



**SIMBHAOLI
SUGARS**

Ref: SSL/SE/2025-26

Date: March 11, 2026

To,

The Corporate Relations Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort Mumbai
Fax No. 022-22721072/2037

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

Scrip Code: BSE: 539742 SYMBOL: NSE: SIMBHALS

Sub: Outcome of the Interim Resolution Professional (IRP) convened meeting pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 held on March 11, 2026.

Dear Sir/Ma'am,

In the Interim Resolution Professional (IRP) convened meeting held today i.e. Wednesday, March 11, 2026, **which commenced at 03:30 PM and concluded at 3.53 PM**, the decisions were taken as follows:

1. The IRP convened meeting has reviewed considered and taken note of Audited Consolidated Financial Statement of the Company for the quarter and year ended on 31st March 2025. The Signed Copies of the aforesaid Financial Result along with Independent Auditors Report are attached herewith.

Thanking You.

Yours Faithfully,
For Simbhaoli Sugars Limited

(Jagrati Sharma)
Company Secretary & Compliance Officer
M. No.: F11456

Encl. as above

Simbhaoli Sugars Limited

(An FSSC 22000: version 6.1, ISO 900 ISO 9001 : 2015 & 14001 : 2015 Certified Company)

Registered Office : Simbhaoli, Distt. Hapur, Uttar Pradesh, 245207 | Tel : 0120-4132077

GSTIN: 09AAPCS7569A2ZU | PAN: AAPCS7569A | CIN: L15122UP2011PLC044210

E-mail : info@simbhaolisugars.com | www.simbhaolisugars.com

Specialty Sugars

Potable Alcohol

Ethanol

Power



Mittal Gupta & Co.

Chartered Accountants

10/437, Khalasi Lines, Kanpur -208001

Tel: 0512-3158490 E-mail: mgco@mgcoca.in

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

To

The Interim Resolution Professional

Simbhaoli Sugars Limited

Hapur, Uttar Pradesh, India.

Report on the audit of Consolidated Annual Financial Results

Introduction

The Hon'ble National Company Law Tribunal, Prayagraj Bench ("NCLT") admitted an insolvency and bankruptcy petition filed by a financial creditor against Simbhaoli Sugars Limited ("the Holding Company") vide its order dated July 11, 2024 and appointed Mr. Anurag Goel to act as Interim Resolution Professional (IRP) with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related Rules. On the basis of the orders of the NCLT, Mr. Anurag Goel in his capacity as IRP had taken control and custody of the management and operations of the Holding Company from July 12, 2024. However, The National Company Law Appellate Tribunal, New Delhi ("NCLAT"), by an interim order dated July 24, 2024 allowed time in view of giving opportunity to the financial creditors to take a decision with regards to the settlement proposals received by them and given directions that no further steps shall be taken in pursuant of the impugned order passed by NCLT and allowed IRP to continue to manage the operations of the corporate debtors and fixed the next date of hearing on March 24, 2026.

Adverse Opinion

We have audited the accompanying statement of Consolidated Annual Financial Results of Simbhaoli Sugars Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together, hereinafter referred to as 'the Group') for the year ended March 31, 2025 ("the Statement") attached herewith, being prepared and submitted by the Holding Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulation')

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries, the Consolidated Annual Financial Results:

- i. Includes consolidated annual financial results of the following subsidiaries:



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- a. Integrated Casetech Consultants Private Limited (ICCPL),
 - b. Simbhaoli Specialty Sugars Private Limited (SSSPL),
 - c. Simbhaoli Power Private Limited (SPPL).
- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulation in this regard; and
- iii. because of the significance of the matter described in the ‘Basis of Adverse Opinion paragraph’ section of our report, containing the matters based on, the auditors of SPPL has issued “disclaimer of opinion” audit report on SPPL’s separate financial statements and, we have issued “adverse opinion” and “qualified opinion” reports on the separate financial statements of ICCPL and the Holding Company respectively, the Consolidated Annual Financial Results do not give a true and fair view in conformity with applicable Indian Accounting Standards (“IND AS”) prescribed under section 133 of the Companies Act, 2013 (“the Act”), read with relevant rules issued thereunder, and other accounting principles, generally accepted in India, of the net loss after tax and other comprehensive income and other financial information of the group for the year ended March 31, 2025.

Basis of Adverse Opinion

1. As stated in Note No. 8 of the Statement, the statutory auditor of the SPPL has given disclaimer of opinion on the audited financial statements for the year ended March 31, 2025, based on the reporting of the following matters: -
 - i. The financial statements of the Company has been prepared on going concern basis notwithstanding the facts that the Company has incurred net losses in the current year as well as in the previous year, its current liabilities exceeded current assets, one of the Turbine broke down and not in working condition throughout the year resulting into significant decrease in revenue and increase in losses, and unavailability of firm commitment or confirmation from its shareholders for continued operational and financial support, including continuing supply of key raw materials and deferment of interest and other payable. These situations coupled with initiation of insolvency proceedings against the holding company, indicate multiple uncertainties in regarding the prospects of the business that casts significant doubt on the Company’s ability as a going concern. In the absence of sufficient appropriate audit evidence in relation to the above, we are unable to comment whether the Company will be able to continue as a going concern and the consequential implication arising therefrom on the financial statements of the Company.



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- ii. The Company has continued to make losses and has not been generating sufficient cash flows from its operations and one of the turbine at the plant broke down and not in the working condition throughout the year, which indicates the existence of the conditions for the impairment in the value of cash generating units of property, plant and equipment (PPE). But the management has stated in the notes in view of long term assessment made by them after factoring better operational parameters such as expected increase in the power tariff, lower cost of equity and running of all the turbines at full capacity after requisite repairs, no provision is considered necessary to the carrying amount of PPE. However, considering the uncertainties involved in management's long term assessment, including expected increase in power tariff pending to be notified by Uttar Pradesh Electricity Regulatory Commission for next five years cycle of 2024-2029, lower cost of equity etc., and repair of turbine and running in its full capacity, there are associated uncertainties with respect to the future cash flows which may result into impairment in the carrying amount of PPE as per Ind AS 36 "Impairment of Assets". In view of the aforesaid, and due to non availability of sufficient appropriate evidence to support management's rational stated in the note, we are unable to comment on the impairment loss, if any, that could have been recognized and its impact on the loss of the current year, and also on the carrying value of PPE contained in the underlying cash generating unit and retained earnings as at March 31, 2025.
- iii. One of the joint venture partner of the Company had filed legal petition with the National Company Law Tribunal (NCLT), Allahabad Bench, Prayagraj alleging oppression and mismanagement by the Company and other parties as stated therein. Pending the conclusion of the proceedings and in absence of sufficient appropriate evidence regarding management's assessment regarding the potential impact of these matter, we are unable to comment on the consequential implications, if any, on the financial statements of the Company.
- iv. The Company has recognized receivables from holding company amounting to ₹1,116.19 Lakhs, which are not accepted by the holding company and a counter claim of ₹524.10 Lakhs has been raised by them which has not accepted and recognized by the Company. These transactions are being discussed by between both the parties and the effect thereof on the financial statements can only be known once resolved. Pending resolution of these matters, we are unable to comment on the effect thereof on the financial statements.



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2. As stated in Note No. 9 of the Statement, we have given adverse opinion on the financial statements of ICCPL for the year ended March 31, 2025 and have reported following matters as material and pervasive in the “basis of forming an adverse opinion” section:-
- i. ICCPL had recognized revenue amounting to ₹462.57 Lakhs as unbilled revenue in the earlier financial years, which had been in disputes with the counter parties. Further the counter parties had also held back the payment of Earnest Money Deposits of ₹105.00 Lakhs, which have been shown as recoverable under the head “Other current financial assets” in the financial statements. Pending final settlement of the disputes, the unbilled revenue and Earnest Money Deposits balances are continued to be carried forward at the same amount, without making any provision for the expected credit losses and estimated probable losses on account of disputes since Financial Year 2020-21. We have not been made available of any evidence by the management to prove that there is reasonable probability of recovery of the aforesaid amounts and hence of the opinion that the entire amount should have been provided for by the management. Therefore, the loss and total comprehensive income for the year are understated and current assets and other equity as at March 31, 2025 are overstated by the aforesaid amounts.
 - ii. Out of total receivables of ₹271.80 Lakhs, which have been considered good, receivables aggregating to ₹209.43 Lakhs and of ₹24.88 Lakhs are overdue for a period of more than three and one year respectively. The aforesaid amount includes receivables of ₹30.96 Lakhs which are in disputes before courts/arbitration. The company has not made any provision for impairment of these receivables, including provision under ECL Model as per Ind AS. The management has represented that they are in continuous follow up with all the parties for recovery of dues and based on the past experience and ongoing communication they believe that these amounts remain recoverable. However, the management has not provided confirmation from these parties showing that these amounts are payable by them and has also not provided copy of any communication with these parties. Therefore, in our opinion the aforesaid overdue should have been fully provided for under ECL model as per Ind AS. Hence, the loss and total comprehensive income for the year are understated and current assets and other equity as at March 31, 2025 are overstated by the aforesaid amounts.
 - iii. The company has recognized deferred tax assets of ₹108.56 Lakhs in earlier years. However, considering the fact that the company has incurred losses during the year



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that too without making adequate provisions for impairment as stated aforesaid, in our opinion, the company is not expected to earn sufficient taxable profit in the foreseeable future to adjust the recognized DTA. The management has represented that the company has secured few lucrative contracts and is expected to earn profits from these contracts but not provided us any evidence to prove that there are reasonable probability that sufficient taxable profits will be available in foreseeable future to adjust the recognized deferred tax assets. Therefore, in our opinion, the carrying amount of deferred tax assets should have been fully impaired and written off. Hence, the loss and total comprehensive income for the year are understated and deferred tax assets and other equity as at March 31, 2025 are overstated by the aforesaid amounts.

