

Ref: SSL: Stock Exchange  
February 12, 2021



**SIMBHAOLI  
SUGARS**

**Simbhaoli Sugars Limited**

CIN-L 15122UP2011PLC044210  
(An FSSC 22000 : 2011, ISO 9001 : 2008  
& 14001 : 2004 Certified Company)

**Corporate Office :**

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

Tel. : +91-120-480 6666

Fax : +91-120-2427166

E-mail : info@simbhaolisugars.com

www.simbhaolisugars.com

GSTIN: 09AAPCS7569A1ZV

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

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

Scrip Code: NSE: SIMBHALS BSE: 539742

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,  
2015

Sub: Financial Results approved in Board meeting held on February 12, 2021

Dear Sir,

In the meeting of the Board of Directors of Simbhaoli Sugars Limited, held today, Friday, February 12, 2021, which commenced at 1:00 PM and concluded at 2.45 PM, the Board has considered and approved the following:

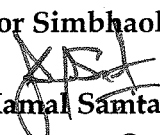
1. Unaudited financial results for the quarter ended on December 31, 2020. The copies of the financial results along-with the Limited Review report of the auditors are enclosed herewith.
2. In pursuance to the resolution, at item No 4 of the Notice, passed at the 9<sup>th</sup> Annual General Meeting of the members of the Company regarding their appointment for a period of another term of 5 years viz financial year 2020-21 till 2024-25, as recommended by the audit committee, the Board has fixed audit fee of Rs 32.50 lacs annum, excluding other professional charges for certification and the reimbursement of out of pocket expenses on actual basis, for payment to M/s Mittal Gupta & Co, the statutory auditors,. The audit fee is commensurate to the quantum of the audit procedures, to be carried out as per the norms, prevailing in the peer group listed entities in the sugar industry.

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

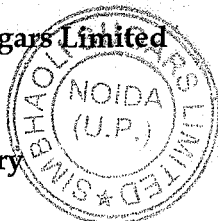
Thanking you

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

**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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED**  
**DECEMBER 31, 2020**

Sl. No.	Particulars	Quarter ended			Nine months ended		(Rs. Lacs)
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	Year Ended March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	(a) Revenue from operations	31,159	28,032	25,370	97,559	80,315	1,20,832
	(b) Other income	359	403	540	1,171	1,381	2,574
	<b>Total revenue</b>	<b>31,518</b>	<b>28,435</b>	<b>25,910</b>	<b>98,730</b>	<b>81,696</b>	<b>1,23,406</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	31,827	21	26,405	44,575	39,052	82,202
	(b) Purchase of stock-in-trade	984	1,366	838	3,241	2,236	2,866
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(14,597)	19,549	(11,707)	20,616	9,158	(7,202)
	(d) Excise duty	5,720	4,409	3,995	13,869	15,296	19,888
	(e) Employee benefits expense	1,548	1,277	1,466	4,138	3,919	5,696
	(f) Finance costs	803	678	778	2,285	2,322	3,163
	(g) Depreciation and amortisation expense	923	862	907	2,671	2,719	3,601
	(h) Power & fuel	1,002	272	688	2,052	2,225	2,844
	(i) Other expenses	3,511	2,263	3,441	8,247	8,539	12,513
	<b>Total expenses</b>	<b>31,721</b>	<b>30,697</b>	<b>26,811</b>	<b>1,01,694</b>	<b>85,466</b>	<b>1,25,571</b>
3	<b>Profit/ (loss) before exceptional items and tax (1-2)</b>	<b>(203)</b>	<b>(2,262)</b>	<b>(901)</b>	<b>(2,964)</b>	<b>(3,770)</b>	<b>(2,165)</b>
4	<b>Exceptional items</b>	-	-	-	-	-	-
5	<b>Profit/ (loss) before Tax (3-4)</b>	<b>(203)</b>	<b>(2,262)</b>	<b>(901)</b>	<b>(2,964)</b>	<b>(3,770)</b>	<b>(2,165)</b>
6	<b>Tax expense :</b>						
	- Current tax	-	-	-	-	-	-
	- Deferred tax	-	-	-	-	-	-
	- Income Tax Adjustment	-	-	-	-	-	-
	<b>Total tax expenses</b>	-	-	-	-	-	-
7	<b>Net Profit/(loss) from ordinary activities after tax (5-6)</b>	<b>(203)</b>	<b>(2,262)</b>	<b>(901)</b>	<b>(2,964)</b>	<b>(3,770)</b>	<b>(2,165)</b>
8	<b>Other Comprehensive Income (net of tax)</b>	-	-	-	-	-	(272)
	A) I. Items that will not be reclassified to profit & loss	-	-	-	-	-	(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	-	-	-	-	-	-
9	<b>Total Comprehensive Income (net of tax) (7+8)</b>	<b>(203)</b>	<b>(2,262)</b>	<b>(901)</b>	<b>(2,964)</b>	<b>(3,770)</b>	<b>(2,437)</b>
10	<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>4,128</b>	<b>4,128</b>
11	<b>Other Equity</b>	-	-	-	-	-	(5,359)
12	<b>Basic and Diluted Earning Per Share (Rs.) (not annualized)</b>						
	- EPS before exceptional item	(0.49)	(5.48)	(2.18)	(7.18)	(9.13)	(5.24)
	- EPS after exceptional item	(0.49)	(5.48)	(2.18)	(7.18)	(9.13)	(5.24)

