



05.09.2026

To,
The Manager
BSE Ltd.
25th floor, P.J. Towers,
Dalal Street, Mumbai – 400 001

Subject : Intimation under Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SCRIP CODE: 532102

Dear Sir/Madam,

Pursuant to Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual report of SBEC Sugar Limited for the financial year 2025-26.

The Notice convening the 32nd AGM along with Annual Report is being dispatched electronically to those Members whose email IDs are registered with the Company/ Beetal Financial & Computer Services Pvt Ltd ("Registrar and Transfer Agents" of the Company) and/or the Depository Participant(s).

Further, in accordance with the Regulation 36(1)(b) of the SEBI (LODR) Regulations, 2015, an Inland letter containing the web-link for accessing the notice of the AGM and Annual Report for Financial Year 2025-26 and request to complete their KYC, is being sent to physical shareholders and other shareholders who have not registered their email IDs.

A copy of the 32nd AGM Notice & Annual Report is also available on the website of the Company at www.sbecsugar.com.

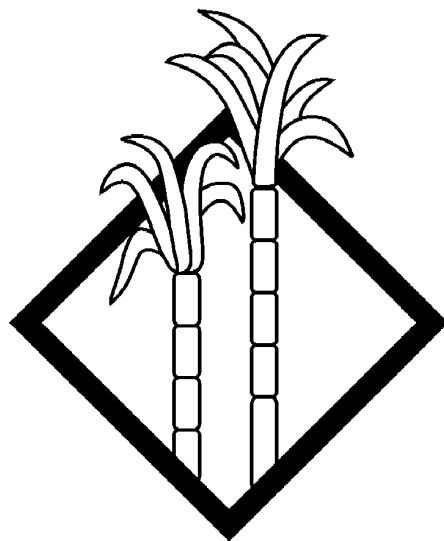
We request you to kindly take the same on record.

Thanking You,
For SBEC Sugar Limited

Anil Kumar Goel
Chief Financial Officer

Encl: A/a

SBEC Sugar Limited



THIRTY SECOND ANNUAL REPORT

2026



BOARD OF DIRECTORS

Sh. Umesh Kumar Modi - Chairman & President
 Smt. Kumkum Modi
 Sh. Abhishek Modi
 Sh. Jayesh Modi
 Sh. Vijay Kumar Modi
 Sh. Vipin Kumar - Whole Time Director
 Sh. Adhish Sharma
 Smt. Mohi Kumari
 Sh. Rohit Chawdhary
 Sh. Ajay Kumar Aggarwal
 Smt. Preeti Aggarwal
 Sh. Pramod Kumar Gupta

CHIEF FINANCIAL OFFICER

Shri. Anil Kumar Goel

AUDITORS

M/s DOOGAR & ASSOCIATES
 13, Community Centre,
 East of Kailash
 New Delhi-110065

BANKERS

Axis Bank Ltd.
 Punjab National Bank
 State Bank of India
 U.P. Co-operative Bank Ltd.
 SVC Co-operative Bank Ltd.

REGISTERED OFFICE & PLANT

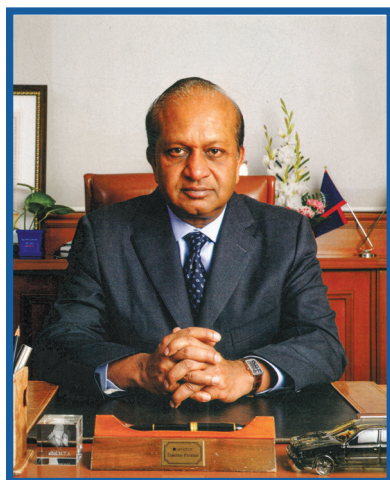
Village: Lohan Malakpur,
 Tehsil: Baraut - 250 611,
 Distt. Baghpat,
 Uttar Pradesh

REGISTRAR & SHARE TRANSFER AGENT

M/s Beetal Financial & Computer Services (P) Ltd.
 Beetal House, 3rd Floor, 99 Madangir,
 Near Dada Harsukhdas Mandir,
 Behind Local Shopping Centre,
 New Delhi-110062

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Shri Umesh Kumar Modi

Chairman and President
SBEC Sugar Limited

DIRECTORS' REPORT

To,
The Shareholders,
SBEC Sugar Limited

Dear Members,

Your Directors have pleasure in presenting the 32nd Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2026.