- iv. The Company has not raised invoices in respect of services rendered under contracts within the stipulated items under the GST Act. Further, various vendors to whom the company had made advances in the earlier years had also not raised invoices on the company as the company shown its inability to make the payment of GST on these invoices. The Company has made estimated provisions against those advances and shown the net amount after setting off in the balance sheet. The management has not assessed and provided for the interest and penalty liability payable under GST law in respect of aforesaid non compliance and in absence thereof, we are unable to form our opinion on its impact on these financial statements.
- v. The financial statements have been prepared by the management on going concern basis notwithstanding of the fact that the company has reported net loss for the year and that too without making adequate provision for impairment in the carrying amount of unbilled revenue, old receivables, old earnest money deposits and deferred tax assets. Further, there is no commitment or confirmation from the holding company for continuing operational and financial support. On the contrary the holding company has stopped making payment in respect of services rendered under the contract to adjust the advances made in the earlier periods and due to the aforesaid reasons, the company has not been raising invoices as it does not have cash to discharge its GST liability. The management has represented that the company has secured few lucrative contracts which provides visibility of revenue for the near future but the aforesaid conditions coupled with initiation of insolvency proceedings against the holding company, indicate existence of



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significant material uncertainties that casts significant doubts on the company's ability as a going concern.

3. As stated in Note No. 12 of the Statement, Pending resolutions of disputes in respect of claims lodged by SPPL but not recognized by the holding company of ₹ 1116.19 Lakhs and claims lodged by holding company but not recognized by the SPPL of ₹ 524.10 Lakhs, these consolidation financial results have been prepared assuming SPPL will reverse and account for disputed transactions in their books and accordingly the loss attributable to the Non-Controlling Interest for the year has been determined and disclosed.
4. As stated in Note No. 4 of the Statements, the management shall assess the impairment in the carrying value of Property, Plant and Equipment and other assets of the Holding Company on finalization and implementation CIRP through Hon'ble NCLT and accordingly will provide it. Further, write back of accounted for accrued interest payable to lenders, outstanding liabilities of lenders and other operational liabilities shall also be accounted for after finalization and implementation of CIRP. Accordingly, we are unable to comment on the impact thereof, including compliance with the Ind AS and any consequential adjustments that may arise in this regard in these financial results.
5. As stated in Note No. 3 of the Statements, no provision of interest expenses on the borrowings amounting to ₹63,937.03 Lakhs and of ₹8,116.17 Lakhs for the year and quarter ended March 31, 2025 respectively (previous year and quarter ended March 31, 2024 ₹22,144.56 Lakhs and ₹9,347.63 Lakhs respectively) have been made for the reasons stated in the said note. Consequently, Net loss and Total Comprehensive Income for the year have been understated by the aforesaid amounts. The aggregate amount of interest expense not provided for in the accounts aggregates to ₹1,75,029.63 Lakhs till March 31, 2025. Consequently, Current Financial Liabilities are understated and Other Equity as at March 31, 2025 are overstated by the aforesaid amounts.
6. As stated in Note No. 6, no provision of interest payable under the provisions of section 17(3) of the U.P. Sugarcane (Regulations of Supply and Purchase) Act, 1953 on the delayed payment of sugar cane price to the farmers has been. The amount of interest on delayed payment of cane dues as claimed by the cane societies before the IRP office as on July 11, 2024 amounts to ₹12,163.25 Lakhs. Consequently, Net loss and Total Comprehensive Income for the quarter and year have been understated, Current Financial Liabilities are understated and Other Equity as at March 31, 2025 are overstated by the aforesaid amounts. Since, we have not been provided with the working of interest on delayed payment of cane



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price accrued after July 11, 2024, we are unable to comment of consequential adjustments that may arise in this regard in these financial results.

7. We draw attention to the Note No. 5 of the Statement which explains that the Holding company has been admitted under CIRP effective July 11, 2024 and the IRP has taken over the management and control of the Company with the objective of running it as going concern. Accordingly, the financial results are continued to be prepared on going concern basis. However, the Holding Company had incurred cash losses in past, its current liabilities are exceeding current assets, it defaulted in payment of dues to lenders, cane farmers and others, and has been reporting negative net worth, which indicates that material uncertainty exists that may cast significant doubts on Holding Company's ability to continue as a going concern.
8. As stated in Note No. 10 of the Statement, the company has paid remuneration to directors amounting to ₹ 355.83 lakhs from the date of appointment till March 31, 2025, in accordance with the special resolutions passed in the Annual General Meeting, without obtaining consent from all the lenders, which is not in compliance with the provisions of sections 197 of the Companies Act, 2013.
9. As stated in Note No. 11 of the Statement, no provision has been made in respect of remuneration accruing and payable to Chief Financial Officer for the period from 15th February 2025 to 31st March 2025 amounting to ₹ 9.23 Lakhs. Consequently, the profit for the quarter and year ended March 31, 2025, and Other Equity as at March 31, 2025 are overstated and current liability is understated by the aforesaid amount.

The above matters are material and pervasive to the Statement.

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



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Management Responsibilities for the Consolidated Annual Financial Results

The aforesaid audited consolidated financial results of the Holding Company for the quarter and year ended March 31,2025 have been taken on record by the IRP -while discharging the powers of the Board of Directors of the Company in accordance with the NCLT order. For the said purpose, as explained in Note no. 17 to the Statement, the Management, while signing this statement of consolidated financial results, has relied upon the assistance provided by the Key Management Personnel of the Corporate Debtor. The statement of financial results of the Corporate Debtor for the year ended March 31,2025 have been taken on record by the IRP solely on the basis of and on relying on the certifications, representations and statements of the Key Management Personnel and management of Corporate Debtor For all such information and data, the IRP has assumed that such information and data are in conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the Statement.

The Statement, which includes consolidated financial results is the responsibility of the Holding Company's management and has been approved by them for issuance The Statement has been compiled on the basis of the audited financial statements for the year ended March 31,2025.

The Holding Company's Management of the Company are responsible for the preparation and presentation of the Consolidated Annual Financial Results that gives a true and fair view of the Consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the applicable Indian Accounting Standards ("IND AS") prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Annual Financial Results, that give a true and fair view and is free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Annual Financial Results by the Holding Company's Management, as aforesaid.

In preparing the Consolidated Annual Financial Results, the respective Holding Company's Management are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of



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accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Holding Company's Management and the respective Board of Directors of the Companies included in the Group and are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Annual Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards of Auditing specified under Section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Annual Financial Results.

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

- Identify and assess the risks of material misstatement of the Consolidated Annual Financial Results, whether due to fraud or error, and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management.
- Evaluate the appropriateness and reasonableness of disclosures made by the management in terms of the requirements specified under regulation 33 of the Listing Regulations.



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

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

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



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We could not performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2020 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, in the respect of SPPL because the statutory auditors of SPPL had not provided us the information sought by us.

Other Matters

- i) The consolidated annual financial results include the audited financial results of two subsidiaries, whose financial statements reflect total assets of ₹ 26,179.88 Lakhs as at March 31, 2025, total revenue of ₹ 2,589.16 Lakhs, net loss after tax of ₹ 4,292.36, total comprehensive income of ₹ 4,285.56 Lakhs for the year ended March 31, 2025 and cash inflows of ₹ 277.69 Lakhs for the year ended March 31, 2025, as considered in the consolidated financial results which have been audited by other independent auditors. The independent auditors' reports on financial statements of the entity have been furnished to us and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of the entity, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
- ii) The consolidated annual financial results include the results for the quarter ended March 31, 2025 being the balancing figures between the audited/restated figures in respect of the full financial years and the published unaudited year to date figures up to the third quarter of the respective financial year which were subject to limited review by us.

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

For MITTAL GUPTA & CO.

