



SS/FQ002/7.4/R0

**SIMBHAOLI
SUGARS**

Simbhaoli Sugars Limited

CIN-L15122UP2011PLC044210

Regd. Office :

Simbhaoli - 245 207, Distt. Hapur U.P. (INDIA)

Tel : (05731) 223117, 223118, 223023

Fax: (05731) 223039, 223262

E-mail : info@simbhaolisugars.com

www.simbhaolisugars.com

**Ref: SSL: Stock Exchange
September 02, 2022**

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 34 of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

Sub: Submission of Annual Report

Dear Sir,

Please find enclosed herewith Annual Report for the Financial Year 2021-22 as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Thanking you

Yours faithfully,

For Simbhaoli Sugars Limited

Shivank Sharma
Asst. Company Secretary
M No. - ACS 64383



Specialty Sugars

Potable Alcohol

Ethanol

Power

(AN ISO 9001 ; 14001 & FSSC 22000 CERTIFIED COMPANY)

Noida Office : A-112, Sector 63, Noida - 201301 (U.P.)

Tel. : 0120-2427155 Fax : 0120-2427166

GST No. : 09AAPCS7569A1ZV | PAN No. AAPCS7569A

11th Annual Report

2021-22



**SIMBHAOLI
SUGARS**



Simbhaoli Sugars Limited

Corporate Information

BOARD OF DIRECTORS

- Gurmit Singh Mann, Chairperson
- Gursimran Kaur Mann (Ms), Managing Director
- Gurpal Singh
- S N Misra, Chief Operating Officer

Independent Directors

- H P Kain
- Justice (Retd) C K Mahajan
- Atul Mahindru
- Shyam Sunder
- Aseem Sehgal

Registered and Corporate Office

- Simbhaoli, District Hapur,
Uttar Pradesh - 245 207

Administration and Marketing Office

- A-112, Sector 63
Noida-201 307

Chief Financial Officer

- Dayal Chand Popli

Company Secretary

- Kamal Samtani

Statutory Auditors

- M/s Mittal Gupta & Co.

Bankers

- State Bank of India
- Punjab National Bank
- Bank of India
- Bank of Baroda
- ICICI Bank
- UCO Bank
- EXIM Bank
- UP Co-Operative Bank
- District Co-Operative Bank, Ghaziabad

MANUFACTURING UNITS

Sugar Mills / Co-generation Plants

- Simbhaoli Sugar Division, Simbhaoli
District Hapur, Uttar Pradesh – 245 207
- Chilwaria Sugar Division, Chilwaria
District Bahraich, Uttar Pradesh – 271 801
- Brijnathpur Sugar Division, Brijnathpur
District Hapur, Uttar Pradesh – 245 101

Distillery / Ethanol Plants

- Simbhaoli Distillery Division, Simbhaoli
District Hapur, Uttar Pradesh – 245 207
- Chilwaria Ethanol Division, Chilwaria
District Bahraich, Uttar Pradesh - 271 801
- Brijnathpur Ethanol Division, Brijnathpur
District Hapur, Uttar Pradesh - 245 101

Subsidiaries / Associate Companies

- Simbhaoli Power Private Limited
- Integrated Casetech Consultants Private Limited
- Simbhaoli Speciality Sugars Private Limited

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SIMBHAOLI SUGARS LIMITED

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

(CIN: L15122UP2011PLC044210)

Email: kamal@simbhaolisugars.com;

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

NOTICE

Notice is hereby given that the 11th Annual General Meeting (AGM) of the members of Simbhaoli Sugars Limited will be held at **12:30 PM IST on Saturday, September 24, 2022** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESSES

1. **To receive, consider and adopt (a) the audited financial statements of the Company comprising of the balance sheet as on March 31, 2022 and the statement of profit and loss along with cash flow statement for the financial year ended on March 31, 2022 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended on March 31, 2022 and the report of the Auditors thereon** and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that, the audited financial statements of the Company comprising of the balance sheet as at March 31, 2022 and the statement of profit and loss along with cash flow statement for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon laid before the 11th Annual General Meeting of the members of the Company, be and are hereby received, considered and adopted."

"Resolved further that, the audited consolidated financial statements of the Company comprising of the balance sheet as on March 31, 2022 and the statement of profit and loss along with cash flow statement for the financial year ended on March 31, 2022 and the report of Auditors thereon laid before the 11th Annual General Meeting of the members of the Company, be and are hereby received, considered and adopted."

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

2. **Appointment of Mr. Gurpal Singh, who retires by rotation and being eligible, offers himself for re-appointment as a Director** and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that, pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Gurpal Singh (DIN:00064807),

who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director to the Board of the Company, whose period shall be liable to retire by rotation."

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

SPECIAL BUSINESSES

3. **Ratification of Remuneration payable to the Cost Auditors** and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution, as an **Ordinary Resolution**:

"Resolved that, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the members of the Company, be and is hereby accorded for the payment of remuneration of Rs. 3 lakh plus other out of pocket expenses as may be incurred on the concerned assignment for the financial year 2022-23, as may be approved by the Board, to Mr. Satnam Singh Saggi, Cost Accountant (Membership Number 10555), who has been re-appointed as the Cost Auditors for audit of the cost accounting records of the Company."

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

By Order of the Board of Directors of
Simbhaoli Sugars Limited

Date: August 27, 2022
Place: Simbhaoli

Kamal Samtani
Company Secretary
Membership No. FCS-5140

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting (AGM) of the members of the Company is annexed hereto.
2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 19/2021 dated December 8, 2021 and Circular No. 2/2022 dated May 5, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015-COVID-19 pandemic' and Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM')/'the Meeting') through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the 11th AGM of the Company is being held through VC/OAVM on Saturday, September 24, 2022 at 12:00 PM IST.
3. Since, the AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **Sunday, September 18, 2022 to Saturday, September 24, 2022** (both days inclusive).
6. Members holding shares in electronic form are, therefore requested to submit the Permanent Account Number to their Depository Participants with whom they are maintaining their demat accounts.
7. Electronic copy of the Annual Report which Inter-Alia contains process of E-Voting is being sent to the members whose email address as registered with the Company/Depository Participant(s) for communication purposes, unless any member has requested for the hard copy of the same. Any member may ask for physical copy of the annual report.
8. Relevant documents referred to in this Notice are available for inspection at the Registered Office of the Company during business hours from 10:00 am to 5:00 pm on any working day up to one day prior to the date of the AGM and will also

be available there on the date of meeting as well as available electronically during the AGM.

9. **Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode. The Ministry of Corporate Affairs has clarified that as a measure of "Green initiative in Corporate Governance" it will be in compliance, if the Annual Report is sent through e-mail, to support this green initiative, members holding shares in demat form are requested to provide their e-mail ID to the depository through their concerned depository participant and members holding shares in physical form are requested to provide e-mail ID to the Company's RTA, M/s MAS Services Limited by filling the form available on the Company's website and also update the e-mail address as and when there is any change.**
10. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to fill up the prescribed form and send the same to the Company.
11. The Company has initiated the process for transfer of undelivered physical share certificate into the suspense account in dematerialized mode. Individual letters have been sent to the holders, who are holding shares in physical mode to give their permanent account number and bank account details to the Share Transfer Agent/ the Company. They are requested to convert the physical shares into dematerialized category as any request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification No. SEBI/LAD-NRO/GN/2018/24, dated June 8, 2018 read with Circular SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated July 16, 2018.
12. The Company has appointed Mr. Sandeep Joshi, (Practicing Company Secretary/COP No. 20884) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
13. The Scrutinizer shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, whether through remote e-voting or through e-voting during AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
14. Subject to receipt of requisite number of votes, the Resolution shall be deemed to be passed on the date of Annual General Meeting i.e. **Saturday, September 24, 2022**.
15. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.simbhaolisugars.com and on the website of NSDL immediately after the declaration of results and communicated to the BSE Limited and National Stock Exchange of India Limited.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS:

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote electronic voting facility to its members for transacting all the businesses as stated in this Notice through e-voting services being provided by National Securities Depository Limited (NSDL). The member may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

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

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-

The remote e-voting period begins on, Tuesday, September 20, 2022 at 9:00 A.M. and ends on Friday, September 23, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, September 17, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, September 17, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode
 In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or e-Voting service provider – NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against Company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
c) For Members holding shares in Physical Form.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
b) For Members who hold shares in demat account with CDSL.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

1. Password details for shareholders other than Individual shareholders are given below:

How to Log-in to NSDL e-Voting website?

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is

communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

2. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to accsandeepjoshi@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@masserv.com.
2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through electronic devices such as laptop, handset or tablet for better experience. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Members, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at the companies email id at info@masserv.com. The same will be replied by the Company suitably.

**By Order of the Board of Directors of
Simbhaoli Sugars Limited**

**Date: August 27, 2022
Place: Simbhaoli**

**Kamal Samtani
Company Secretary
Membership No. FCS-5140**

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

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

Item No. 3

The Board of Directors, had approved the appointment of M/s. Satnam Singh Saggu, Cost Auditor (Membership No.10555), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending March 31, 2023, at a remuneration of Rupees Three Lakhs only excluding Goods and Services tax plus reimbursement of out of pocket expenses at actual, if any, in connection with the audit.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to Cost Auditor is required to be ratified by the members of the Company. Therefore, consent of the members is being sought for approving the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

Accordingly, resolution set out under item number 3 is recommended for approval of the members of the Company as an Ordinary Resolution.

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



**SIMBHAOLI
SUGARS**

CHAIRMAN'S MESSAGE



Dear Shareholders,

During the season 2022-23, in spite of the challenges of Covid-19 pandemic all the three Sugar units have performed better in comparison to previous years, while the ongoing pandemic has impacted the sugar consumption patterns. There were curbs on social gatherings and outings across the globe, hence, the industry has faced reduced off-take from institutional buyers viz. beverages and FMCG companies, not to mention reduced out-of-home consumption in the hotels and restaurants segment. On the other hand, apart from sugar, the alcohol segment has shown improvement in production with the requirements for the hand sanitizers, disinfectants etc. The revenue in this segment has increased, and Company has picked up the growth, while serving the nation to curb the spread of the Coronavirus.

As part of its continued emphasis on green/bio-fuels, the government has taken various initiatives to boost the demand of molasses based ethanol for mixing with petrol to alleviate the environmental impact as well as strategically reduce dependence on oil imports. Further, the government has also made provisions for subsidized finance to distillery units for capacity expansion, setting up of new ethanol distilleries or converting molasses based distilleries to dual feed stock. The Company has extend edits capacity utilization during this period which will help support the government's initiatives for launching the flex fuel engines. The Company looks forward to further growth in this segment in the future.

The export viability to the extent of 11.2 million ton is being demanded by the sugar industry against which the Government is inclined to fix export quota in line with the domestic demand of sugar viz. the ethanol. Accordingly, net sugar production in the coming season, before considering diversion towards ethanol, is estimated to be higher nearly to 40 million ton. This warrants the diversion of significant quantities of sugarcane towards production of ethanol.

Therefore, it is estimated that after accounting for the reduction of nearly 4.5 million ton in sugar production due to diversion of cane juice and B-heavy molasses to ethanol production, the sugar production in 2022-23 may reach around 34.5 million ton.

We have been regularly in touch with various state government administrations to improve the quality of sugar cane with better recoveries. This will benefit the entire community at large. We welcome the intervention of research agencies on newer plant varieties and other measures to help us to further improve the yield, with which we can pay off remunerative price to the farmers on time.

With your support, we are determined to take the Company towards greater heights and leadership in the industry. We remain deeply grateful to the dedicated efforts of our large network of farmers and team of employees and workers for keeping the company on a steady growth path.

We wish for another fruitful sugar season ahead starting in October 2022 onward.

We pray for everyone to remain safe and healthy.

Best Wishes

Date : 27.08.2022
Place: New Delhi, India

Gurmit Singh Mann
Chairperson
(DIN - 00066653)

BOARDS' REPORT

To the members of Simbhaoli Sugars Limited

Your directors have pleasure in presenting the 11th Board's Report together with management discussion and analysis report for the financial year ended on March 31, 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Sugar Industry Overview

As per the recent estimates, the global sugar output is slightly up to 181.2 million tons in 2021-22 and it's likely to increase to 182.9 million tons in 2022-23. The good crop in India due to favorable weather, higher yields and along with increased production area in Pakistan are the main reasons behind the hike in sugar surplus.

Brazil's sugar output is expected to increase to 36.4 million tons from 35.3 million tons compared with last season, as higher sugarcane yields from favorable weather are expected to result in additional sugarcane available for crushing. Harvested area is lowered as marginal sugarcane areas switch to soybeans and corn.

Thailand's Sugar output is expected to achieve slight rise to 10.5 million tons compared to 10.2 million tons in the season 2021-22. Thailand exports fell to third in 2020/21 due to drought reduced production and shipping delays caused by container shortages.

European Union's production is forecast down 0.25 million tons to 16.3 million tons as farmers reduce sugarbeet plantings in favor of more profitable crops like corn. Consumption and exports are unchanged.

China's year 2022-23 total sugar production is forecast at 10.0 million tons, slightly up from the previous year's estimate. This projected increase in sugar production assumes favorable weather and that beet mill incentive are successful at keeping farmers planting sugarbeets.

India's sugar output is expected to decrease by 3% to 35.8 million tons during the sugar season (October-September) 2022-23 as less sugarcane is processed for sugar. The Government has issued a notification curbing exports of sugar to check domestic inflation and to channel more sugarcane into ethanol production.

Domestic Sugar Industry Overview

Sugar mills across the country have produced 34.88 million tons of sugar during this season so far, according to the latest reports by Indian Sugar Mills Association (ISMA), which is about 4.41 million tons higher than 30.48 million tons produced at the same time last year.

Uttar Pradesh state sugar mills have produced 10.15 million tons of sugar as per recent calculations, which is 0.72 million tons lower than the production of 10.87 million tons produced by them last year on the corresponding date. Most of the currently operating factories in the State were closed by the end of May month, however, a few are continuing to operate in June 2022.

Karnataka and Tamil Nadu have a special season also, which commences in June/July and runs upto September. Last year

both these states collectively produced 0.45 million tons of sugar in the special season.

Sales in the current year upto April, 2022 is 0.75 million tons higher which is about 5% higher than the last year corresponding period. The ex-mill sugar prices have been in the range of ₹32 – 35 per kilogram for last several months. To maintain liquidity of funds, mills are under pressure to sell sugar at such low prices, not enough to be able to generate adequate funds to be able to pay the full FRP to the cane farmers. The farmers and sugar mills are hopeful of the much-awaited announcement by the Government regarding increase in MSP of sugar, as a measure to improve revenue realization of mills and payment to farmers. Under the current circumstances, the increase in MSP of sugar from current level of ₹31 per kilo, which was last fixed in February 2019, seems to be the only realistic way to ensure that mills improve their cash flows and are able to effectively reduce the cane price arrears of farmers faster. (Source ISMA)

Domestic -Sugar Output

(All fig. in Million MT)

Particulars	2019-20 (A)	2020-21 (P)	2021-22 (E)	% Change
Opening stock as on 1st Oct.	10.6	8.8	8.3	-5.68%
Production during the season	30.2	30.0	35.5	18.33%
Imports	-	-	-	
Total Availability	40.8	38.8	43.7	12.63%
Offtake				
i) Consumption	26.0	24.5	27.2	11.02%
ii) Exports	6.0	4.0	9.0	125%
Total Off-take	32.0	28.5	36.2	27.02%
Closing Stock as on 30th Sept.	8.8	8.3	7.5	-9.64%
Stock as % of Consumption	34%	34%	21%	

ISMA estimated sugar production in 2021-22 at around 33 million tons after adjusting impact of diversion of B-heavy molasses and sugarcane juice for ethanol manufacture. According to recent estimates, the actual production in the country crosses the figure as estimated by ISMA and 116 sugar mills were running their operation till the end of May 2022.

With all the estimates, the production in the country is expected to be 17% higher in Sugar Year 2021-22 so far as compared to last year. Production in UP fall by around 7% in SY 2021-22 as compared to SY 2020-21. While production in Maharashtra and Karnataka have increased by 28% (approx.) and 38% (approx.) respectively in SY 2021-22 as compared to SY 2020-21.

Price Trend

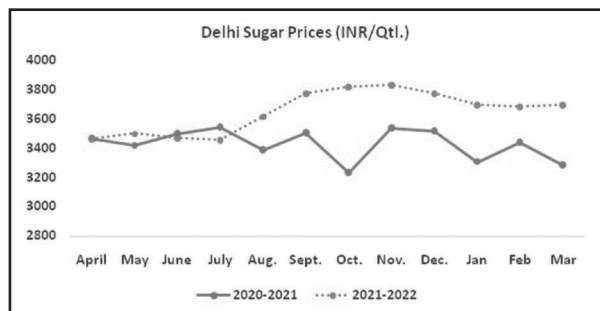
The average Price realization for complete FY 2020-21 was ₹3,426/Qtl whereas this FY 2021-22, the average price realization increased to ₹ 3,644 /Qtl.

The Industry urged the Centre to hike the MSP from ₹31 per Kg to ₹ 34.50 per Kg. The FRP, a benchmark rate below which mills are not allowed to buy cane, has already been hiked by ₹5 Per quintal this year. There is a need to quickly decide on increasing the MSP of Sugar to ensure that sugar mills are able to pay farmers on time.

The improvement in international sugar prices on sequential basis in most of the months April 2020 onwards did not translate into higher domestic sugar prices. The average wholesale sugar prices in India have almost stagnated and have been hovering

in the range of ₹34-38 per kg for almost 2 years now since April 2020. The prime reasons that have been restricting any major growth in domestic prices are the higher sugar inventories in India due to bumper sugar production.

The uncertainty in Brazil over cane diversion towards sugar production is expected to continue as the prospects for fuel demand (ethanol) will guide the production of ethanol and thus sugar. Also, the pace of sugar exports from India will influence the movement in international sugar prices to an extent.



The Government of India has issued export policy for SY 2020-21 out of which 52,400 MT quantity allotted to Simbhaoli group. The Fair & Remunerative Price (FRP) of sugarcane was approved by the government at ₹ 290/qtl. for season 2021-22 while SAP for 2021-22 was approved at 340/qtl. by state govt. Overall Export MAEQ quota for the Country is 9 million tons announced for 2021-22. The Ministry of Consumer Affairs, Food and Public distribution has reduced the subsidy on sugar exports to ₹ 4,000/MT from ₹6,000/MT due to increased international sugar prices and current market scenario which is viable for sugar exports.

Domestic ethanol Industry Overview

The Indian ethanol market is slated to grow and the Government of India has planned to enhance ethanol production to 9.88 billion litres from 4.37 billion litres in order to achieve the blending rate of 20% by 2025. The Government has given approvals to around 350 new plants in sugar mills for adding 5.5 billion litres of capacity entailing an investment of ₹ 18,000 Crore, for that purpose.

Uttar Pradesh state government has given a go-ahead to an innovative scheme for production of ethanol from sugarcane juice, this scheme will be empowering for farmers as well as sugarcane mills in the state.

Indian Sugar mills have contracted to supply 400 crore litres of ethanol to oil marketing companies (OMCs) this season. This is 32% more than the 302.3 crore litres of ethanol supplied by the mills in the last season. It will help the sugar mills to reduce sugar production by 34 lakh tonnes after diverting sugarcane juice and B-heavy molasses for ethanol production for the ongoing season.

Surplus sugar production has depressed sugar prices, thereby impacting sugar industry's capacity to pay sugar cane farmers. The ex-distillery price of ethanol derived from cane juice is ₹62.65 per litre while that from C-heavy molasses is ₹46.66 per litre, for the ethanol supply year beginning December 2021. Higher remunerative price for ethanol produced from cane juice will help in reduction of cane farmer' arrears.

BUSINESS OVERVIEW

Business Description: Operating Capacities

Simbhaoli group was started as a partnership firm in 1933 by Sardar Raghbir Singh Sandhanwalia and, in 1936, it was

incorporated as a private limited company. In 1989, it went public and has been listed on Indian Stock Exchange for the past 32 years. In 1992, it acquired a distillery (owned by the family as an independent company) and thereby converted the Simbhaoli sugar plant into an integrated sugar complex. At present, Simbhaoli is part-owned by the third and fourth generations of this family, represented by Mr Gurmit Singh Mann, Chairman of the Company.

The group has three sugar complexes located at Simbhaoli (Western Uttar Pradesh), Chilwaria (Eastern Uttar Pradesh) and Brijnathpur (Western Uttar Pradesh), having an aggregate sugarcane crushing capacity of 19,500 tons crushed per day (TCD) including asugar refining capacity of 1,200 tons per day (TPD) for raw sugar processing, interchangeable with cane crushing capacities while the sugarcane is not available during off-season.

Facilities	Cane Sugar (tcd)	Alcohol/ethanol (kld)	Power (mwh)	Sugar refining (tpd)
Simbhaoli (Western UP)	9,500	90	62§	800
Brijnathpur (Western UP)	4,000	60	8	400
Chilwaria (Eastern UP)	6,000	60	38§	-
Total	19,500	210	108	1200

§Simbhaoli Power Private Limited, subsidiary company

The sugar business is integrated with alcohol distillation and power generation. The power co-generation units of its subsidiary, Simbhaoli Power Private Limited located within the Simbhaoli and Chilwaria complexes are capable to generate bio-mass based power aggregating 100 mwh for supplying the power for the captive consumption of the sugar plants and sale of surplus power to the UP-State grid under the power purchase agreements.

Joint Venture Companies

The Company has a joint venture arrangement with Sindicatum Bagasse India Pte. Ltd., a private limited Company incorporated and registered under the laws of Singapore, which is an affiliate of Sindicatum Captive Energy Singapore (SCES), in the name of Simbhaoli Power Private Limited (SPPL) engaged in the cogeneration of power from bagasse and other bio fuels.

The Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench, vide its order dated March 17, 2021 approved the Resolution Plan of Uniworld Sugars Private Limited (USPL), set up under a joint venture between the Company and ED & F Man Holding BV. The Hon'ble National Company Law Appellate Tribunal (NCLAT), Delhi, vide its order dated 12.04.2022 set aside the Resolution Plan and directed NCLT to review the Resolution Plan. Now, the matter is pending with Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench.

Impact of Industry Scenario on Business of the Company

For the year ended March 31, 2022 and in earlier years, the Company has incurred losses due to high sugarcane costs fixed by the state government, and comparatively lower prices of finished sugar due to higher production which are determined by the market forces based on demand-supply situation and other market dynamics. Due to above-stated external factors, the Company had incurred huge losses in past resulting in complete erosion of its net worth. This has resulted in delay in meeting the payment obligations to the lenders and sugarcane farmers in terms of their respective agreements and understanding. Although, the operations of the Company remained intact at

sub-optimum levels over the years and it has been continuously striving for improvement in operation efficiency in form of improvement in sugar recovery, reduction in overheads and other costs etc. The Company has successfully completed crushing for Sugar season 2021-22 in all of its three sugar mills with better operational performance.

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 compensate 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. All these measures have resulted in revival of the sugar industry and the financial performance of the Company has also improved during the year. Further, 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).

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

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

The Company has considered the potential impact of spread of Coronavirus Disease (COVID-19), throughout the country, in preparation of financial statements for the year ended March 31, 2022 based on the information available to it up to the date of approval of these financials. 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 statements. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

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

During the year 2017-18, the Oriental Bank of Commerce (OBC) now merged with Punjab National Bank, one of the lenders arbitrarily initiated recovery actions against the Company in respect of its restructured corporate loan and also filed a criminal complaint in an arbitrary and wrongful manner in respect of original credit facilities, without the consent of the other lenders and without affording any opportunity to the Company to present its case, a gross violation of law of natural justice. The Company and its management have refuted the charges on their part and provided adequate documents while fully cooperating with the investigation. The Company has always been requesting documents/ information basis which OBC had taken such step. Information/ documents so requested are still awaited despite repeated reminders. The Company has reiterated

its commitment for repayment to all the lenders on the basis of future cash flows. Steps initiated by OBC have delayed the ongoing debt resolution process of the Company and adversely affected its business. Based on legal advice, the Company has been taking appropriate actions at the relevant forums including but not limited to seeking appropriate counter claims.

BUSINESS SEGMENTS

Sugar Operations: The Company's units located at Simbhaoli, Brijnathpur and Chilwaria were running on B-heavy molasses for a particular period of the season. Sugar recovery has been gradually falling in UP. While in 2018-19 it had hit a record 11.46%, it decreased to 11.30% in 2019-20, while in 2021-22 the recovery was at 10.76%.

Distillery Operations: Due to current situation of pandemic throughout the country, consumption of fuel (Petrol / Diesel) has gone down resulting in slow lifting / non lifting by OMC depots against tendered quantity. It has adversely impacted the Ethanol business. The capacity utilization of Simbhaoli and Chilwaria Divisions has reduced from last year by 13% & 10% respectively. Total group production till April 30, last year was 295 Lac BL whereas it was 259 Lac BL this year which is showing a decline by 12.2%.

Branding and specialty Sugar segment: In our initiatives to enhance online sales and provide easy and early availability of our products to the doorstep of the customers, the Company is effectively providing e-commerce functionality on a wide range of its products through its Direct-to-consumer e-commerce website for its FMCG offerings.

The Company has been consistent in developing its sugar brand, 'Trust'. The sales and marketing infrastructure development exercises for distribution through modern retail and wholesale trade channels have been further strengthened during the year. Trust branded sugar sachets have created vast acceptability and leadership in the hospitality industry.

The Trade Marks i.e *Trust the healthier sugar; Classic sulphurless sugar; SIPP for non-alcoholic beverages and Trust neem multi surface disinfectant* were registered with the appropriate authorities.

During Lockdown, the Company has launched three new whisky brands with the name and style of *Seven Knight Premium Whisky, Brown Eagle Golden Whisky & Brown Eagle Royal Pack Whisky*, which has received a good response from the domestic market.

International Trading:

The Company actively participated in the export campaign in the year under the Government MAEQ scheme. The Company has continued export trade with markets like Hong Kong, Chuuk, Nepal, Canada, etc. During the year, the Company has exported 585 MT of white sugar and 18,492 MT of raw sugar under MAEQ/ OGL Scheme.

HUMAN RESOURCES

The Company believes in cordial employer-employees relationship. Time to time training sessions which inter-alia includes electrical safety, SAP, chemical handling, quality, behavioural training, motivational trainings etc. are conducted in order to enhance work life balance of employees as well as to optimise the efficiency of all the units and employees. Special drives for COVID-19 precautionary measures were conducted in all units. All support provided to our manpower in term of Covid

Testing, treatment and vaccination. Keeping the philosophy of continuous training and job improvements, the Company has imparted 504 man-days (previous year 543 man-days) of training apart from the regular participation in physical trainings and external webinars to its employees.

The Company has always been vigil against the sexual harassment at workplace and a system is in place under which, the employees can make their complaints in this regard. No such complaint has been received during the year.

SWOT

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

Strengths

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

Weaknesses

- a. Highly leveraged with high finance costs.
- b. Cyclical nature of the industry, which is subject to climate and economic cycles.
- c. Low capacity utilisation in distillation segments.
- d. Lack of parity between cost of production and sale values of sugar resulting in un-paid sugarcane price position.
- e. Existing and anticipated litigation arising out of weak financial position of the Company.
- f. Delay in financial restructuring and debt resolution pending over past three years resulting in financial limitations.

Opportunities

- a. To produce and gain out of non-sugar base revenues including ethanol, being the focus area for the Company and also being encouraged by government policies.
- b. To be flexible in the refining of raw sugar for improving

capacity utilisation throughout the year.

- c. To be a regular trader in the commodities with quality, brands and product mix whenever there is a viability.
- d. Presence in branded and packaged segment which has further growth potential.
- e. Enhancement of Alcohol capacity for manufacture of disinfectants.

Threats

- a. Worldwide Covid-19 emergency and impact thereof in India.
- b. Increase in production and distribution cost due to Lockdown scenario.
- c. Recovery steps initiated by the lenders for overdue outstanding.
- d. The vendors and creditors related uncertainties on account of payment defaults.
- e. Significant higher production of sugar in the country may lead to downward trends in sugar prices.
- f. Volatile commodity markets have a bearing on international and domestic operations.
- g. Regulated environment may pose adversities for business decisions.
- h. Un-hedged positions in sugar and currency markets.
- i. Coercive actions by the State administration particularly for cane payment.

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

RISK ASSESSMENT AND MITIGATION

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

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

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

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

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

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

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

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

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

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

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

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

Environmental Compliances: During the period under review, the Company has remained compliant with all environmental laws in the country. The Company's Effluents plants were periodically inspected by State and Central Pollution Control Boards and other agencies to check that Company is maintaining prescribed effluent standards.

Internal Control System

The Company has been following-up the systems and control to safeguard the assets and interest of stakeholders against loss from any unwarranted action. All business transactions are authorized, recorded and reported accordingly. Under the system, certain Standard Operating Procedures/Policies with reference to the delegation of authorities, material procurement and management, accounting processes and systems, payment authorization, capex monitoring, insurance, and employee welfare etc. have been adopted. Review systems have been established and implemented to ensure the adequacy of control systems and their monitoring.

The Company has established and implemented internal financial controls based on the formal system of internal financial controls under the Companies Act, 2013 read with relevant Ind AS, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls with reference to consolidated financial statements issued by the ICAI. The system includes procedures, policies, the

design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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

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

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

During the Financial Year 2021-22, all transactions with related parties were at arm's length basis and were in the ordinary course of business. There was no materially significant related party transaction with the Company's Promoters, Directors, Key Managerial Persons (KMP), Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its approval. The particulars of contracts entered during the year are enclosed herewith as Annexure-2 as per prescribed Form AOC-2.

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

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

The Company has been regular in CSR activities for the development, upliftment and advancement of the conditions of the people living in the villages in the vicinity of mills. The Company is not mandatorily required to spend any amount for CSR in terms of criteria prescribed under Companies Act, 2013 for the financial year 2021-22, yet it has its own CSR policy indicating the guidelines for social welfare activities and as its responsibility it's contributing from time to time for the welfare of the Society.

A Charitable trust named Simbhaoli India Foundation (SIF), has also been working to ensure social obligations of the Company.

As the whole country is facing huge challenge to fight the second wave of Covid-19, the Company set up a medical oxygen plant in Sikkeda (Dist.- Hapur) near Simbhaoli village which costs around ₹ 32lacs. The fully automatic Oxygen generation plant has a capacity to produce 20 MT/ hr oxygen with 96% purity.

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

OPERATIONS OF SUBSIDIARY/ASSOCIATE COMPANIES

Simbhaoli Power Private Limited(SPPL): SPPL is a 51% subsidiary, with a joint venture with Sindicatum Bagasse India Pte Limited. SPPL is generating the power using the sugar mill bagasse and third-party biomass at the Simbhaoli and Chilwaria Sugar complexes of the Company and selling the surplus power to State utilities under the long-term power purchase agreements.

In the consolidated financial statements of the Company for the quarter and year ended March 31, 2022, the financial statements of SPPL, a material subsidiary has not been consolidated, as the year ended financial statements of SPPL have not been yet finalized and approved till date.

The transactions entered into between the Company and SPPL for the year ended March 31, 2022, which have not been eliminated in the consolidated financial statements, have resulted in increase in the total revenue by ₹ 2,979.38 lacs and total expenses by ₹1,200.25 lacs. Further, increase in the balances of subsidiary of ₹ 2,049.39 lacs have been included in the consolidated balance sheet in the respective assets heads.

Uniworld Sugars Private Limited(USPL): The Hon'ble NCLT, Allahabad Bench has passed an order dated March 17, 2021 for the approval of the resolution plan of USPL. The Hon'ble National Company Law Appellate Tribunal (NCLAT), Delhi, vide its order dated 12.04.2022 set aside the Resolution Plan and directed NCLT to review the Resolution Plan. Now, the matter is pending with Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench.

Integrated Casetech Consultants Private Limited (ICCP): Integrated Casetech Consultants Private Limited (ICCP), is an 85% subsidiary company and the technology vertical of SSL. It has been providing the operations and maintenance services to various sugar companies in India and abroad. Due to CoVID scenario, ICCP's operations are affected adversely due to slow down of working of all Industries globally.

During the year ended March 2022, ICCP has achieved total revenue of ₹ 1,622.70 lacs only in comparison to revenue of ₹ 613.49 lacs earned in previous year reflecting a substantial increase of 164.50%. Due to substantial increase in revenue, ICCP has suffered loss of ₹ 7.85 lacs in comparison to loss of ₹ 92.02 lacs last year.

Simbhaoli Global Commodities DMCC: The Company has made an application for de-registration and termination of the license with the Dubai Multi Commodities Centre Authority.

Simbhaoli Specialty Sugars Private Limited (SSSPL): Simbhaoli Specialty Sugars Private Limited is the wholly owned subsidiary

of Simbhaoli Sugars Limited. No major business activities have been carried out by this Company during the year. Company has earned income from other source of ₹ 4.41 lacs (Previous years ₹4.78 lacs) during Financial year 2021-22.

OPERATIONS

A summary of the physical operations of all the business units of the Company for the year 2021-22 is stated as under:

Manufacturing Facilities	Unit	Simbhaoli		Chilwaria		Brijnathpur		Total
		2021-22	2020-21	2021-21	2020-21	2021-22	2020-21	
Sugarcane crushed	Lacs mt	14.41	14.42	3.13	3.28	5.73	6.38	23.27
Sugar recovery	%	10.84	11.12	9.45	9.1	10.14	10.26	10.48
Raw/ below grade sugar refined	000' mt	28.63	32.91	0.36	0.36	0.63	10.97	29.62
Net Sugar produced#	000' mt	156.17	162.13	29.6	30.15	57.4	65.12	243.17
Gross season for sugar plant	Days	178	175	91	92	160	180	
Date of start of the Sugar plant	-	08.11.2021	28.10.2020	28.11.2021	27.11.2020	10.11.2021	28.10.2020	
Date of closure of Sugar plants	-	04.05.2022	20.04.2021	27.02.2022	26.02.2021	18.04.2022	25.04.2021	
Days of operations of distillery **	Days	259	270	218	214	178	164	
Alcohol/ Ethanol produced **	B.L (Lacs)	117.12	132	98.24	120	93.83	88	309.19

#Including conversion of Raw and below grades white sugar into refined sugar.

**As per Financial Year

FINANCIAL ANALYSIS

A summary of the standalone financial results of the Company for the year ended March 31, 2022 is stated as under:

Particulars	(₹ in Crore)	
	Financial Year 2021-22	Financial Year 2020-21
Gross Sales/Income from operations	1,371.12	1,456.91
Other Income	27.53	16.81
Profit/(Loss) before Interest, depreciation and exceptional items	51.85	61.71
Interest expense	28.79	30.66
Depreciation	32.29	35.48
Profit/(Loss) before tax & exceptional items	(9.22)	(4.43)
Exceptional (Gains)/Loss	(0.97)	-
Net Profit/ (Loss) after Tax before Other Comprehensive Income	(10.20)	(4.43)
Other Comprehensive Income/(Loss)	0.84	0.11
Net Profit/ (Loss)	(9.36)	(4.32)

During the Financial Year 2021-22, Gross Sales/Income from operations have decreased from ₹ 1,456.91 Crore to ₹ 1,371.12 Crore and Net sales have decreased from ₹ 1,262.78 Crore to ₹ 1,134.78 Crore. EBIDTA has been at ₹52.13 Crore as against the previous year of ₹ 61.71 Crore. Net loss for the year is ₹ 9.36 Crore as against Net Loss of ₹4.32 Crore in previous year.

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

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

Share Capital: The paid-up capital of the Company is ₹41,27,90,200 divided into 4,12,79,020 equity shares of ₹10 each. No fresh share capital was issued during the year.

Long term borrowings: Long term borrowings are at ₹ 305.70 Lacs (previous year ₹313.19 Lacs), as during the year loans were repaid to related parties.

Short term borrowings: There are no Short Term Borrowings in the Company.

Investments: The Company has the following investments as on March 31, 2022:

(₹ in Lacs)

S. No.	Particulars	Opening balance as on April 1, 2021	Additions/ (Deductions) during the year	Balance as on March 31, 2022
1	2,00,800 equity shares of ₹10 each in Integrated Casetech Consultants Private Limited	383.73	-	383.73
2	55,38,734 equity shares of ₹10 each in Simbhaoli Power Private Limited	5,493.59	-	5,493.59
3	48,92,941 debentures of ₹100 each of Simbhaoli Powers Private Limited	4,999.90	(52.05)	4,947.85
4	19,000 equity shares of ₹10 each of Simbhaoli Speciality Sugars Private Limited	190.00	-	190.00
5	Invest in Government Securities (NSC- Post Office)	2.61	2.01	4.62
6	Investments –Subsidiary (at Cost)	45.00	-	45.00
7	Investments at the end of the year	11,114.83	-	11,064.79

The Company has made appropriate provisions with respect to the Investments held in the share capital of Uniworld Sugars Private Limited and Simbhaoli Global Commodities DMCC.

Status of shares under pledge: Out of the promoters' shareholding, 11.96% in the total share capital is pledged with the financial institutions as security against various credit facilities availed by the Company.

Inventories: Inventory amounting to ₹ 46,505.91 lacs (previous year ₹ 46,475.72 lacs) include finished goods, raw material, process stocks, and store items. The sugar stock at the end of the year is valued of ₹ 3,377.25 per qtl (previous year ₹ 3,157 per qtl).

Sundry debtors: Sundry debtors (net) amounting to ₹ 3,506.40 lacs (previous year ₹ 4,493.69 lacs), are considered good and realisable. Provisions are generally made for all debtors outstanding for over 360 days' subject to their scope of realization, industry trend and management's perception.

Cash and Cash Equivalents: Cash and Cash Equivalents are at ₹2,761.40 lacs (previous year ₹ 3,585.46 lacs).

Bank Balances other than cash & Cash equivalents: Bank balance of ₹ 2,005.51 lacs (previous year ₹ 2,166.96 lacs) comprise of EMD paid to Banks for OTS of ₹ 1,678.50 lacs (Previous Year ₹ 1,521.20 lacs) and fixed deposits for an amount of ₹ 327.01 lacs (previous year ₹ 645.76 lacs) as pledged with banks for securing certain loans, letters of credit, guarantees and other short- term facilities.

Other Financial Assets (Non-Current): Other financial assets of ₹1,282.62 lacs (previous year ₹ 1,226.18 lacs) comprises of interest accrued on fixed deposits ₹ 9.96 lacs (previous year ₹4.12 lacs) and security deposit of ₹ 11.27 lacs (previous year ₹9.27 lacs). Further, fixed deposits for an amount of ₹ 161.39 lacs (previous year ₹ 112.79 lacs) are pledged with banks for securing certain loans, letters of credit, guarantees and other long term facilities and Retention money from SPPL of ₹1,100.00 lacs (Previous Year ₹ 1,100.00 lacs).

Other Financial Assets (Current): Other financial assets of ₹5,719.77 lacs (previous year ₹ 4,652.64 lacs) comprises interest accrued on debentures ₹ 5,164.35 lacs (Previous year ₹ 4,182.78 lacs) and others ₹274.98 lacs (previous year ₹ 288.15 lacs) receivable from Simbhaoli Power Private Limited.

Other Current Assets: Other current assets of ₹ 1,242.81 lacs (previous year ₹ 9,499.48 lacs) comprise a receivable of ₹ 444.44 lacs (previous year ₹ 723.70 lacs), are considered good and realisable. Provisions are generally made for all

receivables outstanding for over 360 days subject to their scope of realization, industry trend and management's perception.

Government grant of ₹ Nil (previous year ₹ 7,991.96 lacs), claim receivables of ₹ 271.00 lacs (previous year ₹ 251.30 lacs), Balance with authorities ₹ 102.16 lacs (previous year ₹ 187.37 lacs) and prepaid expenses ₹ 299.92 lacs (previous year ₹221.52 lacs).

Leasehold Land

During the initial establishment of Simbhaoli sugar mill in year 1938, the erstwhile Simbhaoli Sugars Limited (ESSL) had acquired land on lease hold basis from the provincial Government according to the provisions of land acquisition laws of prevalent time for requirement of land for lagoon for storage of the waste water having an area of 28 bigha and 2 biswa (appx. 17 Acres) situated at Buxer and Bhovapur Mastan Nagar village (Adjoining to Simbhaoli Village). An agreement was executed on 26.7.1938 and registered before Sub Registrar Meerut and land was recorded in the name of ESSL by order dated 30.07.1940 issued by the Collector Meerut.

Later, in year 1996, UP State Government started the proceedings under Section of 122 B of the Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950 and rules made thereunder against the ESSL and a writ petition was filed by ESSL before Hon'ble High Court of judicature at Allahabad, in respect of which an interim stay order dated 9.6.2004 was passed by the Hon'ble High Court and the legal proceedings are sub-judice.

Trade payables, other current liabilities, and provisions:

a) Trade payables at ₹ 71,168.49 lacs (previous year ₹78,962.58 lacs) includes amount payable against sugarcane supply, other raw materials, stores and services b) Other current liabilities of ₹ 1,226.64 lacs (previous year ₹ 1,568.09 lacs) reflect amount payable against statutory dues, advance received from customers other miscellaneous liabilities. c) Provisions for employee benefits stood at ₹ 123.64 lacs (previous year ₹ 115.19 lacs) as per actuarial valuation.

Sales and other income: The segment wise allocation of revenues for the year 2021-22 and for preceding two accounting years is as under:

(₹ in Lacs)

Years/ Segment	Sugar		Alcohol	
	Turnover	%age	Turnover	%age
2019-20	92,040	72.31	35,252	27.69
2020-21	1,16,275	74.73	39,324	25.27
2021-22	97,023	65.87	50,268	34.13

Other income of ₹2,753.17 lacs (previous year ₹ 1,681.19 lacs) comprises interest and rent received from subsidiary companies, liabilities/provisions which are no longer required and written back and other miscellaneous earnings.

Raw Material Consumption: ₹ 81,677.44 lacs (previous year ₹87,181.04 lacs) include sugarcane and molasses as the principal raw materials consumed by the Company.

Employees cost: The employee cost marginally increased to ₹5,947.96 lacs (previous year ₹ 5,877.54 lacs).

Finance cost: Finance costs decreased to ₹ 2,878.69 lacs (previous year ₹ 3,066.20 lacs) on account of non-provisioning of interest cost of ₹ 17,013.85 lacs for the current year (previous year ₹ 15,461.02 lacs).

Other Expenses: Other expenses increased to ₹ 13,367.64 lacs (previous year ₹ 12,961.11 lacs).

Power and Fuel: Power and Fuel expenses increased to ₹3,047.47 lacs from ₹ 2,911.48 lacs due to increase in production of Alcohol in current year.

Ratio Analysis

The analysis of the Company's financial statement for the year under review is given below:

Particulars	Units	March 31, 2022	March 31, 2021	% change from March 31, 2021 to March 31, 2022
Current Ratio	Times	0.31	0.34	-8.39%
Debt-Equity Ratio	Times	(39.82)	(62.82)	-37%
Inventory Turnover ratio	Times	2.90	2.76	5%
Trade Receivable Turnover Ratio	Times	26.23	30.23	-13.2%
Trade Payable Turnover Ratio	Times	1.12	1.06	5.88%
*Net Profit ratio	%age	-0.73%	-0.30%	142.49%
Return on Capital Employed	%age	1.97%	2.59%	-23.76%
**Return on Investment	%age	-0.5%	-0.21%	141.96%
Debt Service Coverage Ratio	Times	1.80	2.01	-11%
Operating Profit Margin Ratio	%age	1.68%	2.05%	-18%
Return on Net Worth	Times	(45.47)	(77.95)	-42%

*The change in ratio has been positive due to losses in Alcohol segment in current year as against profit in previous year.