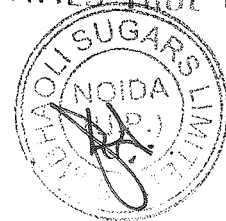
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SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES  
 UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.  
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

						(Rs. Lacs)
	Quarter ended			Nine months ended		Year
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>(A). Segment Revenue</b>						
(a) Sugar	23,452	19,648	19,885	74,967	57,302	92,040
(b) Distillery	11,079	8,744	7,150	27,783	26,814	35,252
<b>Total</b>	<b>34,531</b>	<b>28,392</b>	<b>27,035</b>	<b>1,02,750</b>	<b>84,116</b>	<b>1,27,292</b>
Less: Inter Segment Revenue	3,372	360	1,665	5,191	3,801	6,460
<b>Net sales/income from operations</b>	<b>31,159</b>	<b>28,032</b>	<b>25,370</b>	<b>97,559</b>	<b>80,315</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	(113)	(1,457)	(295)	(2,022)	(1,976)	265
(b) Distillery	672	(255)	(16)	1,017	189	387
<b>Total</b>	<b>559</b>	<b>(1,712)</b>	<b>(311)</b>	<b>(1,005)</b>	<b>(1,787)</b>	<b>652</b>
Less:						
(a) Finance cost	803	678	778	2,285	2,322	3,163
(b) Other un-allocated expenses/ (income) (net)	(41)	(128)	(188)	(326)	(339)	(346)
<b>Total Profit/ (loss) before tax</b>	<b>(203)</b>	<b>(2,262)</b>	<b>(901)</b>	<b>(2,964)</b>	<b>(3,770)</b>	<b>(2,165)</b>
<b>(C). Segment Assets</b>						
(a) Sugar	1,36,426	1,25,073	1,42,788	1,36,426	1,42,788	1,60,072
(b) Distillery	43,425	40,479	41,154	43,425	41,154	42,024
(c) Unallocated	15,994	15,894	15,188	15,994	15,188	15,325
<b>Total</b>	<b>1,95,845</b>	<b>1,81,446</b>	<b>1,99,130</b>	<b>1,95,845</b>	<b>1,99,130</b>	<b>2,17,421</b>
<b>(D). Segment Liabilities</b>						
(a) Sugar	70,473	56,888	73,771	70,473	73,771	90,142
(b) Distillery	2,781	2,233	2,894	2,781	2,894	2,716
(c) Unallocated	23,279	22,431	20,514	23,279	20,514	21,332
(d) Borrowings	1,03,494	1,03,800	1,04,522	1,03,494	1,04,522	1,04,462
<b>Total</b>	<b>2,00,027</b>	<b>1,85,352</b>	<b>2,01,701</b>	<b>2,00,027</b>	<b>2,01,701</b>	<b>2,18,652</b>

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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 quarters, the Company has incurred losses due to high sugarcane costs fixed by the state government, and comparatively lower prices of finished sugar which are also regulated and controlled. The operations of the Company remained intact and robust, however due to above-stated reasons 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 providing remunerative price of ethanol etc. Pursuant to an order of Hon'ble High Court of Uttar Pradesh, the Uttar Pradesh sugar industry as well as the Company is confident to receive accrued benefits from the state government under the erstwhile New Sugar Industrial Promotion Policy (NSIPP 2004-09).

