)**
Retained Earnings		
Opening balance	(49,494.63)	(45,695.65)

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
Add: Profit/(loss) during the year	(3,351.62)	(3,871.78)
Add: transfer from Other Comprehensive Income	(273.71)	72.80
Closing balance	**(53,119.96)**	**(49,494.63)**
Other Comprehensive Income		
Opening balance	-	-
Add: Other Comprehensive Income for the year		

Notes:

i) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974 and the said storage fund is represented by investment in the form of fxed deposits with banks amounting to Rs.96.07 lacs (Previous year Rs. 82.07 lacs).

ii) The Company has issued and allotted 50,00,000 fully convertible share warrants to specifed promoters on December 22, 2017, at an issue price of Rs. 32.10 (inclusive of premium of Rs. 22.10) per share convertible into equivalent number of equity shares within a period of 18 months from the date of allotment.

Since, during the financial year 2019-20, Ms Gursimran Kaur Mann, one of the allottee has not exercised the option for conversion of remaining 12,00,000 share warrants within stipulated period, the amount of Rs. 96.30 lacs being upfront payment of 25% of the subscription amount paid against such 12,00,000 share warrants was forfeited.

iii) Securities Premium is used to record premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Act.

iv) Forfeiture reserve represents the amount forfeited against non conversion of share warrant into equity share with in stipulated period by specifed promoters.

v) Retained earnings represents the undistributed profit/ amount of accumulated loss of the Company.

vi) Other comprehensive income (OCI) represents the balance in equity relating to re-measurement gain / (loss) of defned benefit obligation and FVTOCI of equity instruments in associates. This would not be re-classifed to Statement of Profit and Loss.

vii) Exchange differences relating to the translation of the foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The cumulative amount is reclassifed to profit or loss when the net investment is disposed-of.

	As at March 31, 2020 ₹ lacs	As at March 31, 2019 ₹ lacs
3.18 PROVISIONS		
Provision for employee benefit		
Compensated absences	472.54	433.98
	472.54	**433.98**
CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
3.19 BORROWINGS (carried at amortised cost)		
Unsecured		
Loans repayable on demand		
- from banks [Refer Note No. 10]	-	137.95
	-	**137.95**
3.20 TRADE AND OTHER PAYABLES		
Total outstanding dues to micro and small enterprises [Refer Note No. 7]	272.30	57.64
Total outstanding dues of other than micro and small enterprises	91,636.05	80,771.65
	91,908.35	**80,829.29**
3.21 OTHER FINANCIAL LIABILITIES (carried at amortised cost)		
Current maturities of long-term debt (secured)		
- from banks *	2,157.99	2,794.81
- from others [Refer Note No.10]	-	100.00
Recalled Loans - dues to Banks/ Financial Institutions [Refer Note No 10]	104,003.37	104,198.18
- From others [Refer Note No 10]	100.00	-
Interest accrued but due on borrowings	23,308.39	18,632.05
Employees dues	1,722.53	1,446.57
Security Deposits	75.00	-
Others liabilities (including capital creditors)	112.93	118.87
	131,480.21	**127,290.48**
* Represents amount payable with in twelve months from 01.01.2020.[Refer note no.4]		
3.22 PROVISIONS		
Provision for employee benefits		
Compensated absences	205.12	173.05
	205.12	**173.05**
3.23 OTHER CURRENT LIABILITIES		
Statutory dues payable	921.39	440.89
Advance received from customers	616.64	797.87
Security deposits	157.61	187.96
Others payable	3.27	17.98
	1,698.91	**1,444.70**
3.24 CURRENT TAX LIABILITIES		
Current tax liabilities	497.51	826.97
	497.51	**826.97**

		Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
3.25	**REVENUE FROM OPERATIONS**		
	Sale of Products *	116,652.79	120,795.62
	Sale of Services	2,345.63	1,289.83
		118,998.42	**122,085.45**
	Other Operating revenue		
	Sale of Scrap	62.41	91.97
	Cane Subsidy	5,089.45	403.02
	Freight and Insurance charges recovered	1,008.64	1,180.98
	Job Work Charges	242.80	194.19
	Other miscellaneous income	704.97	164.85
		126,106.69	**124,120.46**
	*The transactions of SPPL have not been eliminated for last three months.[Refer Note No. 4]		
3.26	**OTHER INCOME**		
	Interest income on financial assets carried at amortised cost		
	Fixed deposits with banks	84.17	72.30
	Debentures *	275.83	-
	Others	3.45	1.79
	Interest income on income tax refund	11.00	1.95
	Other Non operating income		
	Rent	13.98	10.18
	Profit on redemption of Mutual Funds Units	66.25	62.07
	Liabilities/provisions no longer required, written back *	558.74	54.77
	Gain on foreign exchange fuctuation	22.64	13.21
	Excise duty refund	333.69	-
	Miscellaneous *	141.56	101.51
		1,511.31	**317.78**
	* The transactions of SPPL have not been eliminated for last three months.[Refer Note No. 4]		
3.27	**COST OF MATERIALS CONSUMED**		
	Sugarcane	81,696.99	86,889.27
	Molasses	52.31	181.57
	ENA and others	1,812.67	5,202.92
		83,561.97	**92,273.76**
3.28	**PURCHASES OF STOCK-IN-TRADE**		
	Purchases of stock-in-trade	2,895.03	2,179.70
		2,895.03	**2,179.70**
3.29	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**		
	Opening stock		
	Finished goods	44,862.97	30,856.78
	Work-in-progress	1,480.94	897.36
		46,343.91	31,754.14
	Closing stock		
	Finished goods #	52,538.76	44,862.97
	Work-in-progress	967.66	1,480.94
	Stock-in-trade	37.28	-
		53,543.70	46,343.91
	Net (increase)/ decrease in inventories	**(7,199.79)**	**(14,589.77)**

Includes Goods in transit amounting to Rs. 17.62 lacs (Previous year Rs. 78.58 lacs)

Note : The amount of loss due to write down the inventories at net realisable value recognised as expenses and is included in change in inventories is Rs. 1,386.19 Lacs (Previous year Rs.1,727.99 lacs).

SIMBHAOLI SUGARS

		Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
3.30	**EXCISE DUTY ON SALE OF GOODS**		
	Excise duty on sale of goods	19,887.97	15,896.53
		19,887.97	**15,896.53**
3.31	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries and wages	7,022.86	6,347.42
	Contribution to provident and other funds #	617.21	587.60
	Staf welfare expenses	181.00	134.79
		7,821.07	**7,069.81**
	# includes gratuity expense [Refer Note No. 14]		
3.32	**FINANCE COSTS**		
	Interest expense on fnancial liabilities measured at amortized cost	4,602.58	5,450.88
	Other interest	121.65	82.89
	Other borrowing costs	8.52	143.88
		4,732.75	**5,677.65**
3.33	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation of property, plant and equipment [Refer Note No. 3.1]	4,385.51	4,783.47
	Amortization of intangible assets [Refer Note No. 3.2]	5.43	4.87
		4,390.94	**4,788.34**
3.34	**POWER AND FUEL**		
	Baggasse *	901.56	253.10
	Electricity *	372.29	155.37
	Other *	417.53	315.02
		1,691.38	**723.49**
	* The transactions of SPPL have not been eliminated for last three months.[Refer Note No. 4]		
3.35	**OTHER EXPENSES**		
	Consumption of stores and spare parts #	3,789.88	3,773.88
	Short term lease expense	203.71	204.25
	Repairs		
	- Buildings	113.57	80.37
	- Machinery	2,344.68	2,318.43
	- Others	234.33	153.60
	Insurance	227.09	172.30
	Rates and taxes	283.05	168.70
	Bad debts and advances written of (net)	13.56	81.86
	Provision for credit loss on receivables and advances	173.43	149.42
	Freight Loading, Unloading & Material shifting	1,479.20	1,748.79
	Commission to selling agents	487.71	452.32
	Recovery Charges	-	190.72
	Travelling and conveyance	263.05	280.32
	Other Selling Expenses	375.51	444.98
	Export expenses	537.61	190.30
	Loss on sale of property, plant and equipment	449.12	0.03
	Sugar development expense	86.53	37.93
	Loss on foreign exchange fuctuation	-	4.95
	Printing and stationery	39.19	36.17
	Contractor & security charges	307.42	475.25
	Legal and professional expense [includes auditor's remuneration - Refer Note No. 17]	486.46	478.08
	Miscellaneous expenses *	1,814.69	631.03
	Fair value loss on current investment	-	3.83
		13,709.79	**12,077.49**

Stores, oils and chemicals allocated to other revenue heads Rs.1,505.23 lacs (previous year Rs. 1,390.64 lacs)

* The transactions of SPPL have not been eliminated for last three months.[Refer Note No. 4]

	Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
3.35 EXCEPTIONAL ITEMS		
PPE written of [Refer Note No. 13]	-	1,019.17
	-	**1,019.17**

4. In the consolidated financial statement of the Company, 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 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 statements, have resulted in an increase in the total revenue by Rs. 1,366.13 lacs and Expenses by Rs. 733.92 lacs. Further, Increase in the balances of subsidiary of Rs. 271.81 Lacs has been included in consolidated balance sheet in respective assets heads.