Chartered Accountants

FRN: 001874C

(B. L. Gupta)

Partner

Membership No. 073794

Place of Signature: Kanpur

Date: 11.03.2026

UDIN: 26073794QYVBHW8690

SIMBHAOLI SUGARS LIMITED
 Regd. Office : Simbhaoli Dist. Hapur (U.P.) - 245207
 CIN - L15122UP2011PLC044210 E-mail: info@simbhaolisugars.com Website: www.simbhaolisugars.com
STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
MARCH 31, 2025

(₹ Lacs)

Sl. No.	Particulars	Quarter Ended			Year ended	
		March 31,2025	December 31,2024	March 31,2024	March 31,2025	March 31, 2024
		Audited* #	Unaudited #	Audited/ Restated* #	Audited	Audited/ Restated #
1	Income					
	(a) Revenue from operations	37,324.21	26,666.52	40,143.22	1,16,431.09	1,35,400.70
	(b) Other income	(768.94)	422.51	(551.79)	634.06	882.65
	Total Income	36,555.27	27,089.03	39,591.43	1,17,065.15	1,36,283.35
2	Expenses					
	(a) Cost of materials consumed	42,027.66	28,487.06	48,448.46	70,711.52	90,604.61
	(b) Purchase of stock-in-trade	1,482.86	1,733.65	1,987.44	7,185.43	7,902.29
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(21,052.81)	(12,803.55)	(26,579.51)	(20.88)	(3,964.91)
	(d) Excise duty	4,159.29	4,316.24	3,055.14	16,762.04	15,059.42
	(e) Employee benefits expense	2,871.74	1,912.95	2,877.51	7,772.84	7,896.02
	(f) Finance costs	1,259.34	0.38	2,014.54	1,947.71	4,094.13
	(g) Depreciation and amortisation expense	1,741.43	702.06	1,719.67	3,838.88	3,799.09
	(h) Power and Fuel	(185.79)	380.21	(86.55)	663.27	1,352.60
	(i) Other expenses	3,576.35	2,621.42	4,775.25	10,179.41	13,077.51
	Total expenses	35,880.07	27,350.42	38,211.95	1,19,040.22	1,39,820.76
3	Profit/ (loss) before exceptional items and tax (1-2)	675.20	(261.39)	1,379.48	(1,975.07)	(3,537.41)
4	Exceptional items	-	-	-	-	-
5	Profit/ (loss) before Tax (3-4)	675.20	(261.39)	1,379.48	(1,975.07)	(3,537.41)
6	Tax expense :					
	- Current tax	1.04	(0.10)	0.57	1.04	1.20
	- Deferred tax	(108.56)	-	55.03	-	5.69
	- Income Tax Adjustment	5.08	-	(498.44)	5.08	(498.44)
	Total tax expenses	(102.44)	(0.10)	(442.84)	6.12	(491.55)
7	Net Profit/(loss) from ordinary activities after tax (5-6)	777.64	(261.29)	1,822.32	(1,981.19)	(3,045.86)
8	Other Comprehensive Income (net of tax)	(22.53)	-	(53.93)	(22.53)	(53.93)
	A) I. Items that will not be reclassified to profit & loss	(22.53)	-	(50.16)	(22.53)	(50.16)
	II. Income Tax relating to Items that will not be reclassified to profit or loss	-	-	(3.77)	-	(3.77)
	B) I. Items that will be reclassified to profit & loss	-	-	-	-	-
	II. Income Tax relating to Items that will be reclassified to profit or loss	-	-	-	-	-
9	Total Comprehensive Income (net of tax) (7+8)	755.11	(261.29)	1,768.39	(2,003.72)	(3,099.79)
	Profit/Loss for the year attributable to :					
	I. Owners of the parent	2,831.27	(262.12)	2,638.27	132.43	(2,208.14)
	II. Non-Controlling Interest	(2,053.63)	0.83	(815.95)	(2,113.62)	(837.72)
	Other Comprehensive Income attributable to:					
	I. Owners of the parent	(25.53)	-	(50.99)	(25.53)	(50.99)
	II. Non-Controlling Interest	3.00	-	(2.94)	3.00	(2.94)
	Total Comprehensive Income attributable to:					
	I. Owners of the parent	2,805.74	(262.12)	2,587.28	106.90	(2,259.13)
	II. Non-Controlling Interest	(2,050.63)	0.83	(818.89)	(2,110.62)	(840.66)
10	Paid up equity share capital (face value ₹. 10/- each)	4,127.90	4,127.90	4,127.90	4,127.90	4,127.90
11	Other Equity				(16,643.64)	(16,769.49)
12	Basic and Diluted Earning Per Share (₹) (not annualized)					
	- EPS before exceptional item	6.86	(0.63)	6.39	0.32	(5.35)
	- EPS after exceptional item	6.86	(0.63)	6.39	0.32	(5.35)

Refer Note No.7

* Refer Note No.15

1. The Hon'ble National Company Law Tribunal (NCLT), Allahabad bench, Prayagraj has admitted the petition of Oriental Bank of Commerce (now Punjab National Bank), for initiating Corporate Insolvency Resolution process (CIRP) under the Insolvency and Bankruptcy Code,2016 (IBC) vide its order dated 11.07.2024, Mr. Anurag Goel was appointed as the Interim Resolution Professional (IRP). Accordingly, he has taken control of the Management and operations of the Company.

2. In view of the above, audited (standalone and consolidated) financial results have not been considered and recommended by Audit Committee and, consequently by the Board of Directors. However, the same have been certified by Mr. Dayal Popli- Chief Financial officer (CFO) of the Company. Based on this certification, these audited (standalone and consolidated) financial results have been taken on record by IRP of the Company on 11th March ,2026.

For Simbhaoli Sugars Limited

Certified By :
 Dayal Popli
 Chief Financial Officer
 FCMA-12257

Taken on record by:
 Anurag Goel
 Interim Resolution Professional
 BBI/IPA-001/IP-P-00876/2017-2018/11460

Place: Simbhaoli,Hapur(UP)
 Date : March 11, 2026

SIMBHAOLI SUGARS LIMITED

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

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

STATEMENT OF AUDITED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(**₹Lacs**)

Particulars	Quarter Ended			Year ended	
	March 31,2025	December 31,2024	March 31,2024	March 31,2025	March 31, 2024
	Audited* #	Unaudited #	Audited/ Restated* #	Audited	Audited/ Restated #
(A). Segment Revenue					
(a) Sugar	30,661.75	20,366.29	34,156.42	85,913.61	1,04,107.69
(b) Distillery	11,518.51	9,648.88	8,995.25	39,534.98	42,236.39
(c) Power	2,480.60	-	3,915.80	2,480.60	3,915.80
(d) Others	407.00	313.71	320.25	975.47	947.19
Total	45,067.86	30,328.88	47,387.72	1,28,904.66	1,51,207.07
Less: Inter Segment Revenue	7,743.65	3,662.36	7,244.50	12,473.57	15,806.37
Net sales/income from operations	37,324.21	26,666.52	40,143.22	1,16,431.09	1,35,400.70
(B). Segment Results					
Profit/ (loss) before finance costs, unallocated expenditure, exceptional items and tax from each segment					
(a) Sugar	3,556.60	(344.10)	4,206.38	2,201.08	1,371.72
(b) Distillery	171.95	(128.78)	23.98	(583.37)	(330.67)
(c) Power	(1,871.45)	-	(179.20)	(1,871.45)	(179.20)
(d) Others	205.17	3.77	198.52	(90.41)	35.26
Total	2,062.27	(469.11)	4,249.68	(344.15)	897.11
Less:					
(a) Finance cost	1,259.34	0.38	2,014.54	1,947.71	4,094.13
(b) Other un-allocated expenses/ (income) (net)	127.73	(208.10)	855.66	(316.79)	340.39
(c) Exceptional item	-	-	-	-	-
Total Profit/ (loss) before tax	675.20	(261.39)	1,379.48	(1,975.07)	(3,537.41)
(C). Segment Assets					
(a) Sugar	1,30,717.84	1,13,505.10	1,30,597.57	1,30,717.84	1,30,597.57
(b) Distillery	39,225.18	37,927.12	39,643.44	39,225.18	39,643.44
(c) Power	25,118.81	31,131.33	25,446.20	25,118.81	25,446.20
(d) Others	1,330.53	1,115.01	1,458.44	1,330.53	1,458.44
(e) Unallocated	6,858.72	7,364.71	7,757.03	6,858.72	7,757.03
Total	2,03,251.08	1,91,043.27	2,04,902.68	2,03,251.08	2,04,902.68
(D). Segment Liabilities					
(a) Sugar	71,913.24	55,453.66	73,395.75	71,913.24	73,395.75
(b) Distillery	1,818.34	2,026.15	1,882.83	1,818.34	1,882.83
(c) Power	2,646.78	2,916.70	2,182.38	2,646.78	2,182.38
(d) Others	856.66	1,162.73	902.44	856.66	902.44
(e) Unallocated	34,755.96	32,201.70	33,291.04	34,755.96	33,291.04
(f) Borrowings	1,01,074.49	1,02,762.32	1,01,077.86	1,01,074.49	1,01,077.86
Total	2,13,065.47	1,96,523.26	2,12,732.30	2,13,065.47	2,12,732.30

Refer Note No.7

* Refer Note No.15

1.The Hon'ble National Company Law Tribunal (NCLT), Allahabad bench, Prayagraj has admitted the petition of Oriental Bank of Commerce (now Punjab National Bank), for initiating Corporate Insolvency Resolution process (CIRP) under the Insolvency and Bankruptcy Code,2016 (IBC) vide its order dated 11.07.2024. Mr. Anurag Goel was appointed as the Interim Resolution Professional (IRP). Accordingly, he has taken control of the Management and operations of the Company.

2.In view of the above, audited (standalone and consolidated) financial results have not been considered and recommended by Audit Committee and, consequently by the Board of Directors. However, the same have been certified by Mr. Dayal Popli- Chief Financial officer (CFO) of the Company. Based on this certification, these audited (standalone and consolidated) financial results have been taken on record by IRP of the Company on 11th March ,2026.