FINANCIAL RESULT

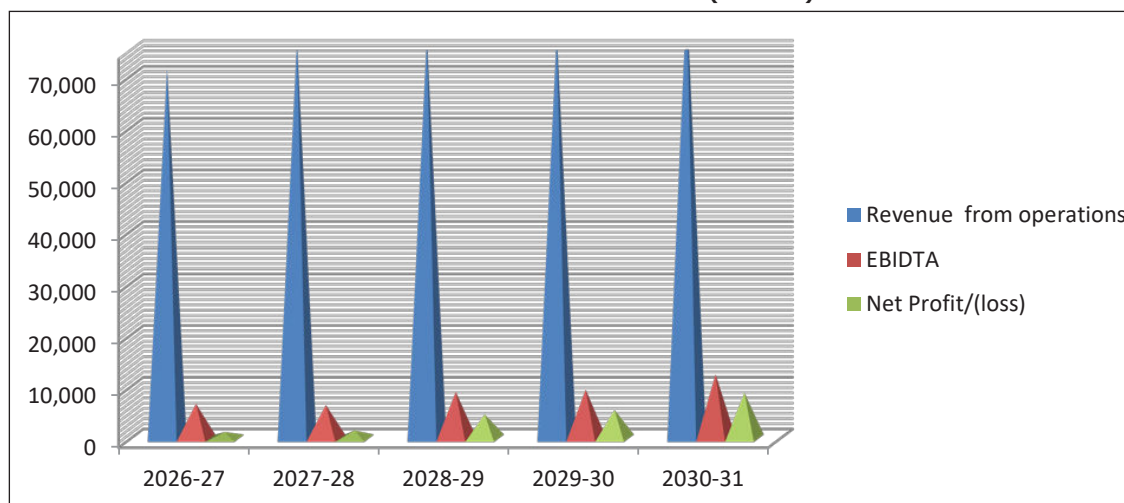
The summarised financial results of SBEC Sugar Ltd. as well as Consolidated with its subsidiaries i.e. SBEC Bioenergy Limited and SBEC Stockholding and Investment Limited for the financial year ended 31st March, 2026 are as under:

(Rs. in Lacs)

Financial Parameters	STANDALONE		CONSOLIDATED	
	Period ended 31.03.2026	Period ended 31.03.2025	Period ended 31.03.2026	Period ended 31.03.2025
INCOME				
Revenue from operations	53516.06	62,108.64	54845.41	63,048.48
Other Income	222.74	49.09	408.30	52.31
Total Income	53738.80	62,157.73	55253.71	63,100.79
Cost of materials consumed	43919.00	51,378.62	43919.00	51,378.62
Changes in inventories of finished goods, stock - in - trade and work - in - progress	1854.87	(1,422.27)	1856.00	(1,437.82)
Employee benefits expenses	1877.89	1,888.14	2245.69	2,245.86
Other expenses	6554.94	6,065.55	7304.49	6,873.39
Operating Profit/Loss	(467.90)	4247.69	(71.47)	4040.74
EBITDA	(467.90)	4247.69	(71.47)	4040.74
Depreciation and amortization expenses	1650.17	1,733.56	1853.57	1,936.84
EBIT	(2118.07)	2514.13	(1925.04)	2103.90
Finance costs	4162.82	3,692.74	4469.59	3,874.85
EBT & Exceptional items	(6280.89)	(1178.61)	(6394.63)	(1770.95)
Share of Profit / (Loss) of Joint Venture	0.00	0.00	8334.25	6670.50
PBT	(6280.89)	(1178.61)	1939.62	4899.54
Less: Tax	0.00	0.00	74.08	89.82
PAT	(6280.89)	(1178.61)	1865.54	4809.72
Other comprehensive income	62.10	(35.13)	547.69	11.23
Total comprehensive income	(6218.79)	(1213.74)	2413.23	4820.95

**PROJECTIONS**

Financial Year	2026-27	2027-28	2028-29	2029-30	2030-31
Revenue from operations	71,406	76,617	77,559	78,248	85,517
EBIDTA	6,710	6,473	9,029	9,452	12,406
Net Profit/(loss)	1,232	1,555	4,655	5,520	8,856

PROJECTIONS OF NEXT FIVE YEARS (₹ in Lacs)**OPERATIONS**

The crushing for the season 2025-26 started on October 31, 2025 and ended on April 02, 2026 and cane crushed during season 2025-26 was 103.92 Lacs Qtls as compared to 128.49 Lacs Qtls in the last season.

Particulars	Unit	Sugar Season		
		2025-26	2024-25	2023-24
Cane Crush	Lac Qtl	103.92	128.49	134.31
Recovery	%	11.04	10.72	11.34
Sugar Production	Lac Qtl	11.52	13.82	15.26

Your Company's sugar factory is in U.P. where state government announces the Sate Administered cane Price (SAP), which is much higher than the Fair Remunerative Price (FRP). This creates a distortion in the industry because SAP is neither linked to sugar recovery nor does it take into account domestic and global prices and other relevant parameters. As a result, when sugar prices are low, mill owners are unable to pay to farmers resulting in delayed payment, huge cane price arrears and trust deficit between farmers and millers.

Despite several challenges, your company lays continuous thrust on strong farmer relationship, cost control, efficiency improvement and continue to focus on cane development activities, comprising clean cane, varietal change and modern agriculture practices which is expected to further improve productivity in the coming years.

INDIAN SUGAR MARKET

India's sugar production in the current 2025-26 season is now estimated at around 306 lakh metric tonnes (LMT), about 10.79% lower than the initial projection of around 343 LMT made by sugarcane-growing states, as crop diseases and excess rainfall affected output, reported Times Now.