All these measures are expected to reflect in the revival of the sugar industry and as well as the Company, in time to come on sustainable basis. Based on these steps, along with other internal measures for improvement 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 as well. Against a criminal complaint filed by one of the lenders with the investigating agency, the Enforcement Directorate had passed an attachment order on certain assets of the Company to the extent of Rs. 109.80 Crore, 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.

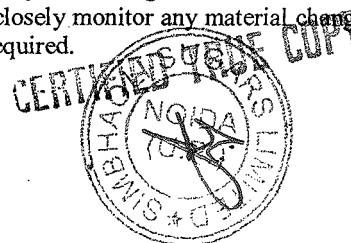
The Company is continuing to pursue a comprehensive debt resolution proposal with all the lenders. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

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 in preparation of financial results for the quarter and period ended December 31, 2020 based on the information available to it up to the date of approval of these financial results. 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 impact of COVID 19 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 RBI's circular. Company has submitted comprehensive debt resolution proposals 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 accordingly accepted the offered Earnest Money Deposit. Interest expenses pertaining to commercial lenders, for the ensuing quarter and nine months ended December 31, 2020 amounting to Rs. 3,836 lacs and Rs. 11,166 Lacs (previous quarter and nine months ended December 31, 2019 amounting to Rs. 3,294 lacs and Rs 9,739 lacs respectively) has not been recognized in profit and loss account. A total amount of Rs. 48,620 lacs towards accrued interest has not been provided for in the books of accounts as on December 31, 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 since been received by the company. Considering this and also prevalent past practices, no such 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. 459 lacs (including Rs. 120 lacs and Rs. 207 lacs for the quarter and nine months ended December 31, 2020) being the difference in the value of bagasse sold and certain other claims made by SPPL.
6. Pending notification of the State Advised Price (SAP) for procurement of sugarcane for the sugar season 2020-21 by the State Government of Uttar Pradesh, the cost of cane procurement for the sugar season 2020-21 has been recognized based on SAP as applicable for the sugar season 2019-20.
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 February 12, 2021.

**For SIMBHAOLI SUGARS LIMITED**

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**GURSIMRAN KAUR MANN** Digitally signed by  
GURSIMRAN KAUR MANN  
Date: 2021.02.12 14:01:42  
+05'30'

**Gursimran Kaur Mann**  
Managing Director

Place: Noida, India  
Date: February 12, 2021  
Company Website: [www.simbhaolisugars.com](http://www.simbhaolisugars.com)

# MITTAL GUPTA & CO.

Chartered Accountants

Regd. Off : 14-Ratan Mahal, 15/197-Civil Lines, Kanpur-208001.

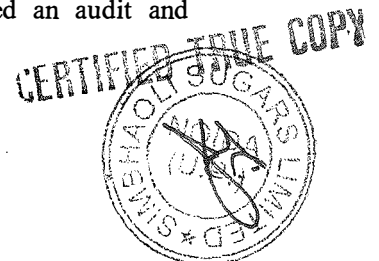
Phone : 0512-2303234, 2303235. # E-mail : mgco@mgcoca.in

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

To

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of Simbhaoli Sugars Limited ('the Company') for the quarter and year to date from April 01, 2020 to December 31, 2020 being submitted 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.



# MITTAL GUPTA & CO.

Chartered Accountants

Regd. Off : 14-Ratan Mahal, 15/197-Civil Lines, Kanpur-208001.