**The change in ratio has been positive due to due to losses in Alcohol segment in current year as against profit in previous year.

Accounting Policies

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

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

During the Year, the Company has booked expenditure incurred on acquisition of certain land not registered in the name of the Company, the details have been provided elsewhere in the report.

Loans, Guarantees, and Investments under Section 186 of the Companies Act, 2013

The particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013 and rules made there under are disclosed in respective heads and on Note 28 in the Notes to accounts forming part of the Standalone financial statements.

Particulars of Contracts or Arrangements made with Related Parties

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

Debt Servicing and Public Deposits

During the year, pending completion of the debt resolution, the Company has not been able to meet its obligations towards the lenders for repayment of both principal and interest. The Company has approached its lenders to implement debt resolution plan of its outstanding debts in accordance with its available future cash flows, sustainability of the business and nature of the business of industry. In the previous years, there has been delays in submission of the plan and its consideration on account of continuous changes in regulatory frameworks, particularly, withdrawal of the arrangement of corporate debt restructuring and joint lenders forum. Subsequent to the intervention by the Hon'ble Supreme Court on such matters, the revised plans have been submitted to all the lenders for suitable resolution. The specific requests have been made to take a collective approach with regard to possible resolution instead of taking multiple recovery/coercive measures. The proposal includes waiver of un-paid interest on overdue loan accounts till implementation of the proposed restructuring/ realignment of credit facilities.

Accordingly, the Company has approached its commercial lenders to implement debt resolution plan of its outstanding debts including One Time Settlement Proposal (OTS) wherein resolution of entire outstanding debts of commercial banks are proposed to be settled through payment of One Time Agreed amount. In addition, the Company has also proposed certain percentage of shares in the equity share capital in direct proportion to commercial lenders' outstanding principal amount. OTS proposal submitted by the Company is under consideration by commercial lenders while debt re-alignment proposal submitted with lenders other than commercial lenders is also being under consideration.

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

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. The Company has submitted comprehensive debt resolution proposals with all the lenders to commensurate with its future cash flows, including infusion by strategic investor, promoters and internal accruals which contemplates the total waiver of interest. The majority of commercial lenders have shown their inclination to accept the debt resolution proposal (OTS Proposal) of the Company and accepted the offered Earnest Money Deposit offered thereof. Accordingly, the Interest expenses on credit facilities pertaining to commercial lenders, for the year ended March 31, 2022 amounting to ₹ 17,013.85 lacs (previous year ended March 31, 2021 amounting to ₹ 15,461.02 lacs) has not been recognized in profit and loss account. An accumulated amount of ₹ 69,929.48

lacs towards accrued interest has not been provided for in the books of accounts as on March 31, 2022.

Certain lenders to the Company have resorted to initiate recovery proceedings at Debt Recovery Tribunals, for which replies are being submitted based upon the legal advices.

On account of delays in servicing of loans, certain lenders to the Company have initiated recovery proceedings at various forums, including filing of applications before the Hon'ble National Company Law Tribunal (NCLT) under Section 7 of the Insolvency and Bankruptcy Code, 2016 in addition to approaching Debt Recovery Tribunals in Delhi and Uttar Pradesh as well. One of the lenders had declared the Company and Guarantors to the credit facility, as Willful Defaulters, such impugned order has been Set Aside by Hon'ble Punjab and Haryana High court at Chandigarh. Against a criminal complaint filed by one of the lenders, the Enforcement Directorate had passed an Attachment Order on certain assets of the Company to the extent of ₹ 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. The majority of commercial lenders have shown their inclination to accept the debt resolution proposal and accepted the Earnest Money offered thereof while Debt realignment proposal was submitted to other lenders against which SSL had initiated the repayments, pending approval of respective lenders. Revised and improved debt resolution proposal given to commercial lenders on bilateral basis is under consideration while application filed with Hon'ble NCLT Bench, Allahabad is being heard.

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

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

During the year, the Company has faced recovery proceedings on account of defaults in repayments of loans and delay in proposed debt resolution. The detail has been reported elsewhere in this annual report.

Further, in the audited financial statements of Simbhaoli Power Private Limited ('SPPL') for the year ended March 31, 2021, the statutory auditor of the SPPL has drawn Emphasis of Matter in respect of following "During the year ended March 31, 2021, 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 ₹ 683 lacs, if accounted for at or basis reduced tariff as per CRE Regulations, 2019. The statutory auditors have also reported that the above condition indicate the existence of Material certainty in relation to tariff under CRE Regulation 2019, and its consequential impact on the Ind AS financial statements including impairment of PPE, if any.

The statutory auditors have also reported that due to reduction in tariff, the SPPL is incurring losses and considering it and other factors, material uncertainty exists that may cast significant doubt about the SPPL's ability to continue going concern.

In standalone financial statements, the outstanding balance of the Company with its subsidiary company, Simbhaoli Power Private Limited (SPPL) as reported in standalone financial statements, is subject to reconciliation on account of difference in interpretation of certain long term commercial agreements. Pending reaching to final settlement with SPPL, no adjustment has been made in the books of accounts amounting to ₹ 577.41 lacs for the year ended March 31, 2022 (previous year ended March 31, 2021 amounting to ₹ 716.74 lacs) being the difference in the value of bagasse sold and certain other claims made by SPPL. Total difference as on March 31, 2022 with SPPL is amounting to ₹ 1,547.15 lacs.

Application for Reclassification of Promoters of the Company

Company's application seeking reclassification of certain members of Promoter group of the Company to Public category in terms of provisions of erstwhile regulation 31A (7) of SEBI (LODR) Regulations, 2015 is still pending with SEBI.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the ensuing 11th Annual General Meeting (AGM) of the members of the Company, Mr. Gural Singh shall be retiring by rotation in terms of the provisions of Section 152 of the Companies Act, 2013. He has offered himself for re-appointment. The Board considered and approved the re-appointment subject to the approval at the AGM.

During the year, Mr. Sanjay Tapriya, a Director, resigned from his position in the Company w.e.f. November 01, 2021. During his tenure, he has guided the Company through his immense knowledge and experience.

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

Declaration of Independent Directors

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

Company's Policy on Director's Appointment and Remuneration

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

Number of Board Meetings conducted during the Year

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

Board Evaluation

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

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

Every year, the independent directors review the performance of the non-independent directors based on the criterion such as job profile and market perception, self-declaration on the jobs handled/taken up, opinion from peer and sub-ordinates, their performance evaluations, reporting and participation in the Company meetings and they have found their performance to be satisfactory period under review. The directors have considered the principles for review of the performance of the non-independent and also the independent directors, based on certain appropriate criterion. The directors did not find any material discrepancy in the disclosures being made to the Board/ shareholders of the Company. Generally, important matters related to the operations of the Company, its business plans, financial affairs and results, indebtedness issues, legal and corporate governance issues, growth strategies, restructuring plans, appointments of senior employees etc are regularly being placed before the Board. However, various prior observations related to accounting related issues are still pending. Independent Directors in their meeting also noted that that during this unprecedented lockdown, due to COVID-19, the company has conducted the meetings through video conferencing and the flow of information was found to be satisfactory.

Secretarial Audit

M/s Amit Gupta & Associates, Company Secretaries, have been engaged as the Secretarial Auditors of the Company under the provisions of the Companies Act, 2013 for the financial year 2022-23. Secretarial Audit Report for the FY 2021-22 is given as Annexure-1 to this report. Secretarial Audit report of Simbhaoli Power Private Limited, material subsidiary, have also been attached as Annexure-1A.

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

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

Cost Auditors and Cost Records

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

The Board of Directors, in compliance with the provisions of the Companies Act, 2013, Rules and Notifications issued thereunder, have appointed M/s Satnam Singh Saggu, Cost Accountants, as Cost Auditors to conduct audit of the Cost Accounts maintained by the Company for the Financial Year 2022-23.

ANNUAL RETURN

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link: <https://www.simbhaolisugars.com/annual-report.php>

SUBSIDIARY, JOINT VENTURE, AND ASSOCIATE COMPANIES

The Company has three subsidiary companies, viz. Simbhaoli Power Private Limited (SPPL), Integrated Casetech Consultants Private Limited (ICCPL), Simbhaoli Speciality Sugars Private Limited (SSSPL).

The Hon'ble NCLT, Allahabad Bench has passed an order dated March 17, 2021 for the approval of the resolution plan of Uniworld Sugars Private Limited, which was a Joint Venture entity of the Company. The Hon'ble National Company Law Appellate Tribunal (NCLAT), Delhi, vide its order dated 12.04.2022 set aside the Resolution Plan and directed NCLT to review the Resolution Plan. Now, the matter is pending with Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench.

The Company has submitted an application for de-registration of Simbhaoli Global Commodities DMCC, a 100% wholly owned foreign subsidiary company and termination of business and surrender of trade License thereof with Dubai Multi Commodities Centre Authority.

The consolidated financial statements presented by the Company include financial information of its subsidiary companies prepared in compliance with applicable accounting standards, except as mentioned otherwise in the accompanying notes.

A Statement containing salient features of Financial Statements of Subsidiaries/ JV/ Associates Companies in Form AOC-1 is annexed as Annexure- 5.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

During the year, Foreign Exchange Earnings as well as outgo was Nil, as the exports were made through recognized trade houses, in Indian currency. The Foreign currency exposures not hedged by derivative instruments or otherwise are given in the Notes to the Financial Statements.

Material Orders Passed by Regulators, Courts or Tribunals

There were no significant or material orders passed by the Regulators, Courts or Tribunal, which impact the going concern status and the Company's operations in future.

EMPLOYEE STOCK OPTION SCHEME

No stock options schemes have been introduced during the year.

CORPORATE GOVERNANCE

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

VIGIL MECHANISM

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

The policy on the vigil mechanism comprising of the whistle blower policy, has been disseminated at the Company's website at link- <https://www.simhaolisugars.com/company-policies.php>. During the year, no such complaint has been received by the Company.

LISTING OF SECURITIES

The equity shares of the Company are listed with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The annual Listing fee for the financial year 2022-23 has been paid to both the stock exchanges.

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

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

PARTICULARS OF EMPLOYEES

The disclosure under the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure -4**.

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

AUDITORS

M/s Mittal Gupta & Co, Chartered Accountants, Kanpur were re-appointed as statutory auditors of the Company for another term of five years viz. 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 at the 9th Annual General Meeting of the members of the Company held on December 21, 2020.

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

Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their reports are self-explanatory and explained in details in notes to the accounts and at other appropriate sections in the Annual Report. The qualifications along with management comments are annexed as Annexure 6. The detailed statement of Impact of Audit Qualifications was submitted to the stock exchange along with the Financial Results for the year ended March 31, 2022 and available at the website of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. *in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;*
- b. *the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2021-22 ended on March 31, 2022 and of the profit and loss of the Company for that period;*
- c. *the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;*
- d. *the directors had prepared the annual accounts on a going concern basis;*
- e. *the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and*
- f. *the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.*

CAUTIONARY STATEMENT

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

ACKNOWLEDGEMENT

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

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

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

**For and on behalf of the Board of Directors
Simhaoli Sugars Limited**

**Gurmit Singh Mann
Chairperson
(DIN - 0006653)**

**Place : Dharamsala
Date : May 20, 2022**

ANNEXURE - 1
**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
**[Pursuant to section 204(1) of the Companies Act, 2013 and
rule No.9 of the Companies**
**(Appointment and Remuneration of Managerial Personnel)
Rules, 2014]**

To,

The Members,

SIMBHAOLI SUGARS LIMITED,
(Formerly known as Simbhaoli Spirits Limited)
(CIN - L15122UP2011PLC044210)
Simbhaoli-245207, District Hapur Uttar Pradesh

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

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

- i. The Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder; and also
- ii. The Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable as the Company has not made any such transaction during the financial year under review;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Share

Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, Regulations 2021 [w.e.f.13.08.2021] - **(Not applicable to the Company during the review period);**

- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2021 [w.e.f 09.08.2021] - **(Not applicable to the Company during the review period);**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [w.e.f. 10.06.2021] - **Not applicable as the Company has not made any delisting during the year under report;**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **(Not applicable to the Company during the review period);**
- vi. The following other laws on account of the nature of industry are specifically applicable to the Company:
 - (a) Sugar Cess Act, 1982
 - (b) Levy Sugar Price Equalisation Fund Act, 1976
 - (c) Food Safety and Standards Act, 2006
 - (d) Essential Commodities Act,1955
 - (e) Sugar Development Fund Act, 1982
 - (f) Agricultural and Processed Food Products Export Act, 1986
 - (g) The Boilers Act, 1923
 - (h) The Legal Metrology Act, 2009
 - (i) The Environment Protection Act, 1986
 - (j) The Water (Prevention and Control of Pollution) Act, 1974
 - (k) The Air (Prevention and Control of Pollution) Act, 1981
 - (l) Excise and petroleum laws as applicable to the distillery operations

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
- (ii) Listing Agreements entered into by the Company with BSE Limited & The National Stock Exchange of India Limited, Mumbai.

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

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

- ii. The Company has approved the quarterly & annual consolidated financial results/statements without the results of one of its material subsidiary company viz Simbhaoli Power Private Limited (SPPL); and the results for the year ended March 31, 2021 were consolidated on February 12, 2022 with delay while approving the financial results for quarter ended at 31st Dec, 2021. The Management has informed that the quarterly and annual financial results for the Financial Year ended March 31, 2022 of SPPL have yet not been finalized and approved as per SEBI (Listing Obligations and Disclosure Requirements) Regulations being an unlisted entity.
- iii. The Company supplies bagasse (raw material), to a related party as per the terms of Bagasse Supply Agreement ("BSA"). We are unable to comment on the arm's length, pending, reconciliation of accounts arising out of disagreement with the Related Party.
- iv. Due to delay in filling the vacancy of Independent Director, under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has made submissions with BSE & NSE to waive the penalty to be levied in view of delay attributable to impossibility of compliance, COVID 19 pandemic read with SEBI circulars. However, NSE has vide letter no. Ref. No. NSE/LIST/SOP/SIMBHALS dated 10.01.2022 rejected the request for waiver and accordingly the Company has paid the requisite fine. BSE has vide letter dated 03.08.2021 rejected the request for waiver of fine, however the Company has vide letter dated 23.08.2021 has requested for granting personal hearing. No further communication has been received from BSE.
- v. In terms of the provisions of section 197 read with Schedule V of the Companies Act, 2013 in view of ongoing default in repayment of dues to the banks, the Company has appointed Ms. Gursimran Kaur Mann (DIN- 00642094) as the Managing Director and Mr Sachchida Nand Misra (DIN: 06714324), Chief Operating Officer and Whole Time Director of the Company for a period of two (2) years with effect from August 2, 2021 and September 18, 2021 respectively at the 10th annual general meeting of the members of the Company held on September 27, 2021. Pending receipt of no-objection from the lenders, no remuneration was paid to aforesaid managerial personnel since their respective date of reappointment.
- vi. The Company has defaulted in the payment of dues to the cane growers, lenders and statutory authorities as at March 31, 2022.

To,
The Members,
SIMBHAOLI SUGARS LIMITED,
Simbhaoli-245207, District Hapur Uttar Pradesh

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

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors & Non-Executive Directors as on March 31, 2022.
- Adequate notice is given to all directors to convene the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Majority decisions are carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period:

- C.P. Nos. (IB) 455/ALD/2019 and 331/ALD/2018 filed before Hon'ble National Company Law Tribunal (NCLT), Allahabad under section 7 of the Insolvency and Bankruptcy Code, 2016 for seeking the initiation of Corporate Insolvency Resolution Process of Simbhaoli Sugars Limited, by Punjab National Bank and Erstwhile Oriental Bank of Commerce, the financial creditors continues pending for adjudication.
- An application for reclassification of promoters' category in terms of provisions of erstwhile regulation 31A (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in line with the Special Resolution passed at 6th Annual General Meeting of the members of the Company, filed with SEBI/Stock Exchanges, continue pending.
- The proceedings under the First Information Report (FIR) registered with Central Bureau of Investigation (CBI), on Feb 22, 2018 against the Company, its Directors and other unknown persons of OBC are continuing.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN: F005478D000350999

Date: May 20, 2022

Place: Lucknow

- Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor

Membership No. : F5478

C.P. No. 4682

UDIN: F005478D000350999

Date: May 20, 2022

Place: Lucknow

ANNEXURE - 1A
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members
SIMBHAOLI POWER PRIVATE LIMITED

KOTHI NO. 1,
POWER DIVISION COMPOUND
SIMBHAOLI, UP-245207

I, Deepak Kumar Lath, Proprietor of Lath Deepak & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by SIMBHAOLI POWER PRIVATE LIMITED (CIN-U40300UP2011PTC045360) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2022, according to the provisions of:

- I. The Companies Act, 2013 (as amended) ('the Act') and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (as amended) ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (including erstwhile regulation);
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -Not Applicable during the period under review
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. The Management has identified and confirmed the following law(s) as being specifically applicable to the Company:
 - 1) Electricity Act, 2003 and rules and regulations made there under;
 - 2) The Boilers Act, 1923
 - 3) Electricity Safety Act, 1998
 - 4) Factories Act, 1948
 - 5) Pollution Prevention & Control Act, 1999
 - 6) Fire Safety Act, 1986

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent of Regulation 24, Since Company is a material subsidiary of a Listed Company.

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

I further report that:

Compliance of applicable financial laws including Direct and Indirect Tax laws by the company has not been reviewed in this audit and the same has been subject to review by the Statutory Auditors and other designated professionals.

Based on the Information provided by the company, its officers and authorised representatives during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance of provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

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

- a) *During the period under review*, Mr. Amrendra Prasad Singh (DIN-03512958) was re-appointed as Managing Director of the company with effect from 25th January, 2021 till 30th September, 2021.

Office of Mr. Amrendra Prasad Singh, Managing Director of the company was only upto 30th September, 2021.

Mr. Sanjay Tripathi was appointed Managing Director of the company. Nomination and Remuneration Committee (NRC) in its meeting held on 29th September, 2021, recommended that till such time, the consent from the lender is received to appoint Mr. Tripathi as Managing Director, he be appointed as "Director In charge" of the Company. The NRC has also recommended that on receiving of the approval from lender his position be re-designated as Managing Director.

Therefore, Mr. Sanjay Tripathi was appointed as the Director in Charge from 1st October, 2021 and after obtaining consent from the lender, Bank to appoint Mr. Tripathi as Managing Director, he was re-designated as the Managing Director of the Company w.e.f. 1st November, 2021.

Adequate notice is given to all directors to schedule the Board/Committee Meetings. Agenda and detailed notes on agenda were sent generally at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Section 149(8) of Companies Act, 2013 read with schedule IV requires all Independent directors to meet at least once in a year. One such meeting was held on 11th March, 2022.

Majority decisions were carried through, while the dissenting member's views, if any, are captured and recorded as part of the minutes

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

This Report is to be read with my letter of even date which is annexed as Annexure 1 and form an integral part of this Report.

For LATH DEEPAK & ASSOCIATES
Company Secretary

DEEPAK KUMAR LATH

C.P. No. 3644. FCS No.5309

UDIN: F005309D000330271

Date: 16/05/2022

Place: New Delhi

NOTE:

1. This report is to be read with my letter of even date which is annexed as **ANNEXURE-I** and forms an integral part of this report.
2. This report is based only on Secretarial information provided to us during the course of audit.
3. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been compiled by the Company up to the date of this Report pertaining to Financial Year 2021-2022. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.

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

Our Secretarial Audit Report for the financial year 31st March, 2022 is to be read along with this letter.

Management's Responsibility.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

For LATH DEEPAK & ASSOCIATES
Company Secretary

Date: 16/05/2022

Place: New Delhi

DEEPAK KUMAR LATH

C.P. No. 3644. FCS No.5309

ANNEXURE - 2
FORM NO. AOC-2
(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

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

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

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

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Simbhaoli Power Private Limited - Subsidiary
b)	Nature of contracts/arrangements/transaction	A. Sale of finished goods B. Expenses paid C. Expenses Recovered D. Management Service Agreement
c)	Duration of the contracts/arrangements/transaction	Long Term
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	A. ₹ 1,172.30 Lakhs B. ₹ 1,211.88 Lakhs C. ₹ 4.96 Lakhs D. ₹ NIL
e)	Date of approval by the Board	A. January 14, 2013 B. January 14, 2013 C. January 14, 2013 D. January 14, 2013
f)	Amount paid as advances, if any	-

Annexure-3
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO
(a) Energy conservation measures taken

- Modification of juice coils of R door 444 to enhance the capacity of juice clarifier.
- Modification of truck tippler by increasing the capacity to handle more trucks and to improve feeding in cane carrier.
- Auto feed control valves is installed to improve the efficiency of continuous centrifugal.
- Installation of Cane cutter at G mill to improve P.I. of G mill.
- Modification of cutter of BW mill to improve efficiency of BW milling plant.
- Installation of one MOL tank to enhance the capacity of Milk of lime slaking process.
- Replacement of Bagacillo blowers to improve the capacity of blowers and to reduce the breakdown.
- Embedded Controller W-8147 & Software Modification for SEDL control system.
- Modification of process house pumps in to hydrodynamic type to prevent leakages.
- Various measures taken to Recycle Reuse and Reduce hot/cold water used in the process.
- New Reduction Gear Box.Model U-1700, Ratio 60:1 for Bagasse Elevator
- Installation of hot and cold water flow meters at different stations to optimize the water consumption and reduction of bore-well water.
- Installation of Power capacitor bank to improve power factors.
- Partial replacement of Membrane of Brine recovery system to improve salt recovery.

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

- Activities are regularly being pursued on continuous basis for reducing the steam and power consumption in all three sugar and alcohol plants.
- Further, Steam saving is planned at all the distillery units with the replacement of high pressure steam / incineration boiler.

(c) Impact of above measures

The above measures have reduced the steam and power consumption at all the sugar units and have increased bagasse saving in all the units. The saved bagasse at SSD and CSD are being supplied to Simbhaoli Power Private Limited for conversion into power. Bagasse saved at BSD is utilized for off season consumption in distillery division. Over a period of time the quality of water discharged from ETP has improved significantly and there have been reduction in effluent generation in all units. Fresh water consumption has been reduced and water as a resource is being used judiciously.

TECHNOLOGY ABSORPTION, ADAPTATION AND RESEARCH AND DEVELOPMENT
1. Efforts made

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

2. Benefits

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

3. Particulars of technologies imported during the last five years

Not applicable

Disclosure of particulars with respect to technology absorption for the year ended March 31, 2022.

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

- 1) By installing cane cutter at G mill , the efficiency of G mill improved by increasing P.I..
- 2) Substantial reduction in man heads by adding various control loops in plant like auto control at melt concentrator, auto control system at syrup tanks, auto-control valves in juice heating, auto-weighing system in pharma-section and smart weighment for sugarcane etc.
- 3) Recycling of cold and hot water to reduce effluent and consumption of bore-well water.

II Benefit derived

- (i) Power consumption reduced by installation of capacitor bank and power factor improved.
- (ii) Increased bagasse saving it will be helpful to reduce bagasse requirement for Simbhaoli Power Private Limited.

III. Future plan of action

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

Form of Disclosure of particulars with respect to conservation of energy for the year ended 31st March, 2022

A. Power and fuel consumption

S.No	Particulars	Unit	Year ending March 31, 2022	Year ending March 31, 2021
1	Electricity Purchased Units Total Amount Rate/Unit	Kwh ('000) ₹ Lakhs ₹/Kwh	4204 116.41 2.77	4774 174.46 3.65
	Own Generation			
	(i) Through diesel generator			
	Units	Kwh ('000)	1240	1453
	Unit per ltr. of diesel oil	Kwh	3.77	3.22
	Total Amount	₹ Lakhs	292.73	299.30
	Cost/Unit	₹/Kwh	23.61	20.61
	(ii) Through steam turbine			
	Units	Kwh ('000)	69916	78300
	Units per ltr. of fuel/gas	Kwh	N.A.	N.A.
	Total Amount	₹ in lakhs	1600.94	1166.07
	Cost/Unit	₹/Kwh	2.29	1.51
2	Coal/Coke Quantity Total Cost Average Rate	Tonnes ₹ Lakhs ₹/MT	Nil Nil N.A.	Nil Nil N.A.
3	Furnace Oil/L.D.O Quantity Total Cost Average Rate	Kilo Ltrs. ₹ Lakhs ₹/K Ltrs	Nil Nil N.A.	Nil Nil N.A.
4	Others			
	Fire Wood			
	Quantity	Tonnes	Nil	Nil
	Total Cost	₹ in Lakhs	Nil	Nil
	Average Rate	₹/MT	N.A.	N.A.
	Bagasse/Husk (Purchased)			
	Quantity	Tonnes	22409	26261
	Total Cost	₹ Lakhs	682.56	681.63
	Average Rate	₹/MT	3046	2596

B. Consumption per MT of Sugar Production

S.No	Particulars	Unit	Year ending March 31, 2022	Year ending March 31, 2021
1	Electricity	Kwh	266	405
2	Coal/Coke	Tonnes	0.000	0.000
3	Fire Wood	Tonnes	0.000	0.000
4	Bagasse (Purchased)	Tonnes	0.000	0.000

C. Consumption per K. Ltr. of Alcohol Production

S.No	Particulars	Unit	Year ending March 31, 2022	Year ending March 31, 2021
1	Electricity	Kwh	465	496
2	F.O./L.D.O	K.Ltrs.	0.000	0.000
3	Bagasse/Husk (Purchased)	Tonnes	0.696	0.925

NOTES:

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

Annexure - 4

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

Median remuneration of all the employees of the Company for the Financial year 2021-22	₹25289 Per Month
The percentage increase in the median remuneration of employees in the Financial year 2021-22	4.10%
The number of permanent employees on the rolls of Company as on March 31, 2022*	1485

*inclusive of the workers at the manufacturing units

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

As the sugar industry is running into losses, there has been no substantial increase in the remuneration of the Directors/KMPs for the financial year 2021-22. Mr. Gurmit Singh Mann and Mr. Gural Singh are the non-executive directors of the Company and were not paid any remuneration or sitting fees during this year. The details of the remuneration paid to other directors and Key Managerial Personnel is given below:

Name of Director/KMP	Remuneration (₹ Lacs)	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the Financial Year 2020-21
Ms. Gursimran Kaur Mann, Managing Director	40.24	13.26	Not Applicable
Mr. S N Misra, Chief Operating Officer	35.09	11.56	Not Applicable
Mr. Dayal Chand Popli, Chief Financial Officer	70.76	23.32	Not Applicable
Mr. Kamal Samtani, Company Secretary	28.80	9.49	Not Applicable

Notes:

1. The ratio of remuneration median remuneration is based on remuneration paid during the period April 01, 2021 to March 31, 2022.
2. Remuneration is inclusive of arrears of previous year, if any.
3. The independent directors are being paid only the sitting fees and the relevant disclosures are made in the Corporate Governance report forming part of this Annual Report.

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

Revenue from operations for the year 2021-22 is ₹ 1,371.12 lacs. Although, there is no direct relationship between remuneration and Company performance as the remuneration is paid at par with the industrial norms for retention of employees with the Company.

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

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

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

Market capitalization of the Company as on March 31, 2022 was as follows:

(Fig in ₹ Crore)		
Stock Exchange	2022	2021
NSE	92.47	29.31
BSE	92.67	30.58

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

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

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

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

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

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

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

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

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

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

Annexure - 5

FORM AOC-1

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

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

Part "A" : Subsidiaries

(Amount ₹ in Lacs)

S. No	Particulars	Details		
		Integrated Casetech Consultants Pvt Ltd	Simbhaoli Power Private Limited*	Simbhaoli Speciality Sugars Private Limited
1.	Name of the subsidiary			
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.
4.	Share capital	23.58	1086.00	1.90
5.	Reserves & surplus	292.05	13811.16	137.25
6.	Total assets	2149.99	33108.58	141.39
7.	Total Liabilities	2149.99	33108.58	141.39
8.	Investments	0.15	14.56	-
9.	Turnover	1617.03	4690.82	-
10.	Profit/Loss before taxation	17.02	(1182.88)	(2.25)
11.	Provision for taxation	(24.87)	-	-
12.	Profit/Loss after taxation	(7.85)	(1182.88)	(2.25)
13.	Proposed Dividend	-	-	-
14.	% of shareholding	85.16	51	100

* Figures for the year ended March 31, 2022 have not been incorporated for the reasons as mentioned in the Board Report.
Note: Simbhaoli Global Commodities DMCC, a wholly owned subsidiary closed in the year ended March 31, 2021.

Part "B": Associates and Joint Ventures

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

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

ANNEXURE - 6

S. No.	Details of the Audit Qualification	Management Comments
1	<p>The Consolidated financial statements, have been prepared without consolidation of financial statements of material subsidiary viz. Simbhaoli Power Private Limited (SPPL) for the year ended March 31, 2022 but prepared after consolidation of financial statement of SPPL for the year ended March, 31, 2021, because financial statements of SPPL for the year ended March 31, 2022 have not been yet finalized and approved till date. Under the accounting principles generally accepted in India, the material subsidiary should have been consolidated because it is controlled by the Company. Had the financial statement of SPPL for the year ended March 31, 2022 been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements due to the failure to consolidate the same have not been determined.</p>	<p>The annual standalone financial statements for the year ended for March 31, 2022 have not been submitted by the management of SPPL for the purpose of consolidation. Hence the impacts of non-consolidation of transactions of SPPL for the year could not be ascertained by the Holding company. Please refer Note No. 4 of consolidated financial statements.</p>
2	<p>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, showed that revenue from operations for the year ended March 31, 2020 would have been lower and loss for the year would have been higher by Rs 683 Lakhs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. Consequently, 'other equity' and 'non-controlling interest' as at March 31, 2022 is overstated by ₹ 348 Lakhs and ₹ 335 Lakhs respectively.</p>	<p>Writ petition has been filed with Hon'ble High Court of Allahabad, Lucknow bench against the reduction of tariff by UPERC w.e.f. April 1, 2019. As the matter is sub-judice, SPPL has accounted for sale of power to Uttar Pradesh Power Corporation Ltd. (UPPCL), the customer at reduced tariff rate. Please refer Note No. 5a of consolidated financial statements.</p>
3	<p>Non provisions for impairment in the carrying value of property, plant and equipment by the holding company and by SPPL. We and the auditor of SPPL are not made available of appropriate impairment assessment carried out by the management of the respective companies and accordingly, we are unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these consolidated financial statements.</p>	<p>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. Please refer Note No.5 and 5a of the Consolidated financial statements.</p>
4	<p>Non-provision of interest expense amounting ₹17,013.85 Lakhs (Previous year ₹ 15,461.02 Lakhs) on certain borrowings for the year ended March 31, 2022 for the reasons stated in the said note. The total amount of interest expense not provided for in the accounts aggregates to ₹ 69,929.48 Lakhs till March 31, 2022 (Previous year ₹ 52,915.64 Lakhs). Had the aforesaid interest expense been provided for, the Finance Cost, Net Loss after tax and Total Comprehensive Loss for the year ended March 31, 2022 would have been increased by ₹ 17,013.85 Lakhs (Previous year ₹ 15,461.02 Lakhs), the Current Financial Liability as at March 31, 2022 would have been increased and shareholder's funds as at March 31, 2022 would have been decreased by ₹ 69,929.48 Lakhs (Previous year 52,915.64 Lakhs).</p>	<p>The Company has submitted comprehensive debt resolution proposals with all the lenders to commensurate with its future cash flows including infusion by strategic investor, promoters and internal accruals, which contemplates the total waiver of interest. The majority of commercial lenders have accepted the Earnest Money Deposit (EMD) offered in consonance with the Debt Resolution Proposal. Accordingly, the Interest expenses on credit facilities pertaining to commercial lenders, for the year ended March 31, 2022 has not been recognized in profit and loss account. An accumulated amount towards accrued interest has not been provided for in the books of accounts as on March 31, 2022. Please refer Note No.9 of the Consolidated financial statements.</p>
5	<p>Non-provision of interest liability in respect of delayed payment of sugarcane price. The amount of interest not provided for in the books has not been ascertained.</p>	<p>Considering that no notice of demand has been served upon the Company and the amount has not been ascertained, no provision has been made in this regards. Based on the past industry practices, the management are confident that no interest liability will arise for these periods. Please refer Note No. 6, of the Consolidated financial statements.</p>
6	<p>Integrated Casetech Consultants Private Limited ('ICCPL') had recognized revenue of ₹ 462.57 Lacs as unbilled revenue in the financial year 2020-21, which had been in disputes with the counter parties and pending final settlement of disputes, the same is continued to be carried on at the same amount without making any provision for credit loss and probable estimated loss on account of disputes. We are not made available of appropriate impairment assessment carried out by the management of ICCPL and accordingly, we are unable to comment on the same, including the compliance of the Ind AS 36 and any consequential adjustments that may arise in this regard in the consolidated financial statements.</p>	<p>As unbilled revenue in respect of certain customers in accordance with the terms of agreements entered into between ICCPL and its customers as the customers had not accepted the claims of ICCPL, on account of certain disputes. ICCPL moved to arbitration for the settlement of disputes and expects that the matter will be settled in its favour. Accordingly, unbilled revenue had been carried on at the same amount and the final adjustments, if any, will be made after the settlement with the parties. Please refer Note No.23 of the Consolidated financial statements.</p>

CORPORATE GOVERNANCE REPORT

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

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

BOARD OF DIRECTORS

Composition and category

The Board has an optimum combination of Executive and Non-Executive Independent Directors. As on March 31, 2022, the Board of Directors of the Company ('Board') consists of 9 (nine) directors; out of which 4 (four) belongs to the non-independent category and 5 (five) are independent directors. The Chairperson belongs to the promoters' category. The composition of the Board of Directors is governed under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations'), as amended from time to time. The composition of the Board and the number of other directorship(s) and committee membership/ chairmanship(s) held by the directors as on March 31, 2022 are as follows:

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

S. No	Name of Director & Category	Shares held in the Company	No. of other Directorships* in other companies	No. of committee** position held in other companies		Names of the other listed entities where the person is a director and the category of directorship
				Member	Chairman	
2	Ms. Gursimran Kaur Mann DIN: 00642094	4,186,672	5	-	-	N/A
3	Mr. Gural Singh DIN: 00064807	2,402,770	5	1	-	N/A
4	Mr. S.N. Misra DIN: 06714324	1,521	1	-	-	N/A
Independent Directors						
5	Mr. Aseem Sehgal DIN: 00058198	NIL	1	-	-	N/A
6	Justice (Retd.) C K Mahajan DIN: 00039060	422	1	3	-	1
7	Mr. H P Kain DIN: 08277248	Nil	1	1	-	N/A
8	Mr. AtulMahindru DIN:08624563	Nil	-	-	-	N/A
9	Mr. Shyam Sunder DIN: 08676856	Nil	-	-	-	N/A

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

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

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

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

1. Mr. Gurmit Singh Mann, has been the Chairperson of the Company for past several decades. Mr. Mann has vast industry experience of over 5 decades. He became the Managing Director of the Company in 1972 and CMD in the year of 1989. In year 2013, he became the Executive Chairman with the change in the management structure of the Erstwhile Simbhaoli Sugars Limited. He has exemplary knowledge on the sugar and alcohol products and has immense communication skills.
2. Ms. Gursimran Kaur Mann, Managing Director of the Company is a graduate in Economics and Political science from USA and has an MBA from London Business School. She has around 20 years' experience of managing the affairs of the Company.
3. Mr. Gural Singh, Director of the Company is a graduate in economics and has over 36 years of experience in the management of the various functional areas of the Company.
4. Mr. S N Misra, Whole Time Director and Chief Operating Officer of the Company is a Science Graduate from Gorakhpur University, A.N.S.I. from National Sugar Institute, Kanpur. He has around 4 decades of experience in administration and operations of sugar mills as well as power generation plants. He is designated as the Whole Time Director and Chief Operative Officer (COO) and responsible for the operations

of the business units, technical supervision, sugarcane management, implementation and achieving business plan and operational policies, meeting statutory compliances at all the manufacturing units of the Company.

5. Mr. Dayal Chand Popli, Chief Financial Officer (CFO) of the Company is a commerce graduate and the fellow member of the Institute of Cost Accountants of India. He holds vast experience of around 35 years in the fields of accountancy, taxation, costing and other professional services. Previously, he has also worked in the Companies like Hero group, Nestle India, DCM Shriram Industries, Mawana Sugars, in accounts, costing and finance department.
6. Mr. Kamal Samtani, Company Secretary (CS) of the Company is a Science graduate and fellow member of the Institute of Company Secretaries of India. He has been working with Simbhaoli group since last 18 years and looking after all compliance, joint venture and corporate legal functions.

Pecuniary relationship and transactions with non-independent directors

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

Appointment of Independent Directors

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

The Board of Directors have confirmed that in the opinion of the Board, the independent directors fulfil the conditions specified in the Listing regulations and are independent of the management. No Independent Director has been appointed and ceased from the post of directorship of the Company during this year.

Familiarization Program for Independent Directors

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

The details of Familiarization program of the independent directors can be found on the Company's website <https://www.simbhaolisugars.com>

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

Name of the Directors	Justice (Retd) C K Mahajan	Mr. H P Kain	Mr. Shyam Sunder	Mr. Atul Mahindru	Mr. Aseem Sehgal
Date of Birth	May 31, 1943	Aug 3, 1952	Jan 12, 1960	Jan 30, 1963	Jan 29, 1988
Date of Appointment	Nov 09, 2015	Nov 14, 2018	Feb 13, 2020	Nov 28, 2019	Feb 23, 2021
Qualificaton	M.A. LL.B	IRS	Practicing CA	B.Com. LLB	MBA, CS
Expertise	Justice Mahajan is a retired Judge of the Delhi High Court and has vast experience in law and justice. He has also been appointed as Chairperson/ President of various Committees and act as Arbitrator in several matters.	Mr. Kain is a retired IRS (Income Tax). He has also worked as SDM in the districts of Rampur & Unnao in UP State, Under Secretary in the Ministry of Finance (CEIB), Regional Director (North), Staff Selection Commission, CPIO under RTI Act etc.	Mr. Shyam Sunder is Practicing Chartered Accountant since last 30 years as partner of M/s Bhuvanesh & Shyam, Chartered Accountants, in Kanpur. He has been conducting the Statutory Audit of Banks, PSUs, Companies and State Governments Corporations, and also the Central Statutory Auditor of Public sector Banks. He also provides Advisory in Direct and Indirect Taxes.	Mr. Atul Mahindru is B.Com, LL.B and has been practicing as Advocate based in Dharamsala, Himachal Pradesh since last 3 decades. He has been dealing in all types of cases such as Civil/ Revenue, Criminal etc. Further, he is defending cases of statutory boards/ corporations under HP state government and public sector banks.	Mr. Sehgal, is having experience of more than 13 years in finance, corporate laws ERP etc. He was previously associated with Bharti Airtel in finance and supply chain function and headed the ERP function in Godrej & Boyce Manufacturing Company. He is associated as Non-Executive Director of Fliegen India Pvt. Ltd.
Shareholding of Directors in the Company (No. of shares)	422	Nil	Nil	Nil	Nil

BOARD PROCEDURES

Board Meetings and Attendance

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

Dates of Board Meeting	Board Strength	Directors Present
June 04, 2021	10	10
June 30, 2021	10	7
August 10, 2021	10	10
November 10, 2021	9	9
February 11, 2022*	9	9

*Adjourned to February 12, 2022 to approve the financial results of quarter ended December 31, 2021.

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

Name of the Directors	No. of Board Meetings Attended	Attendance at the last AGM held on Sep. 27, 2021
Mr. Gurmit Singh Mann	5	Yes
Ms. Gursimran Kaur Mann	4	Yes
Mr. Gurpal Singh	5	No
Mr. S N Misra	5	Yes
Justice (Retd) C K Mahajan	4	No
Mr. H P Kain	5	Yes
Mr. AtulMahindru	5	Yes
Mr. Shyam Sunder	5	Yes
Mr. AseemSehgal	5	Yes
Mr. Sanjay Tapriya*	2	No

*Resigned on November 01, 2021

Mr. HP Kain, Chairperson Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was present at the 10th AGM.

Information to Board

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

BOARD COMMITTEES

Board of directors has constituted the following committees and each committee has specific terms of reference. The Company Secretary acts as the Secretary to all the committees. The Board has four mandatory committees:

- i) Audit Committee,
- ii) Nomination and Remuneration Committee,
- iii) Stakeholders Relationship Committee, and
- iv) Corporate Social Responsibility Committee

I. Audit Committee

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

Name of Member	Meetings Held	Meetings Attended
Mr. H P Kain	5	5
Mr. S N Misra*	3	3
Mr. Shyam Sunder	5	5
Mr. Aseem Sehgal**	5	5

*Resigned on August 10, 2021

**Appointed on April 01, 2021

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

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- ii. Recommendation for appointment, remuneration and terms of appointment of auditors;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- v. Reviewing, with the management, the quarterly financial statements;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xix. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted under the provisions of Section 178 of the Act and rules made thereunder read with Regulation 19 and Part D of Schedule II of the Listing Regulations. It comprises of four directors; out of which three are independent directors. Mr. H P Kain acts as the Chairperson of the Committee. The objective of this Committee is to lay down a framework in relation to remuneration to the Directors and Key Managerial Personnel. The Committee recommends to the Board the terms and conditions of their respective appointment comprising of the formulation of the criteria for determining qualifications, positive attributes and independence, policies relating to the remuneration, role, responsibilities and other terms; continuing evaluation process and the grievances, if any, raised by such persons and take steps as considered necessary; seek such reports and compliances and also consider their removal, if required in the interest of the Company. The performance evaluation was carried out by the Committee as per the criteria framed by it. The criteria framed by Nomination and Remuneration Committee were also duly adopted by the Board. During the year one meeting of Nomination and Remuneration Committee was held on June 04, 2021. The details of committee meetings held during the financial year and attended by the members are as follows:

Name of the Member	Meetings Held	Meetings Attended
Mr. H P Kain	1	1
Mr. Shyam Sunder	1	1
Mr. Aseem Sehgal**	1	1
Mr. Gurmit Singh Mann	1	1

**Appointed on April 01, 2021

III. Stakeholders Relationship Committee

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

Name of the Member	Meetings Held	Meetings Attended
Mr. H P Kain	4	4
Mr. Sanjay Tapriya*	2	2
Mr. Shyam Sunder	4	4
Mr. Gurmit Singh Mann**	1	1

*Resigned on November 01, 2021

**Appointed on January 01, 2022

During the year, eight investor complaints were received and same were duly redressed. There was no pending complaint as on March 31, 2022.

IV. Corporate Social Responsibility Committee

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

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

Since the Company doesn't have any CSR obligation and such expenditure is less than 50 lacs, the Board has considered it appropriate to discontinue this committee as per the provisions given under Section 135(9) of the Act and all the functions will be discharged by the Board of Directors further w.e.f April 01, 2022.

Meeting of Independent Directors

During the year under review, one meeting of the Independent Directors of the Company was held on March 24, 2022 with regard to Financial Year 2021-22 respectively. The details of the evaluation have been mentioned elsewhere forming part of the Report.

Remuneration policy as applicable to the directors

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

The directors in employment are paid remuneration as per their respective terms as approved by the Board of Directors and the members of the Company in accordance with the provisions of the Act. No sitting fee is payable to them.

The details of remuneration paid to the Managing Director, Whole Time Director is given under Note No. 11 of the Financial Statements.

No remuneration is being paid to the independent directors. However, the Company has been paying the sitting fees of Rs. 25,000/15,000/10,000 per meeting to attend meetings of Board/

Audit Committee/Nomination and Remuneration Committee respectively plus reimbursement of the travelling expenses incurred by the Independent Directors for attending the meetings.

