



# SIMBHAOLI SUGARS

**Simbhaoli Sugars Limited**

CIN-U15122UP2011PLC044210

(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  
September 04, 2020

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

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

Scrip Code: NSE: SIMBHALS BSE: 539742

Ref: Regulation 30-SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
Sub: Outcome of the meeting of the Board of Directors held on September 04, 2020


Dear Sir,

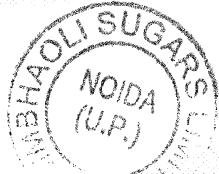
The Board of Directors of Simbhaoli Sugars Limited in their meeting held today i.e., Friday, September 04, 2020, commenced at 4:00 PM and concluded at 6:00 PM, have inter-alia considered, approved and took note of the following:

- Standalone and consolidated unaudited Financial Results of the Company for the quarter ended June 30, 2020. The copies of the aforesaid Financial Results along with Limited Review Reports of Auditors thereon are enclosed herewith.
- In terms of clarification for extension of Annual General Meeting (AGM) for the financial year ended March 31, 2020 issued by Ministry of Corporate Affairs vide General Circular no. 28/2020 dated August 17, 2020, the Company has applied to the Registrar of Companies, Kanpur, Uttar Pradesh for extension of period of conducting 9<sup>th</sup> AGM of the members of the Company for financial year 2019-20 by 3 months' i.e upto December 31, 2020.

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

Thanking you  
Yours faithfully,  
For Simbhaoli Sugars Limited

  
Kamal Samtani  
Company Secretary  
M No.- FCS 5140



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

Specialty Sugars

Potable Alcohol

Ethanol

Power

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



# MITTAL GUPTA & CO.

CHARTERED ACCOUNTANTS

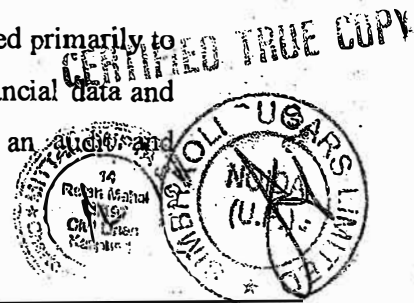
14, Ratan Mahal, 15/197, Civil Lines, Kanpur - 208 001  
Tel. : 0512-2303234, 2303235 • Fax : +91512-4009111 • E-mail : mgco@mgcoca.com

**Independent Auditor's Review Report on standalone unaudited quarterly financial results of Simbhaoli Sugars Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

To

**The Board of Directors of  
Simbhaoli Sugars Limited**

1. We have reviewed the unaudited standalone financial results of Simbhaoli Sugars Limited ('the Company') for the quarter ended June 30, 2020 which is included in the accompanying statement of standalone unaudited financial results for the quarter ended June 30, 2020 ("the Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulation 2015) as amended to date, which has been initialed by us for identification purposes.
2. The statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance so as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.





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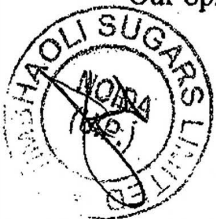
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## Basis of Qualified Opinion

4. We draw attention to Note No.2 of the Statement regarding non provisions for impairment in the carrying value of Property, Plant and Equipments. We are not made available of appropriate impairment assessment carried out by the management and accordingly, we are unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these financial results.
5. We draw attention to Note No. 3 of the Statements regarding non-provision of interest expense aggregating to Rs. 41,048, including Rs 3,593 Lacs for the quarter ended June 30, 2020 on certain borrowings for the reasons stated in the said note. Consequently, loss for the quarter ended June 30, 2020 and for the periods presented in financial results has been understated by the amount as stated in aforesaid note for the respective periods.
6. We draw attention to Note No.4 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.
7. We draw attention to Note No. 5 of the Statement regarding non provision of disputed value of bagasse sold and certain claims made by Simbhaoli Power Private Limited, a subsidiary company amounting to Rs. 326 Lacs (including Rs 75 lacs for quarter ending June 30, 2020), for the reasons stated in the said note. Consequently, loss for the quarter ended June 30, 2020 and year ended March 31, 2020 has been overstated by the aforesaid amount.

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Our opinion is qualified in respect of the above matters.





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## Material Uncertainty related to Going Concern:

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

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

9. Based on our review conducted as above, and except for the matters referred to in paragraph 4 to 7 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in all material respects in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in accordance with requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For MITTAL GUPTA & CO.**

Chartered Accountants

FRN : 01874C

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



Partner

Membership No. :073794

Place of Signature: Kanpur

Dated: 04.09.2020

UDIN: 20073794AAAACE7676

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**SIMBHAOLI SUGARS LIMITED**

(Formerly known as 'Simbhaoli Spirits Limited')

Regd. Office : Simbhaoli Dist. Hapur (U.P.) - 245207

CIN - L15122UP2011PLC044210 E-mail: info@simbhaolisugars.com Website: www.simbhaolisugars.com

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED**

**JUNE 30, 2020**

(Rs. Lacs)