Phone : 0512-2303234, 2303235. # E-mail : [mgco@mgcoca.in](mailto:mgco@mgcoca.in)

## 4. Basis of Qualified Conclusion

We draw attention to

- (i) Note No. 2 to 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.
- (ii) Note No. 3 to the Statement regarding non-provision of interest expenses amounting Rs.3,836 Lakhs for the quarter and Rs.11,166 Lakhs for the year to date ending December 31, 2020 (previous quarter and nine months ending December 31,2019 amounting to Rs. 3,294 Lakhs and Rs 9,739 Lakhs respectively) on certain borrowings for the reasons stated in the said note. The aggregate amount of interest expense not provided for in the accounts aggregates to Rs. 48,620 Lakhs till December 31, 2020. Consequently, Financial cost and Loss for the quarter and year to date ending December 31, 2020 has been understated by the amount as stated in aforesaid note for the respective periods.
- (iii) Note No. 4 to 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.
- (iv) Note No. 5 to the Statement regarding non provision of difference in value of bagasse sold and certain claims made by Simbhaoli Power Private Limited, a subsidiary company, amounting Rs. 120 Lakhs for the quarter and Rs. 207 Lakhs for year to date ending December 31, 2020. Pending reaching to final settlement, no adjustment has been made in the accounts for amount aggregating to Rs. 459 Lakhs for the reasons stated in the said note. Consequently, loss for the quarter and year to date ending December 31, 2020 has been overstated by the aforesaid amount.

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Our Conclusion on the statement is qualified in respect of the above matters.



# MITTAL GUPTA & CO.

Chartered Accountants

Regd. Off : 14-Ratan Mahal, 15/197-Civil Lines, Kanpur-208001.

Phone : 0512-2303234, 2303235. # E-mail : [mgco@mgcoca.in](mailto:mgco@mgcoca.in)

## 5. Material Uncertainty related to Going Concern:

As stated in Note No. 1 , The 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 Conclusion on the statement is not modified in respect of the above matter.

6. Based on our review conducted as above, and except for the matters referred to in paragraph 4 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

BIHARI LAL  
GUPTA

(B. L. Gupta)

Partner

Membership No.:073794

Place of Signature: Kanpur

Date:12.02.2021

UDIN: 21073794AAAABW4895

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Digitally signed by BIHARI LAL GUPTA  
DN: cn=BIHARI LAL GUPTA, o=MITTAL GUPTA & CO., ou=Chartered Accountants, email=blg@mgco.in, c=IN  
Date: 2021.02.12 14:55:49 +05'30'