During the year, the sitting fees as accrued to Independent Directors are given in the Note No. 11 of the Financial Statements. No equity shares and/or convertible securities were issued to the executive/non-executive directors.

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

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

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

During the year, the aggregate remuneration paid to Ms. Gursimran Kaur Mann and Mr. S N Misra was within the limits of Schedule V to the Act. The remuneration comprises of fixed components and there is no performance linked incentives criterion. No severance fee is payable to them. No stock option has been granted by the Company to the directors. The appointment is liable to be terminated on a notice of two/three months or payment of salary in lieu thereof.

Compliance officer

Mr. Kamal Samtani, the Company Secretary is also acting as the compliance officer of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

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

GENERAL MEETINGS

Annual General Meeting

The 11th annual general meeting for the year 2021-22, will be convened in due course of time after intimation to the members of the Company. The last three AGMs were held as follows:

AGM	Day and Date	Venue/Deemed Venue
8th	Wednesday, 25-09-2019	
9th	Monday, 21-12-2020 (Through Video Conferencing)	Venue : Officers' Club, Sugar Mills Complex, at Simbhaoli - 245 207, Distt. Hapur, Uttar Pradesh
10th	Monday, 27-09-2021 (Through Video Conferencing)	

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

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

Special resolutions passed at the last three AGMs

AGM	Subject matter of special resolution
8th AGM held on 25-09-2019	1) Continuation of appointment of Mr. Gurmit Singh Mann, as a Director of the Company, who has completed the age of 75 years. 2) Continuation of appointment of Mr. S K Ganguli, as an Independent Director of the Company, who has completed the age of 75 years.

	3) Continuation of appointment of Justice (Retd) C K Mahajan, as an Independent Director of the Company, who has completed the age of 75 years. 4) Appointment of Ms. Gursimran Kaur Mann as the Managing Director of the Company for a period starting from February 14, 2019 to August 1, 2020. 5) Appointment of Mr. S N Misra as the Chief Operating Officer and Whole Time Director of the Company for a period starting from February 14, 2019 to September 17, 2020.
9th AGM held on 21-12-2020	1) Appointment of Ms. Gursimran Kaur Mann as Managing Director of the Company. 2) Appointment of Mr. Sachchida Nand Misra as Whole Time Director of the Company. 3) Re-appointment of Justice (Retd.) Mr. C K Mahajan as Non-Executive Independent Director.
10th AGM held on 27-09-2021	1) Appointment of Ms. Gursimran Kaur Mann as Managing Director of the Company. 2) Appointment of Mr. Sachchida Nand Misra as Whole Time Director of the Company.

Postal Ballot

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

SUBSIDIARY COMPANIES

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

The Company has not disposed-off/reduced its shareholding in subsidiary companies during the year. The Company has also formulated a policy for determining the Material Subsidiary, which can be accessed at Company's website at below link <https://www.simbhaolisugars.com/company-policies.php>

WHISTLE BLOWER POLICY

The Board has formulated a Whistle Blower Policy to provide a framework for promoting the responsible and secure vigil mechanism within the organization. It provides guidance and a intermediaries, who may raise a concern about irregularities and/or frauds and any other wrongful conduct, act or any omission or misrepresentation of facts, within the Company without fear of reprisal, discrimination or adverse employment consequences. During the year no personnel has been denied access to Audit Committee.

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

DISCLOSURES

Related Party Transactions and their basis

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Act and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. The particulars of contracts and arrangements with related parties referred to in section 188(1) and applicable rule of the Companies Act, 2013 in form AOC-2 forming part of this Report. However, the details of the transactions with related parties are provided in the Company's financial statements in accordance with the Accounting Standards as mandated under the provisions of the Act. The related party transactions are presented to the meetings of the Audit Committee and Board, for approval on regular basis. The web link for the Company's policy on related party transactions is as follows: <https://www.simbhaolisugars.com/companyolicies.php>

Disclosure of accounting treatment

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

Reconciliation of Share Capital Audit

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

Internal Control Compliances

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

Code of Conduct

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

The Company has issued code of conduct for its Board and senior management in compliance with Listing Regulations, with the

stock exchanges, advising and cautioning management staff and other business associates on the procedure to be followed, while dealing in equity shares of the Company and have complied with the disclosure requirements. The Code of Conduct is available on the website of the Company.

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

Details of non-compliance

NSE & BSE levied fine on the Company for non-compliance of regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, due to delay in filling the vacancy of Independent Director. The Company has submitted representations to waive the penalty levied in view of delay attributable to impossibility of compliance, COVID 19 pandemic read with SEBI circulars. Meantime, the Company has paid there quisite fine to NSE. No further communication has been received from BSE.

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

Communication

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

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

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

Compliance Certificate of the Auditors

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

ISSUE PROCEEDS

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

SHAREHOLDERS' INFORMATION

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

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai. Tel: 91-22-22721233/34, Fax: 91-22-22721919 Website: www.bseindia.com Scrip Code: 539742	National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Mumbai Tel : 91-22-26598100 Fax : 91-22-265988120 Website: www.nseindia.com Scrip code : SIMBHALS
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The annual Listing fee for the financial year 2022-23 has been paid to both the stock exchanges.

Depositories

National Securities Depository Limited, Trade World, 4th Floor, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Tel: 91-22-24994200 Fax: 91-22-24972993/2497 Email info@nsdl.co.in Website : www.nsdl.co.in	Central Depository Services (India) Limited, A-Wing, 25th floor, NM Joshi Marg, Lower Parel (East), Mumbai - 400013 Tel: 91-22-2272333 Fax: 91-22-22723199 Email: investors@cdslindia.com Website: www.cdslindia.com
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ISIN:Equity Shares-INE748T01016

Stock Market Data

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

Month	BSE				NSE			
	Share Price (₹)		Sensx S&P		Share Price (₹)		Nifty 50	
	High	Low	High	Low	High	Low	High	Low
Apr-21	9.24	7.05	50375.77	47204.50	9.20	7.05	15044.35	14151.40
May-21	15.80	9.01	52013.22	48028.07	15.50	9.50	15606.35	14416.25
Jun-21	32.51	13.46	53126.73	51450.58	32.45	13.75	15915.65	15450.90
Jul-21	44.60	33.35	53290.81	51802.73	44.45	33.25	15962.25	15513.45
Aug-21	38.00	25.15	57625.26	52804.08	39.25	25.20	17153.50	15834.65
Sep-21	29.90	24.30	60412.32	57263.90	29.20	24.70	17947.65	17055.05
Oct-21	32.10	22.00	62245.43	58551.14	32.35	22.05	18604.45	17452.90
Nov-21	24.90	17.75	61036.56	56382.93	25.00	17.80	18210.15	16782.40
Dec-21	22.05	17.25	59203.37	55132.68	22.35	16.90	17639.50	16410.20
Jan-22	24.75	19.10	61475.15	56409.63	24.55	19.30	18350.95	16836.80
Feb-22	24.60	18.10	59618.51	54383.20	24.70	18.10	17794.60	17674.80
Mar-22	28.65	19.75	58890.92	52260.82	28.65	19.35	17559.80	15671.45

Distribution of share holding as at March 31, 2022:

Category	No. of Shareholders	% of no. of shareholders	No. of shares	% of capital
1 to 5000	13890	77.209	1840583	4.458
5001 to 10000	2213	12.301	1562615	3.785
10001 to 20000	890	4.947	1320717	3.199
20001 to 30000	321	1.784	815002	1.974
30001 to 40000	151	0.839	537399	1.301
40001 to 50000	122	0.678	570127	1.381
50001 to 100000	218	1.211	1578547	3.824
100001 and above	185	1.028	33054030	80.074
Total	17990	100.00	41279020	100.00

As on March 31, 2022, 4,07,58,132 Equity Shares of the Company constituting 98.74% of total equity capital were under demat categories with NSDL and CDSL.

Shareholding Pattern as on March 31, 2021

Equity Shares:

Category	No. of Shares held	% age
A: Indian Promoters	22015790	53.33
Sub-Total (A)	22015790	53.33
B: Non - Promoters Holding:		
Mutual Funds	1755	0.01
Foreign Portfolio Investors (FPI)	124759	0.30
Financial Institutions and Banks	1170	0.00
Private Corporate Bodies	4674325	11.32
Indian Public (individuals)	14005222	33.93
NRIs/ OCBs	387784	0.94
Any other (Clearing Members and Trust)	68215	0.17
Sub-Total (B)	19263230	46.67
Grand Total (A+B)	41279020	100

Share warrants/ESOP/Convertible Securities

During the year, there was no share warrants/ESOP issued to the promoters.

Commodity Price Risk or Foreign Exchange Risk and hedging activities:

The Company had no exposure to commodity and commodity risks for the financial year 2021-22. For details related to risk assessment and mitigation, please refer the "Management and Discussion Analysis Report" which forms part of this Annual Report.

LOCATION OF THE PLANTS AND OPERATING DIVISIONS

Simbhaoli Complex	Simbhaoli, District Hapur Uttar Pradesh - 245 207
Chilwaria Complex	Chilwaria, Distt. Bagraich, Uttar Pradesh - 271 801
Brijnathpur Complex	Brijnathpur, District Hapur Uttar Pradesh - 245 101

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

INVESTOR SERVICES

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

Share Transfer System

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

- i. MAS Services Limited: T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110020
Phone No.: +91-11-26387281/82/83 E-mail: info@masserv.com Registered Office: Simbhaoli, District Hapur, Uttar Pradesh - 245 207
- ii. Phone No. +91-5731-226411/223118 E-mail: cs@simbhaolisugars.com

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- i. Number of complaints filed during the financial year: Nil
- ii. Number of complaints disposed of during the financial year: Nil
- iii. Number of complaints pending as at the end of the financial year: Nil

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

- a. **Maintaining Non-Executive Chairman's Office:** Not Applicable as the Chairman is a Promoter Director.
- b. **Shareholder Rights:** The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website and in Stock Exchange websites. Therefore, no individual communications are sent to the shareholders in this regard.

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

Non-mandatory requirements

Non-mandatory requirements of the Listing Regulations have been adopted by the Company to the extent they are in line with the nature of business activities of the Company.

Nomination

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

Unclaimed dividend and interest

There is no unclaimed dividend and interest outstanding at the end of the financial year. During the year no amount has been transferred to IEPF account.

CEO AND CFO CERTIFICATION

Certificate from Chief Operating Officer and Chief Financial Officer of the Company on financial reporting and internal controls to the Board in terms of the Listing Regulations is annexed with this report. Certificate with regard to compliances of provisions of Companies Act, Listing Regulations and other corporate laws, as applicable to the Company are placed before the Board on quarterly basis.

Fees paid by the Company or its subsidiaries to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

The Company 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. The details are mentioned in the Financial Statements.

Certification for Non Disqualification of Directors

A certificate from Practicing Company Secretary that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors of the Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority during the year ended March 31, 2022 is annexed with this Report.

Certificate on Compliance with Code of Conduct

Declaration signed by Chief Operating Officer and Chief Financial Officer stating that the members of the Board of Directors senior management personnel have affirmed compliance with the Code of Conduct for the financial year 2021-22 is annexed with this report.

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

Gurmit Singh Mann
Chairperson
(DIN - 00066653)

Place : Dharamsala
Date : May 20, 2022

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

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

To,

The Members,

SIMBHAOLI SUGARS LIMITED,

(CIN - L15122UP2011PLC044210)

Simbhaoli, Hapur Road, Uttar Pradesh

- We have examined the compliance of conditions of Corporate Governance by Simbhaoli Sugars Limited ("the Company"), for the year ended on March 31, 2022, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period April 01, 2021 to March 31, 2022.
- The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India. The procedures selected depend on the auditor's judgement, including the

assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.

- In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2022 except the compliance of provisions of Regulation 24(2) & 33(3) (b) regarding consolidation of accounts of its subsidiary company Simbhaoli Power Private Limited for the year ended at March 2021 with delay and has not reviewed the same for the quarter ended at 30th June 2021, 30th Sept 2021 and 31st December 2021.
- We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Amit Gupta & Associates
Company Secretaries
Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682
UDIN: F005478D000350988

Date: May 20, 2022
Place: Lucknow

CEO/CFO CERTIFICATION

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

Re: Certification by CEO/CFO for the Financial Year ended on March 31, 2022

We, S N Misra, acting as Chief Operating Officer, looking after the operations of the business units, technical supervision, sugarcane management, implementation and achieving business plan and operational activities; and Dayal Chand Popli, Chief Financial Officer, looking after accounts, finance and other related activities of Simbhaoli Sugars Limited to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements comprising of the balance sheets as on March 31, 2022, profit and loss account, the cash flow statement and the boards' report for the year ended March 31, 2022 and based upon our knowledge and information confirm that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We accept responsibility for establishing and maintaining internal controls for financial reporting for the Company and we have:
 - (i) evaluated the effectiveness of the internal control systems of the Company,
 - (ii) disclosed to the auditors and the audit committee of the Board, deficiencies in the design or operation of internal controls, if any, of which we are aware, and
 - (iii) taken necessary steps or proposed to take to rectify these deficiencies.
- (c) We have indicated to auditors and the audit committee of the Board that there have been:

- (i) no significant changes in internal control over the financial reporting during the year and the quality of internal control is improved with the implementation of SAP;
- (ii) no significant changes in accounting policies during the year;
- (d) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
- (e) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (f) In accordance with Regulation 17(5) of the Listing Regulations, all the directors and the Senior Management Personnel of the Company have affirmed compliance to their respective Codes of Conducts, as applicable to them for Financial Year ended March 31, 2022

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

Sachchida Nand Misra
Chief Operating Officer
DIN - 06714324

Dayal Chand Popli
Chief Financial Officer
FCMA- 12257

Place: NOIDA
Date: May 19, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
SIMBHAOLI SUGARS LIMITED,
(CIN - L15122UP2011PLC044210)
Simbhaoli, Hapur Road, Uttar Pradesh

1. We have examined the status of directors for the year ended on March 31, 2022, pursuant to the provisions of Clause 10(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations").
2. It is neither an audit nor an expression of opinion regarding the legality of debarred or disqualification by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority.
3. Our examination was limited to a review of the relevant

records of the Company and website of MCA, stock exchange(s) & SEBI and it is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions.

4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the declarations and disclosures made by the Directors and the representation given by the Management, we certify that none of the directors on the board of Simbhaoli Sugars Limited, have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority during the year ended at March 31, 2022.

For Amit Gupta & Associates
Company Secretaries
Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682
UDIN: F005478D000350977

Date: May 20, 2022
Place: Lucknow

INDEPENDENT AUDITORS' REPORT

To
The Members of
Simbhaoli Sugars Limited
Simbhaoli, Hapur- U.P.

Report on the audit of the Standalone financial statements

Qualified Opinion

We have audited the accompanying Standalone financial statements of Simbhaoli Sugars Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified opinion

- i) Simbhaoli Power Private Limited (SPPL) a subsidiary company had been incurring losses on account of reduction in power tariff applicable to bagasse-based generation plant operating in the State of Uttar Pradesh w.e.f. April 1, 2019. The auditors of SPPL, on the latest available audited financial statement for the year ended March 31, 2021, reported for the existence of material uncertainty that might cast significant doubt about SPPL's ability to continue as a Going Concern and also reported for existence of conditions for the impairment in the value of property, plant and equipment, which the management of SPPL had not determined. The total carrying amount of investments in SPPL and, of receivables and other dues, in the books of the company aggregates to ₹ 5493.59 Lakhs and ₹ 6906.84 Lakhs respectively as at March 31, 2022. The management of the company has not carried out appropriate impairment assessment to determine impairment in the carrying amount of investments in and other recoverable from SPPL and had made a provision of ₹ 125.00 Lakhs as credit loss allowance against the various dues. Due to non-availability of information with regard to appropriate impairment assessment carried out by the management of the company and financial and other information from the management of SPPL, we are unable to comment on the same, including compliance with Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these standalone financial statements.
- ii) We draw attention to Note No.4 of the Standalone financial statements regarding non provisions for impairment in the carrying value of property, plant and equipment. We are not made available of appropriate impairment assessment carried out by the management and accordingly, we are unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these standalone financial statements.
- iii) We draw attention to Note No 6, of the Standalone financial statements 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) We draw attention to Note No.10 of the Standalone financial statements regarding non-provision of interest expense amounting ₹17,013.85 Lakhs (Previous year ₹ 15,461.02 Lakhs) on certain borrowings for the year ended March 31, 2022 for the reasons stated in the said note. The total amount of interest expense not provided for in the accounts aggregates to ₹ 69,929.48 Lakhs till March 31, 2022 (Previous year ₹ 52,915.64 Lakhs). Had the aforesaid interest expense been provided for, the Finance Cost, Net Loss after tax and Total Comprehensive Loss for the year ended March 31, 2022 would have been increased by ₹ 17,013.85 Lakhs (Previous year ₹ 15,461.02 Lakhs), the Current Financial Liability as at March 31, 2022 would have been increased and shareholder's funds as at March 31, 2022 would have been decreased by ₹ 69,929.48 Lakhs (Previous year ₹ 52,915.64 Lakhs).
- v) We draw attention to Note No.23 of the Standalone financial statements regarding non provision of difference in the value of bagasse sold to and of certain claims made by Simbhaoli Power Private Limited, a subsidiary company for the year ended March 31, 2022 amounting to ₹ 577.41 Lakhs (Previous year ₹ 716.33 lakhs) for the reasons stated in the said note. The aggregate amount of non-provision of difference in the value of bagasse sold to and of certain claims not provided for in the accounts aggregates to ₹ 1,547.15 Lakhs till March 31, 2022 (Previous year ₹ 969.46 Lakhs). Consequently, the Revenue for the year has been overstated and Net Loss after tax and Total Comprehensive Loss for the year has been understated by ₹ 577.41 Lakhs (Previous year ₹ 716.33 lakhs), Receivables and Total Equity as at March 31, 2022 has been overstated by ₹ 1,547.15 Lakhs (Previous year ₹ 969.46).

Our report is qualified in respect of above matters.

Material Uncertainty related to Going Concern:

- i) As stated in Note No.4 of the Standalone financial statements, the standalone financial statement of the company has been prepared on going concern basis. Events or conditions as set forth in Note No.4 indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as going concern. The ability of the Company to continue as going concern depends on the decision of National Company Law Tribunal under the Insolvency and Bankruptcy Code 2016, the company's ability to get its borrowings restructured/ settled as stated in the said note and turnaround of the sugar and distilleries operation on sustainable basis.

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

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Key Audit Matters

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

Determination of Net Realizable Value of Sugar for comparison with Cost of Production (COP) for valuation of inventory:	
<p>As on March 31, 2022, the Company has inventory of sugar with a carrying value of ₹38,620.76 lakhs. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative value of inventory in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, and fluctuation in domestic and international selling prices in determination of Net Realizable Value.</p>	<p>Principal Audit Procedures</p> <p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar. We considered various factors including the prevailing unit specific domestic selling price during and subsequent to the year end, minimum selling price & monthly quota, selling price for contracted sugar export and initiatives taken by the Government with respect to sugar industry as a whole.</p> <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year-end and comparison with cost for valuation of inventory is considered to be reasonable.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

The aforesaid report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the company's annual report and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Standalone Financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when,

in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure – 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
3. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) Except for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
 - e) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note no. 6 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022.
- iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding,

whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub- clause (i) and (ii) of Rule 11 (e) as provided under paragraph (2) (h) (iv) (a) & (b) above, contain any material misstatement.

- v) The Company has not declared or proposed dividend during the year.

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

(B. L. Gupta)
Partner

Place : Simbhaoli, Hapur (U.P.) (Membership No. 073794)
Date : 20.05.2022 UDIN: 22073794AJHFFJ2593

Annexure A to the Independent Auditor's Report

Annexure A to the Independent Auditor's Report to the members of Simbhaoli Sugars Limited on its standalone financial statements dated 20.05.2022.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i) a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The property, plant and equipment and right-of use assets have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its property, plant and equipment. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.
- (c) According to the information and explanation given to us and on the basis of our examination of records of the Company, except for the lease hold land admeasuring

approximately 17 acres at village Simbhaoli and the following stated properties, the title deed of immoveable properties are held in the name of the company. The lease deed executed in favour of the Company by the State Government has been cancelled in earlier years and we are informed that the company had filed writ petition against the impugned cancellation order which is still subjudice. Details of other immoveable properties which are not registered in the name of the Company are as under: -

(₹ lacs)

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held -indicate range, where appropriate	Reason for not being held in name of company
Land at Simbhaoli Sugars limited- Brijnathpur (U.P)	42.30	Mr. Jaswant Lal	No	01.04.2015	Land acquired under Scheme of Amalgamation could not be transferred in the name of company as approval from collector is in process.
----do---	12.47	Mr. Mohd. Yameen	No	01.04.2015	Land acquired under Scheme of Amalgamation could not be transferred in the name of company as the transferor of the land had expired and the company is in negotiation with the legal heir of transferor and in the process of completing the legal formalities for getting the land registered in its name.

- (d) The Company has not revalued its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records in each class of inventory is less than 10% and have been properly dealt with in the books of accounts.
- (b) As disclosed in Note No. 10 to the standalone financial statements, the Company were sanctioned working capital limits in excess of ₹ 5.00 Crores in aggregate from banks during earlier years on the basis of security of current assets of the Company and the same were recalled by them on account of continuous defaults. The quarterly returns/statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

(₹ in lacs)

Quarter ending	Value as per books of account	Value as per quarterly return/ statement filed with lenders	Difference
June 30, 2021	33,353.7	33,286.51	67.19
September 30, 2021	14,574.44	14,854.71	(280.27)
December 31, 2021	27,372.26	27,884.39	(512.13)
March 31, 2022	46,469.76	47,909.71	(1,439.95)

Reason for differences:

As explained by the management, the differences pertain to valuation methodology adopted while filing stock statements with the lenders. Finished Stocks are valued at lower of cost or net realisable value in the books of accounts as per applicable accounting standards but finished stock in stock statement is valued by methodology as stipulated in sanction letter of banks. Further, as explained, since all the Cash Credit facilities are in Default and being Recalled no Drawing Power is accorded to the company basis Stock Statements.

- iii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not made any investments or, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties during the year. Accordingly, the provisions of clause 3(iii)(a), (c) to (f), of the Order are not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act, with respect to investment made.
- v) According to the information and explanations given to us, in our opinion, the Company has not accepted any deposits

from the public within the meaning of section 73, 74, 75 and 76 of the Act read with the Companies (Acceptance & Deposit) Rules 2014 and other relevant provisions of the Act, to the extent notified. Accordingly, the provisions of clause 3(v) of the said order are not applicable to the Company.

- vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of Company's products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

- a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Tax deducted at sources, Tax collected at source, Sales Tax, value added tax (VAT), Goods and Service Tax (GST), Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it, with the appropriate authorities though there has been slight delay in few cases. There are no undisputed statutory dues as referred to above as at March 31, 2022 outstanding for a period of more than six months from the date they become payable except for the following:

(₹ in Lakhs.)

Particulars	Amount
Purchase Tax	15.34
Import Duty	407.22
TDS Demand	4.32

- b) According to the information and explanations given to us, the particulars of Income tax, Service-tax, Sales-tax, Custom Duty, Excise Duty, Entry tax, Value Added Tax, Goods and Service Tax, which are not been deposited on account of any dispute as on March 31, 2022 are as reported in Note No. 15 to the accompanying standalone financial statements.
- viii) According to the information and explanations given to us, the company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the company.
- ix) (a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has defaulted in repayment of loans and borrowings to banks and Government. Details of defaults in respect of principal and interest dues to Banks & Governments are stated in Note No.10 to accompanying standalone financial statements.
- (b) According to the information and explanations given, including representation received from the management, and the records of the Company examined by us the Company was declared Willful Defaulter by Erstwhile Oriental Bank of Commerce now Punjab National Bank on 03.08.2018

which was subsequently Set A side by Hon'ble High court as mentioned in Note No.9 to accompanying standalone financial statements.

- (c) In our opinion and according to the information and explanation given to us, the Company has not availed any term loan during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable to the company.
- (d) On overall examination of the financial statement of the Company, prima facie, funds raised on short term basis in earlier years were used for financing the losses and other long term purposes by the Company and due to the aforesaid reasons, the total current liability (inclusive of recalled long term borrowings which are classified as current liabilities) of the company, exceeded the current assets as at March 31, 2022 by substantial amount.
- (e) According to the information and explanations given to us and as per the books and records examined by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company.
- (f) According to the information and explanations given to us and procedures performed by us, the company has not raised loans during the year on the pledge of securities held in its subsidiary company.
- x) (a) According to the information and explanations given to us and as per the books and records examined by us, the company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of paragraph 3(x)(a) of the Order are not applicable to the company.
- (b) According to the information and explanations given to us and as per the books and records examined by us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, the provisions of paragraph 3(x) (b) of the Order are not applicable to the company.
- xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year. Accordingly, the provisions of paragraph 3(xi) (a) and (b) of the Order are not applicable to the company.
- (b) According to the information & explanations and representation made by the management, no whistle- blower complaints have been received during the year (and up to the date of the report) by the company.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) (a) to (c) of the Order are not applicable to the company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards.
- xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the part period under audit have been considered by us.
- xv) In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the provision of paragraph 3 (xvi) (a) to (c) of the Order is not applicable to the Company.
- xvii) As per information and explanation provided to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the provision of paragraph 3 (xvi) (d) of the Order is not applicable to the Company.
- xviii) In our opinion, and on the basis of examination of financial statements and subject to the effect of the matters stated in the Basis of Qualified Opinion Para of our report, the Company has not incurred cash losses in the current financial year and in the immediate preceding financial year on the basis of financial figures presented in the Statement of Profit and Loss Account.
- xix) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of paragraph (xviii) of the Order are not applicable to the Company.
- xx) According to the information and explanations given to us and on the basis of the standalone financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date because the company is already in default in making due payments to the banks and cane growers as at March 31, 2022 and the current liabilities (inclusive of recalled long term borrowings classified as current liabilities) of the Company exceeded the current assets by ₹ 1,36,722.58 Lakhs as at March 31, 2022.
- xxi) Since, the Company is not required to spend any Corporate Social Responsibility (CSR) expenditure under the provision of Section 135 of the Companies Act, 2013 during the year, the provisions of paragraph (xx) of the Order are not applicable to the Company.

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

(B. L. Gupta)
Partner

Place : Simbhaoli, Hapur (U.P.)
Date : 20.05.2022

(Membership No. 073794)

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

Annexure B to the Independent Auditor's Report to the members of Simbhaoli Sugars Limited on its standalone financial statements dated 20.05.2022.

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 3(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls with reference to standalone financial statements of Simbhaoli Sugars Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to these standalone financial statements

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

Opinion

In our opinion, except for the matters described in the Basis for Qualified Opinion, Material Uncertainty on Going Concern paragraph, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(B. L. Gupta)
Partner

Place : Simbhaoli, Hapur (U.P.)
Date : 20.05.2022

(Membership No. 073794)

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
BALANCE SHEET AS AT MARCH 31, 2022

	Notes	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
ASSETS			
Non-current assets			
a) Property plant and equipment	3.01	121,347.60	123,858.17
b) Capital work-in-progress	3.02	396.25	62.24
c) Other intangible assets	3.03	36.95	48.38
d) Right-of-use Assets	3.04	-	-
e) Financial assets			
i) Investments	3.05	11,064.79	11,114.83
ii) Other financial assets	3.06	1,282.62	1,226.18
f) Income tax assets (net)	3.07	368.51	348.68
g) Other non-current assets	3.08	413.55	328.28
Total non-current assets		134,910.27	136,986.76
Current assets			
a) Inventories	3.09	46,505.91	46,475.72
b) Financial assets			
i) Trade and other receivables	3.10	3,506.40	4,493.69
ii) Cash and cash equivalents	3.11	2,761.40	3,585.46
iii) Bank balances other than cash & cash equivalents	3.12	2,005.51	2,166.96
iv) Loans	3.13	-	-
v) Other financial assets	3.14	5,719.77	4,652.64
c) Other current assets	3.15	1,242.81	9,499.48
Total current assets		61,741.80	70,873.95
Total assets		196,652.07	207,860.71
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	3.16	4,127.90	4,127.90
b) Other equity	3.17	(6,684.34)	(5,769.39)
Total equity		(2,556.44)	(1,641.49)
LIABILITIES			
Non current liabilities			
a) Financial liabilities			
i) Borrowings	3.18	305.70	313.19
ii) Other financial liabilities	3.19	-	21.97
b) Provisions	3.20	438.43	457.66
Total non-current liabilities		744.13	792.82
Current liabilities			
a) Financial liabilities			
i) Borrowings	3.21	101,485.64	102,782.47
ii) Trade and other payables			
A) Total outstanding dues of micro enterprises and small enterprises	3.22	433.47	357.88
B) Total outstanding dues of creditors other than micro enterprises and small enterprises	3.22	70,735.02	78,604.70
iii) Other financial liabilities	3.23	24,459.97	25,281.05
b) Other Current liabilities	3.24	1,226.64	1,568.09
c) Provisions	3.25	123.64	115.19
Total current liabilities		198,464.38	208,709.38
Total equity and liabilities		196,652.07	207,860.71
See accompanying notes forming part of the financial statements 1 to 29			

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

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

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

For and on behalf of the Board of Directors

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN - 06714324

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
STATEMENT OF STANDALONE PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2022

	Notes	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Revenue from operations			
Revenue from operations	3.26	137,112.01	145,690.79
Other Income	3.27	2,753.17	1,681.19
Total income		139,865.18	147,371.98
Expenses			
Cost of materials consumed	3.28	81,677.44	87,181.04
Purchases of stock-in-trade	3.29	6,835.37	3,572.94
Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.30	170.70	9,284.01
Excise Duty on sale of goods	3.31	23,633.84	19,413.20
Employee benefits expense	3.32	5,947.96	5,877.54
Finance costs	3.33	2,878.69	3,066.20
Depreciation and amortization expense	3.34	3,228.51	3,547.53
Power & fuel	3.35	3,047.47	2,911.48
Other expenses	3.36	13,367.64	12,961.11
Total expenses		140,787.62	147,815.05
Profit/(loss) before exceptional items and tax		(922.44)	(443.07)
Exceptional items		-	-
Profit/(loss) before tax		(922.44)	(443.07)
Tax expense:			
- Current Tax		-	-
- Deferred Tax		-	-
- Tax adjustments related to earlier years		97.25	-
Profit after Tax		(1,019.69)	(443.07)
Other Comprehensive Income			
A. (i) Items that will not be re-classified to profit or loss:		84.05	10.59
(ii) Income tax relating to items that will not be re-classified to profit or loss		-	-
B. (i) Items that may be re-classified to profit or loss:		-	-
(ii) Income Tax relating to items that may be reclassified to profit or loss		-	-
Total Other Comprehensive Income (net of tax)		84.05	10.59
Total Comprehensive Income		(935.64)	(432.48)
Earnings per equity share-basic/diluted (₹)			
- Before exceptional items		(2.47)	(1.07)
- After exceptional items		(2.47)	(1.07)
See accompanying notes forming part of the financial statements	1-29		

For and on behalf of the Board of Directors

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

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

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

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particular	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) before tax and exceptional items	(922.44)	(443.07)
Adjustments for:		
Depreciation and amortization	3,228.51	3,547.53
Finance costs	2,878.69	3,066.20
Interest income on financial assets & Others	(1,428.25)	(1,364.88)
Liability/provisions no longer required written back	(1,196.16)	(232.38)
Bad Debts and advances written off	1.07	1.48
Profit on redemption of Mutual Funds Units	(25.54)	(1.28)
Loss/ (profit) from sale /discard of property, plant and equipment (net)	(25.03)	0.04
Provision for credit loss	797.17	668.31
Mollasses Storage Fund	20.69	21.61
Operating profit/(loss) before working capital changes	3,328.71	5,263.56
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Changes in trade and other receivables	485.46	(1,654.49)
Changes in other non current and current financial asset	(97.83)	(54.65)
Changes in other non current and other current assets	7,867.82	(624.31)
Changes in inventories	(30.19)	8,613.06
Changes in trade and other payables	(6,577.57)	(9,610.51)
Changes in other non-current and other current financial liabilities	32.51	6.96
Changes in other non-current and other current liabilities	(341.45)	(5.42)
Changes in long term and short term provision	(10.78)	8.31
Cash (used)/generated from operations	4,656.68	1,942.51
Direct taxes (paid)/refund	(190.20)	357.17
Net cash (used) / from operating activities	4,466.48	2,299.68
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant & equipment and intangible assets	(828.88)	(527.86)
Sale of property, plant & equipment and intangible assets	35.94	-
Purchase of national savings certificate	(2.01)	(0.50)
Interest received on debentures/fixed deposits/inter corporate deposits	476.60	318.97
Investment in Mutual funds	(3,385.00)	(780.00)
Proceeds from Redemption of Mutual Funds	3,410.54	781.28
Changes in fixed deposit with Banks	270.15	500.53
Net cash (used) / from investing activities	(22.66)	292.42
C. CASH FLOW FROM FINANCING ACTIVITIES :		
EMD Paid to banks for OTS	(80.00)	(949.60)
Payment of lease liability	-	(3.50)
Interest paid	(3,883.55)	(975.37)
Repayment of long term borrowings	(108.14)	(45.84)
Proceeds/(repayment) of short term borrowings(net)	(1,196.19)	(1,320.90)
Net cash (used) / from financing activities	(5,267.88)	(3,295.21)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	(824.06)	(703.11)
E. Cash and cash equivalents (opening balance)	3,585.46	4,288.57
F. Cash and cash equivalents (closing balance) (D+E)		
Cash and bank balances (D+E)	2,761.40	3,585.46

Notes:

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.
- 2) **Cash and cash equivalents as at the Balance Sheet date consists of:**

Particular	As at	As at
	March 31, 2022	March 31, 2021
	₹ lacs	₹ lacs
(a) Balance with Banks on current accounts	2,748.40	3,562.04
(b) Cash in hand	13.00	23.42
Closing Cash and Cash Equivalents (Refer Note No. 3.11)	2,761.40	3,585.46

- 3) Figure in bracket indicate cash outflow.
- 4) Previous year figures have been regrouped and recasted wherever necessary to confirm to the current year's classification.

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

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

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

For and on behalf of the Board of Directors

Gurmit Singh Mann
Chairman
DIN - 00066653

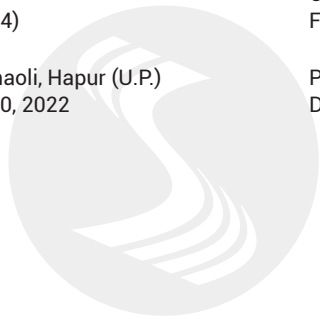
Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324



**SIMBHAOLI
SUGARS**

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
STATEMENT OF STANDALONE CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2022

EQUITY SHARE CAPITAL

(₹ lacs)

For the year ended March 31, 2022					For the year ended March 31, 2021				
Balance as at April 01, 2021	Change in Equity shares Capital due to prior period errors	Restated balance at the beginning of the previous year	Changes in Equity share capital during the year	As at March 31, 2022	Balance as at April 01, 2020	Change in Equity shares Capital due to prior period errors	Restated balance at the beginning of the previous year	Changes in Equity share capital during the year	As at March 31, 2021
4,127.90	-	4,127.90	-	4,127.90	4,127.90	-	4,127.90	-	4,127.90

OTHER EQUITY

(₹ lacs)

Particulars	Reserve and Surplus				Other Comprehensive Income		Total other equity
	Securities premium	Storage fund for molasses account	Forfeiture Reserve	Retained Earning *	Equity instruments through other comprehensive income **	Actuarial gain/(loss) on employee benefit plan	
As at April 01, 2021	46,301.79	67.00	96.30	(47,552.82)	(4,681.66)	-	(5,769.39)
Profit/(loss) for the year	-	-	-	(1,019.69)	-	-	(1,019.69)
Transfer to storage fund for molasses	-	20.69	-	-	-	-	20.69
Other comprehensive income	-	-	-	-	-	84.05	84.05
Transferred from/to other comprehensive income/retained earning	-	-	-	(4,597.61)	4,681.66	(84.05)	0.00
Balance as at March 31, 2022	46,301.79	87.69	96.30	(53,170.12)	-	-	(6,684.34)
Balance as at April 01, 2020	46,301.79	45.39	96.30	(47,120.34)	(4,681.66)	-	(5,358.52)
Profit/(loss) for the year	-	-	-	(443.07)	-	-	(443.07)
Transfer to storage fund for molasses	-	21.61	-	-	-	-	21.61
Other comprehensive income	-	-	-	-	-	10.59	10.59
Transferred from/to other comprehensive income/retained earning	-	-	-	10.59	-	(10.59)	-
As at March 31, 2021	46,301.79	67.00	96.30	(47,552.82)	(4,681.66)	-	(5,769.39)

*The Amount of Remeasurement of Defined Benefit Plan included in retained earning is as under:

As at March 31, 2020	(303.59)
As at March 31, 2021	(293.00)
As at March 31, 2022	(208.95)

**Transfer to retain earning as the company in which investment was made in under liquidation.

See accompanying notes forming part of the financial statements

For and on behalf of the Board of Directors

In terms of our report attached

For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating Officer
DIN - 06714324

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

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

1. Background

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

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

S. No.	Name of subsidiary/ Joint Venture	Business	Country of Incorporation	% voting power held as at	
				March 31, 2022	March 31, 2021
1.	Simbhaoli Power Private Limited	Generation of green power	India	51.00	51.00
2.	Integrated Casetech Consultants Private Limited	Consultancy business	India	85.16	85.16
3.	Simbhaoli Global Commodities DMCC	Trading of sugar & alcohol	Dubai	100.00	100.00
4.	Simbhaoli Specialty Sugars Private Limited	Packaging	India	100.00	100.00

These financial statements of the Company for the year ended 31st March, 2022 are approved and authorized for issue by the Company's Board of Directors on **May 20, 2022**.

2.1 Basis of preparation and presentation

i) Statement of Compliance with Ind AS

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

These financial statements have been prepared on going concern basis using the significant accounting policies and measurement bases summarized below. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or

a revision to an existing accounting standard requires a change in accounting policy hitherto in use. In those cases the new accounting policy is adopted in accordance with the transitional provisions stipulated in that Ind AS and in absence of such specific transitional provision, the same is adopted retrospectively for all the periods presented in these financial statements.

ii) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

iii) Basis of preparation

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

iv) Functional and presentation currency

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

v) Operating Cycle

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

2.2 Current versus non-current classification

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

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

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

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

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

- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments does not affect its classification. Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.
The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.3 Use of Estimates and management judgements

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

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

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

The areas involving critical judgements are as follows:

- Material uncertainty about going concern:**
In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The management is aware, in making its assessments, of material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern. Further details on going concern are disclosed in Note No. 4.
- Fair value measurements of financial instruments:**
When the fair value of financial assets and liabilities recorded in the Balance sheet cannot be measured based on the quoted market price in the active markets, their fair value is measured using valuation technique. The input to these model is taken from the observable market wherever possible, but if this is not feasible, a review of judgements is required to establish fair values. Changes in assumptions related to these inputs could affect the fair value of financial instrument.
- Employee benefit plans:**
Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv) Recoverability of trade receivables:

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

v) Provision and contingencies:

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

vi) Income Tax:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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

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

2.4 Significant Accounting Policies

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

• Recognition and measurement

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

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

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

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

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

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

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

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

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

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

- **Subsequent Expenditure.**

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

- B. Intangible Assets**

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

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

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

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

- C. Depreciation and Amortization**

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

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

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

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

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

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

- D. Leases**

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

- **The Company as a lessee**

The Company's lease asset class primarily consist

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

- > The contract involves the use of an identified asset.
- > The Company has substantialized all of the economic benefits from use of the asset through the period of the lease and;
- > The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

- **As a lessor**

Leases for which the company is a lessor, is classified as finance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sub-lease is classified as finance lease or operating lease with reference to right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of such lease.

E. Government Grant

Grants from the government are recognized at their fair value where there is reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Governments Grants relating to the purchase, construction or otherwise acquired non-current assets, are recognized as deferred income in the balance sheet and are credited to profit or loss on a systematic and rational basis over the expected lives of the related assets and presented in other income.

Government Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in statement of profit or loss in the period in which they become receivable.

F. Borrowing

Long term borrowing are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of Profit and Loss over the period of the borrowing using the effective interest method.

G. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred.

H. Employee benefit plans:

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

- **Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expense off as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

- **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Retirement benefit in the form of superannuation fund is a defined contribution scheme. The Company has established a Superannuation Fund Trust to which contributions are made quarterly. The Company recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Company has no other obligations beyond its quarterly contributions.

- **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized as other comprehensive income. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into

account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

- **Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gain or losses are recognized in statement of profit or loss in the period in which they arise.

- **Voluntary Retirement Scheme**

Expenditure on voluntary retirement scheme is charged to the Statement of Profit and Loss in the year in which it is incurred.

I. Inventories

Inventories, except By-products are valued at the lower of cost and net realizable value. By-products are valued at estimated net realizable value. The bases of determining cost for different categories of inventory are as follows:

Stores and spare parts	-	Monthly weighted average.
Raw materials	-	First in first out (FIFO)
Process stocks/finished goods	-	Material cost plus appropriate share of labour and manufacturing overheads
Stock in trade	-	First in first out (FIFO)

J. Financial Instruments

i) Financial Asset Classification

The company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- At amortized cost,
- At fair value through other comprehensive income (FVTOCI).
- At fair value through profit or loss (FVTPL).

Debt instrument at amortized cost

A "Debt instrument" is measured at the amortized cost if both the following condition are met:

- The assets are held within a business model whose objective is to hold assets for collecting contractual cash flow (business model test), and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding (contractual cash flow characteristics).

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount, premium, fee or costs that are an integral part of an EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Debt instrument at fair value through profit or loss

Debt instruments included within the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

Debt instruments at fair value through other comprehensive income

A financial asset should be measured at FVTOCI if both the following conditions are met:

- The asset is held within a business model in which asset are managed both in order to collect contractual cash flows and for sale, and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

After initial measurement (at fair value minus transaction cost), such financial assets are measured at fair value with changes in fair value recognized in Other comprehensive income except for:

- a) Interest calculated using EIR
- b) Foreign exchange gain and losses, and
- c) Impairment losses and gains

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiaries, Joint ventures and associates which are carried at cost/deemed cost and reviewed for impairment at each balance sheet date. Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. April 01, 2016. Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in statement of profit or loss. The

Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price, if loss, is recognized through retained earnings and after initial recognition subsequent changes in fair value of equity instruments is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

- The right to receive cash flows from the assets have expired or
- The company has transferred substantially all the risks and rewards of the assets, or
- The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

ii) Financial liabilities

Classification

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual agreements and the definitions of financial liability and equity instrument.

Initial recognition and measurement

The company recognizes financial liability when it becomes a party to the contractual provision of the instrument. All financial liabilities are recognized initially at fair value, for financial liability not subsequently measured at FVTPL, at transaction costs that are directly attributable to the issue of financial liability.

Subsequent Measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liability at amortized costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gain and losses are recognized in statement of profit and loss when the liabilities are derecognized.

Amortization cost is calculated by taking into account any discount or premium on acquisition and transaction cost. These amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & borrowings.

Financial liability at FVTPL

Financial liabilities are classified at FVTPL when the financial liability is either contingent consideration recognized by the company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designed as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gain or loss arises on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue cost.

Repurchase of the company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the company's own equity instruments.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognized in the Statement of Profit and Loss.

iii) Offsetting of financial instrument

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

K. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, deposits held at call with banks, balance with banks on current account and short term, highly liquid investments with an original maturity of three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short term deposits, net of outstanding bank overdraft as they being considered as integral part of the company's cash management.

L. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

The Company derives revenue primarily from, sale of sugar and other by-products produced from processing of sugar

cane, and sale of chemical, liquor etc. Revenue from sale of goods is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount and pricing incentives, rebates, other similar allowances to the customers and also excluding value added taxes, goods and other taxes and amounts collected on behalf of third parties or government, if any.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income is recognized when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Export Incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Insurance Claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

M. Expenses

All expenses are accounted for on accrual basis.

N. Foreign currency translations

Standalone financial statements have been presented in Indian Rupees (INR), which is Company's functional and presentation currency.

Initial Recognition

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Transactions and balances

Monetary assets and liabilities related to foreign currency transactions outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

O. Taxes

Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. In case of a history of continuous losses, the company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting

date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

P. Impairment

Non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortization but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss in the year in which an asset is identified as impaired.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Financial assets

The company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instrument and are measured at amortized cost e.g. loans, debt securities, deposits, and bank balance.
- Trade receivables:

The application of simplified approach does not require the company to track changes in credit risk. Rather,

it recognizes impairment loss allowance based on life time expected credit loss at each reporting date, right from its initial recognition.

Q. Earnings per share

Basic earnings per share are calculated by dividing the profit/loss for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

R. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognized for future operating losses

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount

cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognized but disclosed, when possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

S. Operating Segments

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the different risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and Liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

T. Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.01 PROPERTY, PLANT AND EQUIPMENT

₹ lacs

Particulars	Land Freehold	Buildings	Railway Siding	Plant & Machinery	Furniture & Fixtures	Vehicles	Other Equipments	Total
Gross block								
Gross carrying amount as at April 01, 2020	85,108.31	13,886.45	0.50	49,023.61	225.04	165.65	782.29	149,191.85
Addition during the year	-	33.22	-	1,215.70	7.43	-	16.94	1,273.29
Less:- Disposals/ Deductions during the year	-	-	-	2.18	-	4.29	-	6.47
Gross carrying amount as at March 31, 2021	85,108.31	13,919.67	0.50	50,237.13	232.47	161.36	799.23	150,458.67
Depreciation								
as at April 01, 2020	-	4,650.29	0.50	17,560.30	170.69	133.69	568.06	23,083.53
Depreciation for the year	-	736.07	-	2,706.14	9.70	6.82	64.41	3,523.14
Less:- Disposals/ Deductions during the year	-	-	-	2.14	-	4.03	-	6.17
Accumulated depreciation as at March 31, 2021	-	5,386.36	0.50	20,264.30	180.39	136.48	632.47	26,600.50
Net carrying amount as at March 31, 2021	85,108.31	8,533.31	-	29,972.83	52.08	24.88	166.76	123,858.17
Gross block								
Gross carrying amount as at April 01, 2021	85,108.31	13,919.67	0.50	50,237.13	232.47	161.36	799.23	150,458.67
Addition during the year	-	15.73	-	657.27	2.71	6.19	36.31	718.21
Less :- Disposals/ Deductions during the year	-	-	-	28.51	0.06	13.57	1.71	43.85
Gross carrying amount as at March 31, 2022	85,108.31	13,935.40	0.50	50,865.89	235.12	153.98	833.83	151,133.03
Depreciation								
as at April 01, 2021	-	5,386.36	0.50	20,264.30	180.39	136.48	632.47	26,600.50
Depreciation for the year	-	412.45	-	2,721.97	10.03	3.75	67.84	3,216.04
Less :- Disposals/ Deductions during the year	-	-	-	25.95	0.06	3.45	1.65	31.11
Accumulated depreciation as at March 31, 2022	-	5,798.81	0.50	22,960.32	190.36	136.78	698.66	29,785.43
Net carrying amount as at March 31, 2022	85,108.31	8,136.59	-	27,905.57	44.76	17.20	135.17	121,347.60

Notes:

- The Company has availed loan from banks and other entities against securities of aforesaid assets. The details of charge created and security terms against borrowings are stated at Note No.10
- Refer note no.6(vi) for the information on contractual commitments for acquisition of property, plant and equipments.

3.01 a) Title deeds of immovable property not held in name of Simbhaoli Sugars Limited

As at March 31, 2021

Relevant line item in the Balance Sheet	Description of the property	Gross carrying amount (₹ in Lacs)	Title deed held in the name of	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Property, plant and equipment	Land at Simbhaoli Sugars limited -Brijnathpur (U.P)	42.30	Mr. Yaswant Lal	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company. The Company had taken steps to get the land registered in its name and already filed petition before Assistant Collector, which has not been adjudicated till date.
		12.47	Mr. Mohd. Yameen	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company. It could not be transferred in the name of the Company because transferor has expired. The Company had been in negotiations with the legal heirs of the transferor and in the process of completing the legal formalities for getting the land registered in its name.

As at March 31, 2022

Relevant line item in the Balance Sheet	Description of the property	Gross carrying amount (₹ in Lacs)	Title deed held in the name of	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Property, plant and equipment	Land at SimBhaoli Sugars limited -Brijnathpur (U.P)	42.30	Mr. Yaswant Lal	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company.The Company had taken steps to get the land registered in its name and already filed petition before Assistant Collector, which has not been adjudicated till date.
		12.47	Mr. Mohd. Yameen	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company.It could not be transferred in the name of the Company because transferor has expired.The Company had been in negotiations with the legal heirs of the transferor and in the process of completing the legal formalities for getting the land registered in its name.

1. Land parcels of 367.58 acre is registered in the name of the Company .
2. Land admeasuring 6.843 acre is in the process of registration in the name of Company.
3. During the year 1938, Company had acquired land on lease hold admeasuring 28 bigha and 2 biswa (appx. 17 Acres) situated at Buxer and Bhovapur Mastan nagar village Simbhaoli vide agreement dated 26.7.1938 and registered in the name of Company. In year 1996, State Government initiated the proceedings under Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950 against the Company and cancel the lease deed. The Company had filed the writ petition against the impugned order before Hon'ble High Court , on which an Interim Stay was granted and the matter is sub-judice.

3.02 Capital work-in-progress

₹ lacs

Particulars	Capital Work Progress
Opening Balance	
As at April 01, 2020	836.43
Addition during the year	57.24
Less:- Capitalised during the year	831.43
Closing Balance as at March 31, 2021	62.24
Opening Balance	
As at April 01, 2021	62.24
Addition during the year	396.25
Less:- Capitalised during the year	62.24
Closing Balance as at March 31, 2022	396.25

3.02 (a) Capital Work-in-progress ageing schedule

(₹ lacs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
CWIP ageing Schedule as at March 31, 2021					
Project in Process	57.24	5.00	-	-	62.24
Project temporarily suspended *	-	-	-	-	-
CWIP ageing Schedule as at March 31, 2022					
Project in Process	396.25	-	-	-	396.25
Project temporarily suspended *	-	-	-	-	-

*No Projects have been temporarily suspended.

3.02 (b) There is no project in progress as at March 31, 2022 and March 31, 2021 whose completion is overdue nor the cost of any project has exceeded the amount compared to its original plan.

3.02 (c) Details of Project Suspended: NIL

3.03 Other Intangible Assets

₹ lacs

Particulars	Software
Gross block	
Gross carrying amount as at April 01, 2020	56.11
Addition during the year	31.00
Less:- Disposals/ Deductions during the year	-
Gross carrying amount as at March 31, 2021	87.11
Amortisation	
as at April 01, 2020	17.50
Amortisation for the year	21.23
Less:- Disposals/ Deductions during the year	-
Accumulated amortisation as at March 31, 2021	38.73
Net carrying amount as at March 31, 2021	48.38
Gross block	
Gross carrying amount as at April 01, 2021	87.11
Addition during the year	1.07
Less :- Disposals/ Deductions during the year	0.60
Gross carrying amount as at March 31, 2022	87.58
Amortisation	
as at April 01, 2021	38.73
Amortisation for the year	12.47
Less:- Disposals/ Deductions during the year	0.57
Accumulated amortisation as at March 31, 2022	50.63
Net carrying amount as at March 31, 2022	36.95

3.04 Right-of-Use Assets (ROU)

₹ lacs

Particulars	Building
Gross block	
Gross carrying amount as at April 01, 2020	8.58
Addition during the year	-
Less:- Disposals/ Deductions during the year	8.58
Gross carrying amount as at March 31, 2021	-
Depreciation	
As at April 01, 2020	5.42
Charges for the year	3.16
Less:- Disposals/ Deductions during the year	8.58
Accumulated depreciation as at March 31, 2021	-
Net carrying amount as at March 31, 2021	-

Particulars	Building
Gross block	
Gross carrying amount as at April 01, 2021	-
Addition during the year	-
Less:- Disposals/ Deductions during the year	-
Gross carrying amount as at March 31, 2022	-
Depreciation	
as at April 01, 2021	-
Charges for the year	-
Less:- Disposals/ Deductions during the year	-
Accumulated depreciation as at March 31, 2022	-
Net carrying amount as at March 31, 2022	-

NON CURRENT ASSETS / FINANCIAL ASSETS

3.05 INVESTMENTS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Investment in Government securities (at cost)		
Unquoted		
6-Years Post Office National Savings Certificate (Deposited with government authorities)	4.62	2.61
Investment in Equity instruments		
- Subsidiaries (at deemed cost) @		
Unquoted		
2,00,800 (Previous year 2,00,800) equity shares of ₹10 each fully paid up of Integrated Casetech Consultants Private Limited	383.73	383.73
300 (Previous year 300) equity shares of AED 1,000 each fully paid up of Simbhaoli Global Commodities DMCC **/ !	!	-
55,38,744 (Previous year 55,38,744) equity shares of ₹10 each fully paid up of Simbhaoli Power Private Limited #	5,493.59	5,493.59
19,000 (Previous year 19,000) equity shares of ₹ 10 each of Simbhaoli Speciality Sugar Private Limited	190.00	190.00
- Others (at deemed cost)		
One share of ₹ 20 fully paid up in Simbhaoli Co-operative Cane Development Union Limited (*₹ 20)	*	*
Investment in Debentures		
- Subsidiary (at amortised cost)		
Unquoted		
48,92,941 (Previous year 48,92,941) compulsorily convertible debentures of ₹ 100 each of Simbhaoli Power Private Limited	4,947.85	4,999.90
Other Investment		
- Subsidiary (at cost)		
Business transfer agreement consideration receivable	45.00	45.00
	11,064.79	11,114.83
Aggregate amount of		
- Quoted investment [Market value ₹ Nil (Previous Nil)]	-	-
- Unquoted investment	11,064.79	11,114.83
- Unquoted investment - Impairment in the value of investments	-	39.94
Summary:		
- Aggregate investments carried at deemed cost / cost	6,116.94	6,114.93
- Aggregate investments carried at amortised cost	4,947.85	4,999.90
Total carrying amount of pledged investments	1,913.93	1,913.93

First pari passu charge on pledge of 19,29,655 (Previous year 19,29,655) equity shares of the Company in favor of bankers of Simbhaoli Power Private Limited.

@ Refer Note No. 1- for extent of holding / voting power

** Net of Impairment

! The liquidation report for de-registration and termination of trade license of Simbhaoli Global Commodities was submitted with Dubai Multi Commodities Centre Authority. By the management hence written off during the year.

3.06 OTHER FINANCIAL ASSETS (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Fixed deposits with banks (Earmarked)	161.39	112.79
Interest accrued on fixed deposits	9.96	4.12
Security deposits	11.27	9.27
Retention money #	1,100.00	1,100.00
	1,282.62	1,226.18

includes

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Name of Subsidiary				
Simbhaoli Power Private Limited	1,100.00	1,100.00	1,100.00	1,100.00

3.07 NON CURRENT TAX ASSETS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Prepaid tax	368.51	348.68
	368.51	348.68

3.08 OTHER NON-CURRENT ASSETS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Capital advances	5.94	8.94
Security deposit	91.87	82.87
Other advances *	315.74	236.47
	413.55	328.28

* Includes amount deposited with Government authorities under protest.

CURRENT ASSETS

3.09 INVENTORIES

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
(At lower of cost and net realisable value)		
Raw materials	262.38	79.92
Work-in-progress	1,776.98	1,309.95
Finished goods #	42,286.72	42,923.38
Stock-in-trade	16.44	17.51
Stores and spares	2,155.14	2,136.64
Loose Tools	8.25	8.32
	46,505.91	46,475.72

Note.

includes Goods in Transit

Carrying amount of inventories pledged as security for borrowing

Amount of write down of inventories recognized as expenses

34.27

73.01

46,505.91

46,475.72

41.21

108.96

FINANCIAL ASSETS
3.10 TRADE AND OTHER RECEIVABLES (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Trade receivables-Considered good Secured	-	-
Trade receivables-Considered good Unsecured *	3,713.41	4,692.42
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	1,134.69	812.40
Sub-total	4,848.10	5,504.82
Less: Allowance for expected credit loss !	1,341.70	1,011.13
	3,506.40	4,493.69

* Includes

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
*Name of Subsidiaries				
Simbhaoli Global Commodities DMCC	-	122.41	122.41	122.41
Simbhaoli Power Private Limited	197.68	-	472.04	331.05
! Allowances for expected credit loss				
Simbhaoli Global Commodities DMCC	-	122.41	122.41	122.41
Simbhaoli Power Private Limited	125.00	-	125.00	-

3.10(a) Trade Receivables ageing schedule
Trade Receivables ageing schedule as at March 31, 2022

(₹ lacs)

Particulars	Outstanding for the following periods from due date of payments					Total
	Less than 6 Months	6 Months -1 Year	1-2 year	2-3 year	More than 3 year	
Undisputed considered good	3,288.39	425.02				3,713.41
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed credit impaired	-	-	813.48	150.13	171.08	1,134.69
Disputed considered good	-	-	-	-	-	-
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	3,288.39	425.02	813.48	150.13	171.08	4,848.10
Less: Allowance for expected credit loss						1,341.70
Total						3,506.40
As at March 31,2021						
Undisputed considered good	4,006.31	686.11	-	-	-	4,692.42
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed credit impaired	-	-	432.48	48.54	331.38	812.40
Disputed considered good	-	-	-	-	-	-
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Sub Total	4,006.31	686.11	432.48	48.54	331.38	5,504.82
Less: Allowance for expected credit loss						1,011.13
Total						4,493.69

3.11 CASH AND CASH EQUIVALENTS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Balances with banks:		
- on current account	2,748.40	3,562.04
- Cash on hand	13.00	23.42
	2,761.40	3,585.46

3.12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
EMD Paid to banks for OTS	1,678.50	1,521.20
Fixed deposit with bank (Earmarked)	327.01	645.76
	2,005.51	2,166.96

3.13 LOANS (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Loans to subsidiaries		
Considered good	-	-
Considered credit impaired *	-	19.61
Less: Provision for credit impaired loan**	-	19.61
	-	-
* Includes		

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
*Name of Subsidiaries				
* Simbhaoli Global Commodities DMCC	-	19.61	19.61	22.24
** Provision for credit impaired loan - Simbhaoli Global Commodities DMCC	-	19.61	19.61	22.24

3.14 OTHER FINANCIAL ASSETS (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Interest accrued on fixed deposits	29.47	39.74
Interest accrued on debentures #	5,164.35	4,182.78
Security deposit	250.97	141.97
Others #	274.98	288.15
	5,719.77	4,652.64

includes

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Name of Subsidiary				
# Simbhaoli Power Private Limited	5,314.51	4,457.76	5,581.73	4,457.76

3.15 OTHER CURRENT ASSETS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Advance recoverable in cash or in kind or for value to be received		
Considered good *	444.44	723.70
Considered credit impaired/increase in credit risk	69.57	13.76
	514.01	737.46
Less : Allowance for expected credit loss	69.57	13.76
	444.44	723.70
Claims receivable		
Considered good	271.00	251.30
Considered credit impaired/increase in credit risk	11.79	-
	282.79	251.30
Less : Allowance for expected credit loss	11.79	-
	271.00	251.30
Prepaid expenses	299.92	221.52
Advance to employees	47.24	36.74
Government Grants	-	7,991.96
Balance with authorities	102.16	187.37
Unreconciled GST input credit considered doubtful	240.60	-
	342.76	187.37
Less : Provision for doubtful balance	240.60	-
	102.16	187.37
Security deposits		
Considered good	78.05	86.89
Considered credit impaired/increase in credit risk	-	25.00
	78.05	111.89
Less : Provision for doubtful security deposits	-	25.00
	78.05	86.89
	1,242.81	9,499.48

* includes

	Amount outstanding as at		Maximum amount outstanding during	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
*Name of Subsidiaries				
* Integrated Casetech Consultants Pvt Ltd	168.98	150.01	213.20	157.58

3.16 EQUITY SHARE CAPITAL

	As at March 31, 2022		As at March 31, 2021	
	(No. of Shares)	₹ lacs	(No. of Shares)	₹ lacs
Authorized				
Equity shares of ₹ 10 each with voting rights	68000000	6,800.00	68000000	6,800.00
Preference shares of ₹ 100 each	4000000	4,000.00	4000000	4,000.00
	72000000	10,800.00	72000000	10,800.00
Issued, subscribed and paid up				
Equity shares of ₹ 10 each with voting rights fully paid-up	41279020	4,127.90	41279020	4,127.90
	41279020	4,127.90	41279020	4,127.90

A) Reconciliation of number of Authorised shares and amount outstanding at the beginning and at the end of the year

	As at March 31, 2022		As at March 31, 2021	
	(No. of Shares)	₹ lacs	(No. of Shares)	₹ lacs
Equity shares with voting rights (one per share)				
As at beginning of the year	68000000	6,800.00	6,80,00,000	6,800.00
Add: Addition during the year	-	-	-	-
As at end of the year	68000000	6,800.00	68000000	6,800.00
Preference shares				
As at beginning of the year	4000000	4000.00	4000000	4,000.00
Add: Addition during the year	-	-	-	-
As at end of the year	4000000	4000.00	4000000	4,000.00

B) Reconciliation of number of issued, subscribed and paid-up shares and amount outstanding at the beginning and at the end of the year

	As at March 31, 2022		As at March 31, 2021	
	(No. of Shares)	₹ lacs	(No. of Shares)	₹ lacs
Equity shares with voting rights (one per share)				
As at beginning of the year	41279020	4,127.90	41279020	4,127.90
Add: Addition during the year	-	-	-	-
As at end of the year	41279020	4,127.90	41279020	4,127.90

C) Shareholders holding more than 5% of the shares in the Company

S.No.	Name of the Shareholders	As at March 31, 2022		As at March 31, 2021	
		(No. of Shares)	% of share holding	(No. of Shares)	% of share holding
i)	Dholadhar Investments Private Limited	7462114	18.08	7462114	18.08
ii)	Mr. Gurmit Singh Mann	4726154	11.45	4726154	11.45
iii)	Ms. Gursimran Kaur Mann	4186672	10.14	4186672	10.14
iv)	Mr. Gурpal Singh	2402770	5.82	2402770	5.82
v)	Pearl Innovative Marketing Private Limited	-	-	2270623	5.50
vi)	Pritam Singh Sandhu Associates Pvt. Ltd.	2077735	5.03	2077735	5.03

D) The Company has allotted 3800000 equity shares of ₹ 10/- each at a premium of ₹ 22.10 per share to the specified promoters on conversion of 3800000 equity warrants.

E) Rights, preference and restriction attached to equity shares (₹ 10 each):

- Voting right shall be in same proportion as the capital paid upon such equity share.
- The dividend proposed by the Board of Directors which is subject to the approval of the shareholders in the Annual General Meeting shall be in the same proportion as the capital paid upon such equity share.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to capital paid upon such equity share.

F) Disclosure of Shareholding of Promoters as under:

S.No.	Name of the Promoters	As at March 31, 2022		As at March 31, 2021		% Change during the Year
		No. of Shares	% of share holding	No. of Shares	% of share holding	
i)	Mr. Gurmit Singh Maan	4726154	11.45	4726154	11.45	-
ii)	Mrs. Gursimran kaur Maan	4186672	10.14	4186672	10.14	-
iii)	Mrs. Jai Inder Kaur	417356	1.01	417356	1.01	-
iv)	Mr. Gурpal Singh	2402770	5.82	2402770	5.82	-
v)	Mr. Govind Singh Sandhu	733139	1.78	733139	1.78	-
vi)	Mr. Angad Singh	9850	0.02	9850	0.02	-
vii)	Dholadhar Investments Private Limited	7462114	18.08	7462114	18.08	-
viii)	Pritam Singh Sandhu Associates Pvt. Ltd.	2077735	5.03	2077735	5.03	-
		22015790	53.33	22015790	53.33	-

3.17 OTHER EQUITY

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Molasses Storage Fund		
Opening balance	67.00	45.39
Add: Addition during the year	20.69	21.61
Closing balance	87.69	67.00
Securities premium		
Opening balance	46,301.79	46,301.79
Add: Addition during the year	-	-
Closing balance	46,301.79	46,301.79
Forfeiture Reserve		
Opening balance	96.30	96.30
Add: Addition during the year	-	-
Closing balance	96.30	96.30
Retained Earnings*		
Opening balance	(47,552.82)	(47,120.34)
Add: Profit/(loss) during the year	(1,019.69)	(443.07)
Add: transfer from Other Comprehensive Income	(4,597.61)	10.59
Closing balance	(53,170.12)	(47,552.82)
Other Comprehensive Income		
Opening balance**	(4,681.66)	(4,681.66)
Add: Other Comprehensive Income for the year	84.05	10.59
Less: Transfer to Retained earnings	(4,597.61)	10.59
Closing balance	-	(4,681.66)
	(6,684.34)	(5,769.39)

*The Amount of Remeasurement of Defined Benefit Plan included in retained earning is as under:

As at March 31, 2020	(303.59)
As at March 31, 2021	(293.00)
As at March 31, 2022	(208.95)

**Transfer to retain earning as the company in which investment was made in under liquidation.

Notes:

- The storage fund for molasses has been created to meet the cost of construction & maintenance of molasses storage tank as required under Uttar Pradesh Sheera Niyamtran (Sansodhan) Adesh, 1974 and the said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹ 103.60 lacs (Previous year ₹ 87.35 lacs).
- Securities Premium is used to record premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Act.

- iii) Forfeiture reserve represents the amount forfeited against non conversion of share warrant into equity share with in stipulated period by specified promoters.
- iv) Retained earnings represents the undistributed profit/ amount of accumulated loss of the Company.
- v) Other comprehensive income (OCI) represents the balance in equity relating to re-measurement gain / (loss) of defined benefit obligation and FVTOCI of equity instruments in joint venture. This would not be re-classified to Statement of Profit and Loss.

NON-CURRENT LIABILITIES
FINANCIAL LIABILITIES
3.18 BORROWINGS (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Unsecured		
- from related parties [Refer Note No. 10]	305.70	313.19
	305.70	313.19

3.19 OTHER FINANCIAL LIABILITIES (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Deferred Income	-	21.97
	-	21.97

3.20 PROVISIONS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Provision for employee benefit Compensated absences	438.43	457.66
	438.43	457.66

CURRENT LIABILITIES / FINANCIAL LIABILITIES
3.21 BORROWINGS (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Secured		
Recalled Loans		
- from banks [Refer Note No. 10]	84,481.74	85,675.76
- from others [Refer Note No. 10]	7,213.03	7,215.84
Unsecured		
Recalled Loans		
- from banks [Refer Note No. 10]	9,790.87	9,790.87
- from others [Refer Note No. 10]	-	100.00
	101,485.64	102,782.47

3.22 TRADE AND OTHER PAYABLES

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Total outstanding dues to micro and small enterprises [Refer Note No. 7]	433.47	357.88
Total outstanding dues of other than micro and small enterprises	70,470.20	77,505.20
Unbilled Expenses	264.82	1,099.50
	71,168.49	78,962.58

3.22 (a) Trade Payables ageing schedule

Trade Payables Ageing Schedule as at March 31, 2022

	Outstanding for following Periods from due date of payments					Total
	Not Due	Less than 1 Year	1-2 year	2-3 year	More than 3 year	
MSME	-	330.27	76.46	21.31	5.43	433.47
Other	5,655.42	63,199.79	337.31	297.90	979.01	70,469.43
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Other	-	-	-	-	0.77	0.77
Unbilled Expenses	264.82	-	-	-	-	264.82
Total	5,920.24	63,530.06	413.77	319.21	985.21	71,168.49

Trade Payables Ageing Schedule as at March 31, 2021

	Outstanding for following Periods from due date of payments					Total
	Not Due	Less than 1 Year	1-2 year	2-3 year	More than 3 year	
MSME	-	261.27	90.25	3.86	2.50	357.88
Other	5,426.03	69,751.37	827.06	531.46	968.51	77,504.43
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Other	-	-	-	-	0.77	0.77
Unbilled Expenses	1,099.50	-	-	-	-	1,099.50
Total	6,525.53	70,012.64	917.31	535.32	971.78	78,962.58

3.23 OTHER FINANCIAL LIABILITIES (carried at amortised cost)

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Interest accrued and due on borrowings [Refer Note No. 10]	21,341.31	22,423.49
Interest accrued on MSME	55.51	41.88
Employees dues	1,774.59	1,625.48
Gratuity Payable	973.90	988.13
Others liabilities (including capital creditors)	292.69	175.51
Deferred income	21.97	26.56
	24,459.97	25,281.05

3.24 OTHER CURRENT LIABILITIES

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Statutory dues payable	837.32	777.51
Advance received from customers	206.98	592.41
Security deposits	134.49	153.49
Others payable	47.85	44.68
	1,226.64	1,568.09

3.25 PROVISIONS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Provision for employee benefits		
Compensated absences	123.64	115.19
	123.64	115.19

3.26 REVENUE FROM OPERATIONS

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Revenue from sale of products		
Sale of Manufactured Products [Refer Note No. 18]	128,049.24	136,511.16
Sale of Traded Products [Refer Note No. 18]	6,574.40	3,533.98
	134,623.64	140,045.14
Other Operating revenue		
Sale of Scrap	343.86	151.81
Cane / Export Subsidy	967.74	4,058.92
Freight and Insurance charges recovered	523.78	1,080.42
Job Work Charges	651.52	353.08
Other miscellaneous income	1.47	1.42
	137,112.01	145,690.79

3.27 OTHER INCOME

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Interest income on financial assets carried at amortised cost		
Fixed deposits with banks	29.77	63.64
Debentures	1,398.48	1,250.72
Income from Others	-	50.52
Other Non operating income		
Rent	55.84	56.91
Profit on sale of PPE	25.29	0.04
Liabilities/provisions no longer required, written back	1,196.16	232.38
Profit on redemption of Mutual Funds Units	25.54	1.28
Miscellaneous	22.09	25.70
	2,753.17	1,681.19

3.28 COST OF MATERIALS CONSUMED

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Sugarcane	81,231.39	86,992.06
Molasses	258.78	122.43
ENA and others	187.27	66.55
	81,677.44	87,181.04

3.29 PURCHASE OF STOCK- IN- TRADE

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Purchase of stock-in-trade	6,835.37	3,572.94
	6,835.37	3,572.94

3.30 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Opening stock		
Finished goods	42,923.38	52,529.91
Work-in-progress	1,309.95	967.66
Stock-in-trade	17.51	37.28
	44,250.84	53,534.85
Closing stock		
Finished goods #	42,284.42	42,923.38
Work-in-progress	1,776.98	1,309.95
Stock-in-trade	18.74	17.51
	44,080.14	44,250.84
Net (increase)/ decrease in inventories	170.70	9,284.01

Includes Goods in transit amounting to ₹ 34.27 lacs (Previous Year ₹ 73.01 lacs)

Note: The amount of loss due to write down the inventories at net realisable value recognised as expenses and is included in change in inventories is ₹ 41.21 lacs (Previous year ₹ 108.96 lacs).

3.31 EXCISE DUTY ON SALE OF GOODS

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Excise duty on sale of goods	23,633.84	19,413.20
	23,633.84	19,413.20

3.32 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Salaries and wages	5,289.49	5,254.11
Contribution to provident and other funds #	498.07	501.47
Staff welfare expenses	160.40	121.96
	5,947.96	5,877.54

Includes gratuity expense [Refer Note No. 14]

3.33 FINANCE COSTS

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Interest expense on financial liabilities measured at amortized cost	2,775.47	2,958.93
Other interest	39.53	51.72
Interest on Gratuity	63.69	55.41
Interest expenses on lease liability	-	0.14
	2,878.69	3,066.20

3.34 DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Depreciation of property, plant and equipment [Refer Note No. 3.1]	3,216.04	3,523.14
Amortization of intangible assets [Refer Note No. 3.3]	12.47	21.23
Depreciation of Right-of-Use Assets [Refer No.3.4]	-	3.16
	3,228.51	3,547.53

3.35 POWER & FUEL

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Bagasse	1,434.59	1,433.40
Electricity	1,120.76	1,029.25
Other	492.12	448.83
	3,047.47	2,911.48

3.36 OTHER EXPENSES

	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Consumption of stores and spare parts *	4,538.00	4,141.70
Short term Lease expenses	125.04	177.55
Repairs		
- Buildings	113.70	79.21
- Machinery	2,277.64	1,945.22
- Others	161.37	219.16
Insurance	209.97	225.49
Rates and taxes	404.46	179.37
Bad debts and advances written off (net)	1.07	1.48
Allowances for expected credit loss on receivables, advances & other	797.17	668.31
Freight, Unloading & Material shifting	2,114.51	2,085.73
Commission to selling agents	396.19	353.10
Travelling and conveyance	108.21	91.46
Other Selling Expense	155.62	294.20
Export expenses	295.16	422.12
Loss on sale /discard of property, plant & equipments	0.26	0.04
Printing and stationery	41.28	35.72
Contractor & security charges	589.33	408.76
Legal and professional expense [includes auditor's remuneration - Refer Note No. 17]	375.83	345.98
Commitment Charges	-	558.51
Miscellaneous expenses	662.83	728.00
	13,367.64	12,961.11

*Stores, oils and chemicals allocated to other revenue heads ₹ 2,085.17 lacs (Previous year ₹ 1,476.89 lacs)

4. The Company has incurred cash losses due to high sugarcane costs fixed by the state government, and comparatively lower sales realization of finished sugar due to adverse demand and supply scenario and other national and international market dynamics. Due to above-stated external factors, the Company had incurred huge cash losses resulting in complete erosion of its net worth rendering Company unable to meet its payment obligations to the lenders and sugarcane farmers in terms of their respective agreements and understanding. Although, the operations of the Company remained intact and improving at sub-optimum levels on year on year basis and consistent efforts has been made for improvement in operational efficiency viz. improvement in sugar recovery, reduction in overheads and reduction in other operational and administrative costs etc. The Company has successfully completed crushing for Sugar season 2021-22 in all of its three sugar mills.

Recognizing the status of the sugar industry, the state and central governments have taken a number of measures in past to improve the financial health, support for liquidation of cane arrears by announcing grant of soft loan, fixing minimum obligation for export of sugar to liquidate the sugar inventory in the country and providing subsidy to offset/compensate export expenses, fixing minimum support price of sugar, and Ethanol blending programme with petrol coupled with long term tendering and fixing remunerative selling price of ethanol etc. All these measures specifically ethanol blending programme, have resulted in revival of the sugar industry but the Company is continuing to suffer on account of non-availability of sufficient sugar cane, commensurate to its capacities, in two of its sugar mills on account of delayed payment of sugar cane prices which resulted in the diversion of sugar cane in the command areas to the other adjoining sugar mills.

On account of delays in servicing of loans, certain lenders to the Company have initiated recovery proceedings at various forums, including filing of applications before the Hon'ble National Company Law Tribunal (NCLT) under Section 7 of the Insolvency and Bankruptcy Code, 2016 in addition to approaching Debt Recovery Tribunals in Delhi and Uttar Pradesh as well. One of the lenders had declared the Company and Guarantors to the credit facility, as Willful Defaulters, such impugned order has been Set Aside by Hon'ble Punjab and Haryana High court at Chandigarh. Against a criminal complaint filed by one of the lenders, the Enforcement Directorate had passed an Attachment Order on certain assets of the Company to the extent of ₹ 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. The majority of commercial lenders have shown their inclination to accept the debt resolution proposal and accepted the Earnest Money offered thereof while Debt realignment proposal was submitted to other lenders against which SSL had initiated the repayments,

pending approval of respective lenders. Revised and improved debt resolution proposal given to commercial lenders on bilateral basis is under consideration while application filed with Hon'ble NCLT Bench, Allahabad is being heard.

Considering the steps initiated for achieving turnaround of the Company and sugar sector, and continuing manufacturing operations in near foreseeable future with improved operational efficiency, 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. Accordingly, property, plant and equipment's are continued to be stated at carrying amount without testing for impairment, if any.

Impact of COVID 19 Pandemic

In preparation of these financial results for the quarter and Twelve months ended March 31, 2022, the Company has taken into account the possible impact of COVID-19, if any.

The impact of COVID-19 may differ from what has been assessed by the Management as at the date of approval of these financial statements. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

5. Disclosure in respect of Non-Cancellable Operating Lease:

The company had taken head office premises on long term lease in an earlier year. This Lease Contract have been classified as long term lease and accordingly accounted for as per Ind-As 116.

Following are the changes in the carrying value of Right-of-Use Assets for the year ended March 31,2022

Particulars	Premises
Balance as on April 01, 2021	-
Addition during the year	-
Deletion during the year	-
Depreciation during the year	-
Balance as at March 31, 2022	-

(₹ lacs)

Particulars	Premises
Balance as on April 01, 2020	3.16
Addition during the year	-
Deletion during the year	-
Depreciation during the year	(3.16)
Balance as at March 31, 2022	-

Following is the break-up of current and non-current lease liabilities as at March 31, 2022 :

(₹ lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Lease Liabilities in respect of long-term lease	-	3.36
Current Lease Liabilities in respect of short-term lease	-	-
Non-Current Lease Liabilities	-	-
Total	-	-

Following is the movement in long term lease liabilities during the year ended March 31, 2022 and March 31,2021 (₹ lacs)

Particulars	As at March 31, 2022
Balance as on April 01, 2021	-
Additions during the year	-
Finance Cost Accrued during the year	-
Deletions during the year	-
Payment of Lease Liabilities during the year	-
Balance as at March 31, 2022	-

(₹ lacs)

Particulars	As at March 31, 2021
Balance as on April 01, 2020	3.36
Additions during the year	-
Finance Cost Accrued during the year	0.14
Deletions during the year	-
Payment of Lease Liabilities during the year	(3.50)
Balance as at March 31, 2021	-

6. Contingent liabilities and commitments (to the extent not provided for):

- i) Claims against the Company not acknowledged as debts ₹ 4,573.14 lacs (Previous Year ₹ 2,731.82 lacs).

(₹ lacs)

Description	As at March 31, 2022	As at March 31, 2021
Sales Tax/Trade Tax Act	2,101.07	54.42
Central Excise Act	2,136.66	2,220.36
Finance Act, 1994	7.94	36.19
Others	327.47	420.85
Total	4,573.14	2,731.82

All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not in the opinion of the management, have a material effect on results of operations or financial position of the Company.

The amount shown in Note No. 6 (i) above represent the best possible estimates arrived on the basis of demand raised by the claimant and does not include interest if any, payable thereon from the date of demand. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the company or the claimants, as the case may be and, therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

- ii) With the introduction of GST w.e.f. July 1, 2017, the purchase tax earlier levied on ENA subsumed therein. Since under GST no tax was notified to be paid on the sale of ENA, no tax was paid by Industry on its sale. Later on, the State Government notified 5% VAT rate on the sale of ENA w.e.f. December 12, 2019. Accordingly the industry, including the company started paying VAT @ 5% w.e.f. December 12, 2019. However, the commercial tax Department of Uttar Pradesh raised a demand

of ₹19.33 Crores on the company based on the tax rate of 32.5% of ENA, in respect of sales made during the periods July 1, 2017 to December 11, 2019. The Company filed appeal against the aforesaid demand before Commercial Tax Tribunal - Ghaziabad, and deposited ₹ 2.06 Crores under protest against the aforesaid demand. The tribunal had stayed the recovery of balance demand till the disposal of appeal. Since, the matter is subjudice and the company expects a favorable decision on the matter, no provision has been made against the aforesaid demand. Further the payment if any will be required to be made for the VAT liability, the same will be reimbursed by the buyers as per agreement with them.

- iii) The Hon'ble Allahabad High Court in the case of PIL Rashtriya Kisan Mazdoor Sangathatan Vs State of Uttar Pradesh passed final order, directing the cane commissioner to decide afresh the issue as to whether the Sugar Mills are entitled for waiver of interest of delayed payment of sugarcane price for the season 2012-13, 2013-14 and 2014-15 under the provision of section 17(3) of the U.P Sugarcane (Regulation of Supply and Purchase) Act, 1953. Thereafter, in an Contempt application filed before High court and its follow up proceeding, the cane commissioner filed an affidavit specifying interest rates on delayed payment of cane price to be paid by Sugar Mills. The company had also received a notice for payment of interest on delayed payment of cane price for Sugar season 2012-13 is pursuant to the aforesaid order. The Company made representation against the said demand notice. Subsequently, State Government has filed modification application before and Cane commissioner also filed SLP with the Supreme Court in this matter which is pending for adjudication. Considering the above facts and based on the the past practice of waiver of interest by the State Government, no provision has been made in respect of the interest payable on delayed payment of cane price for the aforesaid sugar seasons and also for subsequent sugar seasons. Since no demand has been raised by the Government, except for the sugar season 2012-13, the total amount of interest payable on delayed payment of cane price up to March 31, 2022 and not provided in the accounts could not be quantified.
- iv) Cane Societies were in dispute with the State Government of Uttar Pradesh with regards to retrospective waiver of society commission payable by sugars mills for the Sugar Season 2012-13, 2014-15 and 2015-16 as a part of its relief package to Sugar Industry. The Hon'ble Allahabad High Court vide order dated 21-12-2017 decided the matter in favor of Cane Societies and against the aforesaid order U.P Sugar Mill Association filed SLP before Hon'ble Supreme Court. The matter is still pending for the further adjudication. Based on the legal review of the facts, the management concluded that the possibility of crystallization of liability in the present case is remote and according no provision has been made in accounts.
- v) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Code would impact the contributions by the Company towards Provident Fund and Gratuity. However, the date on which the Code will come into effect has not been notified. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which, the Code becomes effective

and the related rules to determine the financial impact are published.

v) Capital and other commitment

Estimated value of contracts (net of advances) remaining to be executed on Capital account ₹ 189.14 lacs (Previous year ₹ 60.51 lacs). The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The Company does not have any other long-term commitments or material non-cancellable contractual commitments / contracts, which may have a material impact on the financial statements.

7. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

On the basis of supplier information available with the Company who have registered under the MSMED Act, 2006, the following are the details:

(₹ lacs)

S. No.	Description	As at March 31, 2022	As at March 31, 2021
(a)	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	433.47	357.88
(b)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	10.26	14.46
(c)	The amount of interest paid by the company in terms of section 16, of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year.	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	18.36	1.20
(e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year and.	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	86.28	57.66

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

8. The Company has filed application for reclassification of promoters' category in terms of provisions of erstwhile regulation 31A (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with SEBI/Stock Exchanges, which is pending.

9. Certain banks had advanced Agri loans to sugarcane farmers through the erstwhile Simbhaoli Sugars Limited (ESSL) under the management and collection agreements and were provided Corporate Guarantee and post-dated cheques as security. These loans were to be repaid by the Company to the respective lenders from the dues payable to sugarcane farmers against their supplies to the sugar mill, but due to the overall downturn in the sugar industry and primacy to pay sugarcane dues in priority to any other dues/ payments, the Company could not repay these loans on their due dates. Company had submitted a financial restructuring plan to its lenders in FY 2014-15. As per sanction of CDR-EG dated February 02, 2016 all the outstanding loans/ dues were proposed to be converted into term loans, subject to the consent of respective commercial lenders. Two of the commercial lenders/ banks had converted their outstanding loans dues into term loan in the financial year 2016-2017 while one of the commercial lender/ bank had converted their dues into term loan in financial year 2017-18

Erstwhile Oriental Bank of Commerce (e-OBC) now amalgamated with Punjab National Bank, one of the commercial lender, who had converted Agri Loan into Corporate loan as stated above, in financial year 2016-17 had arbitrarily classified its outstanding Agri Loan as "Fraud" liability in May 2015. Subsequently, after following due process and obtaining approvals, including but not limited to obtaining specific permission from the Reserve Bank of India (RBI) for conversion of loan liability, and in consultation with all other Consortium Lenders, sanctioned and disbursed a corporate loan in February/June 2016 for liquidating the Agri Loans. In addition, in an application filed by e-OBC at Debt Recovery Tribunal, Lucknow confirming simultaneous closure of the matter and a consented decree was passed.

E-OBC, had arbitrarily initiated recovery actions against the Company for the restructured corporate loan including an application filed under Section 7 of Insolvency and Bankruptcy Code, 2016 before Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench. PNB had also filed a similar application before NCLT, Allahabad Bench for recovery of their dues, causing a serious threat to the value available to all the stakeholders. e-OBC, had declared company and guarantors as Willful Defaulters against which company and guarantors have challenged and contested such declaration in the Hon'ble Punjab and Haryana High Court at Chandigarh and Court was pleased to Set Aside such impugned order of e-OBC. A Show Cause Notice on Willful Default was issued by Punjab National Bank to company and guarantors. Basis representations made before the screening committee and taking into account that Forensic Audit report, initiated by the Joint Lenders, which was also closed by unanimous consensus in Joint Lenders Meeting including representatives of PNB, stating that there is No Fraud or Willful Default, PNB had kept the declaration of willful default in Abeyance. After Amalgamation PNB had issued another show cause notice to the company and Guarantors, including exposure of e-OBC, wherein default was identified as Willful and a personal hearing was granted. Company and Guarantors has contested such identification and submit written submission stating that allegations are baseless and requested to provide all the documents on the basis which such

conclusions are arrived at, under the expert legal opinion. It was further apprised, that company has submitted debt resolution proposal with all the commercial lenders. PNB had declared the account as Fraud due to Harmonisation with e- OBC, company had challenged such declaration in Hon'ble Delhi High Court and matter is being Sub-Judice. Earlier e-OBC had also filed a criminal complaint with the investigating agency declaring the credit facilities as "Suspected Fraud". The Company has denied any fraud on its part, provided adequate documentation for the same, while reiterating its commitment for repayment to all the lenders, basis future cash flows, monetisation of assets, internal accruals etc. Against such criminal complaint, the enforcement directorate had passed an attachment order on certain assets of the Company to the extent of ₹ 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. The majority of commercial lenders have shown their inclination to accept the debt resolution proposal and accepted the 'Earnest Money' offered thereof while Debt realignment proposal was

submitted with other lenders against which SSL had initiated the repayments, pending approval of respective lenders. Revised and improved debt resolution proposal given to commercial lenders on bilateral basis is under consideration while application filed with Hon'ble NCLT Bench, Allahabad is being heard.

10. 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. The Company has submitted comprehensive debt resolution proposals with all the lenders to commensurate with its future cash flows including infusion by strategic investor, promoters and internal accruals, which contemplates the total waiver of interest. The majority of commercial lenders have accepted the Earnest Money Deposit (EMD) offered in consonance with the Debt Resolution Proposal. Accordingly, the Interest expenses on credit facilities pertaining to commercial lenders, year ended March 31, 2022 amounting ₹ 17,013.85 lacs (Previous Year ₹ 15,461.02 lacs) has not been recognized in profit and loss account. An accumulated amount of ₹ 69,929.48 lacs towards accrued interest has not been provided for in the books of accounts as on March 31, 2022.