The lower production estimate comes at a time when domestic sugar prices have risen sharply ahead of the festive season. Retail prices increased from Rs 48.18 per kg on July 20, 2026, to Rs 55.70 per kg on August 2026, prompting the government to step up market intervention to improve availability and curb hoarding. In another major intervention, the government has decided to allow duty-free imports of 10 LMT of raw sugar to supplement domestic supplies and ease pressure on prices.

The government has also advised states and sugar mills to begin crushing operations from October 15. An earlier start of the season is expected to increase October production to more than 10 LMT, compared with the usual 3-4 LMT, helping improve sugar availability during the peak festive demand period.

**SUGAR EXPORTS AND IMPORTS**

For 2025-26, the Food Ministry initially allowed 15 Lakh MT in exports, then opened an additional 15 LMT. India had limited sugar exports in the 2025-26 season to roughly 7.5-8 lakh tonnes due to prices and domestic demand.

The Directorate General of Foreign Trade (DGFT) has issued a notification placing the export of all categories of sugar (raw, white, and refined) under the "Prohibited" category with immediate effect by notification dated May 13, 2026 until 30th September 2026 except with few countries.

India is set to import around 10 Lakh MT of raw sugar at zero duty, nearly 10 years after it last allowed such imports, as the government seeks to ease rising domestic prices, Business Standard reported. The move comes as benchmark ex-mill sugar prices in Maharashtra have climbed to Rs 5,400-5,560 per quintal. Prices have risen sharply since March 2026, just as India enters the high-consumption festival season.

In 2026-27, the production is expected to recover. However, the government will prioritize domestic consumption and ethanol blending first. Because of this, the final call on export quotas depends entirely on realistic crop estimates.

India is not expected to rely heavily on large-scale sugar imports in the upcoming season 2026-27.

SUGAR PRODUCTION

Sugar production in India reached 306 LMT in the 2025-26 season, registering a nearly 19 per cent increase from 258 LMT recorded during the last year, however due to increase in demand of domestic consumption and lower opening stock before crushing season start there is shortage of sugar in this season due to which India is set to import around 10 Lakh MT of raw sugar at zero duty, nearly 10 years after it last allowed such imports, as the government seeks to ease rising domestic prices. Strict dealer stock limits (400 tonnes) and bulk consumer restrictions remain active through late 2026 to prevent hoarding and artificial scarcity.

ISMA has reiterated the need for an early revision of the Minimum Selling Price (MSP) of sugar, citing rising production costs and subdued ex-mill realizations. These factors have put pressure on cash flows and led to higher cane payment arrears. A timely upward revision in MSP, aligned with prevailing cost structures, is critical to restore financial viability, facilitate timely cane payments to farmers, and ensure market stability without imposing any additional fiscal burden on the Government.

For the upcoming sugar season 2026-2027, India's production is projected to recover to around 324 to 336 lakh metric tonnes, backed by favorable monsoons and improved groundwater levels following a tight preceding season. The government advised sugar mills and states to commence the 2026-27 crushing season early on October 15, 2026, rather than later in November, to boost local availability and manage festive demand.

LONG-TERM INDUSTRY OUTLOOK

The Indian sugar industry's long-term outlook is cautiously positive, driven by policy support and a shift toward ethanol and green energy.

A major challenge is the widening gap between the Fair and Remunerative Price (FRP) of sugarcane and the Minimum Selling Price (MSP) of sugar. While the FRP was increased to ₹355/quintal for 2025-26 to support farmers, the MSP has remained at ₹31/kg since 2019, despite rising costs and inflation.

This mismatch strains mills especially those with lower recovery or limited ethanol capacity making it difficult to cover costs and remain profitable. As a result, arrears have built up, notably in key producing states like Uttar Pradesh and Maharashtra, leading to delayed farmer payments.

The government forces mills to turn cane juice into ethanol instead of sugar. This acts as a shock absorber. In high-yield years, extra sugar turns into ethanol. This prevents oversupply and keeps local prices high.

The outlook for India's sugar industry is moderately positive over the medium term, supported by government policies promoting ethanol blending, integrated business models, and stable domestic demand. However, profitability will continue to depend on weather conditions, government regulations, and sugarcane availability.

DIVIDEND & RESERVES

As the Company has incurred loss during the year under review, your Board has not recommended any dividend for the financial year ended March 31, 2026.

SHARE CAPITAL

The paid up equity capital as on March 31, 2026 was Rs.4765.38 Lacs. During the year under review, the Company has not issued any shares or any other security.

MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments have occurred between the end of the financial period to which the financial statements relate and the date of this report, affecting the financial position of the Company.