Sl. No.	Particulars	Quarter ended			Year Ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		Unaudited	Audited #	Unaudited	Audited
<b>1</b>	<b>Income</b>				
	(a) Revenue from operations	38,368	40,517	29,571	1,20,832
	(b) Other income	409	1,193	413	2,574
	<b>Total revenue</b>	<b>38,777</b>	<b>41,710</b>	<b>29,984</b>	<b>1,23,406</b>
<b>2</b>	<b>Expenses</b>				
	(a) Cost of materials consumed	12,727	43,150	12,423	82,202
	(b) Purchase of stock-in-trade	891	630	655	2,866
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	15,664	(16,360)	6,367	(7,202)
	(d) Excise duty	3,740	4,592	4,521	19,888
	(e) Employee benefits expense	1,313	1,851	1,221	5,696
	(f) Finance costs	804	767	750	3,163
	(g) Depreciation and amortisation expense	886	882	905	3,601
	(h) Power & fuel	778	619	1,206	2,844
	(i) Other expenses	2,473	3,974	2,895	12,513
	<b>Total expenses</b>	<b>39,276</b>	<b>40,105</b>	<b>30,943</b>	<b>1,25,571</b>
<b>3</b>	<b>Profit/ (loss) before exceptional items and tax (1-2)</b>	<b>(499)</b>	<b>1,605</b>	<b>(959)</b>	<b>(2,165)</b>
<b>4</b>	<b>Exceptional items</b>	-	-	-	-
<b>5</b>	<b>Profit/ (loss) before Tax (3-4)</b>	<b>(499)</b>	<b>1,605</b>	<b>(959)</b>	<b>(2,165)</b>
<b>6</b>	<b>Tax expense :</b>				
	- Current tax	-	-	-	-
	- Income Tax Adjustment	-	-	-	-
	<b>Total tax expenses</b>	-	-	-	-
<b>7</b>	<b>Net Profit/(loss) from ordinary activities after tax (5-6)</b>	<b>(499)</b>	<b>1,605</b>	<b>(959)</b>	<b>(2,165)</b>
<b>8</b>	<b>Other Comprehensive Income (net of tax)</b>	-	<b>(272)</b>	-	<b>(272)</b>
	A) I. Items that will not be reclassified to profit & loss	-	(272)	-	(272)
	II. Income Tax relating to Items that will not be reclassified to profit or loss	-	-	-	-
	B) I. Items that will be reclassified to profit & loss	-	-	-	-
	II. Income Tax relating to Items that will be reclassified to profit or loss	-	-	-	-
<b>9</b>	<b>Total Comprehensive Income (net of tax) (7+8)</b>	<b>(499)</b>	<b>1,333</b>	<b>(959)</b>	<b>(2,437)</b>
<b>10</b>	<b>Paid up equity share capital (face value Rs. 10/- each)</b>	<b>4,128</b>	<b>4,128</b>	<b>4,128</b>	<b>4,128</b>
<b>11</b>	<b>Other Equity</b>				<b>(5,359)</b>
<b>12</b>	<b>Basic and Diluted Earning Per Share (Rs.) (not annualized)</b>				
	- EPS before exceptional item	(1.21)	3.89	(2.32)	(5.24)
	- EPS after exceptional item	(1.21)	3.89	(2.32)	(5.24)

# Refer note no.6

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**SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**
**UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.  
FOR THE QUARTER ENDED JUNE 30, 2020**
**(Rs. Lacs)**

	Quarter ended			Year Ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	Unaudited	Audited #	Unaudited	Audited
<b>(A). Segment Revenue</b>				
(a) Sugar	31,867	34,738	22,226	92,040
(b) Distillery	7,960	8,438	9,106	35,252
<b>Total</b>	<b>39,827</b>	<b>43,176</b>	<b>31,332</b>	<b>1,27,292</b>
Less: Inter Segment Revenue	1,459	2,659	1,761	6,460
<b>Net sales/income from operations</b>	<b>38,368</b>	<b>40,517</b>	<b>29,571</b>	<b>1,20,832</b>
<b>(B). Segment Results</b>				
Profit/ (loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment				
(a) Sugar	(452)	2,241	(879)	265
(b) Distillery	600	198	577	387
<b>Total</b>	<b>148</b>	<b>2,439</b>	<b>(302)</b>	<b>652</b>
<b>Less:</b>				
(a) Finance cost	804	767	750	3,163
(b) Other un-allocated expenses/ (income) (net)	(157)	67	(93)	(346)
(c) Exceptional item	-	-	-	-
<b>Total Profit/ (loss) before tax</b>	<b>(499)</b>	<b>1,605</b>	<b>(959)</b>	<b>(2,165)</b>
<b>(C). Segment Assets</b>				
(a) Sugar	1,45,132	1,60,072	1,44,796	1,60,072
(b) Distillery	43,012	42,024	41,250	42,024
(c) Unallocated	15,054	15,325	14,368	15,325
<b>Total</b>	<b>2,03,198</b>	<b>2,17,421</b>	<b>2,00,414</b>	<b>2,17,421</b>
<b>(D). Segment Liabilities</b>				
(a) Sugar	75,756	90,142	73,053	90,142
(b) Distillery	2,741	2,716	2,249	2,716
(c) Unallocated	21,980	21,332	19,830	21,332
(d) Borrowings	1,04,446	1,04,462	1,05,051	1,04,462
<b>Total</b>	<b>2,04,923</b>	<b>2,18,652</b>	<b>2,00,183</b>	<b>2,18,652</b>