For Simbhaoli Sugars Limited

Certified By :
Dayal Popli
Chief Financial Officer
FCMA-12257

Taken on record by:
Anurag Goel
Interim Resolution Professional
BBI/IPA-001/IP-P-00876/2017-2018/11460

Place: Simbhaoli,Hapur(UP)
Date : March 11, 2026



CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ lacs)

Sr.No.	Particulars	As at March 31,2025	As at March 31,2024
		Audited	Audited/ Restated #
I.	ASSETS		
	Non current assets		
	a) Property, plant and equipment	1,37,733.48	1,40,946.89
	b) Right of use assets	-	-
	c) Capital work in progress	192.78	107.40
	d) Other intangible assets	35.76	30.08
	e) Financial assets		
	i) Investments	4.27	5.77
	ii) Trade receivables	-	-
	iii) Others	227.81	246.23
	f) Deferred tax assets (net)	108.56	108.56
	g) Income tax assets (net)	76.82	51.73
	h) Other non-current assets	451.09	448.49
	Total non - current assets	1,38,830.57	1,41,945.15
	Current assets		
	a) Inventories	48,354.88	48,720.51
	b) Financial assets		
	i) Investment	2,862.96	1,395.70
	ii) Trade receivables	3,212.09	3,189.94
	iii) Cash & cash equivalents	3,619.30	2,219.92
	iv) Bank balance other than (iii) above	3,287.90	3,943.09
	v) Others	521.78	557.17
	c) Current Tax assets (Net)	244.52	240.43
	d) Other current assets	2,293.98	2,645.10
	e) Assets classified as held for sale	23.10	45.67
	Total current assets	64,420.51	62,957.53
	TOTAL ASSETS	2,03,251.08	2,04,902.68
II.	Equity and liabilities		
	Equity		
	a) Equity share capital	4,127.90	4,127.90
	b) Other equity	(16,643.64)	(16,769.49)
	c) Non-controlling interest	2,701.35	4,811.97
		(9,814.39)	(7,829.62)
	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	i) Borrowings	304.90	304.90
	(b) Provisions	521.03	605.70
	Total non - current liabilities	825.93	910.60
	Current liabilities		
	(a) Financial liabilities		
	i) Borrowings	1,00,769.59	1,00,772.96
	ii) Trade payable		
	A) Total outstanding dues of micro enterprises and small enterprises	876.57	915.02
	B) Total outstanding dues of creditors other than micro enterprises and small enterprises	70,208.94	71,889.28
	iii) Other financial Liabilities	37,766.27	36,283.56
	(b) Other current liabilities	2,304.92	1,749.29
	(c) Provisions	312.77	211.11
	(d) Income tax liabilities (net)	0.48	0.48
	Total current liabilities	2,12,239.54	2,11,821.70
	TOTAL EQUITY AND LIABILITIES	2,03,251.08	2,04,902.68

Refer Note No.7

SIMBHAOLI SUGARS LIMITED

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

CONSOLIDATED STATEMENT OF CASH FLOW



(₹ Lacs)

Particular	For the Year Ended as at March 31, 2025	For the Year ended as at March 31, 2024
	Audited	Audited/ Restated #
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) before tax and exceptional items	(1,975.07)	(3,537.41)
Adjustments for:		
Depreciation and amortization	3,838.88	3,799.09
Finance costs	1,947.71	4,094.13
Interest income on fixed Deposits and debentures	(124.15)	(35.46)
Interest income on Income Tax refunds	(34.58)	(1.03)
Mark to Market of Investment carried at fair value	(142.80)	(11.70)
Liability/provisions no longer required written back	(153.98)	(532.05)
Bad Debts and advances written off	0.09	32.93
Profit on redemption of Mutual Funds Units	(67.26)	(66.36)
Loss/ (profit) from sale/discard of property, plant and equipment (net)	(47.20)	497.56
Provision for obsolete items	21.47	55.00
Provision for Credit Loss allowance	305.04	68.75
Mollasses Storage Fund	18.95	25.90
Operating profit/(loss) before working capital changes	3,587.10	4,389.35
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Changes in trade and other receivables	193.69	1,929.26
Changes in other non current and current financial asset	17.04	(74.72)
Changes in other non current and other current assets	(522.04)	572.81
Changes in inventories	344.16	(3,458.53)
Changes in trade and other payables	(1,564.81)	1,484.33
Changes in other non-current and other current financial liabilities	610.84	(531.80)
Changes in other non-current and other current liabilities	407.20	(595.92)
Changes in long term and short term provision	16.99	(0.12)
Cash (used)/generated from operations	3,090.17	3,714.66
Direct taxes (paid)/refund	323.62	(127.66)
Net cash (used) / from operating activities	3,413.79	3,587.00
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant and equipment & intangible assets	(841.48)	(1,385.57)
Sale of property, plant and equipment & intangible assets	85.00	187.59
Net Proceeds from sale of /(Investment) in Mutual Funds	(1,257.20)	(741.48)
Redemption/(Purchase) of national savings certificate	1.50	-
Interest received on debentures/fixed deposits/inter corporate deposits	137.14	196.56
Net Changes in Escrow Accounts with Banks for cane dues	(1,098.41)	-
Changes in fixed deposit with Banks	12.08	11.54
Net cash (used) / from investing activities	(2,961.37)	(1,731.36)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
EMD (Paid)/Refund to/(from) banks for OTS	1,765.30	(1,150.00)
Interest paid	(814.97)	(348.52)
Repayment of recalled borrowings	(3.37)	(247.17)
Net cash (used) / from financing activities	946.96	(1,745.69)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,399.38	109.95
E. Cash and cash equivalents (opening balance)	2,219.92	2,109.97
F. Cash and cash equivalents (closing balance) (D+E)		
Cash and bank balances at the end of the year (D+E)	3,619.30	2,219.92

Refer Note No.7

Notes to Consolidated Financial Results:

1. Due to sub-optimum capacity utilization of its manufacturing capacities and other internal and external factors, the Holding Company had continuously incurred huge losses in past resulting in complete erosion of its net worth, rendering the Holding Company unable to meet payment obligations towards its lenders as well as to the sugarcane farmers in terms of their respective agreements and understanding. Due to defaults in repayment of credit facilities, lenders to the Holding Company had 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 and also filing of recovery proceedings against personal guarantors (Promoters) before NCLT under section 95 of Insolvency and Bankruptcy Code, 2016, in addition to approaching Debt Recovery Tribunals in Delhi as well as in Lucknow, Uttar Pradesh. Punjab National Bank had declared the Company and Guarantors to the credit facility, as Willful Defaulters, which was *Set Aside* by Hon'ble Punjab and Haryana High court at Chandigarh and Delhi High Court. Further, one of the lenders Punjab National Bank has also issued show cause notice to the Company on April 25, 2025, to categorize the account as fraud. Since, the Holding Company is under control of IRP, the IRP on behalf of the Company is not in position to contest the Show Cause Notice. The same has been duly informed to the lender by the IRP. However, members of the suspended Board of Directors can contest the same in their own capacity. While one of the lenders had initiated recovery proceedings under section 138 of the Negotiable Instrument Act, wherein non-bailable warrants were issued against the erstwhile directors and officials of the Holding Company, which are being contested at the appropriate forum. Against a criminal complaint filed by one of the lenders, the Enforcement Directorate had passed an Attachment Order on certain assets of the Holding Company to the extent of ₹ 109.80 Crore, against which the Holding Company had preferred an appeal before with the appropriate authority and an *Interim Stay* had been granted by the Hon'ble Appellate Tribunal. Subsequently, the Fraud Monitoring Committee of Punjab National Bank has issued a letter on dated November 01, 2025, has without prejudice to its rights, communicated that certain findings have been re-examined by its committee and accordingly the Company and suspended Board of Directors been requested to submit their submissions as to why the account should not be qualified as fraud without prejudice to the bank's rights.
2. Pursuant to an application filed by Oriental Bank of Commerce (now Punjab National Bank) before Hon'ble National Company Law Tribunal, Allahabad Bench, Prayagraj ("NCLT") under section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of Simbhaoli Sugars Limited ("Corporate Debtor" or "Holding Company") vide its order dated July 11, 2024. NCLT had appointed Mr. Anurag Goel, as Interim Resolution Professional (IRP) to carry the functions as mentioned under the Code. Since then, Mr. Anurag Goel has in his capacity as IRP took control and custody of the management and operations of the Corporate Debtor. One of the Promoters of the Holding Company, Ms. Gursimran Kaur Mann and one of the farmers Mr. Surender Pal Singh Mangat, who has been supplying cane to the Corporate Debtor and also providing transport services to the Corporate Debtor under name and style of M/s Simbhaoli Transport Carriers Pvt Ltd., a 60:40 venture between promoters of Simbhaoli Sugars Limited (60.00%) and Mr. Surender Pal Singh Mangat and his family (40.00 %), have filed an appeal before the Hon'ble National Company Law Appellate Tribunal, New Delhi ("NCLAT")

against the order passed by NCLT on July 11, 2024. The NCLAT vide its interim order dated July 24, 2024 allowed time in view of giving opportunity to the financial creditors to take a decision with regards to the settlement proposals received by them and given directions that no further steps shall be taken in pursuant of the impugned order passed by NCLT and allowed IRP to continue to manage the operations of the corporate debtors and fixed the next date of hearing on March 24, 2026.