5. Indian sugar industry has been facing difficulties on account of high sugar production in the country 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 Government, 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 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 lenders 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 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.

   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 statements. 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.

6. Contingent liabilities and commitments (to the extent not provided for):

i) Claims against the Company not acknowledged as debts Rs. 620.01 lacs (Previous Year Rs. 1132.03 lacs).

(₹ lacs)

Description	As at March 31, 2020#	As at March 31, 2019
Sales Tax/Trade Tax Act	54.42	54.42
Central Excise Act	121.49	433.78
Finance Act, 1994	28.25	83.06
Others	415.85	560.77
Total	**620.01**	**1,132.03**

In the above table figures of SPPL have not been consolidated. [Refer note no. 4]

All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not in the opinion of the management, have a material effect on operations or financial position of the Company.

The amount shown in Note No. 6 (i) above represent the best possible estimates arrived on the basis of demand raised by the claimant and does not include interest, if any, payable thereon from the date of demand. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the company or the claimants, as the case may be and, therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

ii) 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.

iii) The Allahabad High Court vide Order dated 21.12.2017 stayed the retrospective operation of orders of UP State Government pertaining to waiver of society commission for earlier years. Considering the fact that no notice of demand for such society commission's amount has been served upon the company, the same has not been acknowledged as debts and no provision has been made. Based on the past industry practices, the management is confident that no liability will arise for the said periods.

iv) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. The company will make provision, on receiving further clarity on the subject.

v) Capital and other commitment

Estimated value of contracts (net of advances) remaining to be executed on Capital account Rs. 750.24 lacs (Previous year Rs. 20.79 lacs). The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The Company does not have any other long-term commitments or material non-cancellable contractual commitments / contracts, which may have a material impact on the financial statements.

7. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act,2006 (MSMED ACT, 2006).

On the basis of supplier information available with the Group who have registered under the MSMED Act, 2006, the following are the details:

(₹ lacs)

S. No.	Description	As at March 31, 2020	As at March 31, 2019
1.	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	272.30	57.64
2.	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	17.06	12.80
3.	The amount of interest paid by the company in terms of section 16, of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year.	-	-
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	2.80	9.34
5.	The amount of interest accrued but not due during the year.	-	1.50
6.	The amount of further interest due and payable even in the succeeding period.	42.00	22.14

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

8. The Special Resolution for reclassification of promoters' category was passed at 6th Annual General Meeting of the members of the Company. Thereafter, an application seeking reclassification of certain outgoing promoters from existing promoter group to the public category shareholders, in terms of provisions of regulation 31A (7) of SEBI (LODR) Regulations, 2015, was filed with SEBI/Stock Exchanges. The approval from SEBI/Stock Exchanges is awaited.

9. Certain banks had advanced Agri loans to sugarcane farmers through the erstwhile Simbhaoli Sugars Limited (ESSL) under the management and collection agreements and were provided Corporate Guarantee and post-dated cheques as security. These loans were to be repaid by the Company to the banks from the dues payable to sugarcane farmers against their supplies, but due to the overall downturn in the sugar industry and primacy to pay sugarcane dues ahead of all other payments, the Company could not repay these loans on the due date. Company had submitted a financial restructuring plan to its lenders in FY 2014-15. As per sanction of CDREG dated February 02, 2016 all the dues outstanding were proposed to be converted into term loans, subject to the consent of respective commercial banks. Two of the commercial banks have converted their dues into term loan in the financial year 2016-2017 and one of the commercial banks have converted their dues into term loan in financial year 2017-18.

Oriental Bank of Commerce (OBC), one of its banks, who has converted Agri Loan into corporate loan in aforesaid financial year 2016-17. Prior to such conversion, OBC arbitrarily classified

its outstanding Agri Loan as "Suspected Fraud" liability in March 2015 but subsequently, after following due process, including but not limited to obtaining specifc permission from the Reserve Bank of India (RBI), and in consultation with all other Consortium Lenders, sanctioned and disbursed a corporate loan in February 2016 for liquidating the Agri Loans. In addition, in an application fled by OBC at the Debt Recovery Tribunal, OBC confrmed a simultaneous closure of the matter and a consented decree was passed.

OBC had arbitrarily initiated recovery actions against the Company for the restructured corporate loan including an application fled before National Company Law Tribunal (NCLT), Allahabad Bench and recently Punjab National Bank had also fled an application before NCLT, Allahabad Bench under Insolvency and Bankruptcy Code, 2016 for recovery of their dues, causing a serious threat to the value available to all the stakeholders. OBC, had declared company and guarantors as willful defaulters against which company and guarantors have contested such declaration in the Hon'ble Punjab and Haryana High Court and earlier this year such impugned order of OBC was Set Aside by Hon'ble High Court. While on a Show Cause Notice on Willful Default by Punjab National Bank to company and its promoter, basis representations made before the screening committee and taking into account that forensic audit report of the Company, initiated by the Lenders, was also closed by unanimous consensus in Joint Lenders Meeting stating that there was no fraud or willful default, PNB has kept the declaration of willful default in Abeyance.

OBC had also fled a criminal complaint with the investigating agency declaring the credit facilities as "Suspected Fraud". The Company has denied any fraud on its part, provided adequate documentation for the same, while reiterating its commitment for repayment to all the lenders, basis future cash fows. Against such criminal complaint, 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 and the matter is sub-judice. The Company has sought legal advice in this matter and the legal advisors have opined that there have been various gross omissions and commissions at the banks' end including but not limited to OBC and that the Company should take appropriate action at the relevant forums at the required time.

10. The loans availed by the Company have been classifed as Non-Performing Assets (NPA) by all the lenders and interest thereon is not being charged to the loan accounts by the commercial lenders as per circular of RBI. The Company has submitted a comprehensive debt resolution proposal with all the lenders, commensurating with its future cash fows. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company and some of them had accepted the ofered Earnest Money Deposit. Accordingly, interest expenses pertaining to commercial lenders, for the year ended March 31, 2020 amounting to Rs. 13,146.17 lacs (previous year ended March 31, 2019 Rs. 12,336.46 lacs) has not been recognized in the statement of proft and loss. A total amount of Rs. 37,454.23 lacs towards accrued interest has not been provided for in the books of accounts as at March 31, 2020. Since all the lenders have recalled their Credit Facilities during the last year, their principal and interest outstanding dues as at March 31, 2020 have been classifed and shown under "Other Current Financial Liabilities". The terms of repayment, nature of security and overdue including unaccounted interest, if any, in accordance with existing agreements are as under:

(A) Long term borrowings (Secured)

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Commercial Banks - Under Recalled Loans	17,398.93	17,438.33	12.50% p.a.	1 First pari passu charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the Company. 2 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company. 4 First Charge on the divestment proceeds from Sale of investments in Uniworld Sugar Pvt. Ltd. and Chilwaria Sugar Complex	Principal overdue above 90 days Rs. 17,398.93 lacs (Previous year Rs. 17,438.33 lacs). Interest overdue below 90 days of Rs. 734.01 lacs (Previous year - Rs. 652.06 lacs) and above 90 days Rs. 9,923.27 lacs (Previous year - Rs. 7,183.72 lacs).
From Commercial Bank - Under Recalled Loans	10,301.47	10,321.27	11.35% p.a	1 Subservient frst pari-passu charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the company with FACR 1.25 times (minimum) 2 Credit facilities are also secured by Personal guarantee of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director.	Principal overdue above 90 days Rs. 10,301.47 lacs (Previous year Rs. 10,321.27 lacs). Interest overdue below 90 days of Rs. 433.37 lacs (Previous year - Rs. 364.40 lacs) and above 90 days Rs. 4,894.68 lacs (Previous year - Rs. 3,291.61 lacs).
From Commercial Bank - Under Recalled Loans	22,347.00	22,347.00	8.60% p.a	1 First sub-servient charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the Company. 2 Personal guarantees Mr. Gurmit Singh Mann, Chairman and Ms. Gursimran Kaur Mann, Director of the Company.	Principal overdue above 90 days Rs. 22,347.00 lacs (Previous year - Rs. 22,347.00 lacs). Interest overdue below 90 days of Rs. 613.49 lacs (Previous year - Rs. 524.72 lacs) and above 90 days Rs. 4,431.66 lacs (Previous year - Rs. 2,180.00 lacs).