# Refer note no.6

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**Notes to Standalone Results:**

1. Indian sugar industry has been facing difficulties on account of high sugar production in the country since 2016-17 resulting in surplus sugar and lower prices. For last several quarter, the Company has incurred losses due to high sugarcane costs fixed by the state government, and comparatively lower prices of finished goods which are also regulated and controlled. The operations of the Company remained intact and robust, due to stated reasons it has incurred continuing losses and its net worth has been fully eroded. This has resulted delays in meeting the payment obligations to the lenders and sugarcane farmers in terms of their respective agreements and understanding.

Recognizing the status of the sugar industry, the state and central governments have taken a number of measures to improve the financial health, support for liquidation of cane arrears, fixing minimum obligation for exports to manage the sugar inventory and providing subsidy to meet export expenses, fixing minimum support price of sugar, and mandatory blending of ethanol with petrol with long term tendering and remunerative price of ethanol etc. Pursuant to an order of Hon'ble high court of Uttar Pradesh, the sugar industry as well as the Company is confident to receive accrued benefits from state government under the erstwhile sugar promotion policy (2004-09).

All these measures are expected to reflect in the revival of the sugar industry and the Company in time to come on sustainable basis. Based on these steps, along with other internal measures being undertaken, the management believes that the regular operations at its manufacturing facilities shall remain continued in the near foreseeable future.

On account of delays in servicing of loans, certain lenders to the Company have initiated recovery proceeding at various forums, including filing of applications before the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 and approached debt recovery tribunal. 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 and the matter is *sub-judice*. Enforcement directorate had proceeded to take the constructive possession of the attached property on which an interim stay has been granted by the Hon'ble Appellate Tribunal.

The Company is continuing to pursue a comprehensive debt resolution proposal with all the lenders. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

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

**2. Impact of COVID 19 Pandemic**

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 respect of 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 equipment's and consequential impairment could not be ascertained and provided for due to non-availability of requisite information on account of lockdown restrictions.

The outbreak of pandemic COVID 19 has impacted the sector with regards to slower off take of sugar and ethanol, logistic issues and fall in consumption particularly by the bulk consumers. As the date of approval of these results, it is not possible to reliably estimate the future financial effect of the COVID 19 situation

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on the Company. The impact assessment is a continuing process given the uncertainties associated with nature and duration of current situation. The eventual impact may differ from what has been assessed by the Management as at the date of approval of these financial results. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

3. The Credit Facilities 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 commercial lenders as per circular of RBI. The Company has submitted comprehensive debt resolution proposals with all the lenders to commensurate 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 ensuing quarter ended June 30, 2020 amounting to Rs. 3,593 lacs (previous quarter and year ended March 31, 2020 amounting to Rs. 3,430 lacs and Rs 13,146 lacs respectively and corresponding preceding quarter ended June 30, 2019 amounting to Rs. 3,160 lacs) has not been recognized in profit and loss account. A total amount of Rs. 41,048 lacs towards accrued interest has not been provided for in the books of accounts as on June 30, 2020.
4. The Hon'ble High Court of Uttar Pradesh had directed the state government to determine the interest liability for the period of delayed payments of sugarcane price to cane growers for sugar seasons 2012-13 to 2014-15 by the UP sugar industry. No demand, pursuant to the order and for subsequent period has been received by the company. Considering this and also prevalent past practices, no provision towards the interest on delayed payment of cane price has been made in the accounts.
5. The outstanding balances of the Company with its material 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 agreements. Pending reaching to final settlement, no adjustment has been made in the accounts for aggregating to Rs. 326 lacs (including Rs 75 lacs for quarter ending June 30, 2020) being the difference in the value of bagasse sold and certain claims made by SPPL.
6. The figures for the quarter ending March 31, 2020 are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the financial year.
7. Sugar, one of the major businesses of the Company, is a part of seasonal industry. The results may vary from quarter to quarter.
8. The previous periods figures have been regrouped/rearranged wherever necessary.
9. The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on September 04, 2020.