(A) Long term borrowings (Secured)

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022	As at March 31, 2021			
From Commercial Banks - Under Recalled Loans	17,398.93	17,398.93	12.50% p.a.	<ol style="list-style-type: none"> 1 First pari passu charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the Company. 2 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman, Mr. Gурpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company. 4 First Charge on the Divestment proceeds from Sale of investments in Uniworld Sugar Pvt. Ltd. and Chilwaria Sugar Complex 	<p>Principal overdue above 90 days ₹17,398.93 lacs (Previous year ₹17,398.93 lacs).</p> <p>Interest overdue below 90 days of ₹ 1,075.17 (Previous year ₹ 900.48) and above 90 days ₹ 17,595.67 lacs (Previous year - ₹ 13,656.75 lacs).</p>
From Commercial Bank - Under Recalled Loans	10,301.47	10,301.47	11.35% p.a.	<ol style="list-style-type: none"> 1 Subservient first pari-passu charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the company with FACR 1.25 times (minimum) 2 Credit facilities are also secured by Personal guarantee of Mr. Gurmit Singh Mann, Chairman and Mr. Gурpal Singh, Director. 	<p>Principal overdue above 90 days ₹10301.47 lacs (Previous year ₹10,301.47 lacs).</p> <p>Interest overdue below 90 days of ₹103.71 (Previous year ₹ 441.95 lacs) and above 90 days ₹ 8,707.14 lacs (Previous year - ₹ 6,714.31 lacs).</p>
From Commercial Bank - Under Recalled Loans	22,347.00	22,347.00	8.60% p.a.	<ol style="list-style-type: none"> 1 First sub-servient charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the Company. 2 Personal guarantees Mr. Gurmit Singh Mann, Chairman and Ms. Gursimran Kaur Mann, MD of the Company. 	<p>Principal overdue above 90 days ₹22,347.00 lacs (Previous year - ₹22,347.00 lacs).</p> <p>Interest overdue below 90 days of ₹691.34 (Previous year - ₹ 634.70 lacs) and above 90 days ₹9,516.37 lacs (Previous year - ₹6,857.64 lacs).</p>

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022	As at March 31, 2021			
From Co-operative Bank - Under Recalled Loans	4,913.74	4,913.74	12.00% p.a	<ol style="list-style-type: none"> 1 First pari passu charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the Company subject to approval of, and charges in favour of term lending Institutions and Government of India on their Credit Facilities, both Present and Future.. 2 Mortgage of residential property of Promoter Director. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gural Singh, Director of the Company. 	Principal overdue above 90 days ₹4,913.74 lacs (Previous year- ₹4,913.74 lacs). Interest overdue below 90 days of ₹153.25 lacs (Previous year- ₹170.45 lacs) and above 90 days ₹ 2,686.95 lacs (Previous year- ₹ 2,048.02 lacs).
Others - Under Recalled Loans	2,958.52	3,061.34	Range between 1.57 % to 10.00 % p.a.	<ol style="list-style-type: none"> 1 Term loan from Sugar Development Fund of ₹ 2,961.34 lacs (previous year ₹ 2,954.74 lacs) is secured by way of second exclusive charge on all movable and immovable fixed assets of the respective division. 2 Term loan from Sugar Technology Mission of ₹ 100.00 lacs (previous year ₹ 100.00 lacs) is secured by way of exclusive first charge on Sugarcane Juice Purification project at Simbhaoli Sugar Division of the Company. 	Principal overdue above 90 days ₹2,958.52 lacs (Previous year - ₹3,061.34 lacs). Interest overdue below 90 days of ₹21.64 lacs (Previous year - ₹113.56 lacs) and above 90 days ₹10.45 lacs (Previous year - ₹ 2,178.94 lacs).

(B) Unsecured loans from Related Parties of ₹305.70 lacs (Previous year - ₹313.90 lacs) carry interest rate (Ranges between) from 10.15 % to 11.05 % p.a. are payable after repayment of term loan in accordance with Scheme.

(C) Short term borrowings (Secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022	As at March 31, 2021			
From Commercial Banks - Under Recalled Loans	17,187.32	17,187.32	12.50% p.a.	<ol style="list-style-type: none"> 1 First pari passu charge by way of hypothecation of all current assets of respective division. 2 Third pari passu charge on entire fixed assets of the Company, both present and future, including equitable mortgage on the land of the Company. 3 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 4 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gural Singh, Director of the Company. 5 Charge over SSL's Share of Dividend in Simbhaoli Power Private Limited 	Interest overdue of below 90 days ₹1,309.37 lacs(Previous year - ₹1,314.19 lacs) and above 90 days ₹24,400.46 lacs (Previous year- ₹19,257.57 lacs).
From Co-operative Bank - Under Recalled Loans	9,039.27	9,039.27	10.25% p.a	<ol style="list-style-type: none"> 1 Pledge of sugar stock of the respective division of the Company. 2 Personal guarantees of Mr. Gurmit Singh Mann, Chairman, Mr. Gural Singh, Director and Ms Gursimran Kaur Mann, MD of the Company. 3 Equitable Mortgage of the Property of M/s. Simbhaoli Specialty Sugars Ltd. 4 Collaterally Secured by way of Hypothecation of Debtors of the Mill 5 First Charge on the Semi-finished sugar including sugar in process, raw material of the Respective division of the company. 6 First Charge and Lien on the Land, Building Plant & Machinery of the respective division of the company subject to charge of the Government of India and Term Lending Institutions for the existing loan/credit facilities. 	Interest overdue below 90 days of ₹309.24 lacs (Previous year - ₹318.52 lacs) and above 90 days ₹ 4,420.15 lacs (Previous year - ₹3,458.07 lacs)

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022	As at March 31, 2021			
From Co-operative Bank - Under Recalled Loans	2,324.72	3,518.74	11.50% p.a	1 Pledge of sugar stock of the respective division of the Company. 2 First Charge on the Semi-finished sugar including sugar in process, raw material of the respective division of the company. 3 Second Charge on the Land, Building Plant & Machinery of the respective division of the company 4 Personal guarantee of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company	Interest overdue below 90 days of ₹81.27 lacs (Previous year - ₹150.93 lacs) and above 90 days ₹144.45 lacs (Previous year - ₹495.37 lacs)

(D) Short term borrowings (Un-secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022	As at March 31, 2021			
From Commercial Banks - Under Recalled Loans	15,014.66	15,014.66	Range between 9.00% to 10.70% p.a	N.A	Principal overdue above 90 days of ₹15,014.66 lacs (Previous year - ₹15,014.66 lacs). Interest overdue below 90 days of ₹857.72 lacs (Previous year- ₹1,004.70 lacs) and above 90 days ₹19,093.68 lacs (Previous year- ₹15,559.52 lacs).

10.i) Reconciliation of quarterly bank returns
Note for discrepancies :

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts. Further difference also arises on account of different valuation methodology adopted for valuing the finished goods stock in the books and for the purpose of reporting in the bank return. In the books, stock of finished goods is recorded at lower of cost or net realisable value but for bank purposes it is taken at net realisable value which is determined as per bank norms.

However there is no material difference in reporting the quantity of stock in the bank returns as compared to books of accounts.

(₹ lacs)

Name of the bank	Quarter	Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference
Working capital lenders	June 30, 2021	33,353.70	33,286.51	67.19
	September 30, 2021	14,574.44	14,854.71	(280.27)
	December 31, 2021	27,372.26	27,884.39	(512.13)
	March 31, 2022	46,469.76	47,909.71	(1,439.95)

(₹ lacs)

Name of the bank	Quarter	Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference
Working capital lenders	June 30, 2020	41,588.78	39,278.64	2,310.14
	September 30, 2020	21,125.81	21,111.75	14.06
	December 31, 2020	36,392.28	37,511.22	(1,118.94)
	March 31, 2021	47,628.02	46,320.48	1,307.54

11. Related Party disclosures under IND AS 24

i) Name of related parties and description of relationship:

Subsidiaries:

- Simbhaoli Global Commodities DMCC (DMCC)
- Integrated Casetech Consultants Private Limited (ICCP)
- Simbhaoli Power Private Limited (SPPL)
- Simbhaoli Speciality Sugars Private Limited (SSSPL)

Key Management Personnel (KMP):

- Mr. Gurmit Singh Mann - Chairman
- Mr. Gurpal Singh – Director
- Ms. Gursimran Kaur Mann - Managing Director
- Mr. Sanjay Tapriya – Director
(ceased to be key management personnel w.e.f. November 01, 2021)
- Mr. Sachchida Nand Misra
Chief Operating Officer & Whole time Director
- Mr. S.K. Ganguli – Independent Director
(ceased to be key management personnel w.e.f. August 23, 2020)
- Mr. H. P. Kain- Independent Director
- Mr. Atul Mahindru – Independent Director
- Mr. Shyam Sunder – Independent Director
- Mr. C.K. Mahajan – Independent Director
- Mr. Aseem Sehgal- Independent Director
(w.e.f. Feb 23, 2021)
- Mr. Dayal Chand Popli – Chief Financial Officer
- Mr. Kamal Samtani – Company Secretary

Relatives of Key management personnel:

- Mr. G.M.S. Mann (HUF)

Enterprise over which key management personnel exercise significant influence:

- Dholadhar Developers Private Limited
(enterprise over which Mr. Gurmit Singh Mann and Ms. Gursimran Kaur Mann exercise significant influence)
- Dholadhar Investments Private Limited
(enterprise over which Mr. Gurmit Singh Mann and Ms. Gursimran Kaur Mann exercise significant influence)

Trusts:

- Simbhaoli Sugars Limited Officer's Superannuation Scheme
- Simbhaoli Sugars Limited Employee Gratuity Scheme
- Simbhaoli India Foundation

ii) Transactions with the above parties :

(₹ lacs)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Transactions		
Rent Paid	2.40	4.20
SSSPL	2.40	4.20
Rent Received	1.32	2.72
ICCP	1.20	2.60
Simbhaoli Foundation Trust	0.12	0.12
Managerial Remuneration	174.89	286.66
Ms. Gursimran Kaur Mann	40.24	119.94
Mr. Sachchida Nand Misra	35.09	75.64
Mr. Dayal Chand Popli	70.76	64.54
Mr. Kamal Samtani	28.80	26.54
Loans Repaid	7.49	45.83
Mr. G.M.S. Mann	-	31.83
Dholadhar Investments Private Limited	7.49	14.00

(₹ lacs)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Expenses paid	1,211.88	1,739.25
SPPL	1,211.88	1,739.25
Interest paid	35.06	33.52
Dholadhar Investments Private Limited	35.06	33.52
Sale of Assets	19.37	-
Dholadhar Developers Pvt. Ltd.	19.37	-
Sale of finished goods	1,182.72	1,238.22
SPPL	1,172.30	1,238.22
ICCP	10.42	-
Excess provision Written Back	909.20	-
SPPL	909.20	-
Sitting Fees paid	9.30	8.05
Mr. Shyam Sunder	2.25	2.40
Mr. B.K.Goswami	-	0.15
Mr. Aseem Sehgal	2.25	-
Mr. C.K.Mahajan	1.15	1.55
Mr. Atul Mahindru	1.40	1.55
Mr. H.P. Kain	2.25	2.40
Expenses recovered	9.38	12.20
ICCP	4.42	5.81
SPPL	4.96	6.39
Contribution in Trusts	115.63	-
Simbhaoli Superannuation Trust	12.52	-
Simbhaoli Gratuity Trust	103.11	-
Interest Income	1,423.97	1,227.97
SPPL	1,423.97	1,227.97
Operation and job work charges paid	188.55	192.64
ICCP	188.55	192.64
Allowances for expected credit loss	125.00	-
SPPL	125.00	-
Impairment /Allowances for expected credit loss written back and balance written off during the year	142.02	-
DMCC	142.02	-

Note: The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

iii) Balance outstanding at the end of the year

(₹ lacs)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Investment outstanding -equity instruments (₹ lacs)	6,067.31	6,067.32
ICCP	383.72	383.73
SSSPL	190.00	190.00
SPPL	5,493.59	5,493.59
Investment outstanding -debt instruments (₹ lacs)	4,947.85	4,999.90
SPPL	4,947.85	4,999.90
Investment outstanding - others (₹ lacs)	45.00	45.00
SPPL	45.00	45.00
Other financial assets - Non current	1,100.00	1,100.00
SPPL	1,100.00	1,100.00
Other financial assets-Current	5,581.73	4,557.76
SPPL	5,581.73	4,557.76
Advance given to Supplier	170.83	150.01
ICCP	170.83	150.01
Loans given	-	19.61
Simbhaoli Global Commodities, DMCC	-	19.61
Trade Receivable	322.80	122.82
DMCC	-	122.41
SPPL	322.50	-
Simbhaoli Foundation Trust	0.30	0.41
Impairment/ Credit loss provision	125.00	142.02
Loan and advances - DMCC	-	19.61
Trade Receivable - DMCC	-	122.41
Trade Receivable - SPPL	125.00	-

(₹ lacs)

Description	Year ended March 31, 2021	Year ended March 31, 2020
Trade payables	44.19	816.13
Mr. Gurpal Singh	-	0.28
Mr. G.M.S. Mann	3.70	-
Ms. Gursimran Kaur Mann	2.36	13.15
Mr. S.N.Misra	-	4.09
Mr. B.K.Goswami	0.93	0.93
Mr. D.C.Popli	2.16	0.32
Mr. Kamal Samtani	0.66	0.82
Mr. Sanjay Tapriya	-	0.59
Mr. C.K.Mahajan	-	0.67
Mr. H.P. Kain	-	0.37
Mr. Atul Mahindru	-	0.23
Mr. Shyam Sundar	-	0.37
SPPL	-	745.31
SSSPL	34.38	49.00
Long-term borrowings	305.70	313.19
Mr. G.M.S. Mann	0.80	0.80
Dholadhar Investments Private Limited	304.90	312.39
Other Financial Liabilities- Current	93.51	73.87
Dholadhar Developers Pvt. Ltd.	-	11.88
Dholadhar Investments Private Limited	93.51	61.99
Pledge of Investment (No. of shares) (in lacs) #	19.30	19.30
SPPL	19.30	19.30

to banker for loan availed by SPPL

- iv) In pursuance of the provisions of Section 197 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company has proposed the re-appointment of Ms Gursimran Kaur Mann, as Managing Director of the Company w.e.f Aug 2, 2021 and Mr Sachchida Nand Misra as Whole Time Director and Chief Operating Officer of the Company w.e.f Sept 18, 2021 for a period of 2 years and the SPECIAL RESOLUTIONS have been passed at the 10th Annual General Meeting of the members of the Company held on Monday September 27, 2021. In terms of the applicable provisions, the Company has also approached the lenders for necessary consent for payment of the remuneration to them. Pending receipt of no-objection from the lenders, no remuneration was paid to aforesaid managerial personnel since their respective date of reappointment. The details of remuneration paid during the financial year to the Managing Director, Chief Operating Officer and Whole Time Director and Key Management Personnel are as under :-

Details of Remuneration Paid/Payable to KMP					(₹ lacs)
Particulars	Ms. Gursimran Kaur Mann	Mr. Sachchida Nand Misra	Mr. Dayal Chand Popli	Mr. Kamal Samtani	
Year ended March 31, 2022					
Short-term employee benefits					
Salary	33.87	30.02	64.31	24.61	
Perquisites	3.58	3.56	3.50	2.28	
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds*	2.79	1.51	2.95	1.91	
	40.24	35.09	70.76	28.80	
Year ended March 31, 2021					
Short-term employee benefits					
Salary	100.80	64.71	58.75	22.66	
Perquisites	10.98	7.67	3.29	2.21	
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds*	8.16	3.27	2.50	1.67	
	119.94	75.65	64.54	26.54	

* The said amount does not include amount in respect of gratuity & leaves as the same are not ascertainable.

12. Segment reporting

i) Operating segments:

The company's operating segments are business segments, viz. sugar and alcohol, basis which chief operating decision maker (CODM) evaluates the company's performance and allocates resources

ii) Geographical segments:

Since the Company's activities/operations are primarily within the country and considering the nature of products it deals in, the risks and returns are same and as such there is only one geographical segment.

iii) Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note 2 above the

accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

b) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include

income taxes. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segments is allocated to the segments on a reasonable basis.

c) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated on consolidation.

iv) (a) Information About Business Segments

(₹ lacs)

Particulars	Sugar		Alcohol		Elimination		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment revenue										
External sales:	85,238.73	101,200.53	49,384.90	38,844.61	-	-	-	-	134,623.63	140,045.14
Inter segment sales	10,178.99	9,907.68	-	-	(10,178.99)	(9,907.68)	-	-	-	-
Other operating Revenue	1,605.03	5,166.33	883.35	479.32	-	-	-	-	2,488.38	5,645.65
Total revenue	97,022.75	116,274.54	50,268.25	39,323.93	(10,178.99)	(9,907.68)	-	-	137,112.01	145,690.79
Segment results	2,830.50	808.67	(1,033.21)	1,406.97	-	-	-	-	1,797.29	2,215.64
Unallocated net expenses/ income							(158.96)	(407.49)	(158.96)	(407.49)
Operating profit/(loss)									1,956.25	2,623.13
Finance cost							2,878.69	3,066.20	2,878.69	3,066.20
Exceptional items (net)							-	-	-	-
Provision for taxes							97.25	-	97.25	-
Net Profit/(loss) after tax									(1,019.69)	(443.07)

Note: Inter segment revenues are eliminated upon consolidation and reflected in the eliminations column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at company level.

(b) Information About Business Segments

(₹ lacs)

Particulars	Sugar		Alcohol		Unallocated		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
OTHER INFORMATIONS								
ASSETS								
Segment assets	138,187.04	145,638.16	41,136.07	45,609.55	-	-	179,323.11	191,247.71
Unallocated assets	-	-	-	-	6,264.17	5,498.17	6,264.17	5,498.17
Investment	-	-	-	-	11,064.79	11,114.83	11,064.79	11,114.83
Total assets	138,187.04	145,638.16	41,136.07	45,609.55	17,328.96	16,613.00	196,652.07	207,860.71
EQUITY AND LIABILITIES								
Segment liabilities	72,367.52	80,133.53	2,746.66	2,986.35	-	-	75,114.18	83,119.88
Shares capital and reserves	-	-	-	-	(2,556.44)	(1,641.49)	(2,556.44)	(1,641.49)
Secured and unsecured loans	-	-	-	-	101,791.33	103,095.49	101,791.33	103,095.49
Unallocated liabilities	-	-	-	-	22,303.00	23,286.83	22,303.00	23,286.83
Total liabilities	72,367.52	80,133.53	2,746.66	2,986.35	121,537.89	124,740.83	196,652.07	207,860.71

(c) Reconciliations of amounts reflected in the financial statement

i) Reconciliation of assets			(₹ lacs)
Particulars	As at March 31, 2022	As at March 31, 2021	
Segment operating assets	196,652.07	207,860.71	
Total Assets	196,652.07	207,860.71	
ii) Reconciliation of liabilities			(₹ lacs)
Particulars	As at March 31, 2022	As at March 31, 2021	
Segment operating liabilities	196,652.07	207,860.71	
Total Liabilities	196,652.07	207,860.71	

(d) Geographical information:

The Company operated only in India during the year ended March 31, 2022 and March 31, 2021.

(e) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Company for the year ended March 31, 2022 and March 31, 2021

(f) Information About Business Segments

(₹ lacs)

Particulars	Sugar		Alcohol		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
OTHER INFORMATIONS								
Capital expenditure	494.91	289.94	551.52	238.33	6.86	1.83	1,053.29	530.10
Depreciation and amortization expense (net of revaluation reserve)	2,313.61	2,576.08	896.91	942.93	17.99	28.52	3,228.51	3,547.53
Non cash expenses other than depreciation	287.35	433.14	141.29	236.69	369.86	-	798.50	669.83

Note: Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets.

13. In the view of the history of continuous losses, the company has recognised deferred tax assets only to the extent of deferred Tax liability, which can legally be offset under tax laws.

Details of deferred tax assets recognised and not recognised and details of deferred tax liabilities are as under:

i. Details of recognised Deferred Tax Asset/ (Liability)

(₹ lacs)

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset :		
On account of carried forward losses	528.52	1,320.96
On account of carried forward unabsorbed depreciation	13,871.68	13,877.27
Liabilities and provisions tax deductible only upon payment/actual crystallization:		
-Interest payable to banks/financial institutions	8,987.88	8,999.93
-Others	989.97	966.85
	24,378.05	25,165.01
Deferred Tax Liability :		
On account of accelerated depreciation for tax purposes	9,271.26	9,819.99
On account of difference in the tax base value and carrying amount of land	15,106.79	15,345.02
	24,378.05	25,165.01
Net Deferred Tax	-	-

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ii. Movement in recognised Deferred Tax Assets / (Liabilities)

(₹ lacs)

	Carried forward losses & Unabsorbed Depreciation	Property Plant & Equipment	Interest payable to banks/ financial institutions	Other items	Total
At 31st March 2020	17,004.42	(26,052.41)	8,686.01	361.98	-
(Charged)/credited:-					
-to profit & loss	(1,806.19)	887.40	313.92	604.87	-
-to other comprehensive income	-	-	-	-	-
At 31st March 2021	15,198.23	(25,165.01)	8,999.93	966.85	-
(Charged)/credited:-					
-to profit & loss	(798.03)	786.96	(12.05)	23.12	-
-to other comprehensive income	-	-	-	-	-
At 31st March 2022	14,400.20	(24,378.05)	8,987.88	989.97	-

iii. Details of unrecognised Deferred Tax Asset

(₹ lacs)

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Asset :		
Tax Effect on Tax Losses	10,012.09	9,634.15
Tax Effect on difference in the tax base value and carrying amount of Investments other than charged to OCI	489.41	393.37
Tax effect on items charged to OCI (Net)	3,212.21	3,072.23
	13,713.71	13,099.75
Expiry profile of unrecognised unused tax losses		
Unused tax losses (business loss) shall expire on-		
March, 31, 2026	4,874.40	4,874.40
March, 31, 2024	5,137.69	4,759.75
	10,012.09	9,634.15

13A. Income Tax Expenses

I. Income Tax Recognised in Statement of Profit and Loss Account

(₹ lacs)

	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax	-	-
Deferred tax	-	-
Tax adjustment related to earlier years	97.25	-
Total Income Tax Expenses	97.25	-

II. Reconciliation of income tax expense and accounting profit multiplied by India's tax rate:

(₹ lacs)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) for the year (before income tax expense)	(922.44)	(443.14)
Applicable tax rate	34.94%	34.94%
Computed tax expenses	(322.34)	(154.83)
Expenses not allowed for tax purposes	122.21	32.94
Reversal of Deferred Tax liability on land	(238.24)	(178.68)
Deferred Tax Assets on business losses not recognised	377.94	248.85
Deferred Tax Assets on gratuity not recognised	60.43	51.72
Tax adjustment related to earlier years	97.25	-
Total	97.25	0.00

14. Employee Benefits

The Company has classified the various benefits provided to employees as under: -

i) Defined Contribution Plan:

- > Provident fund
- > Superannuation fund

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Description	Year ended March 31, 2022	Year ended March 31, 2021
- Employers' Contribution to Provident Fund	386.93	385.84
- Employers' Contribution to Superannuation Fund	9.50	11.60

ii) Disclosure in respect of defined benefit plans (Gratuity & compensated absence) is as under:

Principal Assumptions				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22	2020-21	2021-22	2020-21
Discount Rate (Per Annum)	6.95%	6.45%	6.95%	6.45%
Expected Rate of Salary Increase				
- for the first Year	5.20%	5.20%	5.20%	5.20%
- and thereafter	5.00%	5.00%	5.00%	5.00%
Mortality Rate (% of IALM 12-14)	100%	100%	100%	100%
Attrition/Withdrawal Rate	2.00%	2.00%	2.00%	2.00%
Rate of Leave Availment (Per Annum)				
- Earned Leave	NA	NA	0%	0%
- Sick Leave	NA	NA	10%	10%
Rate of Leave Encashment during Employment (Per Annum)	NA	NA	0%	0%

(₹ lacs)

● Amount Recognised in Statement of Profit & Loss in respect of the Defined Benefit Obligation				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22	2020-21	2021-22	2020-21
Components of defined benefit cost recognised in profit or loss				
Current Service Cost	109.23	103.19	95.02	80.30
Past Service Cost	-	-	-	-
Interest Cost	63.69	55.41	36.92	37.23
Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-
Actuarial (gain)/loss from change in financial assumptions	-	-	(17.78)	6.88
Actuarial (gain)/loss arising from experience adjustments	-	-	24.06	51.70
Components of defined benefit cost recognised in profit or loss	172.92	158.60	138.22	176.11
Components of defined benefit cost recognised in Other Comprehensive Income				
Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(54.00)	20.32	-	-
Actuarial (gain)/loss arising from experience adjustments	5.53	(28.45)	-	-
Return on plan assets (higher)/lower than discount rate	(35.57)	(2.46)	-	-
Total actuarial (gain)/loss recognised in Other Comprehensive Income	(84.04)	(10.59)	-	-
Total amount recognised in statement of profit & loss	88.88	148.01	138.22	176.11

(₹ lacs)

● The amount included in Balance Sheet arising from the company's obligation in respect of its defined benefit plan is as follows:				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22	2020-21	2021-22	2020-21
Present Value of Defined Benefit Obligation	1,820.74	1,796.92	562.07	572.85
Fair Value of Plan Asset	846.84	808.79	-	-
Net liability arising from defined benefit obligation	973.90	988.13	562.07	572.85
* Non Current Liability	-	-	438.43	457.66
* Current Liability	973.90	988.13	123.64	115.19

Note: Amount of ₹211.13 (Previous year ₹173.76 lacs) is added to the present valuation of obligation w.r.t. to the left employees whose full and final settlement is still pending

(₹ lacs)

● Movement in the fair value of plan assets are as follows:				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22	2020-21	2021-22	2020-21
Opening fair value of plan assets	808.79	952.84	NA	NA
Expected return on plan assets	52.13	62.84	NA	NA
Employer Contribution	103.11	-	NA	NA
Re measurement gain/(loss)				
* Return on plan assets (higher)/lower than discount rate	35.57	2.46	NA	NA
Benefit Paid	(152.76)	(209.35)	NA	NA
Closing fair value of plan assets	846.84	808.79	NA	NA

(₹ lacs)

• Movement in the present value of defined benefit obligations are as follows:

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22	2020-21	2021-22	2020-21
Opening defined benefit obligation	1,796.92	1,792.97	572.85	564.56
Current service cost	109.23	103.19	95.02	80.30
Interest cost	115.82	118.25	36.92	37.23
Remeasurement (gains)/losses:				
* Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-
* Actuarial (gain)/loss from change in financial assumptions	(54.00)	20.32	(17.78)	6.88
* Actuarial (gain)/loss arising from experience adjustments	5.53	(28.46)	24.06	51.70
Past Service Cost	-	-	-	-
Benefits paid by employer	(152.76)	(209.35)	(149.00)	(167.82)
Benefits paid from plan assets	-	-	-	-
Closing defined benefit obligation	1,820.74	1,796.92	562.07	572.85

• Sensitivity Analysis
Gratuity (Funded)

(₹ lacs)

Particulars	Change in assumption by	Impact on defined benefit obligation					
		Increase in assumption			Decrease in assumption		
		Increase/decrease	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	
Discounting rate	1.00%	In ₹	1,716.39	1,687.39	1,937.86	1,920.28	
		In %	(5.70%)	(6.10%)	6.40%	6.90%	
Future salary growth rate	1.00%	In ₹	1,936.98	1,918.74	1,715.18	1,686.81	
		In %	6.40%	6.80%	(5.80%)	(6.10%)	
Attrition rate	0.50%	In ₹	1832.89	1,806.55	1,807.36	1,786.30	
		In %	0.70%	0.50%	(0.70%)	(0.60%)	
Mortality rate	10.00%	In ₹	1,821.40	1,797.45	1,820.07	1,796.39	
		In %	0.00%	0.00%	0.00%	0.00%	

• Compensated Absence (Unfunded)

(₹ lacs)

Particulars	Change in assumption by	Impact on defined benefit obligation					
		Increase in assumption			Decrease in assumption		
		Increase/decrease	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	
Discounting rate	1.00%	In ₹	527.83	536.35	600.96	614.51	
		In %	(6.10%)	(6.40%)	6.90%	7.30%	
Future salary growth rate	1.00%	In ₹	601.32	614.68	526.93	535.55	
		In %	7.00%	7.30%	(6.30%)	(6.50%)	
Attrition rate	0.50%	In ₹	560.93	570.95	563.10	574.77	
		In %	(0.20%)	(0.30%)	0.20%	0.30%	
Mortality rate	10.00%	In ₹	561.00	572.77	562.12	572.94	
		In %	0.00%	0.00%	0.00%	0.00%	

* The plan assets are maintained with ICICI Prudential life Insurance Company Ltd. The details of investment maintained by the ICICI prudential Life Insurance Company Ltd have not been made available to the Company and have therefore not been disclosed.

Disclosure relating to present value of defined benefit obligation and fair value of plant assets and net actuarial gain/ loss

(₹ lacs)

Particulars	Gratuity (Funded)					Compensated absences (Non funded)				
	2021-22	2020-21	2019-20	2018-19	2017-18	2021-22	2020-21	2019-20	2018-19	2017-18
Present value of obligation as at the end of the year	1,820.74	1,796.92	1,792.97	1,441.29	1,370.20	562.07	572.85	564.56	505.61	440.93
Fair value of plan assets as at the end of the year	846.84	808.79	952.84	971.64	960.10	-	-	-	-	-
Net asset/(liability) recognised in the balance sheet	(973.90)	(988.13)	(840.13)	(469.65)	(410.10)	(562.07)	(572.85)	(564.56)	(505.61)	(440.93)

● **Risks related to defined benefit plans:**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above benefits which are as follows:

- > **Interest rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- > **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- > **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- > **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- > **Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹20,00,000).
- > **Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.
- > **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Note: The above is a standard list of risk exposures in providing the gratuity benefit. The Company is advised to carefully examine the above list and make suitable amendments (including adding more risks, if relevant) to the same before disclosing the above in its financial statements.

● **Method and Assumptions related terms:**

- > **Discount Rate:** Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.
- > **Salary Escalation Rate:** The rate at which salaries are

expected to escalate in future. It is used to determine the benefit based on salary at the date of separation.

- > **Attrition Rate:** The reduction in staff/employees of a company through normal means, such as retirement and resignation. This is natural in any business and industry.
- > **Mortality Rate:** Mortality rate is a measure of the number of deaths (in general, or due to a specific cause) in a population, scaled to the size of that population, per unit of time.
- > **Projected Unit Credit Method:** The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).

15. i) Following are the particulars of disputed dues on account of sales tax (trade tax), excise duty and service tax matters that have not been deposited by the Company as at March 31, 2022.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved* (₹ lacs)	Amount paid under protest (₹ lacs)
Central Sales Tax, 1956	CST	Commercial Tax-Tribunal, Ghaziabad-2	2012-2013	102.88	1.59
			2013-2014	4.96	5.84
			2016-2017	6.62	-
			2006-2007	27.76	8.66
U. P. Trade Tax Act	UPVAT/Entry Tax		2016-2017	23.95	-
			2016-2017	1.43	-
			2017-2018	214.07	32.55
			2018-2019	974.30	95.58
			2019-2020	745.10	78.09
Central Excise Act, 1944	Excise Duty	High Court, Allahabad	1979-1980	11.01	11.01
			2005-2006	2.78	-
		Customs, Excise & Service tax Appellate Tribunal	2006-2007	2.58	-
			2012-2013	2,098.87	7.50
			2013-2014	1.16	0.12
2015-2016	1.89	0.19			
2017-2018	18.37	1.84			
Finance Act, 1994	Service Tax	Customs, Excise & Service tax Appellate Tribunal	2015-2017	7.94	0.79

* Amount as per demand orders and interest & penalty wherever indicated in order.

- ii) In the following instances the concerned statutory authority is in appeal against favourable orders received by the Company.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ lacs)
Central Excise Act, 1944	Excise Duty	Customs, Excise & Service tax Appellate Tribunal	2003-2004	21.44
			2005-2006	1.24
			2008-2009	54.68

There are no dues in respect of income tax, customs duty, wealth tax and cess, which have not been deposited on account of any disputes except in respect of income tax demand of ₹ 4.32 lacs (Previous year of ₹ 46.42 lacs) arising on processing of TDS returns. The Company is in process of rectifying these returns and is confident that the demand will be substantially reduced.

16. Earnings per share

Description		Year ended March 31, 2022	Year ended March 31, 2021
Profit/(loss) after tax and exceptional items as per Statement of Profit and Loss (₹ lacs)	(A)	(1,019.69)	(443.07)
Add/Less: Exceptional Items net of taxes		-	-
Profit/(loss) after tax and before exceptional items (₹ lacs)	(B)	(1,019.69)	(443.07)
Weighted average number of equity shares outstanding (Par value ₹ 10 per share)		-	-
-For basic and diluted earnings per share (Nos.)	(C)	41279020	41279020
Earnings per share (₹)			
-Basic and diluted EPS before exceptional item	(B÷C)	(2.47)	(1.07)
-Basic and diluted EPS after exceptional item	(A÷C)	(2.47)	(1.07)

Note: Since effect of potential equity shares to be issued on conversion of warrant option is anti-dilutive the basic EPS is reported as diluted EPS.

17. Auditors' remuneration (excluding Goods and Service Tax):

(₹ lacs)

Description	Year ended March 31, 2022	Year ended March 31, 2021
- Statutory audit	12.00	12.00
- Audit of Consolidated Financial Statement	2.50	2.50
- Limited review of unaudited financial results	18.00	18.00
- Reimbursement of out of pocket expense for statutory audit and others	5.00	5.00

18. Details of revenue from sale of products

(₹ lacs)

Sales	Year ended March 31, 2022	Year ended March 31, 2021
Manufactured Products		
- Sugar	82,829.62	99,041.08
- Rectified spirit and Country Liquor	26,724.50	21,510.01
- Denatured spirit	16,204.53	12,623.10
- IMFL	262.57	11.53
- Sanitizer	237.25	1,346.13
- Others	1,790.77	1,979.30
Sub Total	128,049.24	136,511.15
Traded Products		
- ENA	4,263.04	2,142.61
- Blend CAB	1,238.98	776.14
-Corogen and others	1,072.38	615.24
Sub Total	6,574.40	3,533.99
Total	134,623.64	140,045.14

19. Disclosure related to Government Grant

The Company is eligible to receive various financial assistance from government authorities. Accordingly, the Company has recognised these government grants in the following manner

(₹ lacs)

Nature of Grant/Assistance	Treatment in Accounts	Year ended March 31, 2022	Year ended March 31, 2021
MAEQ Subsidy 2019-20 from Government [Refer note a]	Shown as separate line item "Cane/ export subsidy" under other operating Revenue (Refer note 3.26)	-	2,068.24
MAEQ Subsidy 2020-21 from Government [Refer note b]	Shown as separate line items "Cane/ export subsidy" under other operating revenue (Refer note 3.26)	967.74	1,990.68

a) The Central Government vide its notification 1(14)/2019-S.P.-I dated 12th September 2019, announced Scheme for Assistance to Sugar mills for the sugar season 2019-20 (Scheme) for expenses on marketing cost including handling, upgrading and other processing costs and cost of international and internal transport and freight

charges on export of sugars under Maximum Admissible Export Quantity (MAEQ) Scheme. Every sugar mill which fulfills the conditions as stipulated in the Scheme will be eligible for assistance @ ₹10,448 per MT on export of sugar limited to MAEQ.

Till March 31, 2022, the Company has complied with all the conditions as stated in the scheme and submitted the claim and total Subsidy accrued under the scheme has been received during the year.

- b) The Central Government vide its notification 1(6)/2020-S.P.-I dated 29th December 2020, announced Scheme for Assistance to Sugar mills for the sugar season 2020-21 (Scheme) for expenses on marketing cost including handling, upgrading and other processing costs and cost of international and internal transport and freight charges on export of sugars under Maximum Admissible Export Quantity (MAEQ) Scheme. Every sugar mill which fulfills the conditions as stipulated in the Scheme will be eligible for assistance @ ₹6,000 per MT on export of sugar limited to MAEQ.

Till March 31, 2022, the Company has complied with all the conditions as stated in the scheme and submitted the claim and total Subsidy accrued under the scheme has been received during the year.

20. Capital Management

The capital structure as at March 31, 2022 and March 31, 2021 is as follows.

(₹ lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to equity shareholders	(2,556.44)	(1,641.49)
Borrowings	58,225.36	58,420.47
Total Capital	55,668.92	56,778.98
Total equity attributable to equity shareholders as percentage of total capital	(4.59%)	(2.89%)
Total borrowing as percentage of total capital	104.59%	102.89%

21. Financial risk management objectives

The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of the financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and bank balances that derive directly from its operations. The Company also holds investments in equity shares and debentures of its subsidiaries and joint ventures.

The Company's activities expose it mainly to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

i) Credit risk

- a. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Company is exposed to credit risk from trade receivables and deposits with banks. To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. Company has also taken advances and security deposits from its customer / agents, which mitigate the credit risk to an extent. The ageing of the trade receivables is given below:

(₹ lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Up to 6 months	3,288.39	4,006.31
More than 6 months	1,559.71	1,498.51
Total receivables	4,848.10	5,504.82

- b. The impairment analysis is performed at each balance sheet date on individual basis for major clients. In additions a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The company makes specific provisions @ 100% / write offs in respect of major customers based on its previous experiences and increase in credit risks. The company makes general provisions for lifetime expected credit loss in respect of receivables @ 50% on the amount of receivables overdue for more than 180 days.

The change in loss allowances for trade receivables, advances to suppliers and security deposits is as under:

(₹ lacs)

Particulars	Trade Receivables	Loan and Advances	Security Deposits
Balance as at March 31, 2020	347.87	36.00	25.00
Provided during the year 2020-21	668.31	-	-
Amount written off	-	-	-
Reversed during the year 2020-21	5.05	2.63	-
Balance as at March 31, 2021	1011.13	33.37	25.00
Provided during the year 2021-22	487.00	310.17	-
Amount written off	122.41	33.37	25.00
Reversed during the year 2021-22	22.23	-	-
Balance as at March 31, 2022	1,353.49	310.17	-

- c. Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

ii) Liquidity risk

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Since the Company is making continuous losses, presently it monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	As at March 31, 2022 (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	101,791.34	101,485.64	305.70	101,791.34
Trade payables	71,168.49	71,168.49	-	71,168.49
Other financial liabilities-Current	24,459.97	24,459.97	-	24,459.97
Total	197,419.80	197,114.10	305.70	197,419.80

Particulars	As at March 31, 2021 (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	103,095.66	102,782.47	313.19	103,095.66
Trade payables	78,962.58	78,962.58	-	78,962.58
Other financial liabilities-Current	25,281.05	25,281.05	-	25,281.05
Total	207,339.29	207,026.10	313.19	207,339.29

iii) **Market risk**

The company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. Market risks comprises of four types of risks such as:

a) **Interest rate risks**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates.

b) **Commodity risk**

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has partly mitigated this risk adopting integrated business model by diversifying into distillation, for better price realisation of the by-products.

c) **Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's exposure to the risk of changes in foreign exchange rates is limited to the Company's operating activities (when revenue or expense is denominated in a foreign currency), which are not material.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise as follows:

Description	As at March 31, 2022		As at March 31, 2021	
	Amount in foreign currency (Lacs)	Amount (₹ Lacs)	Amount in foreign currency (Lacs)	Amount (₹ Lacs)
Trade Receivables -USD	-	-	-	-

d) **Regulatory risk**

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations affect the sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy.

22. Financial instruments - Accounting, Classification and Fair value measurements

i) **Financial instruments by category**

As at March 31, 2022

(₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Equity instruments	6,067.32	-	-	-	6,067.32
- Debt instruments	-	4,947.85	-	-	4,947.85
- Government securities	4.62	-	-	-	4.62
- Others	-	45.00	-	-	45.00
Trade receivables	-	3,506.40	-	-	3,506.40
Cash and cash equivalent	-	2,761.40	-	-	2,761.40
Bank balances other than cash & cash equivalents	-	2,005.51	-	-	2,005.51
Other financial assets	-	7,002.39	-	-	7,002.39

(₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Total financial assets	6,071.94	20,268.55	-	-	26,340.49
Financial liabilities					
Borrowings	-	101,791.34	-	-	101,791.34
Trade payables	-	71,168.49	-	-	71,168.49
Other financial liabilities	-	24,459.97	-	-	24,459.97
Total financial liabilities	-	197,419.80	-	-	197,419.80

As at March 31, 2021

(₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Equity instruments	6,067.32	-	-	-	6,067.32
- Debt instruments	-	4,999.90	-	-	4,999.90
- Government securities	2.61	-	-	-	2.61
- Others	-	45.00	-	-	45.00
Trade receivables	-	4,493.69	-	-	4,493.69
Cash and cash equivalent	-	3,585.46	-	-	3,585.46
Bank balances other than cash & cash equivalents	-	2,166.96	-	-	2,166.96
Other financial assets	-	5,878.82	-	-	5,878.82
Total financial assets	6,069.93	21,169.83	-	-	27,239.76
Financial liabilities					
Borrowings	-	103,095.66	-	-	103,095.66
Trade payables	-	78,962.58	-	-	78,962.58
Other financial liabilities	-	25,303.02	-	-	25,303.02
Total financial liabilities	-	207,361.26	-	-	207,361.26

ii) **Fair Value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Following methods and assumptions used to estimate the fair values:

Fair value of cash and cash equivalents and short term deposits, trade and other short term receivables, trade payables, short term borrowings and other current financial assets and liabilities carried at amortized cost is not materially different from its carrying cost, largely due to the short-term maturities of these financial assets and liabilities

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

23. The outstanding balance of the Company with its subsidiary company, Simbhaoli Power Private Limited (SPPL) as reported in standalone financial statements, is subject to reconciliation on account of difference in interpretation of certain long term commercial agreements. Pending reaching to final settlement with SPPL, no adjustment has been made in the books of

accounts amounting to ₹ 577.41 lacs for the year ended March 31, 2022 (previous year ₹ 716.74 lacs) being the difference in the value of bagasse sold and certain other claims made by SPPL. The aggregate amount of difference in the value of bagasse sold to and of certain claims not provided for in the accounts aggregates to ₹ 1,547.15 lacs till March 31, 2022 (Previous year ₹ 969.46 Lakhs).

24. Ratios to be disclosed are as under-

Ratio	Unit	Numerator	Denominator	Year ended March 31, 2022	Numerator	Denominator	Year ended March 31, 2021	% Variance	Reason for variance
Current Ratio: (Current Asset/Current Liability)	Times	61,741.80	198,464.38	0.31	70,873.95	208,709.38	0.34	(8.39%)	
Debt-Equity Ratio {Total Debt (Long Term Debt and Short Term Debt including Current Maturities)/Shareholder's Equity}	Times	NAP							
Debt Service Coverage ratio (Profit After Tax + Interest on Term Loan + Depreciation / Interest on Term Loan + Long Term Principal Repayment)	Times	NAP*							
Inventory Turnover ratio (Revenue From Sale of products / Average Inventory)	Times	134,623.64	46,490.82	2.90	140,045.14	50,782.25	2.76	5.00%	
Trade Receivable Turnover Ratio (Total Sales / Average Trade Receivables)	Times	135,798.94	5,176.46	26.23	141,478.64	4,680.84	30.23	(13.20%)	
Trade Payable Turnover Ratio (Total Purchases / Average Trade Payables)	Times	84,111.40	75,065.54	1.12	89,415.11	84,489.47	1.06	5.88%	
Net Capital Turnover Ratio {(Total Income / Working Capital (i.e. Current Assets - Current Liabilities))}	Times	NAP							
Net Profit ratio (Net Profit after tax / Total Revenue)	Percentage	(1,019.69)	139,865.18	(0.73%)	(443.07)	147,371.98	(0.30%)	142.49%	Due to losses in Alcohol segment in current year as against profit in previous year.
Return on Equity ratio (Profit after tax / Average Shareholder's Equity)	Percentage	NAP							
Return on Capital Employed (Profit Before Tax + Finance cost / Tangible Net worth + Debt)	Percentage	1,956.25	99,234.90	1.97%	2,623.13	101,454.17	2.59%	(23.76%)	
Return on Investment: (Net profit after tax/Average Total Asset)	Percentage	(1,019.69)	202,256.39	(0.50%)	(443.07)	212,640.96	(0.21%)	141.96%	Due to losses in Alcohol segment in current year as against profit in previous year.