(A) Long term borrowings (Secured)

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Co-operative Bank - Under Recalled Loans	4,913.74	4,913.74	12.00% p.a	1 First pari passu charge on all movable and immovable fxed assets, both present and future, including equitable mortgage on the land of the Company. 2 Mortgage of residential property of Promoter Director. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director of the Company.	Principal overdue above 90 days Rs. 4,913.74 lacs (Previous year- Rs. 4,913.74 lacs). Interest overdue below 90 days of Rs. 154.05 lacs (Previous year-Rs. 168.55 lacs) and above 90 days Rs. 1,426.97 lacs (Previous year-Rs. 793.65 lacs).
Others - Under Recalled Loans	3,054.74	3,054.74	Range between 1.57 % to 10.00 % p.a.	1 Term loan from Sugar Development Fund of ₹ 2,954.74 lacs (previous year ₹ 2,954.74 lacs) is secured by way of second exclusive charge on all movable and immovable fxed assets of the respective division. 2 Term loan from Sugar Technology Mission of ₹ 100.00 lacs (previous year ₹ 100.00 lacs) is secured by way of exclusive frst charge on Sugarcane Juice Purifcation project at Simbhaoli Sugar Division of the Company.	Principal overdue above 90 days Rs. 3,054.74 lacs (Previous year - Rs. 3,054.74 lacs). Interest overdue below 90 days of Rs. 78.05 lacs (Previous year - Rs. 124.70 lacs) and above 90 days Rs. 1,765.29 lacs (Previous year - Rs. 1,306.21 lacs).

(B) Unsecured loans from Related Parties of Rs. 359.03 lacs (Previous year - Rs. 525.22 lacs) carry interest rate (Ranges between) from 10.15 % to 11.05 % p.a. are payable after repayment of term loan in accordance with Scheme.

(C) Short term borrowings (Secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Commercial Banks - Under Recalled Loans	17,187.32	17,224.28	12.50% p.a.	1 First pari passu charge by way of hypothecation of all current assets of respective division. 2 Third pari passu charge on entire fixed assets of the Company, both present and future, including equitable mortgage on the land of the Company. 3 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 4 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director of the Company. 5 Charge over SSL's Share of Dividend in Simbhaoli Power Private Limited	Interest overdue below 90 days Rs. 959.78 lacs (Previous year - Rs. 695.22 lacs) and above 90 days Rs. 15,437.02 lacs (Previous year- Rs. 12,015.84 lacs).
From Co-operative Bank - Under Recalled Loans	9,012.47	9,039.27	11.25% p.a	1 Pledge of sugar stock of the respective division of the Company. 2 Personal guarantees of Mr. Gurmit Singh Mann, Chairman Mr. Gurpal Singh and Ms Gursimran Kaur Mann, Director of the Company. 3 Equitable Mortgage of the Property of M/s. Simbhaoli Specialty Sugars Ltd. 4 Collaterally Secured by way of Hypothecation of Debtors of the Mill 5 First Charge on the Semi-fnished sugar including sugar in process, raw material of the Respective division of the company. 6 First Charge and Lien on the Land, Building Plant & Machinery of the respective division of the company subject to charge of the Government of India and Term Lending Institutions for the existing loan/ credit facilities.	Interest overdue below 90 days of Rs. 290.76 lacs (Previous year Rs. 260.28 lacs) and above 90 days Rs. 2,269.12 lacs (Previous year Rs. 1,172.95 lacs)

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Co-operative Bank - Under Recalled Loans	4,873.04	4,895.78	11.50% p.a	1 Pledge of sugar stock of the respective division of the Company. 2 First Charge on the Semi-finished sugar including sugar in process, raw material of the respective division of the company. 3 Second Charge on the Land, Building Plant & Machinery of the respective division of the company 4 Personal guarantee of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company	Interest overdue below 90 days of Rs. 206.43 lacs (Previous year -Rs. 199.71 lacs) and above 90 days Rs. 769.09 lacs (Previous year - Rs. 947.44 lacs)

(D) Short term borrowings (Un-secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2020	As at March 31, 2019			
From Commercial Banks - Under Recalled Loans	15,014.66	15,063.76	Range between 9.00% to 10.70% p.a	N.A	Principal overdue above 90 days of Rs. 15,014.66 lacs (Previous year - Rs. 15,063.76 lacs). Interest overdue below 90 days of Rs. 689.71 lacs (Previous year- Rs. 662.54 lacs) and above 90 days Rs. 12,756.98 lacs (Previous year- Rs. 10,164.52 lacs).

(E) Unsecured loans from Related Parties of Rs.Nil (Previous year -Rs. 25.00 lacs) and Others Rs. Nil (Previous year -Rs. 112.95 lacs) carry interest rate (ranges between) from 10.65 % to 10.95 % p.a. are payable on demand.

11. Related Party disclosures under IND AS 24

i) Name of related parties and description of relationship:

Key Management Personnel (KMP):

- Mr. G.M.S. Mann - Chairman
- Mr. Gurpal Singh – Director
- Ms. Gursimran Kaur Mann - Director
- Mr. Sanjay Tapriya – Director
- Mr. S.N. Misra – Chief Operating Officer
- Mr. S.K. Ganguli – Independent Director
- Mr. Atul Mahindru – Independent Director (w.e.f. November 14, 2019)
- Mr. Shyam Sunder – Independent Director (w.e.f. Feburary 13, 2020)
- Mr. C.K. Mahajan – Independent Director
- Mr. D.C. Popli – Chief Financial Officer
- Mr. Kamal Samtani – Company Secretary
- Mr. H. P. Kain- Independent Director (w.e.f. November 14, 2018)
- Mr. B.K. Goswami (ceased to be key management personnel w.e.f. April 12, 2019)
- Mr. Dalbir Singh (ceased to be key management personnel w.e.f. August 14, 2019)

Relatives of Key management personnel:

- Mrs. Mamta Tapriya (wife of Mr. Sanjay Tapriya),
- Mrs. Usha Misra (wife of Mr. S.N. Misra)
- Mr. Govind Singh Sandhu (brother of Mr. Gurpal Singh),
- Mr. G.M.S. Mann (HUF)

Enterprise over which key management personnel exercise significant influence:

- Dholadhar Developers Private Limited

  (enterprise over which Mr. G.M.S. Mann and Ms. Gursimran Kaur Mann exercise significant influence)
- Dholadhar Investments Private Limited

  (enterprise over which Mr. G.M.S. Mann and Ms. Gursimran Kaur Mann exercise significa
- Mahajan Law House

  (enterprise over which Mr. C.K. Mahajan exercise significant influence)

Trusts:

- Simbhaoli Superannuation Trust
- Simbhaoli Gratuity Trust
- Simbhaoli Foundation Trust
- Casetech Employee Share Plan Trust

ii) Transactions with the above parties : (₹ lacs)

Description	Year ended March 31, 2020	Year ended March 31, 2019
Transactions		
Rent Paid	**9.38**	**10.92**
Mrs. Mamta Tapriya	1.20	1.08
Mrs. Usha Misra	8.18	9.84
Rent Received	**0.12**	**0.12**
Simbhaoli Foundation Trust	0.12	0.12
Managerial Remuneration	**286.02**	**254.56**
Ms. Gursimran Kaur Mann	119.82	119.44
Mr. S.N.Misra	75.12	51.23
Mr. D.C.Popli	64.54	59.15
Mr. Kamal Samtani	26.54	24.74
Loans Repaid	**191.00**	**328.00**
Dholadhar Investments Private Limited	**-**	**214.00**
Mr. G.M.S. Mann	166.00	114.00
Mr. Sanjay Tapriya	25.00	-
Expenses paid	**3.05**	**7.37**
Mahajan Law House	3.05	7.37
Interest paid	**36.53**	**56.09**
Mr. Sanjay Tapriya	1.18	2.86
Dholadhar Investments Private Limited	35.35	53.23
Advance Received against sale of Assets	**11.88**	**-**
Dholadhar Developers Pvt. Ltd.	11.88	-
Sitting Fees paid	**5.85**	**8.45**
Mr. Shyam Sunder	0.40	-
Mr. S.K.Ganguli	2.35	3.00
Mr. B.K.Goswami	-	3.00
Mr. Dalbir Singh	0.50	1.15
Mr. C.K.Mahajan	0.25	0.65
Mr. Atul Mahindru	0.25	-
Mr. H.P. Kain	2.10	0.65
Contributuion in Trusts	**10.02**	**21.54**
Simbhaoli Supernnuation Trust	10.02	21.54
Share warrant money forfeited during the year	**96.30**	**-**
Ms. Gursimran Kaur Mann	96.30	-
Share application money received during the year	**-**	**212.53**
Mr. G. M. S. Mann	-	75.18
Ms. Gursimran Kaur Mann	-	137.35
Share warrant application money converted into Equity share during the year	**-**	**642.00**
Mr. G. M. S. Mann	-	160.50
Ms. Gursimran Kaur Mann	-	481.50
Share warrants forfeited during the year (no.)	**12.00**	**-**
Ms. Gursimran Kaur Mann	12.00	-
Share warrant converted into equity share during the year (no.)	**-**	**20.00**
Mr. G. M .S. Mann	-	5.00
Ms. Gursimran Kaur Mann	-	15.00