For **SIMBHAOLI SUGARS LIMITED**

GURSIMRAN  
KAUR MANN  
**Gursimran Kaur Mann**  
Managing Director

Place: Noida, India

Date: September 04, 2020

Company Website: [www.simbhaolisugars.com](http://www.simbhaolisugars.com)



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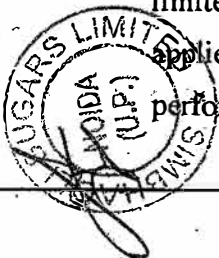
**Independent Auditor's Review Report on unaudited consolidated quarterly financial results of the Group Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**

To

**The Board of Directors of  
Simbhaoli Sugars Limited**

1. We have reviewed the unaudited consolidated Financial Results of Simbhaoli Sugars Limited ('the Company') and its subsidiaries (hereinafter referred to as 'the Group') for the quarter ended on June 30, 2020, which are included in the accompanying statement of consolidated unaudited Financial Results for the quarter ended on June 30, 2020 ("the Statement"). The Statement has been prepared by the company pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulation 2015) as amended to date, which has been initialed by us for identification us.
2. The statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance so as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We performed an audit and accordingly, we do not express an audit opinion.

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2. 305 Kushal Bazar, 32-33 Nehru Place, New Delhi - 110019



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## Basis of Adverse Opinion

4. As explained in Note No.5, the Company has not consolidated the financial statements of its material subsidiary viz Simbhaoli Power Private Limited ( SPPL) for the quarter ended June 30, 2020 and for the quarter ended March 31, 2020 for the reason stated in said note. Under the accounting principles generally accepted in India, the subsidiary should have been consolidated because it is controlled by the Company. Had the result of subsidiary been consolidated, many elements in the accompanying financial results would have been materially affected. The effects on the financial results due to the failure to consolidate have not been determined.

## Basis of Qualified Opinion

5. As stated in Note no. 6 of the Statement, during the quarter ended September 30, 2019, Uttar Pradesh Electricity Regulatory Commission ('UPREC') has notified UPREC (Captive and Renewable Energy Generation Plants) Regulations, 2019 ('CRE Regulation 2019') which has, inter alia, reduced the tariff applicable to bagasse based generation plants in the state of Uttar Pradesh w. e. f. April 1, 2019. Based on writ petition filed and legal opinion obtained, SPPL has recorded revenue from operations for the period April to September, 2019 at or basis pre CRE Regulation 2019 Tariff Rate instead at the reduced tariff as per CRE Regulation 2019.W.e.f. October 01,2019,the SPPL has accounted for the sale of power to Uttar Pradesh Power Corporation Limited ('UPPCL'), The customer , at reduced tariff rate under protest and subject to outcome of Hon'ble High Court Decision on the petition. Management's computation, as reviewed by the statutory auditors of SPPL, shows that revenue from operations for the nine months ended December 31, 2019 would have been lower by Rs 797 Lacs and cost of material consumed for the nine months ended December 31, 2019 would have been lower by Rs 52 Lacs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. These conditions as discussed in detail in Note No 6 indicate the existence of material uncertainty in relation to tariff under CRE Regulations 2019 and its consequential impact on the financial statements, if any.

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6. We draw attention to Note No.2 of the Statement regarding non provisions for impairment in the carrying value of Property, Plant and Equipments. We are not made available of appropriate impairment assessment carried out by the management and accordingly, we are unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these financial results.
7. We draw attention to Note No. 3 of the Statements regarding non-provision of interest expense aggregating to Rs. 41,048, including Rs.3,593 Lacs for the quarter ended June 30, 2020 on certain borrowings for the reasons stated in the said note. Consequently, loss for the quarter ended June 30, 2020 and for the periods presented in financial results has been understated by the amount as stated in aforesaid note for the respective periods.
8. We draw attention to Note No.4 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.

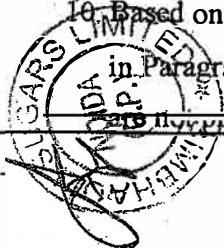
Our opinion is qualified in respect of the above matters.

### Material Uncertainty related to Going Concern

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

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

10. Based on our review conducted as above, and after considering the matters referred in Paragraph No. 5 to 8 above, we are of the opinion that the accompanying Statement of Profit and Loss is prepared in all material respects in accordance with applicable Indian



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2. 305 Kushal Bazar, 32-33 Nehru Place, New Delhi - 110019



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Accounting Standards specified under Section 133 of the Companies Act, 2013, and other recognized accounting practices and policies, has also not disclosed the information required to be disclosed in accordance with requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed.

11. The statement includes the results of the following entities:

Subsidiary Companies: Integrated Casetech Consultants Private Limited, Simbhaoli Specialty Sugars Private Limited

12. The consolidated unaudited financial results include the interim financial results of one subsidiary, which have not been reviewed by their auditors, whose interim financial results reflects total assets of Rs. 143 Lacs as at June 30, 2020, total revenue of Rs. 1.62 Lacs, total net profit after tax of Rs. 0.86 lac and total comprehensive income of Rs. 0.86 lacs for the quarter ended June 30, 2020 as considered in the Statement. According to the information and explanation given by the management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the management.

For MITTAL GUPTA & CO.