**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 AND NINE MONTHS ENDED**  
**DECEMBER 31, 2020**

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Unaudited	Unaudited/ Recasted	Unaudited	Unaudited	Unaudited	Audited/ Recasted
1	Income						
	(a) Revenue from operations	31,229	28,053	26,913	97,806	84,276	1,28,021
	(b) Other income	367	411	354	1,192	461	809
	<b>Total revenue</b>	<b>31,596</b>	<b>28,464</b>	<b>27,267</b>	<b>98,998</b>	<b>84,737</b>	<b>1,28,830</b>
2	Expenses						
	(a) Cost of materials consumed	31,827	21	26,957	44,575	40,285	84,111
	(b) Purchase of stock-in-trade	984	1,366	838	3,241	2,254	2,895
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(14,597)	19,549	(11,682)	20,616	9,160	(7,194)
	(d) Excise duty	5,720	4,409	3,995	13,869	15,296	19,888
	(e) Employee benefits expense	1,657	1,376	2,218	4,413	5,371	8,021
	(f) Finance costs	803	679	1,285	2,286	3,919	5,190
	(g) Depreciation and amortisation expense	923	861	1,181	2,670	3,537	4,653
	(h) Power and Fuel	1,003	271	153	2,052	881	1,490
	(i) Other expenses	3,483	2,239	3,681	8,264	9,525	13,595
	<b>Total expenses</b>	<b>31,803</b>	<b>30,771</b>	<b>28,626</b>	<b>1,01,986</b>	<b>90,228</b>	<b>1,32,649</b>
3	Profit/(loss) before exceptional items and tax (1-2)	(207)	(2,307)	(1,359)	(2,988)	(5,491)	(3,819)
4	Exceptional items	-	-	-	-	-	-
5	Profit/(loss) before Tax (3-4)	(207)	(2,307)	(1,359)	(2,988)	(5,491)	(3,819)
6	Tax expense :						
	- Current tax	-	(4)	1	1	10	9
	- Deferred tax	(3)	(10)	2	(13)	5	3
	<b>Total tax expenses</b>	<b>(3)</b>	<b>(14)</b>	<b>3</b>	<b>(12)</b>	<b>15</b>	<b>12</b>
7	Net Profit/(loss) from ordinary activities after tax (5-6)	(204)	(2,293)	(1,362)	(2,976)	(5,506)	(3,831)
8	Other Comprehensive Income (net of tax)	-	-	-	-	-	(285)
	A) I. Items that will not be reclassified to profit & loss	-	-	-	-	-	(286)
	II. Income Tax relating to Items that will not be reclassified to profit or loss	-	-	-	-	-	1
	B) I. Items that will be reclassified to profit & loss	-	-	-	-	-	-
	II. Income Tax relating to Items that will be reclassified to profit or loss	-	-	-	-	-	-
9	Total Comprehensive Income (net of tax) (7+8)	(204)	(2,293)	(1,362)	(2,976)	(5,506)	(4,116)
	Profit/Loss for the year attributable to :						
	1) Owners of the parent	(203)	(2,287)	(1,245)	(2,971)	(4,973)	(3,436)
	2) Non-Controlling Interest	(1)	(6)	(117)	(5)	(533)	(395)
	Other Comprehensive Income attributable to:						
	1) Owners of the parent	-	-	-	-	-	(279)
	2) Non-Controlling Interest	-	-	-	-	-	(6)
	Total Comprehensive Income attributable to:						
	1) Owners of the parent	(203)	(2,287)	(1,245)	(2,971)	(4,973)	(3,715)
	2) Non-Controlling Interest	(1)	(6)	(117)	(5)	(533)	(401)
10	Paid up equity share capital (face value Rs. 10/- each)	4,128	4,128	4,128	4,128	4,128	4,128
11	Other Equity	-	-	-	-	-	(6,767)
12	Basic and Diluted Earning Per Share (Rs.) (not annualized)						
	- EPS before exceptional item	(0.49)	(5.55)	(3.30)	(7.20)	(13.34)	(9.28)
	- EPS after exceptional item	(0.49)	(5.55)	(3.30)	(7.20)	(13.34)	(9.28)

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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 AND NINE MONTHS ENDED DECEMBER 31, 2020

(Rs. Lacs)

Particulars	Quarter ended			Nine Months ended		Year ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited/ Recasted
<b>(A). Segment Revenue</b>						
(a) Sugar	23,452	19,648	19,885	74,967	57,302	92,040
(b) Distillery	11,079	8,744	7,151	27,783	26,814	35,252
(c) Power	-	-	1,524	-	4,082	6,440
(d) Others	114	63	778	377	1,360	2,376
<b>Total</b>	<b>34,645</b>	<b>28,455</b>	<b>29,338</b>	<b>1,03,127</b>	<b>89,558</b>	<b>1,36,108</b>
Less: Inter Segment Revenue	3,416	402	2,425	5,321	5,282	8,087
<b>Net sales/income from operations</b>	<b>31,229</b>	<b>28,053</b>	<b>26,913</b>	<b>97,806</b>	<b>84,276</b>	<b>1,28,021</b>
<b>(B). Segment Results</b>						
Profit/ (loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment						
(a) Sugar	(113)	(1,457)	(295)	(2,022)	(1,976)	(157)
(b) Distillery	672	(255)	(16)	1,017	189	387
(c) Power	-	-	210	-	547	1,015
(d) Others	(13)	(52)	1	(50)	43	21
<b>Total</b>	<b>546</b>	<b>(1,764)</b>	<b>(100)</b>	<b>(1,055)</b>	<b>(1,197)</b>	<b>1,266</b>
Less:						
(a) Finance cost	803	679	1,285	2,286	3,919	5,190
(b) Other un-allocated expenses/ (income) (net)	(50)	(136)	(26)	(353)	375	(105)
<b>Total Profit/ (loss) before tax</b>	<b>(207)</b>	<b>(2,307)</b>	<b>(1,359)</b>	<b>(2,988)</b>	<b>(5,491)</b>	<b>(3,819)</b>
<b>(C). Segment Assets</b>						
(a) Sugar	1,31,821	1,20,227	1,38,579	1,31,821	1,38,579	1,55,287
(b) Distillery	43,425	40,479	41,154	43,425	41,154	42,024
(c) Power	35,048	35,048	34,481	35,048	34,481	35,048
(d) Others	1,635	1,617	1,261	1,635	1,261	1,641
(e) Unallocated	6,086	5,960	5,570	6,086	5,570	5,425
<b>Total</b>	<b>2,18,015</b>	<b>2,03,331</b>	<b>2,21,045</b>	<b>2,18,015</b>	<b>2,21,045</b>	<b>2,39,425</b>
<b>(D). Segment Liabilities</b>						
(a) Sugar	69,707	56,122	73,892	69,707	73,892	89,376
(b) Distillery	2,781	2,233	2,894	2,781	2,894	2,716
(c) Power	1,980	1,980	1,404	1,980	1,404	1,980
(d) Others	1,351	1,311	946	1,351	946	1,378
(e) Unallocated	26,624	25,531	23,739	26,624	23,739	24,473
(f) Borrowings	1,09,593	1,09,978	1,10,625	1,09,593	1,10,625	1,10,560
<b>Total</b>	<b>2,12,036</b>	<b>1,97,155</b>	<b>2,13,500</b>	<b>2,12,036</b>	<b>2,13,500</b>	<b>2,30,483</b>