Note: The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

iii) Balance outstanding at the end of the year (₹ lacs)

Description	Year ended March 31, 2020	Year ended March 31, 2019
Short term borrowings	**-**	**25.00**
Mr. Sanjay Tapriya	-	25.00
Trade payables	**50.83**	**18.36**
Mr. Gurpal Singh	-	0.28
Ms. Gursimran Kaur Mann	35.43	5.62
Mr. S.N.Misra	0.76	0.09
Mr. Karan Singh	-	0.41
Mr. S.C.Kumar	-	1.02
Mr. S.K.Ganguli	-	2.65
Mr. B.K.Goswami	0.93	2.70
Mr. Dalbir Singh	-	0.58
Mr. D.C.Popli	0.25	0.77
Mr. Kamal Samtani	0.79	0.88
Mr. Sanjay Tapriya	11.05	0.41
Mrs. Mamta Tapriya	1.62	1.54
Mahajan Law House	-	0.67
Mrs. Usha Misra	-	0.74
Long-term borrowings	**359.03**	**525.22**
Mr. G.M.S. Mann	32.63	198.82
Dholadhar Investments Private Limited	326.40	326.40
Trade Receivable	**0.17**	**0.03**
Simbhaoli Foundation Trust	0.17	0.03
Other Financial Liabilities- Current	**43.70**	**-**
Dholadhar Developers Pvt. Ltd.	11.88	-
Dholadhar Investments Private Limited	31.82	
Share warrant at the end of the year (no.)	**-**	**12.00**
Ms. Gursimran Kaur Mann	-	12.00
Investment outstanding - others (Rs. lacs)	**0.15**	**0.15**
Casetech Employees Share Plan Trust	0.15	0.15

iv) The shareholders of the company in its 8th AGM held on September 25,2019, after obtaining necessary approval from bankers, has approved appointment of and remuneration payable to Mr. S.N. Misra and Ms. Gursimran Kaur Mann w.e.f September 1 ,2017 for a period of three years in terms of provision of section 197 and section 200 of the Companies Act 2013. The details

Details of Remuneration paid/payable to KMP				(₹ lacs)
Particulars	**Ms. Gursimran Kaur Mann**	**Mr. S.N. Misra**	**Mr. D.C. Popli**	**Mr. Kamal Samtani**
Year ended March 31, 2020				
Short-term employee benefits				
Salary	100.80	56.03	58.75	22.66
Perquisites	10.86	15.84	3.29	2.21
Post-employment benefits				
Contribution to Provident Fund, Gratuity and other Funds*	8.16	3.25	2.50	1.68
	119.82	**75.12**	**64.54**	**26.55**
Year ended March 31, 2019				
Short-term employee benefits				
Salary	96.59	42.77	53.74	21.01
Perquisites	14.69	6.02	3.17	2.17
Post-employment benefits				
Contribution to Provident Fund, Gratuity and other Funds*	8.16	2.44	2.24	1.56
	119.44	**51.23**	**59.15**	**24.74**

* The said amount does not include amount in respect of gratuity and leaves as the same are not ascertainable.

12. Segment reporting

i) Operating segments:

The company's operating segments are business segments, viz. sugar and alcohol, basis which chief operating decision maker (CODM) evaluates the company's performance and allocates resources.

ii) Geographical segments:

Since the Company's activities/operations are primarily within the country and considering the nature of products it deals in, the risks and returns are same and as such there is only one geographical segment.

iii) Segment accounting policies:

In addition to the significant accounting polices applicable to the business segments as set out in note 2 above the accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

b) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include income taxes. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segments is allocated to the segments on a reasonable basis.

c) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated on consolidation.

iv) (a) Information About Business Segments (₹ lacs)

Particulars	Sugar		Alcohol		Power *		Others		Elimination		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
A. Segment revenue														
External sales:	79,491.51	80,442.87	34,933.94	28,768.85	2,373.87	11,415.40	2,199.10	1,458.33	-	-	-	-	118,998.42	122,085.45
Inter segment sales	6,459.75	2,346.14	-	29.48	1,007.14	3,680.51	176.15	156.00	(7,643.04)	(6,212.13)	-	-	-	-
Other operating Revenue	6,088.31	1,680.60	318.14	216.79	701.43	128.03	0.39	9.59	-	-	-	-	7,108.27	2,035.01
Total revenue	**92,039.57**	**84,469.61**	**35,252.08**	**29,015.12**	**4,082.44**	**15,223.94**	**2,375.64**	**1,623.92**	**(7,643.04)**	**(6,212.13)**	**-**	**-**	**126,106.69**	**124,120.46**
B. Segment results	265.10	(5,087.85)	386.82	3,408.06	547.17	6,403.64	20.04	24.49	-	-	-	-	1,219.13	4,748.34
Unallocated expenses (net of income)	-	-	-	-	-	-	-	-	-	-	359.49	729.45	359.49	729.45
Operating profit/(loss)	-	-	-	-	-	-	-	-	-	-	-	-	859.64	4,018.89
Finance cost	-	-	-	-	-	-	-	-	-	-	4,732.75	5,677.65	4,732.75	5,677.65
Exceptional items (net)	-	-	-	-	-	-	-	-	-	-	-	1,019.17	-	1,019.17
Net Profit/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,873.11)**	**(2,677.94)**

Note: Inter segment revenues are eliminated upon consolidation and reflected in the adjustment and eliminations column finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at company level.

* Figures of SPPL have been consolidated for nine months.[Refer note no.4]

iv) (b) Information About Business Segments (₹ lacs)

Particulars	Sugar		Alcohol		Others		Power*		Unallocated		Total	
	As at March 31,2020	As at March 31,2019	As at March 31,2020	As at March 31,2019	As at March 31,2020	As at March 31,2019	As at March 31,2020	As at March 31,2019	As at March 31,2020	As at March 31,2019	As at March 31,2020	As at March 31,2019
OTHER INFORMATIONS												
C. ASSETS												
Segment assets	155,988.70	148,031.97	42,025.30	40,358.88	1,641.10	899.36	34,480.88	39,959.76	-	-	234,135.98	229,249.97
Unallocated assets	-	-	-	-	-	-			5,317.78	4,021.87	5,317.78	4,021.87
Total assets	**155,988.70**	**148,031.97**	**42,025.30**	**40,358.88**	**1,641.10**	**899.36**	**34,480.88**	**39,959.76**	**5,317.78**	**4,021.87**	**239,453.76**	**233,271.84**
D. EQUITY AND LIABILITIES												
Segment liabilities	90,263.05	80,003.99	2,715.83	2,017.38	1,377.71	729.86	1,404.25	2,568.46	-	-	95,760.84	85,319.69
Share capital and reserves	-	-	-	-	-	-	-		(2,548.77)	1,055.35	(2,548.77)	1,055.35
Minority Interest	-	-	-	-	-	-	-		11,447.66	11,981.34	11,447.66	11,981.34
Secured and unsecured loans	-	-	-	-	-	-	-		110,554.00	113,368.37	110,554.00	113,368.37
Unallocated liabilities	-	-	-	-	-	-	-		24,240.03	21,547.09	24,240.03	21,547.09
Total liabilities	**90,263.05**	**80,003.99**	**2,715.83**	**2,017.38**	**1,377.71**	**729.86**	**1,404.25**	**2,568.46**	**143,692.92**	**147,952.15**	**239,453.76**	**233,271.84**

* Figures of SPPL have been consolidated for nine months.[Refer note no.4]

iv) (c) Reconciliations of amounts reflected in the financial statement

i) Reconciliation of assets (₹ lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Segment operating assets	239,453.76	233,271.84
Total Assets	**239,453.76**	**233,271.84**

ii) Reconciliation of liabilities (₹ lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Segment operating liabilities	239,453.76	233,271.84
Total Liabilities	**239,453.76**	**233,271.84**

iv) (d) Geographical information:

The Company operated only in India during the year ended March 31, 2020 and March 31, 2019.

iv) (e) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Company for the year ended March 31, 2020 and March 31, 2019.

iv) (f) Information About Business Segments (₹ lacs)

Particulars	Sugar		Alcohol		Power*		Others		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
E. OTHER INFORMATIONS												
Capital expenditure	373.06	145.88	1,024.70	297.66	3.22	30.70	2.51	0.65	67.77	8.97	1,471.26	483.86
Depreciation and amortization expense (net of revaluation reserve)	2,568.10	2,607.18	1,011.01	1,046.90	787.12	1,114.69	3.23	3.43	21.48	16.14	4,390.94	4,788.34
Non cash expenses other than depreciation	342.23	25.07	253.41	93.35	-	1,023.00	33.53	112.88	6.94	-	636.11	1,254.30

Note: Capital expenditure consists of additions to property, plant and equipment , capital work in progress and intangible assets.