Chartered Accountants

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FRN : 01874C

B. L. Gupta

(B. L. Gupta)



Partner

Membership No.: 073794

Place of Signature: Kanpur

Date: 04.09.2020

UDIN: 20073794AAAACF5473

**SIMBHAOLI SUGARS LIMITED**  
(Formerly known as 'Simbhaoli Spirits Limited')  
Regd. Office : Simbhaoli Dist. Hapur (U.P.) - 245207  
CIN - L15122UP2011PLC044210 E-mail: info@simbhaolisugars.com Website: www.simbhaolisugars.com  
**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED**  
**JUNE 30, 2020**

Sl. No.	Particulars	Quarter ended			(Rs. Lacs)
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		Unaudited	Audited #	Unaudited	Audited
<b>1</b>	<b>Income</b>				
	(a) Revenue from operations	38,524	41,831	31,727	1,26,107
	(b) Other income	414	1,050	72	1,511
	<b>Total revenue</b>	<b>38,938</b>	<b>42,881</b>	<b>31,799</b>	<b>1,27,618</b>
<b>2</b>	<b>Expenses</b>				
	(a) Cost of materials consumed	12,727	43,277	13,103	83,562
	(b) Purchase of stock-in-trade	891	641	663	2,895
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	15,664	(16,360)	6,299	(7,200)
	(d) Excise duty	3,740	4,592	4,521	19,888
	(e) Employee benefits expense	1,380	2,450	1,583	7,821
	(f) Finance costs	804	814	1,295	4,733
	(g) Depreciation and amortisation expense	886	854	1,166	4,391
	(h) Power & fuel	778	625	820	1,691
	(i) Other expenses	2,542	4,370	3,121	13,710
	<b>Total expenses</b>	<b>39,412</b>	<b>41,263</b>	<b>32,571</b>	<b>1,31,491</b>
<b>3</b>	<b>Profit/ (loss) before exceptional items and tax (1-2)</b>	<b>(474)</b>	<b>1,618</b>	<b>(772)</b>	<b>(3,873)</b>
<b>4</b>	<b>Exceptional items</b>	-	-	-	-
<b>5</b>	<b>Profit/ (loss) before Tax (3-4)</b>	<b>(474)</b>	<b>1,618</b>	<b>(772)</b>	<b>(3,873)</b>
<b>6</b>	<b>Tax expense :</b>				
	- Current tax	5	(1)	73	9
	- Income Tax Adjustment	-	(2)	-	3
	<b>Total tax expenses</b>	<b>5</b>	<b>(3)</b>	<b>73</b>	<b>12</b>
<b>7</b>	<b>Net Profit/(loss) from ordinary activities after tax (5-6)</b>	<b>(479)</b>	<b>1,621</b>	<b>(845)</b>	<b>(3,885)</b>
<b>8</b>	<b>Other Comprehensive Income (net of tax)</b>	-	<b>(274)</b>	-	<b>(274)</b>
	A) I. Items that will not be reclassified to profit & loss	-	(275)	-	(275)
	II. Income Tax relating to Items that will not be reclassified to profit or loss	-	1	-	1
	B) I. Items that will be reclassified to profit & loss	-	-	-	-
	II. Income Tax relating to Items that will be reclassified to profit or loss	-	-	-	-
<b>9</b>	<b>Total Comprehensive Income (net of tax) (7+8)</b>	<b>(479)</b>	<b>1,347</b>	<b>(845)</b>	<b>(4,159)</b>
	<b>Profit/Loss for the year attributable to :</b>				
	1) Owners of the parent	<b>(481)</b>	<b>1,621</b>	<b>(1,009)</b>	<b>(3,352)</b>
	2) Non-Controlling Interest	<b>2</b>	-	<b>164</b>	<b>(533)</b>
	<b>Other Comprehensive Income attributable to:</b>				
	1) Owners of the parent	-	<b>(274)</b>	-	<b>(274)</b>
	2) Non-Controlling Interest	-	<b>(0)</b>	-	<b>(0)</b>
	<b>Total Comprehensive Income attributable to:</b>	<b>(481)</b>	<b>1,621</b>	<b>(1,009)</b>	<b>(3,626)</b>
	1) Owners of the parent	<b>(481)</b>	<b>1,621</b>	<b>(1,009)</b>	<b>(3,626)</b>
	2) Non-Controlling Interest	<b>2</b>	<b>(0)</b>	<b>164</b>	<b>(533)</b>
<b>10</b>	<b>Paid up equity share capital (face value Rs. 10/- each)</b>	<b>4,128</b>	<b>4,128</b>	<b>4,128</b>	<b>4,128</b>
<b>11</b>	<b>Other Equity</b>				<b>(6,677)</b>
<b>12</b>	<b>Basic and Diluted Earning Per Share (Rs.) (not annualized)</b>				
	- EPS before exceptional item	(1.16)	3.93	(2.05)	(9.41)
	- EPS after exceptional item	(1.16)	3.93	(2.05)	(9.41)

# Refer note no. 8

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**SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**
**UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.  
FOR THE QUARTER ENDED JUNE 30, 2020**