ONE TIME SETTLEMENT WITH MODI INDUSTRIES LIMITED (MIL)

The transaction involving acquisition of the secured debt of Modi Industries Limited ("MIL") was undertaken pursuant to a broader and considered business strategy of the Company. At the relevant time, the Company was evaluating diversification into the liquor business in India. Since the Company did not have the requisite distillation and bottling facilities, it was contemplated that Modi Distillery, a unit of MIL, would be associated with the proposed arrangement. Accordingly, acquisition of the secured debt of MIL was considered not as an isolated financial investment, but as part of a broader commercial strategy intended to facilitate a long-term and uninterrupted business relationship with Modi Sugar and Modi Distillery and to support the Company's proposed expansion into allied and potentially higher-margin business segments.



The subsequent settlement of the dues with MIL was undertaken in the backdrop of significant financial and operational stress being faced by sugar mills in the State of Uttar Pradesh, including the Company. The financial position of sugar mills had been adversely affected by, inter alia, high sugarcane procurement prices, deterioration in sugarcane yield and the consequent accumulation of sugarcane dues. The liquidity position of the Company was further constrained by the Tagging Orders issued by the State Government, pursuant to which a substantial portion of the realisations from sale of sugar and its by-products was required to be applied towards discharge of sugarcane dues. With effect from the crushing season 2020-21, the scope of such restrictions was also extended to specified realisations from surplus electricity generated from the Company's co-generation operations.

The coercive measures taken by District Administration of the State of Uttar Pradesh for recovery of dues included, inter alia, issuance of Recovery Certificates for recovery of the outstanding sugarcane dues against the concerned persons, and communications indicating possible sealing of the sugar mill in the event of continued default. These measures posed a direct threat to the uninterrupted functioning of the Company's operations.

The Company was also confronted with the apprehension of initiation of insolvency proceedings in respect of the outstanding dues. Public Interest Litigations had also been instituted before various Courts concerning the non-payment of sugarcane dues, thereby adding to the legal and regulatory pressure.

As a part of the continuing coercive measures, the cane area allocated to the Company was also reduced. The reduction in the allotted cane area necessarily resulted in lower availability of sugarcane for crushing, which in turn adversely affected sugar production, capacity utilisation and profitability of the Company.

In furtherance to above, the officials and representatives of the Company were being regularly called / summoned by the District Administration and other competent authorities and were repeatedly required to furnish concrete proposals and timelines for repayment of the outstanding sugarcane dues.

On account of mounting pressure, the officials of the Company in fact to save the company had to undertake in writing promising to clear the sugarcane dues in timely manner. These undertakings were issued not only to the District Magistrate, other officials, but in fact to the Hon'ble Chief Minister of Uttar Pradesh.

In these circumstances, timely recovery of the amounts due from MIL assumed considerable commercial importance. The Company accordingly evaluated the available courses of action, including pursuing prolonged legal proceedings for recovery. Having regard to the time, cost, uncertainty and delay inherent in litigation, as against the Company's immediate requirement for liquidity, the Company considered that a structured settlement with MIL would be commercially prudent and in the best interests of the Company and its shareholders.

It is pertinent to note that MIL did not have adequate liquidity to discharge its obligations to the Company and was required to arrange external funding from financial institutions to honour the settlement. The settlement was thus achieved pursuant to sustained negotiations and recovery efforts undertaken by the Company and cannot be regarded as a voluntary or unilateral concession to MIL. Needless to add, had the settlement with MIL not been achieved in a timely and structured manner, the Company would have remained exposed to continuing coercive action, including enforcement of Recovery Certificates, whereby, the appropriate statutory authority can seal the entire land, plant & machinery of the Company as well as auction the same.

The total settlement amount has been agreed at Rs.141,77,38,548/-, inclusive of Rs.25,00,00,000/- already deposited by MIL. Accordingly, the balance amount payable as on 1 January 2026 is Rs.116,77,38,548/-, which shall carry further interest at 8% per annum on a reducing balance basis until final payment. MIL is also required to make further payment of Rs.50 crore in accordance with the terms of the OTS Agreement. It is further relevant that MIL settled the dues of other secured creditors, including Government-owned financial institutions, on the same settlement methodology. Accordingly, the settlement accepted by the Company was consistent with the methodology adopted for similarly situated secured creditors and was not based on any preferential or special arrangement. The total amount of Rs. 144,10,92,728 received from MIL against the said OTS and no dues is pending and the said transaction is closed.

The acquisition of the secured debt of MIL by the Company from Government-owned banks and financial institutions was undertaken through proper banking channels. The consideration paid for such acquisition was duly recorded in the books of account and reflected in the respective financial statements of the entities concerned.

The Board, after considering the Company's financial position, its immediate requirement for funds towards discharge of sugarcane dues, the continuing regulatory and administrative pressure, the risks associated with disruption of operations, the prospects and uncertainties of prolonged recovery proceedings and the actual recovery achieved from MIL, was of the view that the settlement represented a commercially prudent course of action. The transaction enabled the Company to realise substantial value from the assigned debt, strengthen its liquidity position, continue its operations as a going concern and, consequently, protect the long-term interests and value of the Company for its shareholders.