3. Considering the above stated factors, no provision of interest payable to the commercial lenders has been made in the accounts for the past several years/quarters. Further considering the fact of admitting the Holding Company to CIRP and pending decision of NCLAT, no provision of interest payable to non-commercial lenders has been made during the year for the periods after June 30, 2024. The estimated interest expenses on credit facilities for the quarter and year ended March 31, 2025 amounting to ₹ 8,116.17 Lakhs and ₹63,937.03 Lakhs respectively, basis the contracted rates with the financial creditors (Previous Quarter and Year ended March 31, 2024 ₹9,347.63 Lakhs and ₹22,144.56 Lakhs respectively) and estimated accumulated interest expenses amounting to ₹ 1,75,029.63 Lakhs has not been provided for in the books of accounts as on March 31, 2025. The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.
4. On finalization and implementation of the CIRP through Hon'ble NCLT, the Holding Company shall assess the impairment in the carrying amount of Property, Plant and Equipment and other assets and accordingly will provide it. Further, write back of accounted for accrued interest payable to lenders, outstanding liabilities of lenders and other operational liabilities shall also be accounted for after finalization and implementation of CIRP. The above audited consolidated financial results are drawn on the basis of carrying amount as per books of accounts. The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.
5. Considering these developments, including, in particular, the IRP taken over the management and control of the Holding Company with the objective of running it as going concern, the financial results are continued to be prepared on going concern basis. However, since the Holding Company continues to incur loss, current liabilities exceed current assets and it has defaulted in payment of dues to lenders, cane farmers and other dues, these events indicate that material uncertainty exists that may cast significant doubts on Holding Company's ability to continue as a going concern. The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.
6. Considering the facts that Uttar Pradesh State Government had never in past enforced the payment of interest on the delayed payment of sugar cane price to the farmers which was payable under the provisions of section 17(3) of the U.P. Sugarcane (Regulations of Supply and Purchase) Act, 1953, the Company had not made any provision in respect of said interest in past as well as during the current financial year. The interest on delayed payment of cane dues to the extent claimed by the cane societies before the IRP office as on July 11, 2024, amounts to ₹12,163.25 Lakhs which is under sub judice and accordingly have not been provided for in the books of accounts. The IRP, in accordance with the NCLAT order dated 24th Jul 2024 has discharged the majority of its outstanding cane dues, except Chilwaria unit of prior years ended 30th June 24 which were filed by cane growers as dues outstanding July 11, 2024. The auditors have included these matters while drawing adverse opinion on the financial results in their audit report for the quarter and year ended March 31, 2025.

7. The Group has consolidated financial results of Simbhaoli Power Private Limited (SPPL), a material subsidiary in which Group owned 51% shareholdings, for the Financial Year 2022-23 and 2023-24 during the current financial year, which have been approved by the Board of SPPL. Further, the Group has also consolidated the financial results for the entire Financial Year 2024-25 during the current quarter as quarterly results for the earlier quarters for the relevant financial year have not been approved and made available for consolidation by the Board of SPPL in the earlier quarters and the Group has published the consolidated financial results of the earlier quarters without consolidating the financial results of SPPL for the said years. Accordingly, the figures the quarter and year ended March 31, 2024 has been restated.
8. The statutory auditor of the SPPL has given disclaimer of opinion on the audited financial statements for the year ended March 31, 2025, based on the reporting of the following matters: -
 - i. The financial statements of the Company has been prepared on going concern basis notwithstanding the facts that the Company has incurred net losses in the current year as well as in the previous year, its current liabilities exceeded current assets, one of the Turbine broke down and not in working condition throughout the year resulting into significant decrease in revenue and increase in losses, and unavailability of firm commitment or confirmation from its shareholders for continued operational and financial support, including continuing supply of key raw materials and deferment of interest and other payable. These situation coupled with initiation of insolvency proceedings against the holding company, indicate multiple uncertainties in regarding the prospects of the business that casts significant doubt on the Company's ability as a going concern. In the absence of sufficient appropriate audit evidence in relation to the above, we are unable to comment whether the Company will be able to continue as a going concern and the consequential implication arising therefrom on the financial statements of the Company.
 - ii. The Company has continued to make losses and has not been generating sufficient cash flows from its operations and one of the turbine at the plant broke down and not in the working condition throughout the year, which indicates the existence of the conditions for the impairment in the value of cash generating units of property, plant and equipment (PPE). But the management has stated in the notes in view of long-term assessment made by them after factoring better operational parameters such as expected increase in the power tariff, lower cost of equity and running of all the turbines at full capacity after requisite repairs, no provision is considered necessary to the carrying amount of PPE. However, considering the uncertainties involved in management's long term assessment, including expected increase in power tariff pending to be notified by Uttar Pradesh Electricity Regulatory Commission for next five years cycle of 2024-2029, lower cost of equity etc., and repair of turbine and running in its full capacity, there are associated uncertainties with respect to the future cash flows which may result into impairment in the carrying amount of PPE as per Ind AS 36 " Impairment of Assets". In view of the aforesaid, and due to non-availability of sufficient appropriate evidence to support management's rational stated in the note, we are unable to comment on the impairment loss, if any, that could have been recognized and its impact on the loss of the current year, and also on the carrying value of PPE contained in the underlying cash generating unit and retained earnings as at March 31, 2025.
 - iii. One of the joint venture partner of the Company had filed legal petition with the National Company Law Tribunal (NCLT), Allahabad Bench, Prayagraj alleging oppression and mismanagement by the

Company and other parties as stated therein. Pending the conclusion of the proceedings and in absence of sufficient appropriate evidence regarding management's assessment regarding the potential impact of these matter, we are unable to comment on the consequential implications, if any, on the financial statements of the Company.

- iv. The Company has recognized receivables from holding company amounting to ₹1116.19 Lakhs, which are not accepted by the holding company and a counter claim of ₹524.10 Lakhs has been raised by them which has not accepted and recognized by the Company. These transactions are being discussed by between both the parties and the effect thereof on the financial statements can only be known once resolved. Pending resolution of these matters, we are unable to comment on the effect thereof on the financial statements.

The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.

9. The statutory auditors of Integrated Casetech Consultants Private Limited ('ICCPL'), a subsidiary company, have given adverse opinion in its audit report on the financial statements for the year ended March 31, 2025 and reported following matters as material and pervasive in the basis of forming an adverse opinion: -

- i. ICCPL had recognized revenue amounting to ₹462.57 Lakhs as unbilled revenue in the earlier financial years, which had been in disputes with the counter parties. Further the counter parties had also held back the payment of Earnest Money Deposits of ₹105.00 Lakhs, which have been shown as recoverable under the head "Other current financial assets" in the financial statements. Pending final settlement of the disputes, the unbilled revenue and Earnest Money Deposits balances are continued to be carried forward at the same amount, without making any provision for the expected credit losses and estimated probable losses on account of disputes since Financial Year 2020-21. We have not been made available of any evidence by the management to prove that there is reasonable probability of recovery of the aforesaid amounts and hence of the opinion that the entire amount should have been provided for by the management. Therefore, the loss and total comprehensive income for the year are understated and current assets and other equity as at March 31, 2025 are overstated by the aforesaid amounts.
- ii. Out of total receivables of ₹ 271.80 Lakhs, which have been considered good, receivables aggregating to ₹ 209.43 Lakhs and of ₹ 24.88 Lakhs are overdue for a period of more than three and one years respectively. The aforesaid amount includes receivables of ₹30.96 Lakhs which are in disputes before courts/ arbitration. The company has not made any provision for impairment of these receivables, including provision under ECL Model as per Ind AS. The management has represented that they are in continuous follow up with all the parties for recovery of dues and based on the past experience and ongoing communication they believe that these amounts remain recoverable. The holding company has also initiated recovery proceedings against the subsidiary company. However, the management has not provided confirmation from these parties showing that these amounts are payable by them and has also not provided copy of any communication with these parties. Therefore, in our opinion the aforesaid overdue should have been fully provided for under ECL model as per Ind AS. Hence, the loss and total comprehensive income for the year are understated and current assets and other equity as at March 31, 2025 are overstated by the aforesaid amounts.

- iii. The company has recognized deferred tax assets of ₹108.56 Lakhs in earlier years. However, considering the fact that the company has incurred losses during the year that too without making adequate provisions for impairment as stated aforesaid, in our opinion, the company is not expected to earn sufficient taxable profit in the foreseeable future to adjust the recognized DTA. The management has represented that the company has secured few lucrative contracts and is expected to earn profits from these contracts but not provided us any evidence to prove that there are reasonable probability that sufficient taxable profits will be available in foreseeable future to adjust the recognized deferred tax assets. Therefore, in our opinion, the carrying amount of deferred tax assets should have been fully impaired and written off. Hence, the loss and total comprehensive income for the year are understated and deferred tax assets and other equity as at March 31, 2025 are overstated by the aforesaid amounts.
- iv. The Company has not raised invoices in respect of services rendered under contracts within the stipulated items under the GST Act. Further, various vendors to whom the company had made advances in the earlier years had also not raised invoices on the company as the company shown its inability to make the payment of GST on these invoices. The Company has made estimated provisions against those advances and shown the net amount after setting off in the balance sheet. The management has not assessed and provided for the interest and penalty liability payable under GST law in respect of aforesaid non compliance and in absence thereof, we are unable to form our opinion on its impact on these financial statements.
- v. The financial statements have been prepared by the management on going concern basis notwithstanding of the fact that the company has reported net loss for the year and that too without making adequate provision for impairment in the carrying amount of unbilled revenue, old receivables, old earnest money deposits and deferred tax assets. Further, there is no commitment or confirmation from the holding company for continuing operational and financial support. On the contrary the holding company has stopped making payment in respect of services rendered under the contract to adjust the advances made in the earlier periods and due to the aforesaid reasons, the company has not been raising invoices as it does not have cash to discharge its GST liability. The management has represented that the company has secured few lucrative contracts which provides visibility of revenue for the near future but the aforesaid conditions coupled with initiation of insolvency proceedings against the holding company, indicate existence of significant material uncertainties that casts significant doubts on the company's ability as a going concern.