NAP-Not Applicable because of negative Net network /Working capital.

NAP*-Not Applicable as the company is in default of repayment of the term liabilities.

25. Relationship with struck off companies-

(₹ lacs)

Name of struck off Company	Nature of transaction	Transaction during the year March 31, 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Angelina Infratech Pvt.Ltd	Repair & Maintenance of Computer	-	(0.01)	No
VMS Consultants Pvt. Ltd.	Professional Charges	-	(0.32)	No
S.B.Reshellers Pvt Ltd	Pur. of Spare Parts	-	(0.14)	No

(₹ lacs)

Name of struck off Company	Nature of transaction	Transaction during the year March 31, 2021	Balance outstanding at the end of the year as at March 31, 2021	Relationship with the Struck off company, if any, to be disclosed
Angelina Infratech Pvt.Ltd	Repair & Maintenance of Computer	-	(0.01)	No
VMS Consultants Pvt. Ltd.	Professional Charges	-	(0.32)	No
S.B.Reshellers Pvt Ltd	Pur. of Spare Parts	-	(0.14)	No

26. The Ministry of Corporate Affairs, through notification dated March 24, 2021 had amended Schedule III of the Companies Act, 2013 which prescribes the presentation and disclosure requirements of the Financial Statements. These amendments are made effective for the Financial Statements prepared for

the period commencing from April 1, 2021. To comply with these amended requirements, certain reclassification have been made in the Balance Sheet of the previous year to make it comparable with the prescribed classification for the current financial year as under:-

Particulars	Original Figures March 31, 2021	Revised Figures March 31, 2021	Remarks
Trade Payable	79,882.61	78,604.70	As per prescribed amendment, Employee dues of ₹1,094 lacs and Other provision of ₹142.08 lacs have been reclassified and shown as Other financial liabilities instead of Trade payables. As per prescribed amendment, Statutory dues of ₹41.45 lacs have been reclassified and shown as Other Current liabilities instead of Trade payables.
Other financial liabilities	126,827.06	25,281.05	As per prescribed amendment, Employee dues of ₹1,094 lacs and Other provision of ₹142.08 lacs have been reclassified and shown as Other financial liabilities instead of Trade payables. As per prescribed amendment, Recalled loans of ₹102,782.47 lacs have been reclassified and shown as Short term borrowings instead of Other financial liabilities.
Other Current liabilities	1,526.64	1,568.09	As per prescribed amendment, Statutory dues of ₹41.45 lacs have been reclassified and shown as Other Current liabilities instead of Trade payables.
Short term Borrowings	-	102,782.47	As per prescribed amendment, Recalled loans of ₹102,782.47 lacs have been reclassified and shown as Short term borrowings instead of Other financial liabilities.

27. Additional regulatory information

- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- There are no proceedings against company, being the Company registered under "the Act", that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

28. Details of loan and advances given, investment made and securities provided as required to be disclosed as per provisions of Section 186 (4) of the Companies Act, 2013 have been disclosed in respective heads.

29. The Previous year's figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as on the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For and on behalf of the Board of Directors

In terms of our report attached

For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating Officer
DIN - 06714324

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

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

INDEPENDENT AUDITORS' REPORT

To
The Members of
Simbhaoli Sugars Limited
Simbhaoli, Hapur, U.P.

Report on the Audit of the Consolidated Financial Statements Adverse Opinion

We have audited the accompanying Consolidated financial statements of Simbhaoli Sugars Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries companies together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information and notes for the year then ended (hereinafter referred to as "the Consolidated financial statement").

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying consolidated financial statements do not give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2022, their consolidated losses including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year then ended.

Basis for Adverse Opinion

- i) As explained in Note No. 4 of the Consolidated financial statements, these consolidated financial statements have been prepared without consolidation of financial statements of material subsidiary viz. Simbhaoli Power Private Limited (SPPL) for the year ended March 31, 2022 but prepared after consolidation of financial statement of SPPL for the year ended March 31, 2021, because financial statements of SPPL for the year ended March 31, 2022 have not been yet finalized and approved till date. Under the accounting principles generally accepted in India, the material subsidiary should have been consolidated because it is controlled by the Company. Had the financial statement of SPPL for the year ended March 31, 2022 been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements due to the failure to consolidate the same have not been determined.
- ii) We draw attention to Note No.5 and 5a of the Consolidated financial statements regarding non provisions for impairment in the carrying value of property, plant and equipment by the holding company and by SPPL. We and the auditor of SPPL are not made available of appropriate impairment assessment carried out by the management of the respective companies and accordingly, we are unable to comment on the same including compliance with the Ind AS-36 ('Impairment of Assets') and any consequential adjustments that may arise in this regard in these consolidated financial statements.

- iii) We draw attention to Note No. 6, of the Consolidated financial statements 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) We draw attention to Note No.9 of the Consolidated financial statements regarding non-provision of interest expense amounting ₹17,013.85 Lakhs (Previous year ₹ 15,461.02 Lakhs) on certain borrowings for the year ended March 31, 2022 for the reasons stated in the said note. The total amount of interest expense not provided for in the accounts aggregates to ₹ 69,929.48 Lakhs till March 31, 2022 (Previous year ₹ 52,915.64 Lakhs). Had the aforesaid interest expense been provided for, the Finance Cost, Net Loss after tax and Total Comprehensive Loss for the year ended March 31, 2022 would have been increased by ₹ 17,013.85 Lakhs (Previous year ₹ 15,461.02 Lakhs), the Current Financial Liability as at March 31, 2022 would have been increased and shareholder's funds as at March 31, 2022 would have been decreased by ₹ 69,929.48 Lakhs (Previous year ₹ 52,915.64 Lakhs).
 - v) As stated in Note No.23 of the Consolidated financial statements, Integrated Casetech Consultants Private Limited ('ICCPL') had recognized revenue of ₹ 462.57 Lacs as unbilled revenue in the financial year 2020-21, which had been in disputes with the counter parties and pending final settlement of disputes, the same is continued to be carried on at the same amount without making any provision for credit loss and probable estimated loss on account of disputes. We are not made available of appropriate impairment assessment carried out by the management of ICCPL and accordingly, we are unable to comment on the same, including the compliance of the Ind AS 36 and any consequential adjustments that may arise in this regard in the consolidated financial statements.
 - vi) As stated in Note No.5.a of the Consolidated financial statements, 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, showed that revenue from operations for the year ended March 31, 2020 would have been lower and loss for the year would have been higher by ₹683 Lakhs, if accounted for at or basis reduced tariff as per CRE Regulations 2019. Consequently, 'other equity' and 'non-controlling interest' as at March 31, 2022 is overstated by ₹ 348 Lakhs and ₹ 335 Lakhs respectively.
- Our opinion is qualified in respect of the above matters.

Material Uncertainty related to Going Concern:

- i) As stated in Note No. 5 of the consolidated financial Statements, the financial statement of the holding company has been prepared on going concern basis. Events or conditions as set forth in Note No. 5 indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as going concern. The ability of the holding company to continue depends on the decision of National Company Law Tribunal under the Insolvency and Bankruptcy Code 2016, the holding company's ability to get

its borrowings restructured/settled as stated in the said note and turnaround of its sugar and distilleries operations on sustainable basis.

- ii) As stated in Note No. 5.a of Consolidated financial statements, the statutory auditors of SPPL in its audit report on the financial statements for the year ended March 31, 2021 has reported for the existence of a material uncertainty that may cast significant doubts about SPPL's ability to continue as a going concern on accounts of reporting of losses consequent to significant reduction in tariff rate by UPERC and other factors.

Our report is not modified in respect of the above matters.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse audit opinion on the consolidated financial statements.

Key Audit Matters

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

Determination of Net Realizable Value of Sugar for comparison with Cost of Production (COP) for valuation of inventory:

<p>As on March 31, 2022, the Group has inventory of sugar with a carrying value of ₹38,620.76 lakhs. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative value of inventory in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, and fluctuation in domestic and international selling prices in determination of Net Realizable Value.</p>	<p>Principal Audit Procedures</p> <p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar. We considered various factors including the prevailing unit specific domestic selling price during and subsequent to the year end, minimum selling price & monthly quota, selling price for contracted sugar export and initiatives taken by the Government with respect to sugar industry as a whole.</p> <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year-end and comparison with cost for valuation of inventory is considered to be reasonable.</p>
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Board of Directors of the entities included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Consolidated Financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors,
- Conclude on the appropriateness of Board of Director's of the Holding Company use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Consolidated

Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion

- Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements include the audited financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 141.39 Lakhs as at March 31, 2022, total revenue of ₹ 4.42 Lakhs, net loss after tax and total comprehensive income of ₹ 2.24 Lakhs for the year ended March 31, 2022 respectively and cash inflows of ₹ 13.05 Lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure – 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. As required by Section 197(16) of the Act, we report that the Holding Company and its subsidiaries which are incorporated in India had paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
3. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) Except for the effects of the matters described in the Basis for Adverse Opinion paragraph above, in our opinion, proper books of account as required by law for preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) Except for the effects of the matters described in the Basis for Adverse Opinion paragraph above, in our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
 - e) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion paragraph above.
 - f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March 2022, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group, as detailed in Note No. 6 of the consolidated financial statements, has disclosed the impact of pending litigation on its financial position in its consolidated financial statements.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries which are incorporated in India.
 - iv. (a) The Management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiaries which are incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiaries which are incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the holding company or its subsidiary companies incorporated in India from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the holding company or its subsidiary companies incorporated in India shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub- clause (i) and (ii) of Rule 11 (e) as provided under paragraph (2) (h) (iv) (a) & (b) above, contain any material misstatement.
 - v) The Group has not declared or proposed dividend during the year.

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

(B. L. Gupta)
Partner

Place : Simbhaoli, Hapur (U.P.) (Membership No. 073794)
Date : 20.05.2022 UDIN: 22073794AJHGAM4010

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

Annexure A to the Independent Auditor's Report to the members of Simbhaoli Sugars Limited on its consolidated financial statements dated 20.05.2022.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

xxi) According to the information and explanations given to us, the auditors of Simbhaoli Power Private Limited (SPPL), a material subsidiary company has not issued the CARO report

for the year ended March 31, 2022 till the date of this audit report.

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

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

**Place : Simbhaoli, Hapur (U.P.) (Membership No. 073794)
Date : 20.05.2022 UDIN: 22073794AJHGAM4010**

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

Annexure B to the Independent Auditor's Report to the members of Simbhaoli Sugars Limited on its consolidated financial statements dated 20.05.2022.

Report on the Internal Financial Controls Over Financial Reporting under Clause (j) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 3(f) of 'Report on Other Legal and Regulatory Requirements' section

In conjunction with our audit of the Consolidated Financial Statements of **Simbhaoli Sugars Limited** ("the Holding Company") as of March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.as of March 31, 2022.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated

financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to these consolidated financial statements

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

Opinion

In our opinion, except for the effects of the matter described in the Basis for Adverse Opinion paragraph, material uncertainty on going concern, Holding Company and its subsidiary companies incorporated in India have, in all material respects, an adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal control with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls with reference to consolidated financial statements in so far as it relates to one subsidiary company which is company incorporated in India, is based solely on the corresponding reports of the auditor of such company. Our opinion is not modified in respect of the above matter.

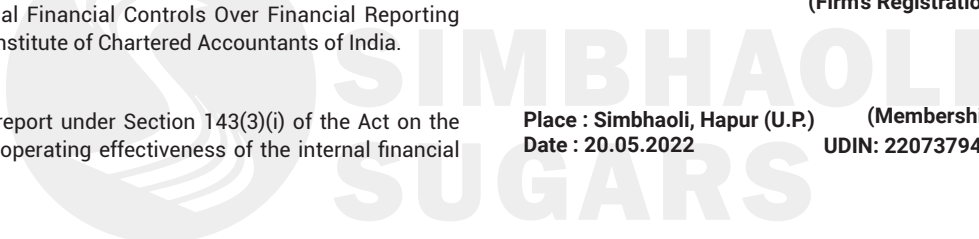
We draw attention to the fact that Auditors' report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls in respect of one subsidiary i.e. Simbhaoli Power Private Ltd. has not been provided to us and accordingly we do not express any opinion on the adequacy and operating effectiveness of the internal financial controls in so far as it relates to Simbhaoli Power Private Ltd. as the financial statements for the year ended for March 31, 2022 have not been yet finalized, approved and submitted by the management of SPPL for the purpose of consolidation.

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

(B. L. Gupta)
Partner

Place : Simbhaoli, Hapur (U.P.)
Date : 20.05.2022

(Membership No. 073794)
UDIN: 22073794AJHGAM4010



SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

	Notes	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
ASSETS			
Non-current assets			
a) Property plant and equipment	3.01	148,080.46	150,592.04
b) Capital work-in-progress	3.02	396.25	62.24
c) Other Intangible assets	3.03	45.80	57.38
d) Goodwill		-	1,239.95
e) Financial assets			
(i) Investments	3.04	4.77	2.76
(ii) Trade Receivables	3.05	683.03	683.03
(iii) Other	3.06	220.38	158.77
f) Deferred tax assets (net)	3.07	129.02	131.43
g) Non-current Tax Assets	3.08	419.40	426.79
h) Other non-current assets	3.09	594.07	508.80
Total non-current assets		150,573.18	153,863.19
Current assets			
a) Inventories	3.10	46,655.37	46,610.69
b) Financial assets			
(i) Investments	3.11	14.56	14.56
(ii) Trade Receivables	3.12	7,562.77	8,228.54
(iii) Cash & cash equivalents	3.13	4,642.61	5,482.97
(iv) Bank balances other than cash & cash equivalents	3.14	2,021.86	2,187.73
(v) Other financial assets	3.15	1,451.69	359.22
c) Other current assets	3.16	1,956.24	10,061.31
d) Assets classified as held for sale		33.73	33.73
Total current assets		64,338.83	72,978.75
Total assets		214,912.01	226,841.94
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	3.17	4,127.90	4,127.90
b) Other equity	3.18	(11,053.15)	(8,922.05)
c) Non- Controlling interest		11,037.25	11,037.18
Total equity		4,112.00	6,243.03
LIABILITIES			
Non current liabilities			
a) Financial liabilities			
(i) Borrowings	3.19	1,388.86	1,396.35
(ii) Other financial liabilities	3.20	3,741.80	3,741.80
b) Provisions	3.21	453.17	469.77
Total non-current liabilities		5,583.83	5,607.92
Current liabilities			
a) Financial liabilities			
(i) Borrowings	3.22	104,377.16	105,673.99
(ii) Trade and other payables			
A) Total outstanding dues of micro enterprises and small enterprises	3.23	436.59	361.00
B) Total outstanding dues of creditors other than micro enterprises and small enterprises	3.23	73,059.24	80,636.56
(iii) Other financial liabilities	3.24	24,887.87	25,633.13
b) Other Current liabilities	3.25	1,629.07	1,904.05
c) Provisions	3.26	312.56	268.04
d) Current Tax Liabilities	3.27	513.69	514.22
Total current liabilities		205,216.18	214,990.99
Total equity and liabilities		214,912.01	226,841.94
See accompanying notes forming part of the financial statements	1 to 30		

Refer Note no.4

Refer Note no.24

For and on behalf of the Board of Directors

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

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

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2022

	Notes	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
Revenue from operations			
Revenue from operations	3.28	138,530.07	149,115.61
Other Income	3.29	2,782.58	448.39
Total income		141,312.65	149,564.00
Expenses			
Cost of materials consumed	3.30	81,677.44	88,178.91
Purchases of stock-in-trade	3.31	6,877.58	3,572.94
Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.32	170.70	9,228.48
Excise Duty on sale of goods	3.33	23,633.84	19,413.20
Employee benefits expense	3.34	6,948.71	7,026.70
Finance costs	3.35	2,883.52	4,994.82
Depreciation and amortization expense	3.36	3,231.28	4,581.36
Power and Fuel	3.37	3,047.56	1,740.28
Other expenses	3.38	13,724.18	13,477.86
Total expenses		142,194.81	152,214.55
Profit/(loss) before exceptional items and tax		(882.16)	(2,650.55)
Exceptional items - expenses/(income)	3.39	1,239.95	71.54
Profit/(loss) before tax		(2,122.11)	(2,722.09)
Tax expense:			
- Current Tax		2.66	0.94
- Deferred Tax		(0.55)	(19.61)
- Tax adjustments related to earlier years		120.01	32.73
Total Tax Expense		122.12	14.06
Profit after Tax		(2,244.23)	(2,736.15)
Other Comprehensive Income			
A. (i) Items that will not be re-classified to profit or loss:		95.47	17.12
(ii) Income tax relating to items that will not be re-classified to profit or loss		(2.96)	(1.17)
B. (i) Items that will be re-classified to profit or loss:		-	-
(ii) Income Tax relating to items that may be reclassified to profit or loss		-	-
Total Other Comprehensive Income (net of tax)		92.51	15.95
Total Comprehensive Income		(2,151.72)	(2,720.20)
Profit/loss for the year attributable to:			
1). Owners of the parent		(2,243.04)	(2,191.32)
2). Non Controlling Interest		(1.19)	(544.83)
Other Comprehensive Income attributable to:			
1). Owners of the parent		91.25	14.46
2). Non Controlling Interest		1.26	1.49
Total Comprehensive Income attributable to:			
1). Owners of the parent		(2,151.79)	(2,176.86)
2). Non Controlling Interest		0.07	(543.34)
Earnings per equity share-basic/diluted (₹)			
- Before exceptional items		(2.43)	(6.46)
- After exceptional items		(5.44)	(6.63)
See accompanying notes forming part of the financial statements		1 to 30	

For and on behalf of the Board of Directors

In terms of our report attached

For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

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

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particular	Year ended March 31, 2022 ₹ lacs	Year ended March 31, 2021 ₹ lacs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) before tax and exceptional items	(882.16)	(2,650.55)
Adjustments for:		
Depreciation and amortization (net of revaluation reserve)	3,231.28	4,581.36
Finance costs	2,883.52	4,994.82
Interest income on financial assets and others	(1,456.47)	(122.05)
Liability/provisions no longer required written back	(1,196.16)	(271.55)
Bad Debts and advances written off	1.07	30.46
Unrealised foreign exchange fluctuation	(2.94)	2.79
Profit on redemption of Mutual Funds Units	(25.54)	(18.78)
Loss/ (profit) from sale of property, plant and equipment (net)	(25.03)	0.04
Fair value on investments at fair value through profit or loss	-	7.15
Provision for credit loss	797.17	706.20
Mollasses Storage Fund	20.69	21.61
Operating profit/(loss) before working capital changes	3,345.43	7,281.50
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Changes in trade and other receivables	(129.53)	403.10
Changes in other non current and current financial asset	(90.35)	(205.29)
Changes in other non current and other current assets	8,012.63	(592.22)
Changes in inventories	(44.68)	8,583.45
Changes in trade and other payables	(6,276.60)	(8,929.13)
Changes in other non-current and other current financial liabilities	103.75	2.42
Changes in other non-current and other current liabilities	(274.98)	(146.46)
Changes in long term and short term provision	27.92	8.51
Cash (used)/generated from operations	4,673.59	6,405.88
Direct taxes (paid)/refund	(187.29)	443.00
Net cash (used) / from operating activities	4,486.30	6,848.88
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant and equipment	(830.49)	(533.30)
Sale of property, plant and equipment	35.94	-
Sale of/ (Investments) Mutual Funds (Net)	25.54	594.73
Proceed from maturity of national saving certificate	(2.01)	(0.50)
Interest received on debentures/ fixed deposits/ inter corporate deposits	477.45	84.50
Changes in fixed deposit with Banks	236.81	540.71
Net cash (used) / from investing activities	(56.76)	686.14
C. CASH FLOW FROM FINANCING ACTIVITIES :		
EMD Paid to banks for OTS	(80.00)	(949.60)
Interest expenses	(3,885.58)	(2,045.09)
Repayment of long term borrowings	(108.14)	(2,189.34)
Proceeds/(repayment) of short term borrowings(net)	(1,196.18)	(1,300.53)
Net cash (used) / from financing activities	(5,269.90)	(6,484.56)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	(840.36)	1,050.46
E. Cash and cash equivalents (opening balance)	5,482.97	4,432.51
F. Cash and cash equivalents (closing balance) (D+E)		
Cash and bank balances (D+E)	4,642.61	5,482.97

Refer note no.4

Refer note no.24

Notes:

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

2) **Cash and cash equivalents as at the Balance Sheet date consists of:** (₹ lacs)

Particular	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
(a) Balance with Banks on current accounts	4,627.88	5,457.82
(b) Cash in hand	14.73	25.15
Closing Cash and Cash Equivalents(Refer Note No. 3.13)	4,642.61	5,482.97

3) Figure in brackets represent cash outflow for respective activities.

4) Previous year figures have been regrouped and recasted wherever necessary to confirm to the current year's classification.

For and on behalf of the Board of Directors

In terms of our report attached

For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

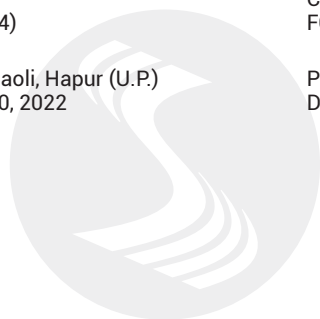
B. L. GUPTA
Partner
(M.No. - 073794)

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022



**SIMBHAOLI
SUGARS**

SIMBHAOLI SUGARS LIMITED
(Formerly known as 'Simbhaoli Spirits Limited')
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2022

EQUITY SHARE CAPITAL

(₹ lacs)

For the year ended March 31, 2022					For the year ended March 31, 2021				
Balance as at April 01, 2021	Change in Equity shares Capital due to prior period errors	Restated balance at the beginning of the previous year	Changes in Equity share capital during the year	As at March 31, 2022	Balance as at April 01, 2020	Change in Equity shares Capital due to prior period errors	Restated balance at the beginning of the previous year	Changes in Equity share capital during the year	As at March 31, 2021
4,127.90	-	4,127.90	-	4,127.90	4,127.90	-	4,127.90	-	4,127.90

OTHER EQUITY

(₹ lacs)

Particulars	Attributable to the equity shareholders of the parent					Other Comprehensive Income		Other equity	Non Controlling Interest	Total
	Reserve and Surplus					Foreign Currency Translation Reserve	Actuarial gain/(loss) on employee benefit plan			
	Securities premium	Share warrant	Storage fund for molasses account	Forfeiture Reserve	Retained Earning					
Balance as at April 01, 2021	46,301.79	-	67.00	96.30	(55,386.95)	(0.19)	-	(8,922.05)	11,037.12	2,115.13
Profit/(loss) for the year	-	-	-	-	(2,243.04)	-	-	(2,243.04)	(1.19)	(2,244.23)
Transfer to storage fund for molasses	-	-	20.69	-	-	-	-	20.69	-	20.69
Other comprehensive income	-	-	-	-	-	-	91.25	91.25	1.26	92.51
Transferred from/to other comprehensive income/retained earning	-	-	-	-	91.25	-	(91.25)	-	-	-
Transferred from/to Foreign Currency translation reserve/ retained earning	-	-	-	-	(0.19)	0.19	-	-	-	-
Balance as at March 31, 2022 #	46,301.79	-	87.69	96.30	(57,538.93)	-	-	(11,053.15)	11,037.25	(15.90)
Balance as at March 31, 2020	46,301.79	-	45.39	96.30	(53,210.09)	(0.19)	-	(6,766.80)	11,580.52	4,813.72
Profit/(loss) for the year	-	-	-	-	(2,191.32)	-	-	(2,191.32)	(544.83)	(2,736.15)
Transfer to storage fund for molasses	-	-	21.61	-	-	-	-	21.61	-	21.61
Other comprehensive income	-	-	-	-	-	-	14.46	14.46	1.49	15.95
Transferred from/to other comprehensive income/retained earning	-	-	-	-	14.46	-	(14.46)	-	-	-
As at March 31, 2021 # #	46,301.79	-	67.00	96.30	(55,386.95)	(0.19)	-	(8,922.05)	11,037.18	2,115.13

Refer note no.4

Refer note no.24

*The Amount of Remeasurement of Defined Benefit Plan included in retained earning is as under:

As at March 31, 2020 (303.60)

As at March 31, 2021 (289.14)

As at March 31, 2022 (197.89)

See accompanying notes forming part of the financial statements

For and on behalf of the Board of Directors

In terms of our report attached

For **MITTAL GUPTA & CO.**
Chartered Accountants
FRN - 01874C

Gurmit Singh Mann
Chairman
DIN - 00066653

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Sachchida Nand Misra
Chief Operating Officer
DIN - 06714324

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

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Kamal Samtani
Company Secretary
FCS - 5140

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

1. Background

The Consolidated financial statements comprise of financial statement of Simbhaoli Sugars Limited and its subsidiaries namely Simbhaoli Power Private Limited, Integrated Casetech Consultants Private Limited, Simbhaoli Global Commodities DMCC and Simbhaoli Speciality Sugars Private Limited (collectively "the Group").

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

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

Sl. No.	Name of subsidiary/ Joint Venture	Business	Country of Incorporation	% voting power held as at	
				March 31, 2022	March 31, 2021
1.	Simbhaoli Power Private Limited	Generation of green power	India	51.00	51.00
2.	Integrated Casetech Consultants Private Limited	Consultancy business	India	85.16	85.16
3.	Simbhaoli Speciality Sugars Private Limited	Packaging	India	100.00	100.00

These financial statements of the Group for the year ended 31st March, 2022 are approved and authorized for issue by the Company's Board of Directors on **May 20, 2022**.

2.1 Basis of preparation and presentation of Consolidated Financial Statements

i) Statement of Compliance with Ind AS

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

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

ii) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

iii) Principles of consolidation

a) The consolidated financial statements related to Simbhaoli Sugars Limited ("The Company") and its Subsidiaries (collectively referred as "The Group").

In the case of subsidiaries, control is achieved when the Group is exposed, or has right, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.
- The Group re-assesses whether or not it controls an investee if facts and circumstances indicates that there are changes to one or more of the three elements of control.
- Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the Group ceases to control the subsidiary.
- Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that the Group member's financial statement in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

- The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e. year ended on March 31, 2022, except in case of Simbhaoli Power Private Limited where consolidation has been done upto March 31, 2021. (Refer Note no. 4).
- Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

b) Consolidation procedure

The consolidated financial statements relate to Simbhaoli Sugars Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.
- In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
- Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to owners of the Group.
- Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the owners of the Group.

iv) Basis of preparation of consolidated financial statements

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

(v) Functional and presentation currency

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

(vi) Operating Cycle

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

2.2 Current versus non-current classification

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

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

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

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

- Expected to be settled in the Group's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments does not affect its classification.

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

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

2.3 Use of Estimates and management judgements

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

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

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

The areas involving critical judgment are as follows:

i) Material uncertainty about going concern:

In preparing consolidated financial statements, management has made an assessment of Group's ability to continue as a going concern. Consolidated financial statements are prepared on a going concern basis. The management is aware, in making its assessments, of material uncertainties related to events or conditions that may cast significant doubt upon the group's ability to continue as a going concern. Further details on going concern are disclosed in Note No. 5

ii) Fair value measurements of financial instruments:

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

iii) Employee benefit plans:

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

iv) Recoverability of trade receivables:

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

v) Provision and contingencies:

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

vi) Income Tax:

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

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

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

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

2.4 Significant Accounting Policies

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

• Recognition and measurement

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

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

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

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

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

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

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

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

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

Capital work-in-progress, representing expenditure incurred in respect of assets under development and

not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

- **Subsequent Expenditure.**

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

B. Intangible Assets

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

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

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

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

C. Depreciation and Amortization

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

However, in respect of the plant and machinery acquired under Business Transfer Agreement by SPPL (Simbhaoli Power Private Limited), where life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset etc.

Category of PPE	Depreciation Method
Building owned by SPPL	Written down value Method
Other Buildings	Straight line Method
Plant & Machinery (used in generation of power)	Straight line Method
Plant & Machinery (other than above)	Straight line Method
Computer Equipment	Straight line Method
Furniture & Fixtures	Straight line Method
Motor Vehicles	Written down value Method
Office Equipment	Straight line Method

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

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

Right-of- use assets are depreciated on straight line method (SLM) over the period of life of right-of-use assets or lease

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

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

D. Leases

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

- **The Group as a lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- > The contract involves the use of an identified asset.
- > The group has substantiated all of the economic benefits from use of the asset through the period of the lease and;
- > The group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets is evaluated for recoverability whenever events or changes in circumstances indicate

that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

• **As a lessor**

Leases for which the group is a lessor is classified as finance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease. When the group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sub-lease is classified as finance lease or operating lease with reference to right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of such lease.

E. Government Grant

Grants from the government are recognized at their fair value where there is reasonable assurance that the grant will be received, and the group will comply with all attached conditions.

Governments Grants relating to the purchase, construction or otherwise acquired non-current assets, are recognized as deferred income in the balance sheet and are credited to profit or loss on a systematic and rational basis over the expected lives of the related assets and presented in other income.

Government Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the group with no future related costs are recognized in statement of profit or loss in the period in which they become receivable.

F. Borrowing

Long term borrowing are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of Profit and Loss over the period of the borrowing using the effective interest method.

G. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing

costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Other borrowing costs are expensed in the period in which they are incurred.

H. Employee benefit plans:

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Retirement benefit in the form of superannuation fund is a defined contribution scheme. The Group has established a Superannuation Fund Trust to which contributions are made quarterly. The Group recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Group has no other obligations beyond its quarterly contributions.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized as other comprehensive income. The group determines the

net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gain or losses are recognized in statement of profit or loss in the period in which they arise.

Voluntary Retirement Scheme

Expenditure on voluntary retirement scheme is charged to the Statement of Profit and Loss in the year in which it is incurred.

I. Inventories

Inventories, except By-products are valued at the lower of cost and net realizable value. By-products are valued at estimated net realizable value. The bases of determining cost for different categories of inventory are as follows:

Stores and spare parts	-	Monthly weighted average
Raw materials	-	First in first out (FIFO)
Process stocks/finished Goods	-	Material cost plus appropriate share of labour and manufacturing overheads.
Stock in trade	-	First in first out (FIFO)

J. Financial Instruments

i) Financial Asset

• Classification

The group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and contractual cash flow characteristics of the financial asset.

• Initial Recognition and Measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

• Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- At amortized cost,
- At fair value through other comprehensive income (FVTOCI), and
- At fair value through profit or loss (FVTPL).

• Debt instrument at amortized cost

A "Debt instrument" is measured at the amortized cost if both the following condition are met:

- The assets are held within a business model whose objective is to hold assets for collecting contractual cash flow(business model test) , and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding (contractual cash flow characteristics).

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount, premium, fee or costs that are an integral part of an EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

• Debt instrument at fair value through profit or loss

Debt instruments included within the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

• Debt instruments at fair value through other comprehensive income

A financial asset should be measured at FVTOCI if both the following conditions are met:

- The asset is held within a business model in which asset are managed both in order to collect contractual cash flows and for sale, and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

After initial measurement (at fair value minus transaction cost), such financial assets are measured at fair value with changes in fair value recognized in Other comprehensive income except for:

- (i) Interest calculated using EIR
- (ii) Foreign exchange gain and losses , and
- (iii) Impairment losses and gains

• Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. April 01, 2016. Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in statement of profit or loss. The Group may make an irrevocable election to present in OCI subsequent changes in the fair value. The Group makes such election on an

instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price, if loss, is recognized through retained earnings and after initial recognition subsequent changes in fair value of equity instruments is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

- **De-recognition**

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

- The right to receive cash flows from the assets have expired or
- The group has transferred substantially all the risks and rewards of the assets, or
- The group has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

ii) **Financial liabilities**

- **Classification**

Debt and equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual agreements and the definitions of financial liability and equity instrument.

- **Initial recognition and measurement**

The group recognizes financial liability when it becomes a party to the contractual provision of the instrument. All financial liabilities are recognized initially at fair value, for financial liability not subsequently measured at FVTPL, at transaction costs that are directly attributable to the issue of financial liability.

- **Subsequent Measurement**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

- **Financial liability at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gain and losses are recognized in statement of profit and loss when the liabilities are derecognized.

Amortization cost is calculated by taking into account any discount or premium on acquisition and transaction cost. These amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & borrowings.

- **Financial liability at FVTPL**

Financial liabilities are classified at FVTPL when the financial liability is either contingent consideration recognized by the group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designed as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gain or loss arises on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

- **Equity Instrument**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognized at the proceeds received, net of direct issue cost.

Repurchase of the group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the group's own equity instruments.

- **De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognized in the Statement of Profit and Loss.

- **Offsetting of financial instrument**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

K. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, deposits held at call with banks, balance with banks on current account and short term, highly liquid investments with an original maturity of three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short term deposits, net of outstanding bank overdraft as they being considered as integral part of the group's cash management.

L. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Sale of Goods

The Group derives revenue primarily from, sale of sugar and other by-products produced from processing of sugar cane, and sale of chemical, liquor etc. Revenue from sale of goods is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the group expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount and pricing incentives, rebates, other similar allowances to the customers and also excluding value added taxes, goods and other taxes and amounts collected on behalf of third parties or government, if any.

Revenue from Contracts

Revenue from contracts with customers is recognised upon satisfaction of performance obligation by transferring of control of promised products or services to customers at an amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount that the Group expects to be entitled to in exchange of transferring promised goods or services to a customer.

The Group identifies each performance obligation at contract inception to determine whether it satisfies the performance obligation over time or at a point of time. Accordingly:

Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

Revenue from the sale of distinct third party equipment is recognised at the point in time when control is transferred to the customer.

The solutions offered by the Company may include supply of third-party equipment. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue from Power generation is recognised on accrual basis as per terms of Power Purchase Agreement (PPA) with Uttar Pradesh Power Corporation Limited. The normal credit term is 30 days upon delivery.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The terms of power efficiency adjustment on sale of power in contracts with customer give rise to variable consideration.

Group's contract with customers does not contain any significant financing component or non-cash consideration or right to return with customers.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The contract assets are shown as "Unbilled Income".

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities are shown as "Advance from Customers".

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income is recognized when the Group's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Export Incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Insurance Claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Income from REC

Income from REC is recognized to the extent approved and credited in company's favour by concerned authority in the account maintained with Renewable Energy Certificate Registry of India at the minimum expected realizable value, determined based on the rates specified under the relevant regulations. The difference between the amount recognized initially and the amount realized on sale of such RECs at the Power Exchange are accounted for as and when such sale take place.

M. Expenses

All expenses are accounted for on accrual basis.

N. Foreign currency translations

Consolidated financial statements have been presented in Indian Rupees (INR), which is Group's functional and presentation currency.

i. Initial Recognition

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

ii. Transactions and balances

Monetary assets and liabilities related to foreign currency transactions outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

O. Taxes

i. Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

ii. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on net basis or simultaneously.

iii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither

accounting nor taxable profit or loss at the time of the transaction;

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. In case of a history of continuous losses, the group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Minimum Alternate Tax (MAT) credits is recognized as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilized by the company in future.

P. Impairment

• Non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortization but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable

amount. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss in the year in which an asset is identified as impaired.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

● **Financial assets**

The group applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instrument and are measured at amortized cost e.g. loans, debt securities, deposits, and bank balance.
- Trade receivables:

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on life time expected credit loss at each reporting date, right from its initial recognition.

Q. Earnings per share

Basic earnings per share are calculated by dividing the profit/loss for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

R. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement

of profit or loss net of any reimbursement. Provisions are not recognized for future operating losses.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognized but disclosed, when possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

S. Operating Segments

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the different risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and Liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

T. Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Group are segregate

3.01 PROPERTY, PLANT AND EQUIPMENT

₹ lacs

Particulars	Land Freehold	Buildings	Railway Siding	Plant & Machinery	Furniture & Fixtures	Vehicles	Other Equipments	Total
Gross block								
Gross carrying amount as at April 01, 2020	85,125.11	16,723.96	0.50	78,222.46	248.74	193.64	806.61	181,321.02
Additions during the year	-	33.22	-	1,220.00	7.73	-	17.78	1,278.73
less:-Disposals/Deductions during the year	-	-	-	2.18	-	4.29	-	6.47
Gross carrying amount as at March 31, 2021	85,125.11	16,757.18	0.50	79,440.28	256.47	189.35	824.39	182,593.28
Depreciation								
As at April 01, 2020	-	5,562.84	0.50	20,969.06	178.27	164.61	574.42	27,449.70
Depreciation for the year	-	912.90	-	3,552.77	12.02	13.58	66.43	4,557.71
less:-Disposals/Deductions during the year	-	-	-	2.14	-	4.03	-	6.17
Accumulated depreciation as at March 31, 2021	-	6,475.74	0.50	24,519.69	190.29	174.16	640.85	32,001.24
Net carrying amount as at March 31, 2021 #	85,125.11	10,281.44	-	54,920.59	66.18	15.19	183.54	150,592.04
Gross block								
Gross carrying amount as at April 01, 2021	85,125.11	16,757.18	0.50	79,440.28	256.47	189.35	824.39	182,593.28
Additions during the year	-	15.73	-	657.77	2.71	6.19	37.43	719.83
less:-Disposals/Deductions during the year	-	-	-	28.51	0.06	13.57	1.71	43.85
Gross carrying amount as at March 31, 2022	85,125.11	16,772.91	0.50	80,069.53	259.12	181.97	860.11	183,269.26
Depreciation								
As at April 01, 2021	-	6,475.74	0.50	24,519.69	190.29	174.16	640.85	32,001.24
Depreciation for the year	-	413.76	-	2,722.66	10.06	3.75	68.43	3,218.67
Less:-Disposals/Deductions during the year	-	-	-	25.95	0.06	3.45	1.65	31.11
Accumulated depreciation as at March 31, 2022	-	6,889.51	0.50	27,216.41	200.29	174.46	707.63	35,188.80
Net carrying amount as at March 31, 2022 #	85,125.11	9,883.40	-	52,853.12	58.83	7.51	152.48	148,080.46

Refer Note no. 4

Refer Note no. 24

Notes:

- i). The Group has availed loan from banks and other entities against securities of aforesaid assets. The details of charge created and security terms against borrowings are stated at Note No.9
- ii). Refer note no.6(vi) for the information on contractual commitments for acquisition of property, plant and equipments

3.01 a) Title deeds of immovable property not held in name of Simbhaoli Sugars Limited

As at March 31, 2021

Relevant line item in the Balance Sheet	Description of the property	Gross carrying amount (₹ in Lacs)	Title deed held in the name of	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Property, plant and equipment	Land at Simbhaoli Sugars limited -Brijnathpur (U.P)	42.30	Mr. Yaswant Lal	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company. The Company had taken steps to get the land registered in its name and already filed petition before Assistant Collector, which has not been adjudicated till date.
		12.47	Mr. Mohd. Yameen	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company. It could not be transferred in the name of the Company because transferor has expired. The Company had been in negotiations with the legal heirs of the transferor and in the process of completing the legal formalities for getting the land registered in its name.

As at March 31, 2022

Relevant line item in the Balance Sheet	Description of the property	Gross carrying amount (₹ in Lacs)	Title deed held in the name of	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Property, plant and equipment	Land at Simbhaoli Sugars limited -Brijnathpur (U.P)	42.30	Mr. Yaswant Lal	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company. The Company had taken steps to get the land registered in its name and already filed petition before Assistant Collector, which has not been adjudicated till date.
		12.47	Mr. Mohd. Yameen	No	01/04/2015	The land had been acquired under the scheme of Amalgamation and were not registered in the name of Erstwhile amalgamated Company. It could not be transferred in the name of the Company because transferor has expired. The Company had been in negotiations with the legal heirs of the transferor and in the process of completing the legal formalities for getting the land registered in its name.

1. Land parcels of 367.58 acre is registered in the name of the Company .
2. Land admeasuring 6.843 acre is in the process of registration in the name of Company.
3. During the year 1938, Company had acquired land on lease hold admeasuring 28 bigha and 2 biswa (appx. 17 Acres) situated at Buxer and Bhovapur Mastan nagar village Simbhaoli vide agreement dated 26.7.1938 and registered in the name of Company. In year 1996, State Government initiated the proceedings under Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950 against the Company and cancel the lease deed. The Company had filed the writ petition against the impugned order before Hon'ble High Court , on which an Interim Stay was granted and the matter is sub-judice.

3.02 Capital work-in-progress

₹ lacs

Particulars	Capital Work Progress
Opening Balance	
As at April 01, 2020	836.43
Addition during the year	57.24
Less:- Capitalised during the year	831.43
Closing Balance as at March 31, 2021 # #	62.24
Opening Balance	
As at April 01, 2021	62.24
Addition during the year	396.25
Less:- Capitalised during the year	62.24
Closing Balance as at March 31, 2022 # #	396.25

3.02 (a) Capital Work-in-progress ageing schedule

(₹ lacs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
CWIP ageing Schedule as at March March 31, 2021 # #					
Project in Process	57.24	5.00	-	-	62.24
Project temporarily suspended *	-	-	-	-	-
CWIP ageing Schedule as at March March 31, 2022 # #					
Project in Process	396.25	-	-	-	396.25
Project temporarily suspended *	-	-	-	-	-

*No Projects have been temporarily suspended.

3.02 (b) There is no project in progress as at March 31,2022 and March 31, 2021 whose completion is overdue nor the cost of any project has exceeded the amount compared to its original plan.