Accordingly, the Board is of the considered view that the transaction and the settlement with MIL were undertaken bona fide, on commercial considerations and in the overall interests of the Company and its shareholders.

SUBSIDIARY COMPANIES

As on March 31st 2026, the Company has two Wholly Owned Subsidiary companies i.e. SBEC Stockholding & Investments Limited & SBEC Bioenergy Limited.

There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and all its subsidiary companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary companies are annexed in Form AOC-1 and marked as "Annexure-A" to the Annual Financial Statements.

In accordance with the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company containing standalone and consolidated financial statements has been placed on the website of the Company, www.sbecsugar.com. Further, the audited accounts of the Subsidiary Companies and the related detailed information have also been placed on the website of the Company www.sbecsugar.com. A copy of annual accounts of subsidiaries will be made available to shareholders seeking such information at any point of time.



On the basis of Audited Financial Accounts of the Company for the FY.2025-26, the Company has two Material Subsidiary Companies i.e. SBEC Bioenergy Limited and SBEC Stockholding & Investment Limited. The Minutes of the Board Meetings of the subsidiary companies are placed at the Board Meetings of the Company. Details of significant transactions and arrangements entered into by the subsidiary companies are noted by the Board. The Audit Committee of the Company reviews the financial Statement of the subsidiary companies including investments made.

This is to inform you that SBEC Stockholding and Investment Limited had issued 78,85,648 Zero Percent Unsecured Compulsory Convertible Debenture (CDDs), Series-1 of Rs. 10 each to aggregating to Rs. 7,88,56,480 in June 2016 to SBEC Bioenergy Limited.

Due to liquidity constraints faced by SBEC Bioenergy Limited in year 2023 SBEC Bioenergy Limited sold the above said Debenture to SBEC Sugar Limited for an aggregate consideration of approximately Rs. 34.60 crore based on the valuation of the CCDs by registered valuer.

The above said CCDs were converted into 52,57,099 equity shares of Rs. 10 each at a premium of Rs. 5 per shares pursuant to applicable compliances. Consequent upon such conversion the equity shares of SBEC Stockholding and Investment Limited increased from Rs. 4,55,00,000 to Rs. 9,80,70,990 comprising 98,07,099 equity shares of Rs. 10 each. SBEC Sugar Limited continues to hold 100% equity shares of SBEC Stockholding and Investment Limited.

SBEC Stockholding and Investment Limited has a 50%-50% joint venture with Illva Saronno S.p.A. in the name of Modi Illva India Private Limited by investing approximately Rs. 37.48 from year 2009 to 2017. The investment in Modi Illva has appreciated substantially. Against the original investment of approximately Rs. 37.48 crore, the investment presently carries a book value of approximately Rs. 326.11 crore as on 31st March 2026, representing an increase of around 1,326% over the original cost.

This substantial appreciation demonstrates the strategic value of the investment and validates the rationale behind retaining and consolidating this asset within the Group. Further, based on the present growth prospects of Modi Illva, the investment is expected to continue to generate significant value over the long term, with an estimated compounded annual growth rate of approximately 25%.

There has been no change in relationship of any subsidiary company during the financial year.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the Company for the financial year 2025-26, are prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standard (Ind AS) and SEBI (LODR) Regulations, 2015.

DIRECTORS'

As on the report date, there was no change in the directors of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Kumkum Modi & Sh. Jayesh Modi, Directors of the Company retire by rotation at the ensuing Annual General Meeting and they are eligible for re-appointment.

In the Board Meeting held on August 12, 2025, the Board members have approved the re-appointment of Smt. Kumkum Modi as Director who has attained the age of 75 years under Regulation 17 of the SEBI (LODR) Regulations, 2015 and recommend the same for shareholders' approval in ensuing Annual General Meeting.

Particulars of Directors' seeking appointment/re-appointment have been given in the explanatory statement annexed to the notice for the Annual General Meeting.

All the Directors' have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

CHAIRMAN AND KEY MANAGERIAL PERSONNEL (KMPs)

As on the report date, details of Chairman & Whole Time Key Managerial personnel (KMP) of the Company are as follows:

S.No.	Name	Designation
1.	Shri Umesh Kumar Modi	Chairman & President
2.	Shri Vipin Kumar	Whole time Director & Occupier
3.	Shri Anil Kumar Goel**	Chief Financial Officer
4.	Shri Madhur Agarwal***	Company Secretary & Compliance officer
5.	Shri Ankit Bisht*	Company Secretary & Compliance officer

*Shri Ankit Bisht has resigned from the post of Company Secretary & Compliance officer of the Company w.e.f. 15th November, 2025.

**Shri Anil Kumar Goel has been appointed as the Company Secretary & Compliance officer of the company w.e.f. 10th February, 2026 and resigned from the post w.e.f. 30th April, 2026 and continue as Chief Financial Officer of the Company.

*** Shri Madhur Agarwal has been appointed as Company Secretary & Compliance officer of the Company w.e.f. 1st May, 2026 and resigned from the post w.e.f. 13th August, 2026.