The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.

10. The Holding Company had paid remuneration for two years to the Managing Director, Ms. Gursimran Kaur Mann and Whole-Time Director, Mr. S.N. Misra, aggregating to ₹301.82 Lakhs in the earlier financial years, as per the terms of Special Resolutions passed at the 10th Annual General Meeting (AGM) held on September 27, 2021, without obtaining the consent from all the lenders as mandated by the provisions of section 197 of the Companies Act, 2013.

Further, the Holding Company has also paid/provided remuneration to Mr. S.N. Misra, an employee cum Whole Time Director cum COO of the Holding Company, as per terms of special Resolution passed at AGM on September 28, 2023 for the CIRP period (i.e. w.e.f. 11th July, 2024 till March 31, 2025) amounting

to ₹ 54.01 Lakhs, without obtaining the consent from all the lenders as mandated by the provisions of section 197 of the Companies Act, 2013, as he continued to discharge his duties as COO during the CIRP period as per his terms of employment which clearly provides that in case of cessation of being a Whole Time Director, he shall be continuing as COO of the Holding Company.

The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.

11. As per last appointment cum continuation letter, the tenure of Chief Financial Officer Mr. D.C. Popli, has expired on 14th February 2025. Since the stay granted by Hon'ble NCLAT has been continuing and in result COC formation is on hold, renewal of the terms and continuation of appointment of the CFO could not be placed before the COC for ratification and approval. Pending the said approval, no provision for the remuneration which shall be accruing and payable to him for the period from 15th February 2025 to 31st March 2025 amounting to ₹9.23 Lakhs has been made. The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.
12. Pending resolutions of disputes in respect of claims lodged by SPPL but not recognized by the holding company of ₹1116.19 Lakhs and claims lodged by holding company but not recognized by the SPPL of ₹524.10 Lakhs, these consolidation financial results have been prepared assuming SPPL will reverse and account for disputed transactions in their books and accordingly the loss attributable to the Non-Controlling Interest for the year has been determined and disclosed. The auditors have included these matters while drawing adverse opinion on the financial results in their Audit Report for the quarter and year ended March 31, 2025.
13. The CIRP proceeding has been stayed by Hon'ble NCLAT and in turn COC could not be formed. Since in absence of COC ratification of CIRP cost by COC could not be completed, no provision of CIRP costs have been made in the books of accounts. However, M/s Punjab National Bank, on whose application the CIRP proceedings have started on 11th July 2024, had disbursed partial CIRP cost in the Holding Company's CIRP Bank account, which was further paid towards the CIRP Costs. As per the provisions of IBC, 2016 and generally prevailing practices, CIRP Cost will be borne by Successful Resolution Applicant and will be reimbursed to respective contributing lenders.
14. Previous period figures have been regrouped/restated in respect of reclassification of interest accrued on gratuity liabilities as per Actuarial Valuation of ₹136.62 lakhs which was classified as interest expenses in March 2024 consolidated financial results but has been reclassified as employee benefit expenses during the current financial year.
15. The figures for quarter ending March 31, 2024 and March 31, 2025 are the balancing figures between the audited figures/ restated audited figures in respect full financial years and the published unaudited year to date figures up to the third quarter of the respective financial years.
16. The standalone results are available on Company's website www.simbhaolisugars.com. The particulars in respect of standalone results are as under:

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	March 31,2025	December 31,2024	March 31,2024	March 31,2025	March 31, 2024
Net Sales/Income from operations (Net)	31580.96	22120.12	34537.66	97674.29	117334.82
Profit/(Loss) before tax	4752.90	(265.90)	3515.99	2399.05	(1207.28)
Profit/ (Loss) after tax	4752.90	(265.90)	3515.99	2399.05	(1207.28)
Other Comprehensive Income	(27.09)	0	(55.75)	(27.09)	(55.75)
Total Comprehensive Income	4725.81	(265.90)	3460.24	2371.96	(1263.03)
EBITDA	5426.87	435.71	5237.25	5854.08	4541.67

17. Since the management of the Holding Company has been taken over by the IRP, these consolidated financial statements have not been considered and recommended by the Audit Committee and not been approved by the Board of the Directors. However, the same have been certified by the Chief Financial Officer of the Holding Company. Based on this certification, these financial statements have been taken on record by IRP and signed solely for the purpose of ensuring compliance by the Corporate Debtor with applicable law, and subject to the following disclaimers:

- The IRP has assumed control of the Corporate Debtor with effect from July 12, 2024.
- The powers of the directors of the Company are currently under suspension due to ongoing CIRP. However, despite the suspension of powers of the directors, they are duty-bound to sign these financial statements. Due to non-cooperation by the directors and being Non-responsive to the communication requesting them to sign these consolidated financial statements, the IRP/RP is signing these consolidated financial statements, solely for the purpose of taking them on record and for meeting the statutory compliance and reporting obligations of the Holding Company. The IRP/RP is accordingly not liable for any error or misstatement of facts and figures, if any, in the accounts and/or any disclosure or non-disclosure in the accounts.
- The IRP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceedings shall lie against the IRP in terms of Section 233 of the Code.
- No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the IRP including, his authorized representatives or advisors.
- The enclosed consolidated financial results have been accepted by the IRP in a fiduciary capacity without accepting any personal liability and is only in compliance with the statutory requirement under applicable provisions of the SEBI (LODR) Regulations and accordingly, no suit, prosecution or other legal proceeding shall lie against the IRP/RP.
- The IRP, while signing this statement of consolidated financial results, has relied upon the assistance provided by the Key Management Personnel, Management and Officials of the Corporate Debtor. The

statement of consolidated financial results of the Corporate Debtor for the year ended on March 31, 2025 have been taken on record by the IRP solely on the basis of and on relying on the certifications, representations and statements of the management of Corporate Debtor, For all such information and data, the IRP has assumed that such information and data are in conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the consolidated financial statements and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the IRP is not making any representations regarding accuracy, veracity or completeness of the data or information in the consolidated financial statements.

- Consolidated Financial Results have not been considered and recommended by Audit Committee and consequently the Board of Directors as the same are not required as per SEBI (LODR) Regulations.

For **SIMBHAOLI SUGARS LIMITED**

Dayal Popli
Chief Financial Officer
Pan No. AAZPP6796M

Anurag Goel
Interim Resolution Professional
IBBI/IPA-001/IP-P-00876/2017-2018/11460

Place: Simbhaoli, Hapur

Date:

Company Website: www.simbhaolisugars.com

**Statement on Impact of Audit Qualifications on Consolidated Audited Financial
Results for the Financial
Year ended March 31, 2025**

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

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Mar 2025	Adjusted Figures (audited figures after adjusting for qualifications) Mar 2025
	1	Turnover / Total income	117065.15	117065.15
	2	Total Expenditure	119040.22	307152.77
	3	Net Profit/(Loss)	-1975.07	-190087.62
	4	Earnings Per Share	0.32	-455.12
	5	Total Assets	203251.08	202340.64
	6	Total Liabilities	213065.47	400267.58
	7	Net Worth	-9814.39	-197926.94
	8	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

(A) Impact of Audit Qualification / Adverse Opinion in the financials of Simbhaoli Sugars Limited (Holding Company)

1. As stated in Note No. 12 of the Statement, the consolidated financial results have been prepared by considering the possible reversal of disputed balances between SPPL and its holding company. The dispute relates to claims of ₹1,116.19 lakhs recognized by SPPL but not accepted by the holding company and counter claims of ₹524.10 lakhs raised by the holding company which have not been recognized by SPPL. Pending resolution of these disputes, the management has assumed that SPPL will reverse and account for the disputed transactions in its books and accordingly the loss attributable to the Non-Controlling Interest (NCI) for the year has been determined and disclosed in the consolidated financial results. In view of the uncertainty surrounding the outcome of these disputes, the final financial impact on the consolidated financial statements, including the determination of loss attributable to Non-Controlling Interest and related balances, cannot presently be ascertained. The impact, if any, will be recognized in the financial statements upon final settlement of the disputes.

2. As stated in Note No. 4 of the Statement, the Holding Company is undergoing the **Corporate Insolvency Resolution Process (CIRP)** before the National Company Law

Tribunal. The management has stated that the assessment of impairment in the carrying value of Property, Plant and Equipment and other assets will be carried out after the finalization and implementation of the CIRP process. Further, the write-back of accrued interest payable to lenders, outstanding borrowings from lenders and other operational liabilities, if any, will also be accounted for only after the resolution plan is finalized and approved through the CIRP process. Since these matters are pending finalization, the management has not recognized any adjustments in respect of impairment of assets or possible write-back of liabilities in the current financial results. Accordingly, in the absence of final outcomes and sufficient supporting evidence, the auditors are unable to comment on the potential financial impact of these matters, including compliance with applicable Indian Accounting Standards (Ind AS) and any consequential adjustments that may arise in the financial statements upon completion of the CIRP process.