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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 quarters, the Company has incurred losses due to high sugarcane costs fixed by the state government, and comparatively lower prices of finished sugar which are also regulated and controlled. The operations of the Company remained intact and robust, however due to above-stated reasons 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 providing remunerative price of ethanol etc. Pursuant to an order of Hon'ble High Court of Uttar Pradesh, the Uttar Pradesh sugar industry as well as the Company is confident to receive accrued benefits from the state government under the erstwhile New Sugar Industrial Promotion Policy (NSIPP 2004-09).

All these measures are expected to reflect in the revival of the sugar industry and as well as the Company, in time to come on sustainable basis. Based on these steps, along with other internal measures for improvement 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 as well. Against a criminal complaint filed by one of the lenders with the investigating agency, the Enforcement Directorate had passed an attachment order on certain assets of the Company to the extent of Rs. 109.80 Crore, 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.

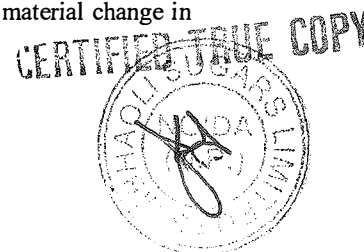
The Company is continuing to pursue a comprehensive debt resolution proposal with all the lenders. Majority of commercial lenders have shown their inclination to accept the debt resolution proposal of the Company.

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 in preparation of financial results for the quarter and period ended December 31, 2020 based on the information available to it up to the date of approval of these financial results. 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 impact of COVID 19 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 RBI's circular. Company has submitted comprehensive debt resolution proposals 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 accordingly accepted the offered Earnest Money Deposit. Interest expenses pertaining to commercial lenders, for the ensuing quarter and nine months ended December 31, 2020 amounting to Rs. 3,836 lacs and Rs. 11,166 Lacs (previous quarter and nine months ended December 31, 2019 amounting to Rs. 3,294 lacs and Rs. 9,739 lacs respectively) has not been recognized in profit and loss account. A total amount of Rs. 48,620 lacs towards accrued interest has not been provided for in the books of accounts as on December 31, 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 since been received by the company. Considering this and also prevalent past practices, no such provision towards the interest on delayed payment of cane price has been made in the accounts.
5. Pending notification of the State Advised Price (SAP) for procurement of sugarcane for the sugar season 2020-21 by the State Government of Uttar Pradesh, the cost of cane procurement for the sugar season 2020-21 has been recognized based on SAP as applicable for the sugar season 2019-20.
6. In the audited financial statements of Simbhaoli Power Private Limited ('SPPL'), statutory auditor of the SPPL has drawn Emphasis of Matter in respect of following "During the year ended March 31, 2020, 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 operating in the state of Uttar Pradesh w.e.f. April 1, 2019. 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.