Non cash expenses other than depreciation includes loss on sale of fxed assets, impairment of investment, bad debts and credit balance written of.

* Figures of SPPL have been consolidated for nine months.[Refer note no.4]

13. Exceptional items:

During the previous year, Simbhaoli Power Private Limited (SPPL), the subsidiary, has written of PPE consisting of 12 MW Turbine and fuel handling system amounting to Rs. 1019.17 lacs and shown it as an exceptional item.

14. Employee Benefits

The Company has classifed the various benefts provided to employees as under: -

i) Defined Contribution Plan:

a) Provident fund

b) Superannuation fund

During the year, the Group has recognized the following amounts in the Consolidated Statement of Proft and Loss:

Descrption	Year ended March 31, 2020#	Year ended March 31, 2019
- Employers' Contribution to Provident Fund	425.70	459.07
- Employers' Contribution to Superannuation Fund	13.12	19.27

In the above table fgures of SPPL have not been consolidated. [Refer Note no. 4]

ii) Disclosure in respect of defined benefit plans (Gratuity & compensated absence) is as under:

(A) Principal Assumptions

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	#2019-20	2018-19	#2019-20	2018-19
Discount Rate (Per Annum)	6.60%	7.55%	6.60%	7.75%
Expected Rate of Salary Increase	5.2% for the frst Year & 5% thereafter	8% for the frst Year & 5% thereafter	5.2% for the frst Year & 5% thereafter	8% for the frst Year & 5% thereafter
Mortality Rate (% of IALM 06-08)	100%	100%	100%	100%
Attrition/Withdrawl Rate	2.00%	2.00%	2.00%	2.00%
Rate of Leave Availment (Per Annum)	NA	NA	Earned Leave-0% Sick Leave-10%	Earned Leave-0% Sick Leave-10%
Rate of Leave Encashment during Employment (Per Annum)	NA	NA	0%	0%

In the above table fgures of SPPL have not been consolidated. [Refer Note no. 4]

(B) Amount Recognised in Statement of Profit & Loss in respect of the Defined Benefit Obligation (₹ lacs)

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	#2019-20	2018-19	2019-20	2018-19
Components of defined benefit cost recognised in profit or loss				
Current Service Cost	99.27	104.98	70.00	91.47
Past Service Cost	-	-	-	-
Interest Cost	38.01	34.57	39.80	41.46
Acturial (gain)/loss from change in demographic assumptions	-	-	0.06	-
Actuarial (gain)/loss from change in fnancial assumptions	-	-	36.89	24.87
Actuarial (gain)/loss arising from experience adjustments	-	-	24.09	(64.85)
Components of defined benefit cost recognised in profit or loss	**137.28**	**139.55**	**170.84**	**92.95**
Components of defined benefit cost recognised in Other Comprehensive Income				
Actuarial (gain)/loss from change in demographic assumptions	(0.45)	-	-	-
Actuarial (gain)/loss from change in fnancial assumptions	110.25	67.41	-	-
Actuarial (gain)/loss arising from experience adjustments	171.99	(145.76)	-	-
Return on plan assets (higher)/lower that discount rate	(7.23)	11.16	-	-
Return on plan assets excluding amount in net interest expense	(0.01)	1.25	-	-
Total actuarial (gain)/loss recognised in Other Comprehensive Income	**274.55**	**(65.94)**	**-**	**-**
Total amount recognised in statement of profit & loss	**411.83**	**73.61**	**170.84**	**92.95**

In the above table fgures of SPPL have not been consolidated. [Refer Note no. 4]

(C) The amount included in Balance Sheet arising from the company's obligation in respect of its defined benefit plan is as follows: (₹ lacs)

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	#2019-20	2018-19	#2019-20	2018-19
Present Value of Defned Beneft Obligation	1,831.12	1,640.19	582.02	607.02
Fair Value of Plan Asset	953.30	1,125.72	-	-
Net liability arising from defined benefit obligation	**(877.82)**	**(514.47)**	**(582.02)**	**(607.02)**
* Non Current Liability	-	-	(472.54)	(508.26)
* Current Liability	(877.82)	(514.47)	(109.48)	(98.76)

In the above table fgures of SPPL have not been consolidated. [Refer Note no. 4]

(D) Movement in the fair value of plan assets are as follows: (₹ lacs)

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	#2019-20	2018-19	#2019-20	2018-19
Opening fair value of plan assets	972.07	1,105.67	NA	NA
Expected return on plan assets	73.55	85.63	NA	NA
Employer Contribution	36.50	5.55	NA	NA
Re measurement gain/(loss)				
* Return on plan assets (higher)/lower than discount rate	7.23	(12.41)	NA	NA
Benefit Paid	(136.05)	(58.72)	NA	NA
Closing fair value of plan assets	**953.30**	**1,125.72**	**-**	**-**

In the above table figures of SPPL have not been consolidated. [Refer Note no. 4]

(E) Movement in the present value of defined benefit obligations are as follows: (₹ lacs)

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	#2019-20	2018-19	#2019-20	2018-19
Opening defined benefit obligation	**1,474.54**	**1,552.08**	**525.99**	**535.26**
Current service cost	99.27	104.98	70.00	91.47
Interest cost	111.57	120.20	39.80	41.46
Remeasurement (gains)/losses:				
* Actuarial (gain)/loss from change in demographic assumptions	(0.45)	-	0.06	-
* Actuarial (gain)/loss from change in financial assumptions	110.25	67.41	36.89	24.87
* Actuarial (gain)/loss arising from experience adjustments	171.99	(145.76)	24.09	21.41
Past Service Cost	-	-	-	-
Benefits paid by employer	(136.05)	(58.72)	(114.81)	(107.45)
Benefits paid from plan assets	-	-	-	-
Closing defined benefit obligation	**1,831.12**	**1,640.19**	**582.02**	**607.02**

In the above table figures of SPPL have not been consolidated. [Refer Note no. 4]

(F) Sensitivity Analysis
Gratuity (Funded) (₹ lacs)

Particulars	Change in assumption by	Impact on defined benefit obligation				
		Increase in assumption			Decrease in assumption	
		Increase/decrease	#31-Mar-20	31-Mar-19	#31-Mar-20	31-Mar-19
Discounting rate	1.00%	In Rs.	1,718.64	1,529.00	1,958.26	1,765.75
Future salary growth rate	1.00%	In Rs.	1,956.94	1,765.12	1,717.83	1,527.08
Attrition rate	0.50%	In Rs.	1,842.7	1,659.32	1,818.33	1,619.15
Mortality rate	10.00%	In Rs.	1,831.72	1,641.21	1,830.51	1,639.18

In the above table figures of SPPL have not been consolidated. [Refer Note no. 4]

Compensated Absence (Unfunded) (₹ lacs)

Particulars	Change in assumption by	Impact on defined benefit obligation				
		Increase in assumption			Decrease in assumption	
		Increase/decrease	#31-Mar-20	31-Mar-19	#31-Mar-20	31-Mar-19
Discounting rate	1.00%	In Rs.	544.43	567.87	624.92	651.47
Future salary growth rate	1.00%	In Rs.	625.17	652.00	543.55	566.77
Attrition rate	0.50%	In Rs.	580.28	607.34	583.75	606.41
Mortality rate	10.00%	In Rs.	581.94	526.00	582.11	607.02

* The plan assets are maintained with ICICI Prudential life Insurance Company Ltd. The details of investment maintained by the ICICI prudential Life Insurance Company Ltd have not been made available to the Company and have therefore not been disclosed.