3.02 (c) Details of Project Suspended: NIL

3.03 Other Intangible Assets

₹ lacs

Particulars	Software
Gross block	
Gross carrying amount as at April 01, 2020	86.32
Addition during the year	31.00
Less:- Disposals/ Deductions during the year	-
Gross carrying amount as at March 31, 2021	117.32
Amortisation	
as at April 01, 2020	36.29
Amortisation for the year	23.65
Less:- Disposals/ Deductions during the year	-
As at March 31, 2021	59.94
Net carrying amount as at March 31, 2021 # #	57.38
Gross block	
Gross carrying amount as at April 01, 2021	117.32
Addition during the year	1.07
Less :- Disposals/ Deductions during the year	0.60
Gross carrying amount as at March 31, 2022	117.79
Amortisation	
as at April 01, 2021	59.94
Amortisation for the year	12.61
Less:- Disposals/ Deductions during the year	0.57
As at March 31, 2022	71.99
Net carrying amount as at March 31, 2022 #	45.80

Refer Note no. 4

Refer Note no. 24

NON CURRENT ASSETS / FINANCIAL ASSETS

3.04 INVESTMENTS

	As at March 31, 2022 ₹ lacs	As at March 31, 2021 ₹ lacs
Investment in Government securities (at cost)		
Unquoted		
6-Years Post Office National Savings Certificate	4.62	2.61
Other (at deemed cost)		
One share of ₹ 20 fully paid up in Simbhaoli Co-operative Cane Development Union Limited (*₹ 20)	*	*
Other		
- Unquoted		
Casetech Employees Share Plan Trust	0.15	0.15
	4.77	2.76
Aggregate amount of		
- Quoted	-	-
- Unquoted	4.77	2.76
Summary:		
- Aggregate investments carried at cost	4.77	2.76
- Aggregate investments carried at amortised cost	-	-
- Aggregate investments carried at fair value through other comprehensive income	-	-

3.05 TRADE RECEIVABLES

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Trade receivables - Considered Good Secured	-	-
Trade receivables - Considered Good Unsecured	683.03	683.03
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	683.03	683.03

Refer Note no.4

Refer Note no.24

3.05(a) Trade Receivables ageing schedule

Trade Receivables ageing schedule as at March 31, 2022 #

(₹ lacs)

Particulars	Outstanding for the following periods from due date of payments						Total
	Unbilled Revenue*	Less than 6 Months	6 Months -1 Year	1-2 year	2-3 year	More than 3 year	
Undisputed considered good				683.03	-	-	683.03
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed credit impaired	-	-	-	-	-	-	-
Disputed considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables- which have significant increase credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Sub Total	-	-	-	683.03	-	-	683.03
Less: Allowance for expected credit loss						-	
Total	-	-	-	683.03	-	-	683.03
As at March 31, 2021 # #							
Undisputed considered good				683.03	-	-	683.03
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed credit impaired	-	-	-	-	-	-	-
Disputed considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables- which have significant increase credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Sub Total	-	-	-	683.03	-	-	683.03
Less: Allowance for expected credit loss						-	
Total	-	-	-	683.03	-	-	683.03

Refer Note no.4

Refer Note no.24

3.06 OTHER FINANCIAL ASSETS (carried at amortised cost)

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Fixed deposits with banks (Earmarked)	199.15	112.79
Interest accrued on fixed deposits	9.96	4.12
Security deposits	11.27	41.86
	220.38	158.77

Refer Note no.4

Refer Note no.24

3.07 DEFERRED TAX ASSET/ (LIABILITY)

A) Deferred Tax Asset/ (Liability)

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Deferred Tax Asset :		
On account of carried forward losses	593.11	1,328.63
On account of carried forward unabsorbed depreciation	19,327.10	19,332.69
Liabilities and provisions tax deductible only upon payment/actual crystallization:		
-Interest payable to banks/financial institutions	8,987.88	8,999.93
-Others	1,075.38	1,114.07
	29,983.47	30,775.32
Deferred Tax Liability :		
On account of accelerated depreciation for tax purposes	9,271.26	9,819.99
On account of difference in the tax base value and carrying amount of land	20,586.84	20,824.89
	29,858.10	30,644.88
Mat Credit Entitlement	3.65	0.99
	129.02	131.43

B) Movement in deferred tax liabilities/ deferred tax assets

(₹ lacs)

Particulars	Carried forward losses & Unabsorbed Depreciation	Property Plant & Equipment	Interest payable to banks/ financial institutions	Other items	Mat Credit entitlement	Total
At 31st March 2020	22,477.46	(31,505.15)	8,686.01	433.34	21.33	112.99
(Charged)/credited:-						
-to profit & loss	(1,816.14)	860.27	313.92	681.90	(20.34)	19.61
-to other comprehensive income	-	-	-	(1.17)	-	(1.17)
At 31st March 2021	20,661.32	(30,644.88)	8,999.93	1,114.07	0.99	131.43
(Charged)/credited:-						
-to profit & loss	(741.11)	786.78	(12.05)	(35.73)	2.66	0.55
-to other comprehensive income	-	-	-	(2.96)	-	(2.96)
At 31st March 2022	19,920.21	(29,858.10)	8,987.88	1,075.38	3.65	129.02

C) Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Deferred Tax Asset :		
Tax Effect on Tax Losses	10,012.09	9,634.15
Tax Effect on Unabsorbed depreciation	22,435.41	22,435.41
Tax Effect on difference in the tax base value and carrying amount of Investments other than charged to OCI	489.41	393.37
Tax effect on items charged to OCI (Net)	3,212.21	3,072.23
	36,149.12	35,535.16
Expiry profile of unrecognised unused mat credit entitlement:		
Mat Credit Entitlement shall expire on -		
March, 31, 2026	4,874.40	4,874.40
March, 31, 2024	5,137.69	4,759.74
	10,012.09	9,634.14

Refer Note no.4

Refer Note no.24

3.08 NON-CURRENT TAX ASSETS

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Prepaid tax (net)	419.40	426.79
	419.40	426.79

Refer note no.4

Refer Note no.24

3.09 OTHER NON-CURRENT ASSETS

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Capital advances	5.94	8.94
Security deposit	95.50	86.50
Other advances *	492.63	413.36
	594.07	508.80

* Includes amount deposited with Government authorities under protest.

Refer Note no.4

Refer Note no.24

CURRENT ASSETS
3.10 INVENTORIES

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Raw materials	278.61	96.15
Work-in-progress	1,776.98	1,309.95
Finished goods #	42,344.86	42,981.52
Stock-in-trade	16.44	17.51
Stores and spares	2,230.23	2,197.24
Loose Tools	8.25	8.32
	46,655.37	46,610.69

Note.

includes Goods in Transit

Carrying amount of inventories pledged as security for borrowing

Amount of write down of inventories recognized as expenses

Refer Note no.4

Refer Note no.24

FINANCIAL ASSETS
3.11 Current Investment

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Investments in mutual funds - quoted		
452.12 units (31 March 2020: 19223.46. units) in SBI premier liquid fund - Regular plan - growth	14.56	14.56
	14.56	14.56
Aggregate book value of quoted investments	14.56	14.56
Aggregate market value of quoted investments	NA	14.60
# Refer Note no.4		
# # Refer Note no.24		

3.12 TRADE AND OTHER RECEIVABLES (carried at amortised cost)

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Trade receivables-Considered good Secured	-	-
Trade receivables-Considered good Unsecured	7,307.21	7,964.70
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	1,198.46	753.77
Unbilled Revenue	462.57	462.57
Sub-total	8,968.24	9,181.04
Less: Allowance for expected credit loss !	1,405.47	952.50
	7,562.77	8,228.54

Refer Note no.4

Refer Note no.24

3.12(a) Trade Receivables ageing schedule

Trade Receivables ageing schedule as at March 31, 2022 #

(₹ lacs)

Particulars	Outstanding for the following periods from due date of payments						Total
	Not due/ Demanded	Less than 6 Months	6 Months -1 Year	1-2 year	2-3 year	More than 3 year	
Undisputed considered good	68.72	6589.17	540.82	108.50	-	-	7,307.21
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed credit impaired	-	-	-	843.72	183.32	171.42	1,198.46
Disputed considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables- which have significant increase credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	462.57	-	-	-	-	-	462.57
Sub Total	531.29	6,589.17	540.82	952.22	183.32	171.42	8,968.24
Less: Allowance for expected credit loss							1,405.47
Total	531.29	6,589.17	540.82	952.22	183.32	171.42	7,562.77
As at March 31,2021 # #							
Undisputed considered good	-	7,058.67	703.82	140.05	62.16	-	7,964.70
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed credit impaired	-	-	30.24	343.25	48.88	331.40	753.77
Disputed considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	462.57	-	-	-	-	-	462.5
Sub Total	462.57	7,058.67	734.06	483.30	111.04	331.40	9,181.04
Less:- Allowance for expected credit loss							952.50
Total	462.57	7,058.67	734.06	483.30	111.04	331.40	8,228.54

Refer Note no.4

Refer Note no.24

3.13 CASH AND CASH EQUIVALENTS

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Balances with banks:		
- on current account	4,627.88	5,457.82
- Cash on hand	14.73	25.15
	4,642.61	5,482.97

Refer Note no.4

Refer Note no.24

3.14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
EMD Paid to banks for OTS	1,678.50	1,521.20
Fixed deposit with bank (Earmarked)	343.36	666.53
	2,021.86	2,187.73

Refer Note no.4

Refer Note no.24

3.15 OTHER FINANCIAL ASSETS (carried at amortised cost)

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Interest accrued on debentures	981.58	-
Interest accrued on fixed deposit	34.24	44.29
Security deposit	254.26	278.68
Claims receivable	16.96	16.96
Others	164.65	19.29
	1,451.69	359.22

Refer Note no.4

Refer Note no.24

3.16 OTHER CURRENT ASSETS

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
(Unsecured and considered good unless otherwise stated)		
Advance recoverable in cash or in kind or for value to be received		
Considered good *	715.61	758.71
Considered credit impaired/increase in credit risk	74.67	18.86
	<u>790.28</u>	<u>777.57</u>
Less : Allowance for expected credit loss	74.67	18.86
	<u>715.61</u>	<u>758.71</u>
Claims receivable		
Considered good	271.00	251.30
Considered credit impaired/increase in credit risk	11.79	-
	<u>282.79</u>	<u>251.30</u>
Less : Allowance for expected credit loss	11.79	-
	<u>271.00</u>	<u>251.30</u>
Prepaid expenses	315.25	236.85
Unbilled Revenue	394.99	462.57
Advance to employees		
Considered good	79.18	63.19
Considered credit impaired/increase in credit risk	2.56	2.56
	<u>81.74</u>	<u>65.75</u>
Less : Allowance for expected credit loss	2.56	2.56
	<u>79.18</u>	<u>63.19</u>
Government Grants	-	7,991.96
Balance with authorities	102.16	209.84
Unreconciled GST input credit considered doubtful	240.60	-
	<u>342.76</u>	<u>-</u>
Less : Provision for doubtful balance	240.60	-
	<u>102.16</u>	<u>209.84</u>
Security deposits		
Considered good	78.05	86.89
Considered credit impaired/increase in credit risk	-	25.00
	<u>78.05</u>	<u>111.89</u>
Less : Provision for doubtful security deposits	-	25.00
	<u>78.05</u>	<u>86.89</u>
	1,956.24	10,061.31

Refer Note no.4

Refer Note no.24

3.17 EQUITY SHARE CAPITAL

	As at March 31, 2022		As at March 31, 2021	
	(No. of Shares)	₹ lacs	(No. of Shares)	₹ lacs
Authorized				
Equity shares of ₹ 10 each with voting rights	68000000	6,800.00	68000000	6,800.00
Preference shares of ₹ 100 each	4000000	4,000.00	4000000	4,000.00
	72000000	10,800.00	72000000	10,800.00
Issued, subscribed and paid up				
Equity shares of ₹ 10 each with voting rights fully paid-up	41279020	4,127.90	41279020	4,127.90
	41279020	4,127.90	41279020	4,127.90

A) Reconciliation of number of Authorised shares and amount outstanding at the beginning and at the end of the year

	As at March 31, 2022		As at March 31, 2021	
	(No. of Shares)	₹ lacs	(No. of Shares)	₹ lacs
Equity shares with voting rights (one per share)				
As at beginning of the year	68000000	6,800.00	6,80,00,000	6,800.00
Add: Addition during the year	-	-	-	-
As at end of the year	68000000	6,800.00	68000000	6,800.00
Preference shares				
As at beginning of the year	4000000	4000.00	4000000	4,000.00
Add: Addition during the year	-	-	-	-
As at end of the year	4000000	4000.00	4000000	4,000.00

B) Reconciliation of number of issued, subscribed and paid-up shares and amount outstanding at the beginning and at the end of the year

	As at March 31, 2022		As at March 31, 2021	
	(No. of Shares)	₹ lacs	(No. of Shares)	₹ lacs
Equity shares with voting rights (one per share)				
As at beginning of the year	41279020	4,127.90	41279020	4,127.90
Add: Addition during the year	-	-	-	-
As at end of the year	41279020	4,127.90	41279020	4,127.90

C) Shareholders holding more than 5% of the shares in the Company

S.No.	Name of the Shareholders	As at March 31, 2022		As at March 31, 2021	
		(No. of Shares)	% of share holding	(No. of Shares)	% of share holding
i)	Dholadhar Investments Private Limited	7462114	18.08	7462114	18.08
ii)	Mr. Gurmit Singh Mann	4726154	11.45	4726154	11.45
iii)	Ms. Gursimran Kaur Mann	4186672	10.14	4186672	10.14
iv)	Mr. Gурpal Singh	2402770	5.82	2402770	5.82
v)	Pearl Innovative Marketing Private Limited	-	-	2270623	5.50
vi)	Pritam Singh Sandhu Associates Pvt. Ltd.	2077735	5.03	2077735	5.03

D) The Company has allotted 3800000 equity shares of ₹ 10/- each at a premium of ₹ 22.10 per share to the specified promoters and directors on conversion of 3800000 equity warrants.

E) Rights, preference and restriction attached to equity shares (₹ 10 each):

- Voting right shall be in same proportion as the capital paid upon such equity share.
- The dividend proposed by the Board of Directors which is subject to the approval of the shareholders in the Annual General Meeting shall be in the same proportion as the capital paid upon such equity share.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to capital paid upon such equity share.

F) Disclosure of Shareholding of Promoters as under:

S.No.	Name of Promoters	As at March 31, 2022		As at March 31, 2021		% Change during the Year
		No. of Shares	% of share holding	No. of Shares	% of share holding	
i)	Mr. Gurmit Singh Maan	4726154	11.45	4726154	11.45	-
ii)	Mrs. Gursimran kaur Maan	4186672	10.14	4186672	10.14	-
iii)	Mrs. Jai Inder Kaur	417356	1.01	417356	1.01	-
iv)	Mr. Gурpal Singh	2402770	5.82	2402770	5.82	-
v)	Mr. Govind Singh Sandhu	733139	1.78	733139	1.78	-
vi)	Mr. Angad Singh	9850	0.02	9850	0.02	-
vii)	Dholadhar Investments Private Limited	7462114	18.08	7462114	18.08	-
viii)	Pritam Singh Sandhu Associates Pvt. Ltd.	2077735	5.03	2077735	5.03	-
		22015790	53.33	22015790	53.33	

3.18 OTHER EQUITY

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Molasses Storage Fund		
Opening balance	67.00	45.39
Add: Addition during the year	20.69	21.61
Closing balance	87.69	67.00
Securities premium		
Opening balance	46,301.79	46,301.79
Add: Addition during the year	-	-
Closing balance	46,301.79	46,301.79
Forfeiture Reserve		
Opening balance	96.30	96.30
Add: Addition during the year	-	-
Less: Deductions during the year	-	-
Closing balance	96.30	96.30
Foreign Currency Translation Reserve		
Opening balance	(0.19)	(0.19)
Add: Additions during the year	-	-
Less: Transferred to retained earnings	(0.19)	-
Closing balance	-	(0.19)
Retained Earnings*		
Opening balance	(55,386.95)	(53,210.09)
Add: Profit/(loss) during the year	(2,243.04)	(2,191.32)
Add: transfer from Other Comprehensive Income	91.25	14.46
Add: Transfer from Foreign Currency Translation Reserve	(0.19)	-
Closing balance	(57,538.93)	(55,386.95)
Other Comprehensive Income		
Opening balance	-	-
Add: Other Comprehensive Income for the year	91.25	14.46
Less: Transfer to Retained earnings	91.25	14.46
Closing balance	-	-
	(11,053.15)	(8,922.05)

Refer Note no.4

Refer Note no.24

***The Amount of Remeasurement of Defined Benefit Plan included in retained earning is as under:**

As at March 31, 2020	(303.60)
As at March 31, 2021	(289.14)
As at March 31, 2022	(197.89)

Notes:

- i) The storage fund for molasses has been created to meet the cost of construction & maintenance of molasses storage tank as required under Uttar Pradesh Sheera Niyamtran (Sansodhan) Adesh, 1974 and the said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹ 103.60 lacs (Previous year ₹ 87.35 lacs).
- ii) Securities Premium is used to record premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Act.
- iii) Forfeiture reserve represents the amount forfeited against non conversion of share warrant into equity share with in stipulated period by specified promoters.
- iv) Retained earnings represents the undistributed profit/ amount of accumulated loss of the Group.
- v) Other comprehensive income (OCI) represents the balance in equity relating to re-measurement gain / (loss) of defined benefit obligation. This would not be re-classified to Statement of Profit and Loss.

NON-CURRENT LIABILITIES

FINANCIAL LIABILITIES

3.19 BORROWINGS (carried at amortised cost)

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Secured		
Term loans		
- from banks [Refer Note No 9]	1,083.16	1,083.16
Unsecured		
- from related party - others [Refer Note No 9]	305.70	313.19
	1,388.86	1,396.35

Refer Note no.4

Refer Note no.24

3.20 OTHER FINANCIAL LIABILITIES

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Interest accrued but not due on borrowings	3,741.80	3,741.80
	3,741.80	3,741.80

Refer Note no.4

Refer Note no.24

3.21 PROVISIONS

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Provision for employee benefit		
Compensated absences	453.17	469.77
	453.17	469.77

Refer Note no.4

Refer Note no.24

**CURRENT LIABILITIES
FINANCIAL LIABILITIES**
3.22 BORROWINGS (carried at amortised cost)

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Secured		
Recalled Loans		
- from banks [Refer Note No. 10]	84,481.74	85,675.76
- from others [Refer Note No. 10]	7,213.03	7,215.84
Current maturity of long term borrowing [Refer Note No. 9]	2,891.52	2,891.52
Unsecured		
Recalled Loans		
- from banks [Refer Note No. 10]	9,790.87	9,790.87
- from others [Refer Note No. 10]	-	100.00
	104,377.16	105,673.99

Refer Note no.4

Refer Note no.24

3.23 TRADE AND OTHER PAYABLES

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Total outstanding dues to micro and small enterprises	436.59	361.00
Total outstanding dues of other than micro and small enterprises	71,938.41	79,910.78
Unbilled Expenses	1,120.83	725.78
	73,495.83	80,997.56

Refer Note no.4

Refer Note no.24

3.23 (a) Trade Payables ageing schedule
Trade Payables Ageing Schedule as at March 31, 2022

Particulars	Outstanding for following Periods from due date of payments					Total
	Not Due	Less than 1 Year	1-2 year	2-3 year	More than 3 year	
MSME	-	333.29	76.46	21.41	5.43	436.59
Other	5,655.42	63,915.06	410.00	666.39	1,290.77	71,937.64
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Other	-	-	-	-	0.77	0.77
Unbilled Expenses	1,120.83	-	-	-	-	1,120.83
Total	6,776.25	64,248.35	486.46	687.80	1,296.97	73,495.83

Trade Payables Ageing Schedule as at March 31, 2021

Particulars	Outstanding for following Periods from due date of payments					Total
	Not Due	Less than 1 Year	1-2 year	2-3 year	More than 3 year	
MSME	-	264.29	90.25	3.96	2.50	361.00
Other	5,426.03	71,467.64	975.01	762.19	-	78,630.87
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Other	-	-	-	-	0.77	0.77
Unbilled Expenses	725.78	-	-	-	-	725.78
Total	6,151.81	71,731.93	1,065.26	766.15	3.27	79,718.42

3.24 OTHER FINANCIAL LIABILITIES (carried at amortised cost)

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Interest accrued but due on borrowings	21,341.31	22,423.50
Interest accrued on MSME	55.51	41.88
Employees dues	2,125.39	1,900.43
Gratuity Payable	1,048.50	1,067.34
Others liabilities (including capital creditors)	317.16	199.98
	24,887.87	25,633.13

Refer Note no.4

Refer Note no.24

3.25 OTHER CURRENT LIABILITIES

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Statutory dues payable	1,235.10	1,110.00
Advance received from customers	210.63	595.91
Security deposits	135.49	153.49
Others payable	47.85	44.65
	1,629.07	1,904.05

Refer Note no.4

Refer Note no.24

3.26 PROVISIONS

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Provision for employee benefits		
Compensated absences	236.56	228.04
Others		-
Provision for Contractual penalty	76.00	40.00
	312.56	268.04

Refer Note no.4

Refer Note no.24

3.27 CURRENT TAX LIABILITIES

	As at March 31, 2022 # ₹ lacs	As at March 31, 2021 ## ₹ lacs
Current tax liabilities	513.69	514.22
	513.69	514.22

Refer Note no.4

Refer Note no.24

3.28 REVENUE FROM OPERATIONS

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Revenue from sale of products		
Sale of Manufactured Products [Refer note no.16]	128,038.99	139,264.76
Sale of Traded Products [Refer note no.16]	6,574.40	3,463.97
Sale of Services	1,428.48	727.81
	136,041.87	143,456.54

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Other Operating revenue		
Sale of Scrap	343.86	151.81
Cane Subsidy	967.74	4,058.92
Freight and Insurance charges recovered	523.78	1,080.42
Job Work Charges	651.52	353.08
Other miscellaneous income	1.30	14.84
	138,530.07	149,115.61

Refer Note no.4

Refer Note no.24

3.29 OTHER INCOME

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Interest income on financial assets carried at amortised cost		
Fixed deposits with banks	30.85	67.03
Debentures	1,423.97	-
Income from others	1.65	55.02
Other Non operating income		
Rent	54.64	0.31
Profit on sale of PPE	25.29	0.04
Profit on redemption of Mutual Funds Units	25.54	18.78
Liabilities/provisions no longer required, written back	1,196.16	271.55
Gain on foreign exchange fluctuation	2.94	-
Miscellaneous	21.54	35.66
	2,782.58	448.39

Refer Note no.4

Refer Note no.24

3.30 COST OF MATERIALS CONSUMED

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Sugarcane	81,231.39	86,992.06
Molasses	258.78	122.43
ENA and others	187.27	1,064.42
	81,677.44	88,178.91

Refer Note no.4

Refer Note no.24

3.31 PURCHASES OF STOCK-IN-TRADE

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Purchases of stock-in-trade	6,877.58	3,572.94
	6,877.58	3,572.94

Refer Note no.4

Refer Note no.24

3.32 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Opening stock		
Finished goods	42,981.52	52,532.52
Work-in-progress	1,309.95	967.66
Stock-in-trade	17.51	37.28
	44,308.98	53,537.46
Closing stock		
Finished goods *	42,342.56	42,981.52
Work-in-progress	1,776.98	1,309.95
Stock-in-trade	18.74	17.51
	44,138.28	44,308.98
Net (increase)/ decrease in inventories	170.70	9,228.48

* Includes Goods in transit amounting to ₹ 34.27 lacs (Previous year ₹ 73.01 lacs)

Note : The amount of loss due to write down the inventories at net realisable value recognised as expenses and is included in change in inventories is ₹41.21 Lacs (Previous year ₹108.96 lacs).

Refer Note no. 4

Refer Note no.24

3.33 EXCISE DUTY ON SALE OF GOODS

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Excise duty on sale of goods	23,633.84	19,413.20
	23,633.84	19,413.20

Refer Note no.4

Refer Note no.24

3.34 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Salaries and wages	6,249.04	6,303.72
Contribution to provident and other funds *	532.63	593.11
Staff welfare expenses	167.04	129.87
	6,948.71	7,026.70

* includes gratuity expense [Refer Note No. 13]

Refer Note no.4

Refer Note no.24

3.35 FINANCE COSTS

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Interest expense on financial liabilities measured at amortized cost	2,775.47	4,160.89
Other interest	41.55	771.31
Interest on Gratuity	66.50	59.53
Other borrowing costs	-	3.09
	2,883.52	4,994.82

Refer Note no.4

Refer Note no.24

3.36 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Depreciation of property, plant and equipment [Refer Note no. 3.01]	3,218.67	4,557.71
Amortization of intangible assets [Refer Note no. 3.03]	12.61	23.65
	3,231.28	4,581.36

Refer Note no.4
Refer Note no.24

3.37 POWER AND FUEL

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Baggasse	1,434.59	658.12
Electricity	1,120.85	748.90
Other	492.12	333.26
	3,047.56	1,740.28

Refer Note no.4
Refer Note no.24

3.38 OTHER EXPENSES

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Consumption of stores and spare parts *	4,685.40	4,141.70
Short term lease expense	131.26	195.42
Repairs		
- Buildings	118.31	79.81
- Machinery	2,277.64	2,300.48
- Others	232.58	264.56
Insurance	211.40	312.10
Rates and taxes	406.65	203.28
Bad debts and advances written off (net)	1.07	30.46
Allowances for expected credit loss on receivables, advances & other	797.17	706.20
Freight Loading, Unloading & Material shifting	2,114.51	2,085.73
Commission to selling agents	396.19	353.10
Travelling and conveyance	108.21	140.37
Other Selling Expenses	157.32	295.48
Export expenses	295.16	422.12
Loss on sale of property, plant and equipment	0.26	0.04
Loss on foreign exchange fluctuation	-	2.79
Printing and stationery	41.52	35.91
Contractor & security charges	627.04	361.77
Legal and professional expense	391.10	437.32
Miscellaneous expenses	731.39	1,102.07
Fair value loss on current investment	-	7.15
	13,724.18	13,477.86

* Stores, oils and chemicals allocated to other revenue heads ₹2,085.17 lacs (Previous year ₹1,476.89 lacs)

Refer Note no.4
Refer Note no.24

3.39 EXCEPTIONAL ITEMS

	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Goodwill written off [Refer Note No. 12]	1,239.95	71.54
	1,239.95	71.54

Refer Note no.4
Refer Note no.24

4. The Consolidated Financial Statement of the Group for the year ended March, 31, 2021 has been restated on account of consolidation of financial statement of SSPL, a material subsidiary. The same was not consolidated while preparing the earlier financial statements due to its non-finalization till the date of approval of consolidated financial statement of the Group by the Board of the Company. The comparison of original and restated consolidated financial statements is presented in note no. 24. During the year ended March 31, 2022, the financial results of SSPL has not been consolidated for the financial year 2021-22, as these are not yet finalized and approved till date. Consequently, these Consolidated Financial Statement for the year ended March 31, 2022 have been prepared after consolidated the financial statement of SSPL for the year ended March, 31, 2021, which has resulted in non-elimination of various transactions entered into between the Company and SSPL during the Financial Year 2021-22 and also non-elimination of incremental balances of SSPL in the books of the Company as at March 31, 2022. Further, the age wise classification of trade receivables and payables; current maturity of Term Loans and, current and non-current presentation of assets and liabilities relating to the outstanding appearing in the financial statement of SSPL as at March, 31,2021 and consolidated in the Financial Statement of Group as at March 31, 2022 has been stated, based on the presentation and classification made in the Restated Consolidated Financial Statement of the Group as at March 31, 2021 and has not been revised and restated.

The transactions entered into between the Company and SPPL for year ended March 31, 2022, which have not been eliminated in the consolidated financial statement, have resulted in increase in the total revenue by ₹ 2,979.38 lacs and total expenses by ₹ 1200.25 lacs. Further, increase in the balances of subsidiary of ₹ 2,049.39 lacs have been included in the consolidated balance sheet in the respective asset heads.

5. The Company has incurred losses due to high sugarcane costs fixed by the state government, and comparatively lower prices of finished sugar due to higher production which are determined by the market forces based on demand-supply situation and other market dynamics. Due to above-stated external factors, the Company had incurred huge losses in past resulting in complete erosion of it's net worth. This has resulted in delay in meeting the payment obligations to the lenders and sugarcane farmers in terms of their respective agreements and understanding. Although, the operations of the Company remained intact at sub-optimum levels over the years and it has been continuously striving for improvement in

operation efficiency in form of improvement in sugar recovery, reduction in overheads and other costs etc. The Company has successfully started crushing for Sugar season 2021-22 in all of its three sugar mills.

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 compensate 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. All these measures specifically ethanol blending programme, have resulted in revival of the sugar industry but the Company is continuing to suffer on account of non-availability of sufficient sugar cane, commensurate to its capacities, in two of its sugar mills on account of delayed payment of sugar cane prices which resulted in the diversion of sugar cane in the command areas to the other adjoining sugar mills.

On account of delays in servicing of loans, certain lenders to the Company have initiated recovery proceedings at various forums, including filing of applications before the Hon'ble National Company Law Tribunal (NCLT) under Section 7 of the Insolvency and Bankruptcy Code, 2016 in addition to approaching Debt Recovery Tribunals in Delhi and Uttar Pradesh as well. One of the lenders had declared the Company and Guarantors to the credit facility, as Willful Defaulters, such impugned order has been Set Aside by Hon'ble Punjab and Haryana High court at Chandigarh. Against a criminal complaint filed by one of the lenders, the Enforcement Directorate had passed an Attachment Order on certain assets of the Company to the extent of ₹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. The majority of commercial lenders have shown their inclination to accept the debt resolution proposal and accepted the Earnest Money offered thereof while Debt realignment proposal was submitted to other lenders against which SSL had initiated the repayments, pending approval of respective lenders. Revised and improved debt resolution proposal given to commercial lenders on bilateral basis is under consideration while application filed with the Hon'ble NCLT Bench, Allahabad is being heard.

Impact of COVID 19 Pandemic

In preparation of these financial statement for year ended March 31, 2022, the Company has taken into account the possible impact of COVID-19, if any.

The impact of COVID-19 may differ from what has been assessed by the Management as at the date of approval of these financial statements. The Company will continue to closely monitor any material change in future economic conditions and take appropriate action as may be required.

- 5.a) In the audited financial statements of Simbhaoli Power Private Limited ("SPPL") for the year ended March 31, 2021, the statutory auditor of the SPPL has drawn Emphasis of Matter in respect of following "During the year ended March 31, 2021, 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 ₹ 683 lacs, if accounted for at or basis reduced tariff as per CRE Regulations, 2019. The statutory auditors have also reported that the above condition indicate the existence of Material certainty in relation to tariff under CRE Regulation 2019, and its consequential impact on the Ind AS financial statements including impairment of PPE, if any

The statutory auditors have also reported that due to reduction in tariff, the SPPL is incurring losses and considering it and other factors, material uncertainty exists that may cast significant doubt about the SPPL's ability to continue going concern.

6. Contingent liabilities and commitments (to the extent not provided for):

- i) Claims against the Group not acknowledged as debts ₹ 4,602.17 lacs (Previous Year ₹ 2,760.85 lacs).

(₹ lacs)

Description	As at March 31, 2022#	As at March 31, 2021 ##
Sales Tax/Trade Tax Act	2,101.07	54.42
Central Excise Act	2,136.66	2,220.36
Finance Act, 1994	7.94	36.19
Others	356.50	449.88
Total	4,602.17	2,760.85

Refer Note no.4

Refer Note no.24

All the above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not in the opinion of the management, have a material effect on results of operations or financial position of the Group.

The amount shown in Note No. 6 (i) above represent the best possible estimates arrived on the basis of demand raised by the claimant and does not include interest if any, payable thereon from the date of demand. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Group or the claimants, as the case may be and, therefore cannot be estimated accurately. The Group does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mention above on the ground that there are fare chances of successful outcome of the appeals.

- ii) With the introduction of GST w.e.f. July 1, 2017, the purchase tax earlier levied on ENA subsumed therein. Since under GST no tax was notified to be paid on the sale of ENA, no tax was paid by Industry on its sale. Later on, the State Government notified 5%.VAT rate on the sale of ENA w.e.f. December 12, 2019. Accordingly the industry, including the company started paying VAT @ 5% w.e.f December 12, 2019.However, the commercial tax Department of Uttar Pradesh raised a demand of ₹19.33 Crores on the company based on the tax rate of 32.5% of ENA ,in respect of sales made during the periods July 1, 2017 to December 11, 2019. The Company filed appeal against the aforesaid demand before Commercial Tax Tribunal - Ghaziabad, and deposited ₹ 2.06 Crores under protest against the aforesaid demand. The tribunal had stayed the recovery of balance demand till the disposal of appeal. Since, the matter is subjudice and the company expects a favorable decision on the matter, no provision has been made against the aforesaid demand.Further the payment if any will be required to be made for the VAT liability ,the same will be reimbursed by the buyers as per agreement with them.
- iii) The Hon'ble Allahabad High Court in the case of PIL Rashtriya Kisan Mazdoor Sangathan Vs State of Uttar Pradesh passed final order, directing the cane commissioner to decide afresh the issue as to whether the Sugar Mills are entitled for waiver of interest of delayed payment of sugarcane price for the season 2012-13,2013-14 and 2014-15 under the provision of section 17(3) of the U.P Sugarcane (Regulation of Supply and Purchase) Act,1953.Thereafter,in an Contempt application filed before High court and its follow up proceeding, the cane commissioner filed an affidavit specifying interest rates on delayed payment of cane price to be paid by Sugar Mills. The company had also received a notice for payment of interest on delayed payment of cane price for Sugar season 2012-13 is pursuant to the aforesaid order. The Company made representation against the said demand notice. Subsequently, State Government has filed modification application before and Cane commissioner also filed SLP with the Supreme Court in this matter which is pending for adjudication. Considering the above facts and based on the the past practice of waiver of interest by the State Government, no provision has been made in respect of the interest payable on delayed payment of cane price for the aforesaid sugar seasons and also for subsequent sugar seasons. Since no demand has been raised by the Government, except for the sugar season 2012-13, the total amount of interest payable on delayed payment of cane price up to March 31, 2022 and not provided in the accounts could not be quantified.
- iv) Cane Societies were in dispute with the State Government of Uttar Pradesh with regards to retrospective waiver of society commission payable by sugars mills for the Sugar Season 2012-13, 2014-15 and 2015-16 as a part of its relief package to Sugar Industry. The Hon'ble Allahbad High Court vide order

dated 21-12-2017 decided the matter in favor of Cane Societies and against the aforesaid order U.P Sugar Mill Association filed SLP before Hon'ble Supreme Court. The matter is still pending for the further adjudication. Based on the legal review of the facts, the management concluded that the possibility of crystallization of liability in the present case is remote and according no provision has been made in accounts.

v) Capital and other commitment

Estimated value of contracts (net of advances) remaining to be executed on Capital account ₹ 199.85 lacs (Previous year ₹ 60.51 lacs). The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreements in normal course of business. The Company does not have any other long-term commitments or material non-cancellable contractual commitments / contracts, which may have a material impact on the financial statements.

7. The Company has filed application for reclassification of promoters' category in terms of provisions of erstwhile regulation 31A (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with SEBI/Stock Exchanges, which is pending.

8. Certain banks had advanced Agri loans to sugarcane farmers through the erstwhile Simbhaoli Sugars Limited (ESSL) under the management and collection agreements and were provided Corporate Guarantee and post-dated cheques as security. These loans were to be repaid by the Company to the respective lenders from the dues payable to sugarcane farmers against their supplies to the sugar mill, but due to the overall downturn in the sugar industry and primacy to pay sugarcane dues in priority to any other dues/ payments, the Company could not repay these loans on their due dates. Company had submitted a financial restructuring plan to its lenders in FY 2014-15. As per sanction of CDR-EG dated February 02, 2016 all the outstanding loans/ dues were proposed to be converted into term loans, subject to the consent of respective commercial lenders. Two of the commercial lenders/ banks had converted their outstanding loans dues into term loan in the financial year 2016-2017 while one of the commercial lender/ bank had converted their dues into term loan in financial year 2017-18.

Erstwhile Oriental Bank of Commerce (e-OBC) now amalgamated with Punjab National Bank, one of the commercial lender, who had converted Agri Loan into Corporate loan as stated above, in financial year 2016-17 had arbitrarily classified its outstanding Agri Loan as "Fraud" liability in May 2015. Subsequently, after following due process and obtaining approvals, including but not limited to obtaining specific permission from the Reserve Bank of India (RBI) for conversion of loan liability, and in consultation with all other Consortium Lenders, sanctioned and disbursed a corporate loan in February/June 2016 for liquidating the Agri Loans. In addition, in an application filed by e-OBC at Debt Recovery Tribunal, Lucknow confirming simultaneous closure of the matter and a consented decree was passed.

E-OBC, had arbitrarily initiated recovery actions against the Company for the restructured corporate loan including an application filed under Section 7 of Insolvency and Bankruptcy Code, 2016 before Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench. PNB had also filed an similar application before NCLT, Allahabad Bench for recovery of their dues, causing a serious threat to the value available to all the stakeholders. e-OBC, had declared company and guarantors as Willful Defaulters against which company and guarantors

have challenged and contested such declaration in the Hon'ble Punjab and Haryana High Court at Chandigarh and Court was pleased to Set Aside such impugned order of e-OBC. A Show Cause Notice on Willful Default was issued by Punjab National Bank to company and guarantors. Basis representations made before the screening committee and taking into account that Forensic Audit report, initiated by the Joint Lenders, which was also closed by unanimous consensus in Joint Lenders Meeting including representatives of PNB, stating that there is No Fraud or Willful Default, PNB had kept the declaration of willful default in Abeyance. After Amalgamation PNB had issued another show cause notice to the company and Guarantors, including exposure of e-OBC, wherein default was identified as Willful and a personal hearing was granted. Company and Guarantors has contested such identification and submit written submission stating that allegations are baseless and requested to provide all the documents on the basis which such conclusions are arrived at, under the expert legal opinion. It was further apprised, that company has submitted debt resolution proposal with all the commercial lenders. PNB had declared the account as Fraud due to Harmonisation with e- OBC, company had challenged such declaration in Hon'ble Delhi High Court and matter is being Sub-Judice. Earlier e-OBC had also filed a criminal complaint with the investigating agency declaring the credit facilities as "Suspected Fraud". The Company has denied any fraud on its part, provided adequate documentation for the same, while reiterating its commitment for repayment to all the lenders, basis future cash flows, monetisation of assets, internal accruals etc. Against such criminal complaint, the enforcement directorate had passed an attachment order on certain assets of the Company to the extent of ₹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. The majority of commercial lenders have shown their inclination to accept the debt resolution proposal and accepted the 'Earnest Money' offered thereof while Debt realignment proposal was submitted with other lenders against which SSL had initiated the repayments, pending approval of respective lenders. Revised and improved debt resolution proposal given to commercial lenders on bilateral basis is under consideration while application filed with Hon'ble NCLT Bench, Allahabad is being heard.

9. 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. The Company has submitted comprehensive debt resolution proposals with all the lenders to commensurate with its future cash flows including infusion by strategic investor, promoters and internal accruals, which contemplates the total waiver of interest. The majority of commercial lenders have accepted the Earnest Money Deposit (EMD) offered in consonance with the Debt Resolution Proposal. Accordingly, the Interest expenses on credit facilities pertaining to commercial lenders, for the year ended March 31, 2022 amounting ₹ 17,013.85 lacs (Previous year ₹ 15,461.02 lacs) has not been recognized in profit and loss account. An accumulated amount of ₹ 69,929.48 lacs towards accrued interest has not been provided for in the books of accounts as on March 31, 2022.

(A) Long term borrowings (Secured)

Term Loan	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022 #	As at March 31, 2021 ##			
From Commercial Banks - Under Recalled Loans	17,398.93	17,398.93	12.50% p.a.	<ol style="list-style-type: none"> 1 First pari passu charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the Company. 2 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company. 4 First Charge on the Disvestment proceeds from Sale of investments in Uniworld Sugar Pvt. Ltd. and Chilwaria Sugar Complex 	<p>Principal overdue above 90 days ₹17,398.93 lacs (Previous year ₹17,398.93 lacs).</p> <p>Interest overdue below 90 days of ₹1,075.17 (Previous year ₹900.48) and above 90 days ₹17,595.67lacs (Previous year - ₹13,656.75 lacs).</p>
From Commercial Bank - Under Recalled Loans	10,301.47	10,301.47	11.35% p.a.	<ol style="list-style-type: none"> 1 Subservient first pari-passu charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the company with FACR 1.25 times (minimum) 2 Credit facilities are also secured by Personal guarantee of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director. 	<p>Principal overdue above 90 days ₹10301.47 lacs (Previous year ₹10,301.47 lacs).</p> <p>Interest overdue below 90 days of ₹103.71 (Previous year ₹441.95 lacs) and above 90 days ₹8,707.14 lacs (Previous year - ₹6,714.31 lacs).</p>
From Commercial Bank - Under Recalled Loans	22,347.00	22,347.00	8.60% p.a.	<ol style="list-style-type: none"> 1 First sub-servient charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the Company. 2 Personal guarantees Mr. Gurmit Singh Mann, Chairman and Ms. Gursimran Kaur Mann, MD of the Company. 	<p>Principal overdue above 90 days ₹22,347.00 lacs (Previous year - ₹22,347.00 lacs).</p> <p>Interest overdue below 90 days of ₹691.34 (Previous year - ₹634.70 lacs) and above 90 days ₹9,516.37 lacs (Previous year - ₹6,857.64 lacs).</p>
From Co-operative Bank - Under Recalled Loans	4,913.74	4,913.74	12.00% p.a.	<ol style="list-style-type: none"> 1 First pari passu charge on all movable and immovable fixed assets, both present and future, including equitable mortgage on the land of the Company subject to approval of, and charges in favour of term lending Institutions and Government of India on their Credit Facilities, both Present and Future. 2 Mortgage of residential property of Promoter Director. 3 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director of the Company. 	<p>Principal overdue above 90 days ₹4,913.74 lacs (Previous year- ₹4,913.74 lacs).</p> <p>Interest overdue below 90 days of ₹153.25 lacs (Previous year- ₹170.45 lacs) and above 90 days ₹2,686.95 lacs (Previous year- ₹2,048.02 lacs).</p>
Others - Under Recalled Loans	2,958.52	3,061.34	Range between 1.57 % to 10.00 % p.a.	<ol style="list-style-type: none"> 1 Term loan from Sugar Development Fund of ₹2,961.34 lacs (previous year ₹2,954.74 lacs) is secured by way of second exclusive charge on all movable and immovable fixed assets of the respective division. 2 Term loan from Sugar Technology Mission of ₹100.00 lacs (previous year ₹100.00 lacs) is secured by way of exclusive first charge on Sugarcane Juice Purification project at Simbhaoli Sugar Division of the Company. 	<p>Principal overdue above 90 days ₹2,958.52 lacs (Previous year - ₹3,061.34 lacs).</p> <p>Interest overdue below 90 days of ₹21.64 lacs (Previous year - ₹113.56 lacs) and above 90 days ₹10.45 lacs (Previous year - ₹2,178.94 lacs).</p>
From Co-operative Bank (SPPL) - Under Borrowings (Non Current) - Under Borrowings (Current)	1,083.16 2,891.52	1,083.16 2891.52	12.50% p.a.	<ol style="list-style-type: none"> 1 First charges on all the present and future Property, Plant & Equipment and current assets of the SPPL. 2 Assignment of leasehold rights over land, taken on lease by SPPL situated at Simbhaoli and Chilwaria, where its power plants are located, in favour of the bank. 3 Pledge of 1,929,655 equity shares held by the Holding Company in SPPL. 4 An irrevocable and unconditional guarantees from Mr. Gurmeet Singh Mann and Mr. Gurpal Singh, the Directors of the holding company. 5 First Charge on receivables from Uttar Pradesh Power Corporation Limited by way of escrow account Mechanism. 	<p>Principal overdue below 90 days ₹ # (Previous year- ₹681.50 lacs).</p> <p>Interest overdue below 90 days of ₹ # (Previous year - ₹NIL lacs)</p>

Refer note no.4

Refer note no.24

(B) Unsecured loans from Related Parties of ₹305.70 lacs (Previous year - ₹313.90 lacs) carry interest rate (Ranges between) from 10.15 % to 11.05 % p.a. are payable after repayment of term loan in accordance with Scheme.