BOARD MEETINGS

The Board met five times during the financial year 2025-26, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015.

FORMAL ANNUAL EVALUATION

Pursuant to the requirements of Section 134(3)(p) of the Companies Act, 2013 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board has carried out a performance evaluation of itself, its Committees, the Chairman and each of the other Directors'.

A structured questionnaire was prepared after taking into consideration the inputs received from the Directors' covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligation and governance.

A separate exercise was carried out to evaluate the performance of individual directors' including the Chairman of the Board. The performance evaluation of Independent Directors' was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors' was carried out by the Independent Directors' at their meeting held separately.

At the conclusion of the evaluation exercise, the Members of the Board assessed that the Board as a whole together with each of its committees was working effectively towards performance of its key functions.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134 (5) of the Companies Act, 2013, your Directors' to the best of their knowledge and belief and according to information and explanations obtained from the management, confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed and there are no material departures from the same;
- b) the Board of Directors' have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the statement of profit and loss of the Company for the year ended on that date;
- c) the Board of Directors' have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have laid down proper internal financial controls to be followed by the Company and such controls are adequate and operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DECLARATION FROM INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations for the financial year 2025-26, that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

INTERNAL FINANCIAL CONTROLS

Your company has in place an adequate internal control system in order to ensure that all transactions are authorized, recorded and reported correctly and that all assets are protected against the perils of unauthorized use or disposition. Towards enhancing the efficiency of internal controls, services of consultants are hired wherever necessary, and their suggestions are reviewed and implemented. Your Company has in place an Internal Audit system, whereby an independent professional firm of Internal Auditors conducts regular audit across the Company and their scope and findings are reviewed by the Management and Audit Committee on a regular basis.

The Audit Committee of the board also meets periodically to review the internal controls, internal audit findings, action taken reports and to advise the management on corrective policies, if any.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

M/s. Doogar & Associates, Chartered Accountants (FRN.000561N) were appointed as Statutory Auditors of the Company for a term of 5 Years to hold office from the conclusion of 28th Annual General Meeting (AGM) held on September 29, 2022 and their tenure will expire after the conclusion of the 33rd Annual General Meeting.

STATUTORY AUDITORS' REPORT

The Auditors' Report of M/s. Doogar & Associates, Chartered Accountants contains qualifications and the Company has given its comments on Auditor Qualified Opinion for the Financial Year 2024-25. The details are mentioned here under:

Response to Qualified Opinion (i)

Under the power vested with the Cane Commissioner (U.P) for waiver of interest under U.P. Sugar Cane (Regulation of Supply and Purchase) Act, 1953 in respect of loss making/ sick companies, the Company had made an application to Cane Commissioner (U.P.) for waiver of interest on Cane Dues. Pending



receipt of the Cane Commissioner's decision, no interest has been provided on the cane dues. The Company has decided to account for the same on actual payment basis.

COST AUDITORS

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company's cost records are subject to Cost Audit.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. M.K. Singhal & Co., Cost Accountants, as the Cost Auditors to audit the cost accounting records maintained by the Company for the financial year 2025-26 at a remuneration of Rs.1,00,000/- plus taxes as applicable and reimbursement of out of pocket expenses. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the notice convening the Annual General Meeting.

SECRETARIAL AUDITORS

M/s Soniya Gupta & Associates, Practicing Company Secretaries, have been appointed as the Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for a term of five years starting from 01st April 2025 to 31st March 2030 which was approved by Board and subsequently by the members in the 31st Annual general Meeting of the Company. The Report of the Secretarial Auditor along with report of Secretarial Auditors of Material Subsidiary Companies is annexed in "Annexure-B" to this Report.

The observations in secretarial audit report are self-explanatory and therefore do not call for any further explanation.

FIXED DEPOSITS

During the financial year, Company has not accepted any deposit from public within the meaning of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

RISK MANAGEMENT POLICY

As per Section 134(3) (n) of the Companies Act, 2013, the Company has adopted a Risk Management Policy which is reviewed on a periodic basis in order to recognize and reduce exposure to risks wherever possible. The Company's risk management policies are based on the philosophy of achieving substantial growth while mitigating and managing risks involved. Major risks identified are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

AUDIT COMMITTEE

As on the reporting period, the Audit Committee comprises of four Directors, viz., Sh. Ajay Kumar Aggarwal as Chairman, Sh. Vijay K. Modi, Sh. Adhish Sharma & Dr. Pramod Kumar Gupta as Members. The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made there under, the Board has constituted a Nomination & Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the attached Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration.

REMUNERATION POLICY

The Company has adopted a Remuneration Policy for executive and non-executive directors and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration as approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders and such other authorities as the case may be. The Non-Executive Directors do not draw any remuneration from the Company except sitting fee paid to them for each meeting of the Board/ Committee thereof attended by them. The aforesaid policy can be accessed on the Company's website www.sbcsugar.com

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES.