Based on the writ petition filed and legal opinion obtained, SPPL has recorded revenue from operations for the period from April 2019 to September 2019 at pre CRE Regulations 2019 tariff instead at the reduced tariff as per CRE Regulations, 2019. W.e.f. October 1, 2019, SPPL has accounted for sale of power to Uttar Pradesh Power Corporation Ltd. (UPPCL), the customer 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 year ended March 31, 2020 would have been lower by Rs. 683 lacs, if accounted for at or basis reduced tariff as per CRE Regulations 2019.

With regard to the above stated conditions and on account of difference in interpretation of certain long term commercial agreements, auditors of SPPL have drawn material uncertainty related to going concern.

7. In the consolidated financial results of the Company for the Quarter and nine months ended December 31, 2020, the financial results of SPPL, a material subsidiary has not been consolidated, as the quarterly and nine months financial results of SPPL have not been yet finalized and approved till date.

The transactions entered into between the Company and SPPL for the nine months ended December 31, 2020 which have not been eliminated in the consolidated financial results, have resulted in increase in the total revenue by Rs. 1,618 lacs and total expenses by Rs. 1,051 lacs. Further, increase in the balances of subsidiary of Rs. 769 Lacs has been included in the consolidated balance sheet in the respective assets heads.

8. With reference to note no. 5 of financial results published on July 30, 2020, of the previous year ended March 31, 2020, consolidated financial statements have been prepared on the basis of nine months ended December 31, 2019 unaudited results of SPPL which are now restated incorporating the audited financial statements of SPPL for the year ended March 31, 2020. The reconciliation of previous year's published accounts with the restated accounts figures are as under:

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(Rs. in Lacs)

Particulars	Published Figure (March 31, 2020)	Restated Figure (March 31, 2020)
Total Revenue	1,27,618	1,28,830
Net profit/(Loss)	(3,885)	(3,831)
Total Comprehensive Income	(4,159)	(4,116)
Total Assets	2,39,454	2,39,425
Total Equity and Liabilities	2,39,454	2,39,425
Equity Share and Other Equity	(2,549)	(8,942)
Non-Controlling Interest	11,448	11,581

9. 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:

(Rs. in lacs)

Particulars (Standalone)	Quarter ended			Nine months ended		Year ended
	31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
Net Sales/Income from operations	25,439	23,623	21,375	83,690	65,019	1,00,944
Profit/(Loss) before tax	(203)	(2,262)	(901)	(2,964)	(3,770)	(2,165)
Profit/ (Loss) after tax	(203)	(2,262)	(901)	(2,964)	(3,770)	(2,165)
Other Comprehensive Income	-	-	-	-	-	(272)
<b>Total Comprehensive Income</b>	<b>(203)</b>	<b>(2,262)</b>	<b>(901)</b>	<b>(2,964)</b>	<b>(3,770)</b>	<b>(2,437)</b>
EBITDA	1,523	(722)	784	1,992	1271	4,599

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 February 12, 2021.

For **SIMBHAOLI SUGARS LIMITED**

GURSIMRAN KAUR MANN  
Digitally signed by GURSIMRAN KAUR MANN  
Date: 2021.02.12 14:07:35 +05'30'

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**Gursimran Kaur Mann**  
Managing Director

Place: Noida, India  
Date: February 12, 2021  
Company Website: [www.simbhaolisugars.com](http://www.simbhaolisugars.com)



# MITTAL GUPTA & CO.

Chartered Accountants

Regd. Off : 14-Ratan Mahal, 15/197-Civil Lines, Kanpur-208001.