	(Rs. Lacs)			
	Quarter ended			Year Ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	Unaudited	Audited #	Unaudited	Audited
<b>(A). Segment Revenue</b>				
(a) Sugar	31,867	34,738	22,226	92,040
(b) Distillery	7,960	8,438	9,106	35,252
(c) Power	-	-	2,404	4,082
(d) Others	200	1,016	286	2,376
<b>Total</b>	<b>40,027</b>	<b>44,192</b>	<b>34,022</b>	<b>1,33,750</b>
Less: Inter Segment Revenue	1,503	2,361	2,295	7,643
<b>Net sales/income from operations</b>	<b>38,524</b>	<b>41,831</b>	<b>31,727</b>	<b>1,26,107</b>
<b>(B). Segment Results</b>				
Profit/ (loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment				
(a) Sugar	(452)	2,241	(879)	265
(b) Distillery	600	198	577	387
(c) Power	-	-	996	547
(d) Others	15	(23)	6	20
<b>Total</b>	<b>-163</b>	<b>2,416</b>	<b>700</b>	<b>1,219</b>
<b>Less:</b>				
(a) Finance cost	804	814	1,295	4,733
(b) Other un-allocated expenses/ (income) (net)	(167)	(16)	177	359
(c) Exceptional item	-	-	-	-
<b>Total Profit/ (loss) before tax</b>	<b>(474)</b>	<b>1,618</b>	<b>(772)</b>	<b>(3,873)</b>
<b>(C). Segment Assets</b>				
(a) Sugar	1,41,019	1,55,989	1,40,621	1,55,989
(b) Distillery	43,012	42,025	41,252	42,025
(c) Power	34,481	34,481	37,615	34,481
(d) Others	1,590	1,641	773	1,641
(e) Unallocated	4,984	5,318	4,839	5,318
<b>Total</b>	<b>2,25,086</b>	<b>2,39,454</b>	<b>2,25,100</b>	<b>2,39,454</b>
<b>(D). Segment Liabilities</b>				
(a) Sugar	75,877	90,263	73,174	90,263
(b) Distillery	2,741	2,716	2,249	2,716
(c) Power	1,404	1,404	1,156	1,404
(d) Others	1,232	1,378	608	1,378
(e) Unallocated	24,870	24,240	23,008	24,240
(d) Borrowings	1,10,537	1,10,554	1,12,709	1,10,554
<b>Total</b>	<b>2,16,661</b>	<b>2,30,555</b>	<b>2,12,904</b>	<b>2,30,555</b>

# Refer note no.8

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### Notes to Consolidated Results:

1. Indian sugar industry has been facing difficulties on account of high sugar production in the country since 2016-17 resulting in surplus sugar and lower prices. For last several quarter, the Company has incurred losses due to high sugarcane costs fixed by the state government, and comparatively lower prices of finished goods which are also regulated and controlled. The operations of the Company remained intact and robust, due to stated reasons it has incurred continuing losses and its net worth has been fully eroded. This has resulted delays in meeting the payment obligations to the lenders and sugarcane farmers in terms of their respective agreements and understanding.

Recognizing the status of the sugar industry, the state and central governments have taken a number of measures to improve the financial health, support for liquidation of cane arrears, fixing minimum obligation for exports to manage the sugar inventory and providing subsidy to meet export expenses, fixing minimum support price of sugar, and mandatory blending of ethanol with petrol with long term tendering and remunerative price of ethanol etc. Pursuant to an order of Hon'ble high court of Uttar Pradesh, the sugar industry as well as the Company is confident to receive accrued benefits from state government under the erstwhile sugar promotion policy (2004-09).

All these measures are expected to reflect in the revival of the sugar industry and the Company in time to come on sustainable basis. Based on these steps, along with other internal measures being undertaken, the management believes that the regular operations at its manufacturing facilities shall remain continued in the near foreseeable future.

On account of delays in servicing of loans, certain lenders to the Company have initiated recovery proceeding at various forums, including filing of applications before the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 and approached debt recovery tribunal. 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 and the matter is *sub-judice*. Enforcement directorate had proceeded to take the constructive possession of the attached property on which an interim stay has been granted by the Hon'ble Appellate Tribunal.

The Company is continuing to pursue a comprehensive debt resolution proposal with all the lenders. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

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

### **2. Impact of COVID 19 Pandemic**

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 results written down the value of inventory to net realizable value, wherever required, and made provisions in respect of 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 equipment's and consequential impairment could not be ascertained and provided for due to non-availability of requisite information on account of lockdown restrictions.