Pursuant to the provisions of the Section 135 of the Companies Act, 2013 (the Act), the CSR provisions are not applicable as per financial results of immediately preceding financial years of the Company.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed in "Annexure-C" and forms part of this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2026 is given in "Annexure -D" to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investment covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statements.



RELATED PARTY TRANSACTIONS

The transactions entered with related parties during the year under review were on Arm's Length basis and in the ordinary course of business and complied the provisions of Section 188 of the Companies Act, 2013. All related party transactions were approved by the Audit Committee and the Board. The relevant information regarding related party transactions has been set out in Note No. 30 of the Financial Statements for the financial year ended 31.03.2026.

However, there was a transaction between the Company and SBEC Bioenergy Limited which was on arm's length basis but the same was a material transaction. All the relevant details of the said transaction have been given in AOC-2 which is enclosed as "Annexure E" and forms part of this directors' report.

The Board has framed a Policy on related party transactions and placed the same on the Company's website at www.sbecsugar.com.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has formulated and implemented the Whistle Blower Policy/ Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website at www.sbecsugar.com.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for such unacceptable conduct. The Company encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. The Company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Policy). An Internal Complaint Committee is in place to redress the complaints received regarding sexual harassment. All employees are covered under this policy. Necessary disclosures in relation to the sexual harassment complaints received and redressal thereof are provided in Board's Report 2026. The Company also has a Whistleblower Policy to report genuine concerns and grievances. As part of Whistleblower Policy and POSH Policy, there is a provision on the protection of identity of the complainant to provide necessary safeguards against victimization of employees. All such matters are dealt in strict confidence. Also as part of its Code of Conduct, the Company does not tolerate any form of retaliation against anyone reporting legitimate concerns.

During the year from April 1, 2025 to March 31, 2026 the Committee has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the end of March 31, 2026, no complaint was pending for redressal.

COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961

The company remains committed to providing maternity benefits in compliance with applicable laws and best practices. We support our employees through paid maternity leave and necessary accommodations to ensure their health and well-being. This commitment reflects our dedication to fostering an inclusive and supportive workplace while promoting gender equality and employee retention.

ANNUAL RETURN

As per Companies Act, 2013 the Annual Return of the Company for the year will be available on the website of the Company at www.sbecsugar.com.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government as required under Section 118(10) of the Companies Act, 2013.

LISTING OF SECURITIES

The equity shares of your Company are listed on the BSE Limited. The Company's application for delisting of shares with the Calcutta Stock Exchange Association Limited is still pending for approval.

BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors'. The Board Diversity Policy is available on our website www.sbecsugar.com. More detail on diversity is available in the corporate governance report that forms part of this Annual Report.

CORPORATE GOVERNANCE

In Compliance with Regulation 17 to 27 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, a detailed Corporate Governance Report has been given elsewhere in this report, along with Management Discussion and Analysis Report, which form an integral part of the Annual Report.

A certificate from M/s Soniya Gupta & Associates, a firm of Company Secretaries in practice confirming compliance by the Company with the conditions of Corporate Governance as stipulated under part E of schedule V of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 is attached to this report.

The Whole Time Director and the Chief Financial Officer have submitted a certificate to the Board regarding the financial statements and other matters as required under SEBI (LODR), Regulations, 2015.



INSOLVENCY & BANKRUPTCY CODE

During the reporting period updated details of case are as follows:

Proceedings against the Company:

During the previous years, an application was filed by Mosco International Commodities Pvt Ltd under section 9 of the Insolvency and Bankruptcy Code, 2016 against the Company before the Hon'ble National Company Law Tribunal, Allahabad bench alleging default of an amount of Rs. 1,08,02,731/- (Rupees One Crore Eight Lakh Two Thousand Seven Hundred Thirty One). The said application was dismissed by the Hon'ble National Company Law Tribunal, Allahabad vide its order dated February 02, 2024.

Subsequently the applicant filed an appeal before the Hon'ble National Company Law Appellate Tribunal, New Delhi against the above said order passed by Hon'ble NCLT bench, Allahabad. However, as per the Management reply, nothing is payable to the said party as the party did not lift the contracted material within stipulated time limit. A detailed counter was filed by the Company refusing all the allegations. The matter is still pending before the NCLAT, Delhi.

Proceedings initiated by the Company:

The Company has filed an application before the National Company Law Tribunal – Allahabad bench under section 9 of Insolvency and Bankruptcy Code, 2016 "IBC") against Sir Shadilal Distillery & Chemical Works (A unit of SVP Industries Ltd) for an amount of default of Rs. 3,73,62,786 (Rupees Three Crore Seventy Three Lakhs Sixty Two Thousand Seven Hundred Eighty Six) on August 30, 2024 which is pending for adjudication. Further, the matter was heard on 4th June 2026 by Hon'ble NCLT and order was reserved.