Phone : 0512-2303234, 2303235. # E-mail : mgco@mgcoca.in

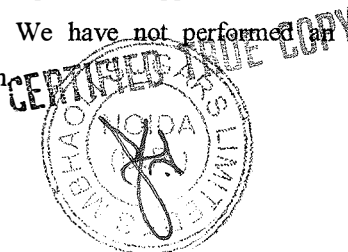
**Independent Auditor's Review Report on unaudited consolidated quarterly and year to date financial results of the Group Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended**

To

**The Board of Directors of**

**Simbhaoli Sugars Limited**

1. We have reviewed the accompanying statement of unaudited consolidated Financial Results of Simbhaoli Sugars Limited ('the Holding Company') and its subsidiaries (hereinafter referred to as 'the Group') for the quarter and year to date from April 1, 2020 to December 31, 2020, being submitted by the company pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulation 2015) as amended to date.
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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## 4. Basis of Adverse Conclusion

As explained in Note No.7 , the Group has not consolidated the financial statements of its material subsidiary viz Simbhaoli Power Private Limited (SPPL) w.e.f. April 1, 2020 for the reasons stated in the 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 consolidated financial results would have been materially affected. The effects on the financial results due to the failure to consolidate have not been determined.

## 5. Basis of Qualified Conclusion

We draw attention to

- (i) Note No.2 to 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.
- (ii) Note No.3 to the Statement regarding non-provision of interest expenses amounting Rs.3,836 Lakhs for the quarter and Rs.11,166 Lakhs for the year to date ended December 31, 2020 (previous quarter and nine months ending December 31,2019 amounting to Rs. 3,294 Lakhs and Rs 9,739 Lakhs respectively), on certain borrowings for the reasons stated in the said note. The aggregate amount of interest expense not provided for in the accounts aggregates to Rs. 48,620 Lakhs till December 31, 2020. Consequently, Financial cost and Loss for the quarter and year to date ended December 31, 2020 has been understated by the amount as stated in aforesaid note for the respective periods.
- (iii) Note No.4 to 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 Conclusion on the statement is qualified in respect of the above matters.

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### 6. Emphasis of matter

- i) As stated in Note no. 6 of the Statement, SPPL had 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. Management's computation, as reviewed by the statutory auditors of SPPL, shows that revenue from operations for the year ended March 31, 2020 would have been lower by Rs 683 Lakhs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. The Statutory Auditor of SPPL had reported this under Emphasis of Matter para in its audit report on the account of SPPL for the year ended March 31, 2020 .

Our Conclusion on the statement is not modified in respect of the above matter.

### 7. Material Uncertainty related to Going Concern

- (i) As stated in Note No.1 of the consolidated 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.
- (ii) Statutory Auditor of SPPL has, in its audit report on the financial statement for the year ending on March 31, 2020 drawn attention of members on the material uncertainty related to Going concern of SPPL and stated that due to reduction in tariff rate w.e.f. April 1, 2019, SPPL has suffered losses of Rs. 431 lacs during the year. This loss would have been further increased had the revenue from the period April 2019 to September 2019 been recorded on revised reduced tariff and also due to certain disagreements with holding company in respect of purchase price of bagasse. The Auditors observed that these conditions indicate the existence of material uncertainty that may cast significant doubt about SPPL's ability to continue as Going concern

Our Conclusion on the statement is not modified in respect of the above matter.

8. Based on our review conducted as above, and after considering the matters referred to in Paragraph No. 4 & 5 above, we conclude that the accompanying Statement are not prepared in all material respects in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, and other recognized





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accounting practices and policies, has 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.

9. The statement includes the results of the following Subsidiary Companies:

- A. Integrated Casetech Consultants Private Limited
- B. Simbhaoli Specialty Sugars Private Limited

10. The consolidated unaudited financial results include the financial results of one subsidiary, whose interim financial results reflect total assets of Rs. 142.70 Lakhs as at December 31, 2020, total revenue of Rs.3.78 Lakhs, total net profit after tax and total comprehensive income of Rs. 1.52 Lakhs for year to date December 31, 2020 as considered in the Statement which have been reviewed by its respective Independent auditor. The independent auditors' reports on financial results/financial information of the entity have been furnished to us and our opinion on the consolidated unaudited financial results in so far as it relates to the amounts and disclosures included in respect of the entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

Our conclusion on the Statement is not modified in respect of these matters.

**For MITTAL GUPTA & CO.**

**Chartered Accountants**

FRN: 01874C

BIHARI LAL GUPTA

**(B. L. Gupta)**

Partner

Membership No.: 073794

Place of Signature: Kanpur

Date: 12.02.2021

UDIN: 21073794AAAABV9966

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