In the above table figures of SPPL have not been consolidated. [Refer Note no. 4]

Disclosure relating to present value of defned beneft obligation and fair value of plant assets and net actuarial gain/ loss (₹ lacs)

Particulars	Gratuity (Funded)					Compensated absences (Non funded)				
	#2019-20	2018-19	2017-18	2016-17	2015-16	#2019-20	2018-19	2017-18	2016-17	2015-16
Present value of obligation as at the end of the year	1,831.12	1,640.19	1,552.08	2,103.72	1,820.76	582.02	607.02	535.26	479.11	298.98
Fair value of plan assets as at the end of the year	953.30	1,125.72	1,105.67	1,234.02	1,145.04	-	-	-	-	-
Net asset/(liability) recognised in the balance sheet	(877.82)	(514.47)	(446.41)	(869.70)	(675.72)	(582.02)	(607.02)	(535.26)	(479.11)	(298.98)

In the above table fgures of SPPL have not been consolidated. [Refer Note no. 4]

G. Risks related to defined benefit plans:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above benefts which are as follows:

1) **Interest rate risk:** The plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benef t and will thus result in increase in the value of the liability.

2) **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of its liquid assets not being sold in time.

3) **Salary Escalation Risk:** The present value of the defned benef t plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

4) **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability.

5) **Regulatory Risk:** Gratuity benef t is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

6) **Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

7) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Note:- The above is a standard list of risk exposures in providing the gratuity benef t. The Company is advised to carefully examine the above list and make suitable amendments (including adding more risks, if relevant) to the same before disclosing the above in its fnancial statements.

H. Method and Assumptions related terms:

1) **Discount Rate:** Discount rate is the rate which is used to discount future benef t cash fows to determine the present value of the defned benef t obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.

2) **Salary Escalation Rate:** The rate at which salaries are expected to escalate in future. It is used to determine the benef t based on salary at the date of separation.

3) **Attrition Rate:** The reduction in staf/employees of a company through normal means, such as retirement and resignation. This is natural in any business and industry

4) **Mortality Rate:** Mortality rate is a measure of the number of deaths (in general, or due to a specifc cause) in a population, scaled to the size of that population, per unit of time.

5) **Projected Unit Credit Method:** The Projected Unit Credit Method (sometimes known as the accrued benef t method pro-rated on service or as the benef t/years of service method) considers each period of service as giving rise to an additional unit of benef t entitlement and measures each unit separately to build up the fnal obligation. The Projected Unit Credit Method requires an enterprise to attribute benef t to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defned benef t obligations).

15. i) Following are the particulars of disputed dues on account of sales tax (trade tax), excise duty and service tax matters that have not been deposited by the Company as at March 31, 2020.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved*# (₹ lacs)	Amount paid under protest (₹ lacs)
U. P. Trade Tax Act	Trade tax	Dy. Commissioner	2013-2014	52.25	5.23
Kerela Sales Tax Act	Trade Tax	Dy. Commissioner, Commercial Tax - (Appeal)	2000-2001	2.17	1.08
Central Excise Act, 1944	Excise Duty	High Court, Allahabad	1979-1980	11.01	11.01
			2005-2006	2.78	-
		Customs, Excise & Service tax Appellate Tribunal	2001-2006	42.88	-
			2002-2003	16.63	-
			2005-2006	15.88	-
			2006-2007	2.58	
			2013-2014	1.16	0.12
			2014-2016	8.64	1.46
			2015-2016	1.89	0.19
			2015-2018	18.04	1.36
Finance Act, 1994	Service Tax	Customs, Excise & Service tax Appellate Tribunal	2006-2007	28.25	-

* Amount as per demand orders including interest and penalty wherever indicated in order.

In the above table fgures of SPPL has not been consolidated. [Refer Note no. 4]

ii) In the following instances the concerned statutory authority is in appeal against favourable orders received by the Company.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ lacs)
Central Excise Act, 1944	Excise Duty	Customs, Excise & Service tax Appellate Tribunal	2003-2004	21.44
			2005-2006	1.24
			2008-2009	54.68

There are no dues in respect of income tax, customs duty, wealth tax and cess, which have not been deposited on account of any disputes except in respect of income tax demand of Rs. 0.48 lacs (Previous year of Rs.1.77 lacs) arising on processing of TDS returns. The Company is in process of rectifying these returns and is confident that the demand will be substantially reduced.

16. Earnings per share **(₹ lacs)**

Description		Year ended March 31, 2020	Year ended March 31, 2019
Profit/(loss) after tax and exceptional items as per Statement of Profit and Loss	(A)	(3,885.03)	(3,127.98)
Add/Less: Exceptional Items net of taxes		-	1,019.17
Profit/(loss) after tax and before exceptional items	(B)	(3,885.03)	(2,108.81)
Weighted average number of equity shares outstanding (Par value ₹ 10 per share)			
- For basic and diluted earnings per share (Nos.)	(C)	41,279,020	39,295,458
Earnings per share (₹)			
- Basic and diluted EPS before exceptional item	(B÷C)	(9.41)	(5.37)
- Basic and diluted EPS after exceptional item	(A÷C)	(9.41)	(7.96)

Note: Since effect of potential equity shares to be issued on conversion of warrant option is anti-dilutive the basic EPS is reported as diluted EPS.

17. Auditors' remuneration (excluding Goods and Services Tax):

(₹ lacs)

Description	Year ended March 31, 2020#	Year ended March 31, 2019
- Statutory audit	12.00	27.48
- Audit of Consolidated Financial Statement	5.00	5.00
- Limited review of unaudited financial results	15.00	15.00
- Certification and other services	-	7.50
- Reimbursement of out of pocket expense for statutory audit and others	5.58	1.79

In the above table figures of SPPL has not been consolidated. [Refer Note no.4]

18. Disclosure related to Government Grant

The Company is eligible to receive various grants announced by Central and U.P. State Government for Sugar Industry by way of production subsidy, reimbursement of society commission and interest subvention on certain term loan, loans at concessional rate etc. The Company is also eligible to receive grant announced by U.P State Government for promotion of industry in general under UPSIPP Scheme 2013. The Company has recognised these Government grants in the following manners:

(₹ lacs)

S. No.	Nature of Grant/Assistance	Treatment in Accounts	Year ended March 31, 2020#	Year ended March 31, 2019
1	Production subsidy from Government. (Refer note a)	Deducted from cost of raw materials consumed (Refer note 3.27)	489.36	2,896.43
		Shown as separate line items "Cane / Export subsidy" under other operating revenue".(Refer note 3.25)	1.24	-
2	Government Grant of ₹ 4.50 per quintal of cane purchase during SS 2017-18 as announced by the U.P. State Government [Refer Note d]	Shown as separate line items "Cane / Export subsidy" under other operating revenue".(Refer note 3.25)	-	403.02
		Deducted from cost of raw materials consumed (Refer note 3.27)	-	98.83
3	Transport Subsidy from Government. (Refer note b)	Deducted from export expenses under other expenses schedule (Refer note 3.35)	337.03	803.55
		Shown as separate line item" Cane/ export subsidy" under other operating Revenue (Refer note 3.25)	28.71	-
4	MAEQ Subsidy 2019-20 from Government (Refer note c)	Shown as separate line item" Cane/ export subsidy" under other operating Revenue (Refer note 3.25)	5,059.50	-

Figures of SPPL have been consolidated for nine months.[Refer note no.4]

i) The Central Government vide its Notification No. 1(14)/2018-SP-I dated October 05, 2018 announced Scheme for Assistance to Sugar mills for Sugar season 2018-19, (Scheme) with a view to offset the Cane cost and facilitate timely payment of Cane price dues. Every sugar mill which fulfills the conditions stipulated in the Scheme to be eligible for assistance at the rate of Rs. 13.88 per qtl. of cane crushed during sugar season 2018-19 or the proportionate inter-se allocation of estimated 3000 Lakh MT. of cane to be crushed (for sugar season 2018-19) on the basis of the average sugar production of last three sugar seasons i.e. 2015-16, 2016-17, & 2017-18, whichever is lower.

For the eligibility under the Scheme, the Sugar mills have to supply at least 80% of indented quantity of Ethanol to OMC; have to file updated online return in Proforma II as prescribed under DFPD under the provisions of Sugar Control Order 1966 and have to fully comply with all the orders/directives of DFPD during sugar season 2018-19 till the date of submission of the claim.