The outbreak of pandemic COVID 19 has impacted the sector with regards to slower off take of sugar and ethanol, logistic issues and fall in consumption particularly by the bulk consumers. As the date of approval of these results, it is not possible to reliably estimate the future financial effect of the COVID 19 situation



on the Company. The impact assessment is a continuing process given the uncertainties associated with nature and duration of current situation. The eventual impact may differ from what has been assessed by the Management as at the date of approval of these financial results. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

3. The Credit Facilities 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 commercial lenders as per circular of RBI. The Company has submitted comprehensive debt resolution proposals with all the lenders to commensurate 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 ensuing quarter ended June 30, 2020 amounting to Rs. 3,593 lacs (previous quarter and year ended March 31, 2020 amounting to Rs. 3,430 lacs and Rs 13,146 lacs respectively and corresponding preceding quarter ended June 30, 2019 amounting to Rs. 3,160 lacs) has not been recognized in profit and loss account. A total amount of Rs. 41,048 lacs towards accrued interest has not been provided for in the books of accounts as on June 30, 2020.
4. The Hon'ble High Court of Uttar Pradesh had directed the state government to determine the interest liability for the period of delayed payments of sugarcane price to cane growers for sugar seasons 2012-13 to 2014-15 by the UP sugar industry. No demand, pursuant to the order and for subsequent period has been received by the company. Considering this and also prevalent past practices, no provision towards the interest on delayed payment of cane price has been made in the accounts.
5. In the consolidated financial results of the Company for the Quarter ended June 30, 2020, the financial results of Simbhaoli Power Private Limited (SPPL), a material subsidiary has not been consolidated, as the quarterly financial results of SPPL have not been finalized and approved till date by SPPL. The consolidated financial results of the Company as at quarter and year ended March 31, 2020 have also 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 for the ensuing quarter ended June 30, 2020 which have not been eliminated in the consolidated financial results, have resulted in increase in the Total Revenue by Rs. 454 lacs (previous quarter and year ended March 31, 2020 amounting to Rs. 1366 Lacs) and Expenses by Rs. 404 lacs (previous quarter and year ended March 31, 2020 amounting to Rs. 734 Lacs).

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

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





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

7. The standalone results are available on Company's website [www.simbhaolisugars.com](http://www.simbhaolisugars.com). The particulars in respect of standalone results are as under:

Particulars (Standalone)	Quarter ended			Year ended
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
Net Sales/Income from operations	34,628	35,925	25,050	1,00,944
Profit/(Loss) before tax	-499	1,605	-959	-2,165
Profit/ (Loss) after tax	-499	1,605	-959	-2,165
Other Comprehensive Income	-	(272)	0	-272
Total Comprehensive Income	-499	1,333	-959	-2,437
EBITDA	1,191	3,254	696	4,599

8. The figures for the quarter ending March 31, 2020 are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the financial year.
9. Sugar, one of the major businesses of the Company, is a part of seasonal industry. The results may vary from quarter to quarter.
10. The previous periods figures have been regrouped/rearranged wherever necessary.
11. The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on September 04, 2020.

For **SIMBHAOLI SUGARS LIMITED**

**GURSIMRAN KAUR MANN**

**Gursimran Kaur Mann**  
Managing Director

Place: Noida, India

Date: September 04, 2020

Company Website: [www.simbhaolisugars.com](http://www.simbhaolisugars.com)

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**SIMBHAOLI SUGARS LIMITED**

(Formerly known as 'Simbhaoli Spirits Limited')

Regd. Office : Simbhaoli Dist. Hapur (U.P.) - 245207

CIN - L15122UP2011PLC044210 E-mail: info@simbhaolisugars.com Website: www.simbhaolisugars.com

**EXTRACT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED****JUNE 30, 2020**

(Rs. in lacs)

Sl. No.	Particulars	Quarter ended			Year ended
		June 30, 2020	March 31, 2019	June 30, 2019	March 31, 2020
		Unaudited	Audited #	Unaudited	Audited
1.	Total income from operations (net)	38,524	41,831	31,727	1,26,107
2.	Net Profit/ (loss) for the period before Tax and exceptional items	(474)	1,618	(772)	(3,873)
3.	Net Profit/ (loss) for the period before Tax and after exceptional items	(474)	1,618	(772)	(3,873)
4.	Net Profit/ (loss) for the period after Tax and exceptional items	(479)	1,621	(845)	(3,885)
5.	Total Comprehensive Income for the period [comprising net profit/(loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(479)	1,347	(845)	(4,159)
6.	Paid up equity share capital (face value Rs.10/- each)	4,128	4,128	4,128	4,128
7.	Other Equity				(6,677)
8.	-EPS before exceptional item	(1.16)	3.93	(2.05)	(9.41)
	-EPS after exceptional item	(1.16)	3.93	(2.05)	(9.41)

# Refer Note no. 9

**Notes :**

1 The above is an extract of the detailed format of financial results for the quarter ended June 30, 2020 filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of financial results for the quarter ended June 30, 2020 are available on the Stock Exchange websites (www.bseindia.com and www.nseindia.com) and the Company's website (www.simbhaolisugars.com).