(C) Short term borrowings (Secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022 #	As at March 31, 2021 ##			
From Commercial Banks - Under Recalled Loans	17,187.32	17,187.32	12.50% p.a.	<ol style="list-style-type: none"> 1 First pari passu charge by way of hypothecation of all current assets of respective division. 2 Third pari passu charge on entire fixed assets of the Company, both present and future, including equitable mortgage on the land of the Company. 3 First pari passu charge on pledge of 26.32 lacs equity shares of the Company held by Promoters. 4 Personal guarantees of Mr. Gurmit Singh Mann, Chairman and Mr. Gurpal Singh, Director of the Company. 5 Charge over SSL's Share of Dividend in Simbhaoli Power Private Limited 	Interest overdue of below 90 days ₹1,309.37 lacs(Previous year - ₹1,314.19 lacs) and above 90 days ₹24,400.46 lacs (Previous year- ₹19,257.57 lacs).
From Co-operative Bank - Under Recalled Loans	9,039.27	9,039.27	10.25% p.a	<ol style="list-style-type: none"> 1 Pledge of sugar stock of the respective division of the Company. 2 Personal guarantees of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms Gursimran Kaur Mann, MD of the Company. 3 Equitable Mortgage of the Property of M/s. Simbhaoli Specialty Sugars Ltd. 4 Collaterally Secured by way of Hypothecation of Debtors of the Mill 5 First Charge on the Semi-finished sugar including sugar in process, raw material of the Respective division of the company. 6 First Charge and Lien on the Land, Building Plant & Machinery of the respective division of the company subject to charge of the Government of India and Term Lending Institutions for the existing loan/credit facilities. 	Interest overdue below 90 days of ₹309.24 lacs (Previous year - ₹318.52 lacs) and above 90 days ₹ 4,420.15 lacs (Previous year - ₹3,458.07 lacs)
From Co-operative Bank - Under Recalled Loans	2,324.72	3,518.74	11.50% p.a	<ol style="list-style-type: none"> 1 Pledge of sugar stock of the respective division of the Company. 2 First Charge on the Semi-finished sugar including sugar in process, raw material of the respective division of the company. 3 Second Charge on the Land, Building Plant & Machinery of the respective division of the company 4 Personal guarantee of Mr. Gurmit Singh Mann, Chairman, Mr. Gurpal Singh, Director and Ms. Gursimran Kaur Mann, MD of the Company 	Interest overdue below 90 days of ₹81.27 lacs (Previous year - ₹150.93 lacs) and above 90 days ₹144.45 lacs (Previous year - ₹495.37 lacs)

(D) Short term borrowings (Un-secured)

Loan repayable on demand	Outstanding (₹ lacs)		Rate of Interest	Nature of security	Overdue at the end of the year
	As at March 31, 2022 #	As at March 31, 2021 ##			
From Commercial Banks - Under Recalled Loans	15,014.66	15,014.66	Range between 9.00% to 10.70% p.a	N.A	Principal overdue above 90 days of ₹15,014.66 lacs (Previous year - ₹15,014.66 lacs). Interest overdue below 90 days of ₹857.72 lacs (Previous year- ₹1,004.70 lacs) and above 90 days ₹19,093.68 lacs (Previous year- ₹15,559.52 lacs).

9.i) Reconciliation of quarterly bank returns

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts. Further difference also arises on account of different valuation methodology adopted for valuing the finished goods stock in the books and for the purpose of reporting in the bank return. In the books, stock of finished goods is recorded at lower of cost or net realisable value but for bank purposes it is taken at net realisable value which is determined as per bank norms.

However there is no material difference in reporting the quantity of stock in the bank returns as compared to books of accounts.

(₹ lacs)

Name of the bank	Quarter	Amount as per books of account #	Amount as reported in the quarterly returns/ statements ##	Amount of difference
Working capital lenders	June 30, 2021	33,353.70	33,286.51	67.19
	September 30, 2021	14,574.44	14,854.71	(280.27)
	December 31, 2021	27,372.26	27,884.39	(512.13)
	March 31, 2022	46,469.76	47,909.71	(1,439.95)

(₹ lacs)

Name of the bank	Quarter	Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference
Working capital lenders	June 30, 2020	41,588.78	39,278.64	2,310.14
	September 30, 2020	21,125.81	21,111.75	14.06
	December 31, 2020	36,392.28	37,511.22	(1,118.94)
	March 31, 2021	47,628.02	46,320.48	1,307.54

Refer note no.4

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10. Related Party disclosures under IND AS 24

i) Name of related parties and description of relationship:

Key Management Personnel (KMP):

- Mr. Gurmit Singh Mann - Chairman
- Mr. Gural Singh – Director
- Ms. Gursimran Kaur Mann - Managing Director
- Mr. Sanjay Tapriya – Director
(ceased to be key management personnel w.e.f. November 01, 2021)
- Mr. Sachchida Nand Misra
Chief Operating Officer & Whole time Director
- Mr. H. P. Kain- Independent Director
- Mr. Atul Mahindru – Independent Director
- Mr. Shyam Sunder – Independent Director
- Mr. C.K. Mahajan – Independent Director
- B.K. Goswami (ceased to be key management personnel w.e.f. April 12, 2019)
- Mr. Aseem Sehgal- Independent Director
(w.e.f. Feb 23, 2021)
- Mr. Dayal Chand Popli – Chief Financial Officer
- Mr. Kamal Samtani – Company Secretary

Relatives of Key management personnel:

- Mr. G.M.S. Mann (HUF)

Enterprise over which key management personnel exercise significant influence:

- Dholadhar Developers Private Limited
(enterprise over which Mr. Gurmit Singh Mann and Ms. Gursimran Kaur Mann exercise significant influence)
- Dholadhar Investments Private Limited
(enterprise over which Mr. Gurmit Singh Mann and Ms. Gursimran Kaur Mann exercise significant influence)

Trusts:

- Simbhaoli Sugars Limited Officer's Superannuation Scheme
- Simbhaoli Sugars Limited Employee Gratuity Scheme
- Simbhaoli India Foundation
- Casetech Employees Share Plan Trust

ii) Transactions with the above parties :

(₹ lacs)

Description	Year ended March 31, 2022#	Year ended March 31, 2021##
Transactions		
Rent Received	0.12	0.12
Simbhaoli Foundation Trust	0.12	0.12
Managerial Remuneration	174.89	286.66
Ms. Gursimran Kaur Mann	40.24	119.94
Mr. Sachchida Nand Misra	35.09	75.64
Mr. Dayal Chand Popli	70.76	64.54
Mr. Kamal Samtani	28.80	26.54
Loans Repaid	7.50	45.83
Mr. Gurmit Singh Mann	-	31.83
Dholadhar Investments Private Limited	7.50	14.00
Interest paid	35.42	33.52
Dholadhar Investments Private Limited	35.42	33.52
Sale of Assets	19.37	-
Dholadhar Developers Pvt. Ltd.	19.37	-
Sitting Fees paid	9.30	8.05
Mr. Shyam Sunder	2.25	2.40
Mr. B.K.Goswami	2.25	0.15
Mr. C.K.Mahajan	1.15	1.55
Mr. Atul Mahindru	1.40	1.55
Mr. H.P. Kain	2.25	2.40
Contribution in Trusts	115.92	-
Simbhaoli Supernnuation Trust	12.81	-
Simbhaoli Gratuity Trust	103.11	-

Note: The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

iii) Balance outstanding at the end of the year

(₹ lacs)

Description	Year ended March 31, 2022#	Year ended March 31, 2021##
Trade payables	7.13	22.47
Mr. G.M.S. Mann	3.70	-
Mr. Gurpal Singh	-	0.28
Ms. Gursimran Kaur Mann	2.36	13.15
Mr. Sachchida Nand Misra	-	4.09
Mr. B.K.Goswami	0.93	0.93
Mr. Dayal Chand Popli	2.16	0.32
Mr. Kamal Samtani	0.66	0.82
Mr. Sanjay Tapriya	-	0.59
Mr. C.K.Mahajan	-	0.67
Mr. H.P.Kain	-	0.37
Mr. Atul Mahindru	-	0.23
Mr. Shyam Sunder	-	0.37
Long-term borrowings	305.70	313.19
Mr. Gurmit Singh Mann	0.80	0.80
Dholadhar Investments Private Limited	304.90	312.39
Trade Receivable	0.30	0.41
Simbhaoli Foundation Trust	0.30	0.41
Other Financial Liabilities- Current	93.87	73.87
Dholadhar Developers Pvt. Ltd.	-	11.88
Dholadhar Investments Private Limited	93.87	61.99
Investment outstanding - others (₹ lacs)	0.15	0.15
Casetech Employee Share Plan Trust	0.15	0.15

Refer note no.4

Refer note no.24

- iv) In pursuance of the provisions of Section 197 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company has proposed the re-appointment of Ms Gursimran Kaur Mann, as Managing Director of the Company w.e.f Aug 2, 2021 and Mr Sachchida Nand Misra as Whole Time Director and Chief Operating Officer of the Company w.e.f Sept 18, 2021 for a period of 2 years and the SPECIAL RESOLUTIONS have been passed at the 10th Annual General Meeting of the members of the Company held on Monday September 27, 2021. In terms of the applicable provisions, the Company has also approached the lenders for necessary consent for payment of the remuneration to them. Pending receipt of no-objection from the lenders, no remuneration was paid to aforesaid managerial personnel since their respective date of reappointment. The details of remuneration paid during the financial year to the Managing Director, Chief Operating Officer and Whole Time Director and Key Management Personnel are as under :-

Details of Remuneration paid/payable to KMP					(₹ lacs)
Particulars	Ms. Gursimran Kaur Mann	Mr. Sachchida Nand Misra	Mr. Dayal Chand Popli	Mr. Kamal Samtani	
Year ended March 31, 2022					
Short-term employee benefits					
Salary	33.87	30.02	64.31	24.61	
Perquisites	3.58	3.56	3.50	2.28	
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds*	2.79	1.51	2.95	1.91	
	40.24	35.09	70.76	28.80	
Year ended March 31, 2021					
Short-term employee benefits					
Salary	100.80	64.71	58.75	22.66	
Perquisites	10.98	7.67	3.29	2.21	
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds*	8.16	3.27	2.50	1.67	
	119.94	75.65	64.54	26.54	

* The said amount does not include amount in respect of gratuity & leaves as the same are not ascertainable.

11. Segment reporting

i) Operating segments:

The Group's operating segments are business segments, viz. sugar and alcohol, basis which chief operating decision maker (CODM) evaluates the company's performance and allocates resources

ii) Geographical segments:

Since the Group's activities/operations are primarily within the country and considering the nature of products it deals in, the risks and returns are same and as such there is only one geographical segment.

iii) Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note 2 above the accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment

revenue and expenses are directly attributable to the segments.

b) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include income taxes. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segments is allocated to the segments on a reasonable basis.

c) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated on consolidation.

iv) (a) Information About Business Segments

(₹ lacs)

Particulars	Sugar		Alcohol		Power#		Others		Elimination		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment revenue														
External sales:	85,238.73	101,200.53	49,384.90	38,844.61	-	3,033.71	1,418.06	377.72	-	-	-	-	136,041.69	143,456.57
Inter segment sales	10,178.98	9,907.71	-	-	-	1,643.69	198.97	192.63	(10,377.95)	(11,744.03)	-	-	-	-
Other operating Revenue	1,605.04	5,166.03	883.34	479.59	-	13.42	-	-	-	-	-	-	2,488.38	5,659.04
Total revenue	97,022.75	116,274.27	50,268.24	39,324.20	-	4,690.82	1,617.03	570.35	(10,377.95)	(11,744.03)	-	-	138,530.07	149,115.61
Segment results	2,830.50	924.78	(1,033.21)	1,406.89	-	503.78	9.52	(119.53)	-	-	-	-	1,806.81	2,715.92
Unallocated expenses (net of income)	-	-	-	-	-	-	-	-	-	-	(194.55)	371.65	(194.55)	371.65
Operating profit/(loss)	-	-	-	-	-	-	-	-	-	-	-	-	2,001.36	2,344.27
Finance cost	-	-	-	-	-	-	-	-	-	-	2,883.52	4,994.82	2,883.52	4,994.82
Exceptional items (net)	-	-	-	-	-	-	-	-	-	-	1,239.95	71.54	1,239.95	71.54
Net Profit/(loss) after tax	-	-	-	-	-	-	-	-	-	-	-	-	(2,122.11)	(2,722.09)

Refer Note no.4

Refer Note no.24

Note: Inter segment revenues are eliminated upon consolidation and reflected in the adjustment and eliminations column finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at company level.

(b) Information About Business Segments

(₹ lacs)

Particulars	Sugar		Alcohol		Others		Power#		Unallocated		Total	
	As at March 31,2022#	As at March 31,2021	As at March 31,2022#	As at March 31,2021	As at March 31,2022	As at March 31,2021	As at March 31,2022#	As at March 31,2021##	As at March 31,2022#	As at March 31,2021##	As at March 31,2022	As at March 31,2021##
OTHER INFORMATIONS												
ASSETS												
Segment assets	132,425.57	140,161.54	41,136.07	45,610.46	2,131.22	1,216.00	33,085.12	33,085.12	-	-	208,777.98	220,073.12
Unallocated assets	-	-	-	-	-	-	-	-	6,134.03	6,768.82	6,134.03	6,768.82
Total assets	132,425.57	140,161.54	41,136.07	45,610.46	2,131.22	1,216.00	33,085.12	33,085.12	6,134.03	6,768.82	214,912.01	226,841.94
EQUITY AND LIABILITIES												
Segment liabilities	72,367.52	80,133.53	2,746.66	2,986.16	1,836.69	1,082.92	2,069.92	2,069.92	-	-	79,020.79	86,272.53
Share capital and reserves	-	-	-	-	-	-	-	-	(6,925.25)	(4,794.15)	(6,925.25)	(4,794.15)
Minority Interest	-	-	-	-	-	-	-	-	11,037.25	11,037.18	11,037.25	11,037.18
Secured and unsecured loans	-	-	-	-	-	-	-	-	105,766.06	107,070.39	105,766.06	107,070.39
Unallocated liabilities	-	-	-	-	-	-	-	-	26,013.16	27,255.99	26,013.16	27,255.99
Total liabilities	72,367.52	80,133.53	2,746.66	2,986.16	1,836.69	1,082.92	2,069.92	2,069.92	135,891.22	140,569.41	214,912.01	226,841.94

Refer Note no. 4

Refer Note no. 24

(c) Reconciliations of amounts reflected in the financial statement

i) Reconciliation of assets			(₹ lacs)	
Particulars	As at March 31, 2022 #	As at March 31, 2021 ##		
Segment operating assets	214,912.01	226,841.94		
Total Assets	214,912.01	226,841.94		

ii) Reconciliation of liabilities			(₹ lacs)	
Particulars	As at March 31, 2022 #	As at March 31, 2021 ##		
Segment operating liabilities	214,912.01	226,841.94		
Total Liabilities	214,912.01	226,841.94		

(d) Geographical information:

The Group operated only in India during the year ended March 31, 2022 and March 31, 2021.

(e) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Group for the year ended March 31, 2022 and March 31, 2021.

(f) Information About Business Segments

(₹ lacs)

Particulars	Sugar		Alcohol		Power#		Others		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year #	Previous Year ##	Current Year	Previous Year	Current Year #	Previous Year ##	Current Year #	Previous Year ##
OTHER INFORMATIONS												
Capital expenditure	494.91	289.94	551.52	238.33	-	5.44	1.61	-	6.86	1.83	1,054.90	535.54
Depreciation and amortization expense (net of revaluation reserve)	2,313.61	2,576.08	896.91	942.93	-	1,037.72	2.77	3.14	17.99	21.49	3,231.28	4,581.36
Non cash expenses other than depreciation	287.35	433.14	141.29	236.69	-	-	63.77	66.87	369.86	71.54	862.26	808.24

Refer Note no.4

Refer Note no.24

Note: Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets.

Non cash expenses other than depreciation includes loss on sale of PPE, impairment of investment, bad debts and debit balance written off.

12. Exceptional items:

Exceptional items represent write-off of Goodwill during the year.

13. Employee Benefits

The Company has classified the various benefits provided to employees as under: -

i) Defined Contribution Plan:

- > Provident fund
- > Superannuation fund

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

(₹ lacs)

Particulars	Year ended March 31, 2022#	Year ended March 31, 2021##
- Employers' Contribution to Provident Fund	415.88	463.99
- Employers' Contribution to Superannuation Fund	9.72	11.82

Refer Note no.4

Refer Note no.24

ii) Disclosure in respect of defined benefit plans (Gratuity & compensated absence) is as under:

Principal Assumptions				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22 #	2020-21 ##	2021-22 #	2020-21 ##
Discount Rate (Per Annum)	7.08%	4.37%	7.20%	6.55%
Expected Rate of Salary Increase				
- for the Year	5.20%	3.47%	2.60%	3.47%

ii) Disclosure in respect of defined benefit plans (Gratuity & compensated absence) is as under:

• Principal Assumptions				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22 #	2020-21 ##	2021-22 #	2020-21 ##
- and thereafter	5.00%	3.33%	19349.00%	12864.67%
Mortality Rate (% of IALM 06-08)	100%	67%	525%	453%
Attrition/Withdrawal Rate	2.00%	1.33%	1.00%	1.33%
Rate of Leave Availment (Per Annum)				
- Earned Leave	NA	NA	0%	0%
- Sick Leave	NA	NA	10%	10%
Rate of Leave Encashment during Employment (Per Annum)	NA	NA	0%	0%

Refer Note no.4

Refer Note no.24

• Amount Recognised in Statement of Profit & Loss in respect of the Defined Benefit Obligation (₹ lacs)				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22 #	2020-21 ##	2021-22 #	2020-21 ##
Components of defined benefit cost recognised in profit or loss				
Current Service Cost	113.84	122.38	97.72	92.56
Past Service Cost	-	-	-	-
Interest Cost	66.50	59.53	37.85	44.58
Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-
Actuarial (gain)/loss from change in financial assumptions	-	-	(18.32)	6.50
Actuarial (gain)/loss arising from experience adjustments	-	-	28.77	51.90
Components of defined benefit cost recognised in profit or loss	180.34	181.91	146.02	195.53
Components of defined benefit cost recognised in Other Comprehensive Income				
Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(55.84)	18.97	-	-
Actuarial (gain)/loss arising from experience adjustments	(4.05)	(28.26)	-	-
Return on plan assets (higher)/lower than discount rate	(35.57)	(7.88)	-	-
Return on plan assets excluding amount in net interest expense	-	(0.01)	-	-
Total actuarial (gain)/loss recognised in Other Comprehensive Income	(95.46)	(17.19)	-	-
Total amount recognised in statement of profit & loss	84.88	164.72	146.02	195.53

Refer Note no.4

Refer Note no.24

(₹ lacs)

• The amount included in Balance Sheet arising from the company's obligation in respect of its defined benefit plan is as follows:				
Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22 #	2020-21 ##	2021-22 #	2020-21 ##
Present Value of Defined Benefit Obligation	1,895.89	2,068.81	689.73	697.81
Fair Value of Plan Asset	847.39	1,001.47	-	-
Net liability arising from defined benefit obligation	1,048.50	1,067.34	689.73	697.81
* Non Current Liability	-	-	453.17	469.77
* Current Liability	1,048.50	1,067.34	236.56	228.04

Refer Note no.4

Refer Note no.24

• **Movement in the fair value of plan assets are as follows:** (₹ lacs)

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22 #	2020-21 ##	2021-22 #	2020-21 ##
Opening fair value of plan assets	1,001.48	1,130.84	NA	NA
Expected return on plan assets	52.16	74.58	NA	NA
Employer Contribution	103.66	-	NA	NA
Re measurement gain/(loss)	-	-		
* Return on plan assets (higher)/lower than discount rate	35.57	7.89	NA	NA
Benefit Paid	(153.31)	(211.83)	NA	NA
Closing fair value of plan assets	1,039.57	1,001.48	-	-

Refer Note no.4

Refer Note no.24

• **Movement in the present value of defined benefit obligations are as follows:** (₹ lacs)

Particulars	Gratuity (Funded)		Compensated Absence (Unfunded)	
	2021-22 #	2020-21 ##	2021-22 #	2020-21 ##
Opening defined benefit obligation	2,068.80	2,033.44	685.25	675.99
Current service cost	113.84	122.38	97.72	92.56
Interest cost	118.63	134.11	37.85	44.58
Remeasurement (gains)/losses:				
* Actuarial (gain)/loss from change in demographic assumptions	-	-	-	-
* Actuarial (gain)/loss from change in financial assumptions	(55.84)	18.97	(18.32)	6.50
* Actuarial (gain)/loss arising from experience adjustments	(4.05)	(28.27)	28.80	51.90
Past Service Cost	-	-	-	-
Benefits paid by employer	(153.31)	(211.83)	(154.12)	(186.28)
Benefits paid from plan assets	-	-	-	-
Closing defined benefit obligation	2,088.07	2,068.80	677.19	685.24

Refer Note no.4

Refer Note no.24

• **Sensitivity Analysis Gratuity (Funded)** (₹ lacs)

Particulars	Change in assumption by	Impact on defined benefit obligation				
		Increase in assumption			Decrease in assumption	
		Increase/decrease	2021-22#	2020-21 ##	2021-22 #	2020-21 ##
Discounting rate	1.00%	In ₹	1,748.97	1,939.01	1,979.72	2,215.45
		In %	(5.70%)	(6.10%)	6.40%	6.90%
Future salary growth rate	1.00%	In ₹	1,978.91	2,213.29	1,761.97	1,938.67
		In %	6.40%	6.80%	(5.80%)	(6.10%)
Attrition rate	0.50%	In ₹	1,870.62	2,080.98	1,849.48	2,055.33
		In %	0.70%	0.50%	(0.70%)	(0.60%)
Mortality rate	10.00%	In ₹	1,858.23	2,069.44	1,861.44	2,068.16
		In %	0.00%	0.00%	0.00%	0.00%

Refer Note no.4

Refer Note no.24

● Sensitivity Analysis Compensated Absence (Unfunded) (₹ lacs)						
Particulars	Change in assumption by	Impact on defined benefit obligation				
		Increase in assumption			Decrease in assumption	
		Increase/decrease	2021-22#	2020-21 ##	2021-22 #	2020-21 ##
Discounting rate	1.00%	In ₹	542.62	640.97	618.93	735.76
		In %	(6.10%)	(6.40%)	6.90%	7.30%
Future salary growth rate	1.00%	In ₹	619.31	735.99	541.68	639.99
		In %	7.00%	7.30%	(6.30%)	(6.50%)
Attrition rate	0.50%	In ₹	577.09	682.84	579.43	687.67
		In %	(0.20%)	(0.30%)	0.20%	0.30%
Mortality rate	10.00%	In ₹	577.25	685.13	578.37	685.36
		In %	0.00%	0.00%	0.00%	0.00%

* The plan assets are maintained with ICICI Prudential life Insurance Company Ltd. The details of investment maintained by the ICICI prudential Life Insurance Company Ltd have not been made available to the Group and have therefore not been disclosed.

Refer Note no.4

Refer Note no.24

Disclosure relating to present value of defined benefit obligation and fair value of plant assets and net actuarial gain/ loss (₹ lacs)

Particulars	Gratuity (Funded)					Compensated absences (Non funded)				
	2021-22#	2020-21 ##	2019-20	2018-19	2017-18	2021-22#	2020-21 ##	2019-20	2018-19	2017-18
Present value of obligation as at the end of the year	2,088.07	2,068.80	2,033.43	1,640.19	1,552.08	677.19	685.24	675.98	607.02	535.26
Fair value of plan assets as at the end of the year	1,039.57	1,001.48	1,130.84	1,125.72	1,105.67	-	-	-	-	-
Net asset/(liability) recognised in the balance sheet	(1,048.50)	1,067.32	902.60	514.47	446.41	(677.19)	(685.24)	(675.98)	(607.02)	(535.26)

Refer Note no.4

Refer Note no.24

● Risks related to defined benefit plans:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above benefits which are as follows:

Interest rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of its liquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Note:- The above is a standard list of risk exposures in providing the above benefit. The Company is advised to carefully examine the above list and make suitable amendments (including adding more risks, if relevant) to the same before disclosing the above in its financial statements.

H. Method and Assumptions related terms:

Discount Rate: Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.

Salary Escalation Rate: The rate at which salaries are expected to escalate in future. It is used to determine the benefit based on salary at the date of separation.

Attrition Rate: The reduction in staff/employees of a company through normal means, such as retirement and resignation. This is natural in any business and industry

Mortality Rate: Mortality rate is a measure of the number of deaths (in general, or due to a specific cause) in a population, scaled to the size of that population, per unit of time.

Projected Unit Credit Method: The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated

on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).

14. i) Following are the particulars of disputed dues on account of sales tax (trade tax), excise duty and service tax matters that have not been deposited by the Company as at March 31, 2022.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved* (₹ lacs)	Amount paid under protest (₹ lacs)
Central Sales Tax, 1956	CST	Commercial Tax-Tribunal, Ghaziabad-2	2012-2013	102.88	1.59
			2013-2014	4.96	5.84
			2016-2017	6.62	-
			2006-2007	27.76	8.66
			2016-2017	23.95	-
U. P. Trade Tax Act	UPVAT/Entry Tax		2016-2017	1.43	-
			2017-2018	214.07	32.55
			2018-2019	974.30	95.58
			2019-2020	745.10	78.09
Central Excise Act, 1944	Excise Duty	High Court, Allahabad	1979-1980	11.01	11.01
			2005-2006	2.78	-
		Customs, Excise & Service tax Appellate Tribunal	2006-2007	2.58	-
			2012-2013	2,098.87	182.50
			2013-2014	1.16	0.12
Finance Act, 1994	Service Tax	Customs, Excise & Service tax Appellate Tribunal	2015-2016	1.89	0.19
			2017-2018	18.37	1.84
			2015-2017	7.94	0.79

* Amount as per demand orders and interest & penalty wherever indicated in order.

Refer Note no.4

- ii) In the following instances the concerned statutory authority is in appeal against favourable orders received by the Group.

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ lacs)
Central Excise Act, 1944	Excise Duty	Customs, Excise & Service tax Appellate Tribunal	2003-2004 2005-2006 2008-2009	21.44 1.24 54.68

There are no dues in respect of income tax, customs duty, wealth tax and cess, which have not been deposited on account of any disputes except in respect of income tax demand of ₹ 30.94 lacs (Previous year of ₹73.04 lacs) arising on processing of TDS returns.

17. Disclosure related to Government Grant

The Group is eligible to receive various financial assistance from government authorities. Accordingly, the group has recognised these government grants in the following manner

S. No.	Nature of Grant/Assistance	Treatment in Accounts	Year ended March 31, 2022	Year ended March 31, 2021
1	MAEQ Subsidy 2019-20 from Government (Refer note a)	Shown as separate line item" Cane/ export subsidy" under other operating Revenue (Refer note 3.29)	-	2,068.24
2	MAEQ Subsidy 2020-21 from Government (Refer note b)	Shown as separate line item" Cane/ export subsidy" under other operating Revenue (Refer note 3.29)	967.74	1,990.68

The Group is in process of rectifying these returns and is confident that the demand will be substantially reduced.

15. Earnings per share

Description		Year ended March 31, 2022 #	Year ended March 31, 2021 ##
Profit/(loss) after tax and exceptional items as per Statement of Profit and Loss (₹ lacs)	(A)	(2,244.23)	(2,736.15)
Add/Less: Exceptional Items net of taxes (₹ lacs)		1,239.95	71.54
Profit/(loss) after tax and before exceptional items (₹ lacs)	(B)	(1,004.28)	(2,664.61)
Weighted average number of equity shares outstanding (Par value ₹ 10 per share)			
- For basic and diluted earnings per share (Nos.)	(C)	41279020	41279020
Earnings per share (₹)			
- Basic and diluted EPS before exceptional item	(B÷C)	(2.43)	(6.46)
- Basic and diluted EPS after exceptional item	(A÷C)	(5.44)	(6.63)

Refer Note no.4

Refer Note no.24

Note: Since effect of potential equity shares to be issued on conversion of warrant option is anti-dilutive the basic EPS is reported as diluted EPS.

16. Details of revenue from sale of products

(₹ lacs)

Sales	Year ended March 31, 2022#	Year ended March 31, 2021 ##
Manufactured Products		
- Sugar	82,829.62	99,041.08
- Rectified spirit and Country Liquor	26,724.50	21,510.01
- Denatured spirit	16,204.53	12,623.10
- IMFL	262.57	11.53
- Sanitizer	237.25	1,346.13
- Power	-	3,921.83
- Others	1,780.52	741.06
Sub Total	128,038.99	139,194.74
Traded Products		
- ENA	4,263.04	2,142.61
- Blend CAB	1,238.98	776.14
- Corogen and others	1,072.38	615.24
Sub Total	6,574.40	3,533.99
Total	134,613.39	142,728.73

- a) The Central Government vide its notification 1(14)/2019-S.P.-I dated 12th September 2019, announced Scheme for Assistance to Sugar mills for the sugar season 2019-20 (Scheme) for expenses on marketing cost including handling, upgrading and other processing costs and cost of international and internal transport and freight charges on export of sugars under Maximum Admissible Export Quantity (MAEQ) Scheme. Every sugar mill which fulfills the conditions as stipulated in the Scheme will be eligible for assistance @ ₹10,448 per MT on export of sugar limited to MAEQ. Till March 31, 2022, the Group has complied with all the conditions as stated in the scheme and submitted the claim and total Subsidy accrued under the scheme has been received during the year.
- b) The Central Government vide its notification 1(6)/2020-S.P.-I dated 29th December 2020, announced Scheme for Assistance to Sugar mills for the sugar season 2020-21 (Scheme) for expenses on marketing cost including handling, upgrading and other processing costs and cost of international and internal transport and freight charges on export of sugars under Maximum Admissible Export Quantity (MAEQ) Scheme. Every sugar mill which fulfills the conditions as stipulated in the Scheme will be eligible for assistance @ ₹6,000 per MT on export of sugar limited to MAEQ. Till March 31, 2022, the Group has complied with all the conditions as stated in the scheme and submitted the claim and total Subsidy accrued under the scheme has been received during the year.

deposits with banks. To manage this, Group periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the group for extension of credit to customer. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Company's large and diverse customer base. Group has also taken advances and security deposits from its customer / agents, which mitigate the credit risk to an extent. The ageing of the trade receivables is given below:

Particulars	₹ lacs	
	As at March 31, 2022#	As at March 31, 2021 ##
Up to 6 months	3,963.46	7,521.24
More than 6 months	5,004.78	1,782.20
Total receivables	8,968.24	9,303.44

Refer Note no.4

Refer Note no.24

- The impairment analysis is performed at each balance sheet date on individual basis for major clients. In additions a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The Group makes specific provisions @100% / write offs in respect of major customers based on its previous experiences and increase in credit risks. The Group makes general provisions for lifetime expected credit loss in respect of receivables @ 50% on the amount of receivables overdue for more than 180 days.

The change in loss allowances for trade receivables, advances to suppliers and security deposits is as under.

Particulars	₹ lacs		
	Trade Receivables	Loan and Advances*	Security Deposits
Provision as at March 31, 2020	259.00	105.42	25.00
Provided during the year 2020-21	698.54	7.66	-
Amount written off	-	89.03	-
Reversed during the year 2020-21	5.04	2.63	-
Provision as at March 31, 2021#	952.50	21.42	25.00
Provided during the year 2021-22	475.20	321.97	-
Amount written off	-	13.77	-
Reversed during the year 2021-22	22.23	-	-
Provision as at March 31, 2022 # #	1,405.47	329.62	-

Refer Note no.4

Refer Note no.24

- Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

ii) Liquidity risk

Liquidity risk is the risk that a group may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Since the Group is making continuous losses, presently it monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

18. Capital Management

The capital structure as at March 31, 2022 and March 31, 2021 is as follows.

Particulars	₹ lacs	
	As at March 31, 2022 #	As at March 31, 2021 ##
Total equity attributable to equity shareholders	4,112.00	6,243.03
Borrowings	62,200.04	62,395.15
Total Capital	66,312.04	68,638.18
Total equity attributable to equity shareholders as percentage of total capital	6.20%	9.10%
Total borrowing as percentage of total capital	93.80%	90.90%

Refer Note no.4

Refer Note no.24

19. Financial risk management objectives

The Group's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of the financial liabilities is to finance the Company's operations. The Group's principal financial assets include loans, trade and other receivables and cash and bank balances that derive directly from its operations.

The Group's activities expose it mainly to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

i) Credit risk

- Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Group is exposed to credit risk from trade receivables and

Particulars	As at March 31, 2022 # (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	105,766.02	104,377.16	1,388.86	105,766.02
Trade payables	73,495.83	73,495.83	-	73,495.83
Other financial liabilities - Current	28,629.67	24,887.87	3,741.80	28,629.67
Total	207,891.52	202,760.86	5,130.66	207,891.52

Particulars	As at March 31, 2021 ## (₹ lacs)			
	Carrying amount	Less than 1 Year	1 to 5 Years	Total
Borrowings	107,070.34	105,673.99	1,396.35	107,070.34
Trade payables	80,997.56	80,997.56	-	80,997.56
Other financial liabilities - Current	29,374.93	21,891.33	3,741.80	25,633.13
Total	217,442.83	208,562.88	5,138.15	213,701.03

Refer Note no.4

Refer Note no.24

iii) Market risk

The company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. Market risks comprises of four types of risks such as:

- **Interest rate risks**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates..

- **Commodity risk**

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has partly mitigated this risk adopting integrated business model by diversifying into distillation, for better price realisation of the by-products.

- **Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group's exposure to the risk of changes in foreign exchange rates is limited to the Group's operating activities (when revenue or expense is denominated in a foreign currency), which are not material.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise as follows:

Description	As at March 31, 2022 #		As at March 31, 2021 ##	
	Amount in foreign currency (Lacs)	Amount (₹ Lacs)	Amount in foreign currency (Lacs)	Amount (₹ Lacs)
Trade Receivables - USD	\$1.03	77.67	\$1.03	75.55

Refer Note no.4

Refer Note no.24

iv) Regulatory risk

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations affect the sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy.

20. Financial instruments - Accounting, Classification and Fair value measurements

i) Financial instruments by category

As at March 31, 2022# (₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Equity instruments					
- Mutual funds	-	-	14.56	-	14.56
- Government securities	4.62	-	-	-	4.62
- Others	-	0.15	-	-	0.15
Trade receivables	-	7,562.77	-	-	7,562.77
Cash and cash equivalent	-	4,642.61	-	-	4,642.61
Bank balances other than cash & cash equivalents	-	2,021.86	-	-	2,021.86
Other financial assets	-	1,672.07	-	-	1,672.07
Total financial assets	4.62	15,899.46	14.56	-	15,918.64
Financial liabilities					
Borrowings	-	105,766.02	-	-	105,766.02
Trade payables	-	73,495.83	-	-	73,495.83
Other financial liabilities	-	28,629.67	-	-	28,629.67
Total financial liabilities	-	207,891.52	-	-	207,891.52

As at March 31, 2021## (₹ lacs)

Particulars	Cost	Carrying Value			Total
		Amortised Cost	FVTPL	FVTOCI	
Financial assets					
Investment					
- Mutual funds	-	-	14.56	-	14.56
- Government securities	2.61	-	-	-	2.61
- Others	-	0.15	-	-	0.15
Trade receivables	-	8,228.54	-	-	8,228.54
Cash and cash equivalent	-	5,482.97	-	-	5,482.97
Bank balances other than cash & cash equivalents	-	2,187.73	-	-	2,187.73
Other financial assets	-	517.99	-	-	517.99
Total financial assets	2.61	16,417.38	14.56	-	16,434.55
Financial liabilities					
Borrowings	-	107,070.34	-	-	107,070.34
Trade payables	-	80,997.56	-	-	80,997.56
Other financial liabilities	-	29,374.94	-	-	29,374.94
Total financial liabilities	-	217,442.84	-	-	217,442.84

Refer Note no.4

Refer Note no.24

ii) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Following methods and assumptions used to estimate the fair values:

Fair value of cash and cash equivalents and short term deposits, trade and other short term receivables, trade payables, short term borrowings and other current financial assets and liabilities carried at amortized cost is not materially different from its carrying cost, largely due to the short-term maturities of these financial assets and liabilities

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There is no transfer from one level to another level during the year.

The following table provides the fair value measurement hierarchy of Group's assets and liabilities, grouped into Level 1 to Level 3 as described below:

Particulars	Carrying Amount	Fair value measurement using		
		Level 1	Level 2	Level 3
As at March 31, 2022 #				
Financial Assets				
- Investments-Current	14.56	14.56	-	-
Total	14.56	14.56	-	-
As at March 31, 2021 ##				
Financial Assets				
- Investments-Current	14.56	14.56	-	-
Total	14.56	14.56	-	-

Refer Note no.4

Refer Note no.24

21. Relationship with struck off companies-

(₹ lacs)

Name of struck off Company	Nature of transaction	Transaction during the year March 31, 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Angelina Infratech Pvt.Ltd	Repair & Maintenance of Computer	-	(0.01)	No
VMS Consultants Pvt. Ltd.	Professional Charges	-	(0.32)	No
S.B.Reshellers Pvt Ltd	Pur. of Spare Parts	-	(0.14)	No

(₹ lacs)

Name of struck off Company	Nature of transaction	Transaction during the year March 31, 2021	Balance outstanding at the end of the year as at March 31, 2021	Relationship with the Struck off company, if any, to be disclosed
Angelina Infratech Pvt.Ltd	Repair & Maintenance of Computer	-	(0.01)	No
VMS Consultants Pvt. Ltd.	Professional Charges	-	(0.32)	No
S.B.Reshellers Pvt Ltd	Pur. of Spare Parts	-	(0.14)	No

22. The Integrated Casetech Consultants Private Limited (ICCPL) has been contesting legal cases against certain mala fide activities resulting from breach of fiduciary duties committed by certain previous directors/senior executives of the ICCPL by making false recommendations and setting-up parallel business entities in competitive areas.

During the earlier years, the ICCPL has initiated legal proceedings to make recoveries from such directors/senior executives in the appropriate legal forums. The said directors/senior executives had also initiated a legal case before the Hon'ble Company Law Board (CLB) against the ICCPL, which was dismissed on February 23, 2016, however, on application of such directors/senior executives in the previous year, the matter was again admitted for hearing by the Hon'ble National Company Law Tribunal (NCLT). In another suite filed by the ICCPL, Hon'ble High Court of Delhi had granted the injunctions to refrain such director/senior executives from making the mis-representations, that they are associated with the ICCPL in any manner to the public at large. The said matter is sub-judices and the recovery proceedings are in progress.

23. Integrated Cashtech Consultants Private Limited ('ICCPL'), a subsidiary company had recognized revenue of ₹462.57 Lacs in the financial year 2020-21 as unbilled revenue in respect of certain customers in accordance with the terms of agreements entered into between ICCPL and its customers as the customers

had not accepted the claims of ICCPL, on account of certain disputes. ICCPL moved to arbitration for the settlement of disputes and expects that the matter will be settled in its favour. Accordingly, unbilled revenue had been carried on at the same amount and the final adjustments, if any, will be made after the settlement with the parties. The statutory auditors have given qualified opinion on the audited financial statements of ICCPL for the year ended March 31, 2022, on non-provision of credit loss and of probable estimated loss arising on the settlement of the aforesaid unbilled revenue.

24. The figures for the previous year ended March 31, 2021 have been restated in consolidated financial statements on account of consolidation of audited financial statement of SPPL for the year ended March 31, 2021 as disclosed in note no. 8 of financial results published on February 12, 2022.

25. CSR amount required to be spent by the Companies within the Group as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof is as under:

(₹ lacs)

Particulars	As at March 31, 2022 #	As at March 31, 2021 ##
Amount required to be spent	-	27.80
Amount actually spent	-	-

Refer note no.4

Refer Note no.24

26. TAX EXPENSE

A. Income Tax Expenses

Particulars	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Current tax	2.66	0.94
Deferred tax	2.41	(17.42)
Income Tax adjustment	120.01	32.73
Total Income Tax Expenses	125.08	16.25

Refer Note no.4
Refer Note no.24

B. Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

Particulars	Year ended March 31, 2022 # ₹ lacs	Year ended March 31, 2021 ## ₹ lacs
Profit/(Loss) for the year (before incometax expense)	(2,122.11)	(2,722.09)
Tax Expenses as per applicable tax rate*	(317.91)	(472.11)
Expenses not allowed for tax purposes	122.85	36.03
Reversal of Deferred Tax Liability on land (Net)	(238.24)	(178.68)
Deferred Tax Assets on business losses and unabsorbed depreciation not recognised	377.94	546.56
Deferred Tax Assets on gratuity not recognised	60.43	51.72
Adjustment of prior period tax	120.01	32.73
Total	125.08	16.25

-Applicable Tax Rate- For parent company 34.94%
For Subsidiary companies 26.00% & 25.17%
Refer Note no.4
Refer Note no.24

27. Additional Information pursuant to Schedule III to the Companies Act, 2013, of subsidiaries and associates as per standalone financial statements of each entity:

Name of the entity	Country of Incorporation	% of voting power	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Other Comprehensive Income	
			As % of consolidated net assets	Amount ₹ In lacs	As % of consolidated profit or loss	Amount ₹ In lacs	As % of consolidated total comprehensive income	Amount (₹ In lacs)	As % of consolidated total comprehensive income	Amount (₹ In lacs)
As at March 31, 2022 #										
Parent										
Simbhaoli Sugars Limited			36.91	(2,556.44)	45.46	(1,019.69)	92.10	84.05	43.48	(935.64)
Subsidiaries- Indian										
Simbhaoli Specialty Sugars Private Limited	India	100.00	(2.01)	139.15	0.10	(2.24)	-	-	0.10	(2.24)
Integrated Casetech Consultants Private Limited	India	85.16	(4.56)	315.63	0.35	(7.85)	9.27	8.46	(0.03)	0.61
Simbhaoli Power Private Limited	India	51.00	(214.24)	14,836.75	-	-	-	-	-	-
Non- Controlling interest										
Add/(less) : Consolidation adjustments			(159.38)	11,037.25	(0.05)	(1.19)	(1.38)	1.26	0.00	0.07
			443.27	(30,697.59)	54.14	1,214.45	-	-	56.44	1,214.45
Total			100.00	(6,925.25)	100.00	(2,243.04)	100.00	91.25	100.00	(2,151.79)
As at March 31, 2021 ##										
Parent										
Simbhaoli Sugars Limited			34.24	(1,641.49)	20.22	(443.07)	73.24	10.59	19.87	(432.48)
Subsidiaries- Indian										
Simbhaoli Specialty Sugars Private Limited	India	100.00	(2.95)	141.40	(0.07)	1.63	-	-	(0.07)	1.63
Integrated Casetech Consultants Private Limited	India	85.16	(6.57)	315.02	4.20	(92.02)	23.24	3.36	4.07	(88.66)
Simbhaoli Power Private Limited	India	51.00	(309.48)	14,836.75	49.47	(1,083.99)	13.83	2.00	49.70	(1,081.99)
Non- Controlling interest										
Add/(less) : Consolidation adjustments			(230.22)	11,037.18	24.86	(544.83)	10.30	1.49	24.96	(543.34)
			614.98	(29,483.01)	1.33	(29.04)	(20.61)	(2.98)	1.47	(32.02)
Total			100.00	(4,794.15)	100.00	(2,191.32)	100.00	14.46	100.00	(2,176.86)

Refer Note no.4
Refer Note no.24

28. Additional regulatory information

- i) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
- ii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- iii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- iv) There are no proceedings against group, being the Group registered under "the Act", that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- v) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

29. Details of loan and advances given, investment made and securities provided as required to be disclosed as per provisions of Section 186 (4) of the Companies Act, 2013 have been disclosed in respective heads.

30. The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Signatures to notes 1 to 30

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

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

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

For and on behalf of the Board of Directors

Gurmit Singh Mann
Chairman
DIN - 00066653

Dayal Chand Popli
Chief Financial Officer
FCMA - 12257

Place : Simbhaoli, Hapur (U.P.)
Date : May 20, 2022

Gursimran Kaur Mann
Managing Director
DIN - 00642094

Kamal Samtani
Company Secretary
FCS - 5140

Sachchida Nand Misra
Chief Operating Officer
DIN -06714324

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