Till March 31, 2020, the Company has complied with all the conditions as stated in the scheme and submitted the claim. Subsidy accrued under the scheme till 31st March, 2020 of Rs. 3387.04 lacs and out of which Rs. 1279.48 lacs has been received till 31st March, 2020.

ii) The Central Government vide its Notification No. 1(4)/2018-SP-I dated September 28, 2018 announced Minimum Indicative Export Quota (MIEQ) under Tradeable Export Scrip Scheme and allocated quota of 123899 MT of raw/white sugar or 16.7 kg of sugar per MT of actual cane crushed during 2018-19 sugar season, whichever is lower for export to sugar mills of the company. Further, the Central Government vide its Notification No. 1(14)/2018-S.P.-I dated October 5, 2018 announced the Scheme for Defraying Expenditure towards internal transport, freight, handling, and other charges on export @ Rs. 3000 per MT. of sugar exported for Mills located in other than coastal states or actual expenditure, whichever is lower. The conditions stipulated under this scheme are same as stipulated in the Scheme for Assistance to Sugar Mills as stated hereinabove. The company has submitted the claim for subsidy accrued under this Scheme till 31st March 2020 of Rs 1169.29 lacs and out of which Rs 237.46 lacs has been received till 31st March, 2020.

iii) The Central Government vide its notification 1(14)/2019-S.P.-I dated 12th September 2019, announced Scheme for Assistance to Sugar mills for the sugar season 2019-20 (Scheme), for expenses on marketing cost including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar under Maximum Admissible Export Quantity (MAEQ) Scheme. Every sugar mill which fulfills the conditions as stipulated in the Scheme will be eligible for assistance @ Rs 10448 per MT on export of sugar limited to MAEQ.

Till March 31, 2020, the Company has complied with all the conditions as stated in the scheme and the management is also confident that all the conditions set out in the Scheme shall be fully complied with at the time of submission of the claim. Accordingly assistance accrued under the Scheme till 31st March 2020 has been recognised during the year.

iv) The Company has received government grant of Rs. 4.50 per quintal of cane purchase during sugar season 2017-18 under the scheme announced by the U.P State Government vide notifications no. 13/201//1697/46-3-18-3(37)/2018 dtd. October 01, 2018 which has been accounted for in the financial statements as mentioned hereinabove.

19. Capital Management

The capital structure as at March 31,2020 and March 31, 2019 is as follows.

(₹ lacs)

Particulars	As at March #31, 2020	As at March 31, 2019
Total equity attributable to equity shareholders	8,898.89	13,036.69
Borrowings	64,566.10	67,107.32
Total Capital	**73,464.99**	**80,144.20**
Total equity attributable to equity shareholders as percentage of total capital	12.11%	16.27%
Total borrowing as percentage of total capital	87.89%	83.73%

Figures of SPPL have been consolidated for nine months.[Refer note no.4]

In the previous year, Company has raised additional capital through preferential issue of warrant to the promoters, to comply with the condition for infusion of capital imposed by the lenders.

20. Financial risk management objectives

The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of the financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and bank balances that derive directly from its operations. The Company also holds investments in equity shares and debentures of its subsidiaries and joint ventures.

The Company's activities expose it mainly to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

i) Credit risk

a. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Company is exposed to credit risk from trade receivables and deposits with banks. To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. Company has also taken advances and security deposits from its customer / agents, which mitigate the credit risk to an extent. The ageing of the trade receivables is given below:

(₹ lacs)

Particulars	As at March #31, 2020	As at March 31, 2019
Up to 6 months	9,275.76	13,036.05
More than 6 months	981.37	1647.92
Total receivables	**10,257.12**	**14,683.97**

Figures of SPPL have been consolidated for nine months.
[Refer note no.4]

b. The impairment analysis is performed at each balance sheet date on individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company makes general provision for lifetime expected credit loss based on its previous experiences of provision/write of in the previous years.

The change in loss allowances for trade receivables, advances to suppliers and security deposits is as under:

(₹ lacs)

Particulars	Trade Receivables	Loan and Advances*	Security Deposits
Provision as at March 31, 2018	**244.80**	**40.77**	**27.50**
Provision made during the year 2018-19	58.11	91.31	-
Amount written of	109.89	26.57	2.50
Provision reversed during the year 2018-19	-	0.09	-
Provision as at March 31, 2019	**193.02**	**105.42**	**25.00**
Provision made during the year 2019-20	173.43	-	-
Amount written of	107.45	-	-
Provision reversed during the year 2019-20	--	-	--
Provision as at March 31, 2020	**259.00**	**105.42**	**25.00**

* includes advances to employees

C. Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

ii) Liquidity risk

Liquidity risk is the risk that a company may encounter di f culties in meeting its obligations associated with fnancial liabilities that are settled by delivering cash or other fnancial assets. Since the Company is making continuous losses, presently it monitors rolling forecasts of its liquidity requirements to ensure it has su f cient cash to meet operational needs. The table below provides undiscounted cash fows towards fnancial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	#As at March 31, 2020 (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	110,553.59	106,261.36	4,292.23	110,553.59
Trade payables	91,908.35	91,908.35	-	91,908.35
Other fnancial liabilities-Current	25,218.85	25,218.85	-	25,218.85
Total	**227,680.79**	**223,388.56**	**4,292.23**	**227,680.79**

Figures of SPPL have been consolidated for nine months.[Refer note no.4]

Particulars	As at March 31, 2019 (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	113,368.17	107,230.94	6,137.23	113,368.17
Trade payables	80,829.29	80,829.29	-	80,829.29
Other fnancial liabilities-Current	20,197.49	20,197.49	-	20,197.49
Total	**214,394.95**	**208,257.72**	**6,137.23**	**214,394.95**

iii) Market risk

The company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that afects its assets, liabilities and future transactions. Market risks comprises of four types of risks such as:

a) Interest rate risks

Interest rate risk is the risk that the fair value or future cash fows of a fnancial instrument will fuctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with foating interest rates.

b) Commodity risk

Sugar industry being cyclical in nature, realisations get adversely afected during downturn. Higher cane price or higher production than the demand ultimately afect proftability. The Company has partly mitigated this risk adopting integrated business model by diversifying into distillation, for better price realisation of the by-products.

c) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash fows of an exposure will fuctuate because of changes in foreign exchange rates.

The Company's exposure to the risk of changes in foreign exchange rates is limited to the Company's operating activities (when revenue or expense is denominated in a foreign currency), which are not material.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise as follows:

Description	#As at March 31, 2020		As at March 31, 2019	
	Amount in foreign currency (Lacs)	Amount (₹ Lacs)	Amount in foreign currency (Lacs)	Amount (₹ Lacs)
Trade Receivables –USD	$2.47	204.99	$4.59	318.13
Advance Received from Customer – USD	-	-	$0.13	8.99

Figures of SPPL have been consolidated for nine months.[Refer note no.4]

d) Regulatory risk

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations afect the sugar industry and the Company's operations and proftability. Distillery business is also dependent on the Government policy.

21. Financial instruments - Accounting, Classification and Fair value measurements

i) Financial instruments by category

As at March 31, 2020# (₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Equity instruments					
- Mutual funds	-	0.00	408.49	-	408.49
- Government securities	2.11	-	-	-	2.11
- Others	-	0.15	-	-	0.15
Trade receivables	-	9,998.12	-	-	9,998.12
Cash and cash equivalent	-	4,634.36	-	-	4,634.36
Bank balances other than cash & cash equivalents	-	1,693.69	-	-	1,693.69
Other fnancial assets	-	795.35	-	-	795.35
Total financial assets	**2.11**	**17,121.67**	**408.49**	**-**	**17,532.27**
Financial liabilities					
Borrowings	-	6,550.22	-	-	6,550.22
Trade payables	-	91,908.35	-	-	91,908.35
Other fnancial liabilities	-	129,322.22	-	-	129,322.22
Total financial liabilities	**-**	**227,780.79**	**-**	**-**	**227,780.79**

Figures of SPPL have been consolidated for nine months.[Refer note no.4]

As at March 31, 2019 **(₹ lacs)**

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Mutual funds	-	-	313.23	-	313.23
- Government securities	2.11	-	-	-	2.11
- Others	-	0.15	-	-	0.15
Trade receivables	-	14,490.95	-	-	14,490.95
Cash and cash equivalent	-	1,387.97	-	-	1,387.97
Bank balances other than cash & cash equivalents	-	1,112.51	-	-	1,112.51
Other financial assets	-	1,105.06	-	-	1,105.06
Total financial assets	**2.11**	**18,096.64**	**313.23**	**-**	**18,411.98**
Financial liabilities					
Borrowings	-	9,169.99	-	-	9,169.99
Trade payables	-	80,829.29	-	-	80,829.29
Other financial liabilities	-	127,357.19	-	-	127,357.19
Total financial liabilities	**-**	**217,356.47**	**-**	**-**	**217,356.47**

ii) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classifed its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Following methods and assumptions used to estimate the fair values:

- Fair value of cash and cash equivalents and short term deposits, trade and other short term receivables, trade payables, short term borrowings and other current financial assets and liabilities carried at amortized cost is not materially different from its carrying cost, largely due to the short-term maturities of these financial assets and liabilities

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no transfer from one level to another level during the year.