3. As stated in Note No. 3 of the Statement, the Company has not recognized interest expense on its borrowings amounting to ₹63,937.03 lakhs for the year ended March 31, 2025 and ₹8,116.17 lakhs for the quarter ended March 31, 2025 (previous year ₹22,144.56 lakhs and corresponding quarter ₹9,347.63 lakhs). The management has not accounted for these interest expenses for the reasons explained in the said note. Had the aforesaid interest expenses been recognized in the financial statements in accordance with the applicable accounting principles, the **Net Loss and Total Comprehensive Income for the year would have increased (i.e., losses would have been higher) by ₹63,937.03 lakhs.** Further, the **aggregate interest expense not provided in the books up to March 31, 2025 amounts to ₹1,75,029.63 lakhs.** As a result, **Current Financial Liabilities are understated and Other Equity is overstated** by the aforesaid amount as at March 31, 2025. Accordingly, the non-recognition of interest expense has resulted in **material misstatement of expenses, liabilities and equity** in the financial statements.

4. As stated in Note No. 6 of the Statement, the Company has not made any provision for interest payable on delayed payment of sugarcane price to farmers as required under Section 17(3) of the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953. The amount of interest on delayed payment of cane dues, as claimed by the cane societies before the IRP office as on July 11, 2024, aggregates to ₹12,163.25 lakhs. In the absence of recognition of this interest liability in the financial statements, the **Net Loss and Total Comprehensive Income for the quarter and year ended March 31, 2025 have been understated,** while **Current Financial Liabilities are understated and Other Equity is overstated** by the aforesaid amount. Further, the management has not provided the working of interest accrued on delayed payment of cane price after July 11, 2024. Accordingly, the auditors are unable to determine the additional interest liability, if any, that may have accrued subsequent to that date and the consequential adjustments that may be required in these financial results.

5. We draw attention to Note No. 5 of the Statement which explains that the Holding Company has been admitted under the Corporate Insolvency Resolution Process (CIRP) with effect from July 11, 2024 under the provisions of the Insolvency and Bankruptcy Code, 2016, and the Interim Resolution Professional (IRP) has taken over the management and control of the Company with the objective of running it as a going concern. Accordingly, the financial results have been prepared by the management on a going concern basis. However, the Holding Company has incurred cash losses in the past, its current liabilities exceed its current assets, it has defaulted in repayment of dues to lenders, sugarcane farmers and other creditors, and has been reporting negative net worth. These conditions indicate the existence of **material uncertainty that may cast significant doubt on the Holding Company's ability to continue as a going concern**. The ultimate outcome of the CIRP process and its impact on the Company's operations and financial position will depend upon the approval and successful implementation of a resolution plan by the National Company Law Tribunal.

6. As stated in Note No. 10 of the Statement, the Company has paid remuneration to its directors amounting to ₹355.83 lakhs from the date of their appointment till March 31, 2025 in accordance with the special resolutions passed in the Annual General Meeting. However, the Company has not obtained consent from all the lenders prior to such payment. This is not in compliance with the provisions of Section 197 of the Companies Act, 2013, which require approval of lenders in cases where the Company has defaulted in repayment of its dues. Accordingly, the payment of director remuneration without obtaining the requisite lender approvals constitutes **non-compliance with statutory provisions**. The financial impact, if any, including potential recovery, adjustment, or regulatory consequences arising from such non-compliance, cannot presently be ascertained in these financial statements.

7. As stated in Note No. 11 of the Statement, the Company has not made provision for remuneration payable to the Chief Financial Officer for the period from February 15, 2025 to March 31, 2025 amounting to ₹9.23 lakhs. Had the aforesaid remuneration been provided for in the financial statements, the **profit for the quarter and year ended March 31, 2025 would have been lower by ₹9.23 lakhs**. Consequently, **Other Equity as at March 31, 2025 is overstated and Current Liabilities are understated** by the said amount. Accordingly, the non-recognition of this expense has resulted in **understatement of expenses and liabilities and overstatement of profit and equity** in the financial statements.

(B) Impact of Audit Qualification / Disclaimer of Opinion in the financials of Simbhaoli Power Private Limited (Subsidiary Company)

The disclaimer of opinion issued by the statutory auditor of Simbhaoli Power Private Limited on the financial statements of the Company for the year ended March 31, 2025 indicates that

the auditor was unable to obtain sufficient and appropriate audit evidence regarding certain significant matters. The key impacts of the same are as follows:

1. Going Concern Uncertainty: The auditor has expressed significant doubt regarding the Company's ability to continue as a going concern due to continuous losses, excess of current liabilities over current assets, non-operational turbine leading to reduced revenue, and lack of firm financial support from shareholders. This uncertainty may affect the Company's future operations and its ability to meet financial obligations.

2. Possible Impairment of Property, Plant and Equipment (PPE): Due to continuous losses, weak cash flows and non-operational turbine, there may be indications of impairment in the value of the Company's assets. However, in the absence of sufficient audit evidence supporting management's assessment that no impairment is required, the auditor could not determine whether any impairment loss should have been recognized. Consequently, the carrying value of PPE and the loss for the year may be misstated.

3. Pending Legal Proceedings: A petition alleging oppression and mismanagement has been filed by a joint venture partner before the National Company Law Tribunal (NCLT), Allahabad Bench. Since the matter is pending adjudication and sufficient evidence regarding its potential financial impact is not available, the auditor could not determine the possible implications on the financial statements.

4. Dispute with Holding Company: The Company has recognized receivables from its holding company amounting to ₹1,116.19 lakhs, which are disputed by the holding company. Further, the holding company has raised a counterclaim of ₹524.10 lakhs which has not been recognized by the Company. Until the matter is resolved between the parties, the impact of these disputed balances on the financial statements cannot be ascertained.

Overall Impact:

Due to the above uncertainties and lack of sufficient appropriate audit evidence, the auditor was unable to form an opinion on the financial statements. The final financial impact of these matters, if any, cannot presently be determined and may affect the Company's financial position and performance once the underlying issues are resolved.

(C) Impact of Audit Qualification / Adverse Opinion in the financials of Integrated Casetech Consultants Private Limited (Subsidiary Company)

The statutory auditor has issued an adverse opinion on the financial statements of ICCPL for the year ended March 31, 2025. An adverse opinion indicates that the auditor believes the financial statements contain material and pervasive misstatements and therefore **do not present a true and fair view of the financial position and performance of the**

Company. The impact of the matters reported in the “Basis for Adverse Opinion” section is summarized below:

1. Non-provision of Expected Credit Loss on Unbilled Revenue and Earnest Money Deposits:

The Company has continued to carry forward unbilled revenue of ₹462.57 lakhs and Earnest Money Deposits of ₹105.00 lakhs which have been under dispute with counterparties since earlier financial years. In the absence of sufficient evidence regarding recoverability and non-recognition of expected credit loss or probable loss on these balances, the current assets and other equity are overstated and the loss and total comprehensive income for the year are understated by the aforesaid amounts.

2. Non-provision of Impairment on Long Outstanding Receivables:

A significant portion of trade receivables amounting to ₹209.43 lakhs and ₹24.88 lakhs are outstanding for more than three years and one year respectively, including disputed receivables of ₹30.96 lakhs. The Company has not created any provision under the Expected Credit Loss (ECL) model as required under applicable accounting standards. Consequently, the current assets and other equity are overstated and the loss for the year is understated.

3. Overstatement of Deferred Tax Assets:

Deferred tax assets of ₹108.56 lakhs recognized in earlier years continue to be carried in the financial statements despite the Company incurring losses and the absence of sufficient evidence demonstrating the availability of future taxable profits. In the auditor’s opinion, these deferred tax assets should have been fully written off. Accordingly, deferred tax assets and other equity are overstated and the loss for the year is understated.

4. Non-compliance with GST Provisions:

The Company has not raised invoices for services rendered within the stipulated timelines under the GST law and certain vendors have also not issued invoices for advances received from the Company. The Company has not assessed or provided for any interest or penalties that may arise due to such non-compliance. In the absence of such assessment, the possible financial impact on the financial statements cannot be determined.

5. Material Uncertainty Related to Going Concern:

The financial statements have been prepared on a going concern basis despite the Company incurring losses, non-provision of impairment on certain assets, lack of financial support from the holding company, and operational constraints arising from the inability to raise invoices due to GST liabilities. Additionally, insolvency proceedings have been initiated against the holding company, which further increases uncertainty regarding the Company’s ability to continue its operations in the foreseeable future.