2 Indian sugar industry has been facing difficulties on account of high sugar production in the country since 2016-17 resulting in surplus sugar and lower prices. For last several quarter, the Company has incurred losses due to high sugarcane costs fixed by the state government, and comparatively lower prices of finished goods which are also regulated and controlled. The operations of the Company remained intact and robust, due to stated reasons it has incurred continuing losses and its net worth has been fully eroded. This has resulted delays in meeting the payment obligations to the lenders and sugarcane farmers in terms of their respective agreements and understanding.

Recognizing the status of the sugar industry, the state and central governments have taken a number of measures to improve the financial health, support for liquidation of cane arrears, fixing minimum obligation for exports to manage the sugar inventory and providing subsidy to meet export expenses, fixing minimum support price of sugar, and mandatory blending of ethanol with petrol with long term tendering and remunerative price of ethanol etc. Pursuant to an order of Hon'ble high court of Uttar Pradesh, the sugar industry as well as the Company is confident to receive accrued benefits from state government under the erstwhile sugar promotion policy (2004-09).

All these measures are expected to reflect in the revival of the sugar industry and the Company in time to come on sustainable basis. Based on these steps, along with other internal measures being undertaken, the management believes that the regular operations at its manufacturing facilities shall remain continued in the near foreseeable future.

On account of delays in servicing of loans, certain lenders to the Company have initiated recovery proceeding at various forums, including filing of applications before the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 and approached debt recovery tribunal. 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 and the matter is sub-judice. Enforcement directorate had proceeded to take the constructive possession of the attached property on which an interim stay has been granted by the Hon'ble Appellate Tribunal.

The Company is continuing to pursue a comprehensive debt resolution proposal with all the lenders. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

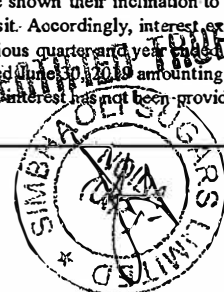
Considering the steps initiated for achieving turnaround of the company and sugar sector, ongoing discussions with the lenders for resolution of their dues and continuing manufacturing operations in near foreseeable future, these financial statements are continued to be presented on going concern basis,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

**3 Impact of COVID 19 Pandemic**

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 results written down the value of inventory to net realizable value, wherever required, and made provisions in respect of 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 equipment's and consequential impairment could not be ascertained and provided for due to non-availability of requisite information on account of lockdown restrictions.

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

4 The Credit Facilities 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 commercial lenders as per circular of RBI. The Company has submitted comprehensive debt resolution proposals with all the lenders to commensurate 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 ensuing quarter ended June 30, 2020 amounting to Rs. 3,593 lacs (previous quarter and year ended March 31, 2020 amounting to Rs. 3,430 lacs and Rs 13,146 lacs respectively and corresponding preceding quarter ended June 30, 2019 amounting to Rs. 3,160 lacs) has not been recognized in profit and loss account. A total amount of Rs. 41,048 lacs towards accrued interest has not been provided for in the books of accounts as on June 30, 2020.



5 The Hon'ble High Court of Uttar Pradesh had directed the state government to determine the interest liability for the period of delayed payments of sugarcane price to cane growers for sugar seasons 2012-13 to 2014-15 by the UP sugar industry. No demand, pursuant to the order and for subsequent period has been received by the company. Considering this and also prevalent past practices, no provision towards the interest on delayed payment of cane price has been made in the accounts.

6 In the consolidated financial results of the Company for the Quarter ended June 30, 2020, the financial results of Simbhaoli Power Private Limited (SPPL), a material subsidiary has not been consolidated, as the quarterly financial results of SPPL have not been finalized and approved till date by SPPL. The consolidated financial results of the Company as at quarter and year ended March 31, 2020 have also 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 for the ensuing quarter ended June 30, 2020 which have not been eliminated in the consolidated financial results, have resulted in increase in the Total Revenue by Rs. 454 lacs (previous quarter and year ended March 31, 2020 amounting to Rs. 1366 Lacs) and Expenses by Rs. 404 lacs (previous quarter and year ended March 31, 2020 amounting to Rs. 734 Lacs).

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

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

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

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

Particulars of standalone	(Rs.in Lac)			
	Quarter ended			Year ended
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
Net Sales/Income from operations	34,628	35,925	25,050	1,00,944
Profit/(Loss) before tax	(499)	1,605	(959)	(2,165)
Profit/ (Loss) after tax	(499)	1,605	(959)	(2,165)
Other Comprehensive Income	-	(272)	-	(272)
Total Comprehensive Income	(499)	1,333	(959)	(2,437)
EBITDA	1,191	3,254	696	4,599

9 The figures for the quarter ending March 31, 2020 are the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the financial year.

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

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

12 The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on September 04, 2020.

CERTIFIED TRUE COPY



For Simbhaoli Sugars Limited.

GURSIMRAN  
KAUR MANN

Gursimran Kaur Mann  
Managing Director  
DIN: 00642094

Place: Noida

Date : September 04, 2020

Simbhaoli Sugars Limited, Noida, Uttar Pradesh. Email : customerfeedback@simbhaolisugars.com or call at : 1800-11-7808. web : www.simbhaolisugars.com



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