The following table provides the fair value measurement hierarchy of Group's assets and liabilities, grouped into Level 1 to Level 3 as described below:

(₹ lacs)

Particulars	Carrying Amount	Fair value measurement using		
		Level 1	Level 2	Level 3
As at March 31, 2020				
Financial Assets				
- Investments-Current	408.49	408.49	-	-
Total	**408.49**	**408.49**	-	-
As at March 31, 2019				
Financial Assets				
- Investments-Current	313.23	313.23	-	-
Total	**313.23**	**313.23**	**-**	**-**

22. The Integrated Casetech Consultants Private Limited (ICCPL) has been contesting legal cases against certain mala fde activities resulting from breach of fduciary duties committed by certain previous directors/senior executives of the ICCPL by making false recommendations and setting-up parallel business entities in competitive areas.

During the earlier years, the ICCPL has initiated legal proceedings to make recoveries from such directors/senior executives in the appropriate legal forums. The said directors/ senior executives had also initiated a legal case before the Hon'ble Company Law Board (CLB) against the ICCPL, which was dismissed on February 23, 2016, however, on application of such directors/senior executives in the previous year, the matter was again admitted for hearing by the Hon'ble National Company Law Tribunal (NCLT). In another suite fled by the ICCPL, Hon'ble High Court of Delhi had granted the injunctions to refrain such director/ senior executives from making the mis-representations, that they are associated with the ICCPL in any manner to the public at large. The said matter is sub-judices and the recovery proceedings are in progress.

23. In the previous year, consolidated financial statements have been prepared on the basis of unaudited management accounts of Simbhaoli Power Private Limited (SPPL). The consolidated financial statement of the previous year is now restated to consolidate the same. The reconciliation of previous year's published accounts with the restated accounts figures are as under:

(₹ lacs)

Particulars	Published Figure	Restated Figure
Total Revenue	124,438.24	124,438.24
Net profit/ (loss)	(2,982.14)	(3,127.98)
Total Comprehensive Income	(2,917.82)	(3,063.66)
Total Assets	233,272.02	233,271.84
Total Equity and Liabilities	233,272.02	233,271.84
Equity Share and Other Equity	1,129.27	1,055.35
Non-Controlling Interest	12,052.19	11,981.34

24. Expenditure on corporate social responsibility activities under section 135 of the Companies Act 2013 is as under:

(₹ lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Amount required to be spent	-	17.30
Amount actually spent	-	-

Figures of SPPL have been consolidated for nine months.[Refer note no.4]

25. TAX EXPENSE

A. Income Tax Expenses

Particulars	Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
Current Tax	8.78	447.18
Deferred tax	3.14	2.61
Income Tax adjustment	-	0.25
Total Income Tax Expenses	**11.92**	**450.04**

B. Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

Particulars	Year ended March 31, 2020 ₹ lacs	Year ended March 31, 2019 ₹ lacs
Profit/(Loss) for the year (before incometax expense)	(3,873.11)	(2,677.94)
Tax Expenses as per applicable tax rate*	**(1,038.31)**	**(1,346.03)**
Expenses not allowed for tax purposes	22.57	118.55
Income exempt from tax purposes	35.66	40.97
Reversal of Deferred Tax Liability on land (Net)	(152.04)	(76.34)
Deferred tax Assets on business losses not recognised	1,037.15	1,733.54
Deferred Tax Assets on gratuity not recognised	129.46	20.82
Efect of change in tax rates as compared to previous years	-	(0.69)
Adjustment of prior period tax	-	0.19
Total	**11.92**	**450.04**

-Applicable Tax Rate- For parent company 34.94%

For Subsidiary companies 29.12% & 26.00%

26. Additional Information pursuant to Schedule III to the Companies Act, 2013, of subsidiaries and associates as per standalone financial statements of each entity:

Name of the entity	Country of Incorporation	% of voting power	Net Assets i.e. Total Assets minus Total Liabilties		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Other Comprehensive Income	
			As % of consolidated net assets	Amount ₹ In lacs	As % of consolidated profit or loss	Amount ₹ In lacs	As % of consolidated total comprehensive income	Amount (₹ In lacs)	As % of consolidated total comprehensive income	Amount (₹ In lacs)
As at March 31, 2020#										
Parent										
Simbhaoli Sugars Limited			48.28	(1,230.62)	64.59	(2,164.90)	99.43	(272.14)	67.22	(2,437.04)
Subsidiaries- Indian										
Simbhaoli Specialty Sugars Private Limited	India	100.00	(5.48)	139.77	(0.09)	3.13	-	-	(0.09)	3.13
Integrated Casetech Consultants Private Limited	India	85.16	(15.84)	403.69	(0.86)	28.68	0.67	(1.84)	(0.74)	26.84
Simbhaoli Power Private Limited	India	51.00	(603.08)	15,371.02	32.74	(1,097.28)	-	-	30.27	(1,097.28)
Subsidiaries- Foreign										
Simbhaoli Global Commodities, DMCC	Dubai	100.00	4.54	(115.68)	-	-	-	-	-	-
Non- Controlling interest			**(449.14)**	**11,447.66**	**(15.92)**	**(533.41)**	**(0.10)**	**(0.27)**	**(14.72)**	**(533.68)**
Add/(less) : Consolidation adjustments			**1,120.72**	**(28,564.61)**	**19.53**	**654.68**	**-**	**-**	**18.06**	**654.68**
Total			**100.00**	**(2,548.77)**	**100.00**	**(3,351.62)**	**100.00**	**(273.71)**	**100.00**	**(3,625.34)**
As at March 31, 2019										
Parent										
Simbhaoli Sugars Limited			112.31	1,185.26	126.93	(4,914.51)	(3,120.70)	(2,261.27)	188.87	(7,175.78)
Subsidiaries- Indian										
Simbhaoli Specialty Sugars Private Limited	India	100.00	12.95	136.64	(0.07)	2.87	-	-	(0.08)	2.87
Integrated Casetech Consultants Private Limited	India	85.16	35.71	376.84	(0.49)	18.87	(76.38)	(55.34)	0.96	(36.47)
Simbhaoli Power Private Limited	India	51.00	1,574.14	16,612.67	(42.85)	1,659.01	0.22	0.16	(43.67)	1,659.17
Subsidiaries- Foreign										
Simbhaoli Global Commodities, DMCC	Dubai	100.00	(10.96)	(115.68)	2.15	(83.08)	(0.48)	(0.35)	2.20	(83.43)
Non- Controlling interest			**1,135.30**	**11,981.34**	**(19.21)**	**743.80**	**(11.23)**	**(8.14)**	**(19.36)**	**735.66**
Add/(less) : Consolidation adjustments			(2,759.44)	(29,121.72)	33.54	(1,298.74)	3,308.57	2,397.40	(28.92)	1,098.66
Total			**100.00**	**1,055.35**	**100.00**	**(3,871.78)**	**100.00**	**72.46**	**100.00**	**(3,799.32)**

Figures of SPPL have been consolidated for nine months.[Refer note no.4]

27. During the year, Uttar Pradesh Electricity Regulatory Commission ('UPERC') has notifed UPERC (Captive and Renewable Energy Generating Plants) Regulations, 2019 ('CRE Regulations 2019') which has, inter alia, reduced the tarif applicable to bagasse-based generation plants in the state of Uttar Pradesh w.e.f. April 1, 2019 which is signifcantly lower than the prevailing tarif. As per CRE Regulations, such reduction in tarif was made by UPERC citing lower fxed and variable costs for these power plants. This reduction in tarif 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 tarif fxation and this reduced tarif notifed 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 fled 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 confdent of relief from the Hon'ble High Court and suitable modifcation in CRE Regulations 2019 and thus does not expect the fnancial 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 tarif 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 tarif 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. 796.16 lacs and cost of material consumed for the nine months ended December 31, 2019 would have been lower by Rs 51.91 Lacs, if accounted for at or basis reduced tarif 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 tarif.

28. Details of loan and advances given, investment made and securities provided as required to be disclosed as per provisions of Section 186 (4) of the Companies Act, 2013 have been disclosed in respective heads.

29. The previous year's figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Signatures to notes 1 to 29

For and on behalf of the Board of Directors

In terms of our report attached
For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

B. L. GUPTA
Partner
(M.No. - 073794)

Place : Kanpur
Date : July 30, 2020

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Noida
Date : July 30, 2020

SIMBHAOLI SUGARS

Notes:

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