Overall Impact:

Due to the above matters, which are considered material and pervasive, the auditor has concluded that the financial statements of the Company **do not present a true and fair view of its financial position and financial performance for the year ended March 31, 2025**. The financial statements may therefore be significantly misstated in respect of assets, liabilities, equity, and reported losses.

b. Type of Audit Qualification:

1. Simbhaoli Sugars Limited (Holding Company) Qualification 1 to 7 Adverse.
2. Simbhaoli Power Private Limited (Subsidiary Company) Qualification 1 to 4 Disclaimer of Opinion.
3. Integrated Casetech Consultants Private Limited (Subsidiary Company) Qualification 1 to 5 Adverse.

c. Frequency of qualification:

1. Simbhaoli Sugars Limited (Holding Company) Qualification 1 to 3. 5 & 6 are repetitive.
2. Simbhaoli Power Private Limited (Subsidiary Company) Qualification 1 to 4 are repetitive.
3. Integrated Casetech Consultants Private Limited (Subsidiary Company) Qualification 1 to 5 repetitive.

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Management Views on Audit Qualifications of Simbhaoli Sugars Limited

1. Disputed Balances between SPPL and Holding Company (Note 12): The management acknowledges the disputes regarding claims of ₹1,116.19 lakhs recognized by SPPL and counterclaims of ₹524.10 lakhs by the holding company. Management has prepared the consolidated financial results assuming that the disputed transactions will be appropriately reversed and accounted for once the disputes are resolved. Management is actively engaged with the holding company to resolve the matters amicably. The ultimate financial impact will be recognized upon settlement of these disputes.

2. CIRP-Related Asset Impairment and Liability Adjustments (Notes 4 & 5): The Holding Company is under Corporate Insolvency Resolution Process (CIRP) with effect from July 11, 2024, and the Interim Resolution Professional (IRP) has assumed control of the Company's operations. Management will assess the impairment of Property, Plant & Equipment and other assets and account for any write-back of accrued interest and other liabilities upon finalization and approval of the resolution plan. The Company continues to operate with a view to preserving value as a going concern. Management believes that the CIRP process will provide a clear framework for recognition of any adjustments, and until such finalization, no adjustments have been made to avoid premature accounting entries.

3. Non-Recognition of Borrowing Interest (Note 3): Management acknowledges that interest on borrowings aggregating to ₹63,937.03 lakhs for the year and ₹8,116.17 lakhs for the quarter ended March 31, 2025 (with cumulative unprovided interest of ₹1,75,029.63 lakhs) has not been recognized. The management is in discussion with lenders to restructure loans and is evaluating the applicability of interest accounting in light of the ongoing CIRP and negotiations. The Company believes that interest recognition will be appropriately accounted for in accordance with the final outcome of restructuring or CIRP resolution plan.

4. Non-Provision for Cane Price Interest (Note 6): Management recognizes the claims of ₹12,163.25 lakhs from cane societies up to July 11, 2024 and the potential accrual post that date. The Company is actively engaging with cane societies and the IRP to reconcile amounts payable. Management is confident that provisions, if any, will be made based on verified claims and final calculations, ensuring fair representation in subsequent financial results.

5. Director Remuneration without Lender Consent (Note 10): Management confirms that remuneration of ₹355.83 lakhs has been paid in accordance with special resolutions passed in the Annual General Meeting. While lender consent was not obtained, management views the payments as authorized under the resolutions and necessary to retain key personnel during critical operational periods. Management will continue discussions with lenders regarding compliance and is prepared to make adjustments if required under statutory directives.

6. CFO Remuneration Not Provided (Note 11): Management acknowledges that remuneration of ₹9.23 lakhs for the period from February 15, 2025 to March 31, 2025 has not been accrued. Management confirms that the payment is contractual and will be accounted for in the subsequent financial results or as part of adjustments during the next reporting period.

7. Going Concern Uncertainty (Notes 4 & 5): Management believes that the Company has sufficient operational and financial plans in place to continue as a going concern during the CIRP period. The Company continues to operate key assets, pursue lucrative contracts, and is in discussion with lenders, stakeholders, and the IRP to ensure continuity of operations. While the financial position indicates historical losses and negative net worth, management is confident that the CIRP framework will allow for stabilization, resolution of liabilities, and continuation of operations.

Overall Management Position:

Management respects the auditor's qualifications and acknowledges the uncertainties highlighted. The management is of the view that these matters primarily arise due to the ongoing CIRP process, disputes with holding company, non-finalized interest and statutory

obligations, and pending claims. Management is taking active steps to resolve all issues and expects the financial impact to be addressed appropriately in future reporting periods upon final resolution.

Management Views on Audit Qualifications of Simbhaoli Power Private Limited

1. Going Concern Uncertainty: Management acknowledges the auditor's observation regarding going concern uncertainty. The Company has incurred losses in previous periods and one of the turbines was non-operational, affecting revenue generation. Management has been actively taking steps to restore operational efficiency, including turbine repairs, improving cash flows, and engaging with shareholders for continued financial support. The Company remains committed to operating as a going concern and believes that with the planned operational improvements and expected shareholder support, it will be able to meet its obligations and continue its business.

2. Possible Impairment of Property, Plant and Equipment (PPE): Management has assessed the carrying value of PPE based on long-term operational plans, expected increases in power tariffs, reduced cost of equity, and resumption of full-capacity turbine operations. Based on these assessments, management believes that the carrying amount of PPE is recoverable and no impairment is required at this stage. Management continues to monitor operational performance and market conditions to ensure any necessary adjustments are made in future reporting periods.

3. Pending Legal Proceedings: Management notes the petition filed by a joint venture partner alleging oppression and mismanagement before the NCLT, Allahabad Bench. The matter is currently sub judice, and management is actively monitoring developments and cooperating with legal counsel. Management is unable to determine the financial impact until the resolution of the proceedings but believes that the Company is taking appropriate steps to protect its interests.

4. Dispute with Holding Company: Management acknowledges the disputes with the holding company regarding receivables of ₹1,116.19 lakhs and counterclaims of ₹524.10 lakhs. The Company is engaged in discussions with the holding company to resolve these matters amicably. Pending settlement, the Company has prepared its financial statements based on the best estimates and assumptions available, including recognition of receivables and counterclaims in line with expected resolution. Management will account for any adjustments required once the disputes are finalized.

Overall Management Position:

Management respects the auditor's observations and acknowledges the uncertainties highlighted. Management is of the view that the Company is taking all reasonable measures to address operational, legal, and financial uncertainties, and will recognize any adjustments arising from the resolution of disputes, legal proceedings, or impairment assessments in future financial statements.

Management Views on Audit Qualifications of Integrated Casetech Consultants Private Limited

1. Non-provision of Expected Credit Loss on Unbilled Revenue and Earnest Money Deposits:

Management acknowledges the auditor's observation regarding unbilled revenue of ₹462.57 lakhs and Earnest Money Deposits of ₹105.00 lakhs that have been under dispute with counterparties. Management is actively pursuing resolution of these disputes and believes that the balances are recoverable based on historical collection patterns and ongoing discussions. The Company will review these balances and make appropriate adjustments, if any, once the disputes are settled.

2. Non-provision of Impairment on Long Outstanding Receivables:

Management recognizes that certain receivables of ₹209.43 lakhs and ₹24.88 lakhs are long overdue, including disputed receivables of ₹30.96 lakhs. Management continues to follow up with all parties and is confident about eventual recovery based on past experience and ongoing discussions. Accordingly, the Company has not created a provision under the ECL model at this stage, but will reassess and make provisions if required when sufficient evidence is available.

3. Overstatement of Deferred Tax Assets:

Management notes that deferred tax assets of ₹108.56 lakhs continue to be recognized in the financial statements. Management expects future taxable profits from ongoing operations and contracted projects, which support the recognition of these deferred tax assets. However, the Company will continue to monitor taxable profits and adjust the carrying value of deferred tax assets in accordance with applicable accounting standards when sufficient evidence is available.

4. Non-compliance with GST Provisions:

Management acknowledges that invoices for certain services and advances have not been raised or received in line with GST requirements. The Company is in the process of reconciling transactions and assessing any potential interest or penalties under GST law. Management is committed to making appropriate provisions and adjustments in the financial statements once the assessment is complete and the amounts are reasonably determinable.

5. Material Uncertainty Related to Going Concern:

Management has prepared the financial statements on a going concern basis, considering ongoing operational

improvements, expected recovery of receivables, resolution of disputes, and continuity of key contracts. While the Holding Company is undergoing insolvency proceedings, management is actively coordinating with stakeholders, lenders, and the Interim Resolution Professional (IRP) to ensure continuity of operations. Management believes that the Company has adequate plans and measures in place to continue its operations and will adjust its accounting, if necessary, upon final resolution of the CIRP process and other uncertainties.

Overall Management Position:

Management respects the auditor’s observations and acknowledges the uncertainties highlighted. The Company is taking active steps to resolve disputes, improve operational performance, comply with statutory requirements, and monitor recoverability of assets. Management is confident that appropriate adjustments will be made in future financial statements as the matters are resolved and sufficient evidence becomes available.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management’s estimation on the impact of audit qualification: Not Applicable

(ii) If management is unable to estimate the impact, reasons for the same: Not applicable

(iii) Auditors' Comments on (i) or (ii) above:

The management of holding company has not quantified the impairment of the assets and write back of liabilities of the holding company and represented us that the final assessment shall be made only at the time of finalization and implementation of CIRP.

III. Signatories:

<ul style="list-style-type: none"> • Dayal Chand Popli CFO (Certified by) 	
<ul style="list-style-type: none"> • Anurag Goel (Taken on Record) 	
<ul style="list-style-type: none"> • Bihari Lal Gupta (Statutory Auditor) 	