Subsequently, the Hon'ble NCLT admitted the application bearing CP (IB) No. 47/2025, Manoj Kumar Singhal v. SVP Industries Ltd., under Section 9 of the IBC. Accordingly, the Company became entitled to lodge its claim before the Interim Resolution Professional ("IRP") appointed by the Hon'ble Tribunal in CP (IB) No. 47/2025.

The Company filed Form B on July 29, 2026, claiming an amount of Rs. 3,73,62,786 (Rupees Three Crore Seventy-Three Lakh Sixty-Two Thousand Seven Hundred Eighty-Six only). However, the IRP has admitted a claim amounting to Rs. 3,31,60,158 (Rupees Three Crore Thirty-One Lakh Sixty Thousand One Hundred Fifty-Eight only). The balance amount of Rs. 42,02,628 (Rupees Forty Two Lacs Two Thousand Six Hundred Twenty Eight Only) is presently under verification with the IRP, Mr. Pawan Garg.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the year, there were no change in the valuation of the Company, as there was no one time settlement with the banks during the FY 2025-26 in respect of the loan availed from them.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals that could impact the going concern status of the Company and its future operations.

However, the Hon'ble Supreme Court order dated 4th March, 2025 received by the Promoter Group on 6th March, 2025 regarding appeal filed by the SEBI against the order of Securities Appellate Tribunal, Mumbai in relation to making a public announcement to acquire the shares of SBEC Sugar Limited in accordance with the provisions of the Takeover Regulations, 2011.

The Hon'ble Supreme Court had directed that the promoter group shall jointly and severally make a public announcement to acquire shares of SBEC Sugar Limited in accordance with the provisions of the SEBI SAST Regulations, 2011 within a period of three months from the date of this order and further directed that the Promoter group shall, along with the offer price, pay interest @ 10% p.a. from the date when the respondents incurred the liability to make the public offer till the date of payment of consideration, to the stakeholders who were holding shares of the target company on the date of violation and whose shares are accepted in the open offer, after adjustment of dividend paid, if any.

In compliance with the order passed by Hon'ble Supreme Court of India, SBEC Systems India Limited made the public announcement on 2nd June, 2025 to acquire shares of Target Company on in respect of complying the order and successfully completed the open offer on 9th January, 2026.

PERSONNEL RELATIONS

Your directors' hereby place on record their appreciation for the services rendered by the executives, staff and workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the employees and the management continued to remain cordial.

APPRECIATION

Your directors' thank the various Central and State Government Authorities and Agencies for the continued help and cooperation extended by them. The Directors gratefully acknowledge all stakeholders of the Company viz., farmers, customers, members, dealers, vendors and banks for their excellent support during the year. The Directors also place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued cooperation to the Company.

**For & behalf of the Board
SBEC Sugar Limited**

**Sd/-
Umesh Kumar Modi
(Chairman & President)
(DIN: 00002757)**

**Place: London
Date: 14-08-2026**



"ANNEXURE-A"

ANNEXURE TO BOARD'S REPORT**"FORM- AOC-1"**

Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014.

Statement containing salient features of The Financial Statements of Subsidiaries or associate companies or Joint ventures.

PART A – SUBSIDIARIES

(Rs. In Lacs)

S. No.	Name of the Subsidiary Company	Date on which when Subsidiary was acquired	Financial period ended	Ex-change Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Profit after Taxation	Proposed Dividend	% of Share-holding
1	SBEC Bioenergy Limited	12.03.1997	31-Mar-26	INR	2300	5,408.76	8,164.22	8,164.22	5	1329.35	186.01	111.93	NIL	100%
2	SBEC Stockholding & Investments Limited (Consolidated)	09.06.2001	31-Mar-26	INR	455	29008.48	32,611.89	32,611.89	32,611.09	0.00	8515.47	8515.47	NIL	100%

For & behalf of the Board
SBEC Sugar Limited

Sd/-
Umesh Kumar Modi
(Chairman & President)
(DIN: 00002757)

Place: London
Date: 14.08.2026

"ANNEXURE-B"

Form MR-3**SECRETARIAL AUDIT REPORT
of SBEC SUGAR LIMITED****(For the year ended on 31.03.2026)**

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

To,
**The Members of
SBEC SUGAR LIMITED**
Vill- Loyan Malakpur, Teh- Baraut
Distt. – Baghpat, Uttar Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBEC SUGAR LIMITED** having CIN: L15421UP1991PLC019160 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2026 according to the provisions of:

- The Companies Act, 2013 (the Act) and the Rules made thereunder;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The Management has identified and confirmed the following laws as specifically applicable to the Company:

 - a) The Factories Act, 1948
 - b) The Industrial Dispute Act, 1947
 - c) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
 - d) The Air (Prevention & Control of Pollution) Act, 1981 read with the Air (Prevention & Control of Pollution) Rules, 1982
 - e) The Contract Labour (Regulation and Abolition) Act, 1970
 - f) The Industrial Employment (Standing Orders) Act, 1946
 - g) The Sugar Cess Act, 1982
 - h) The Levy Sugar Price Equalisation Fund Act, 1976
 - i) The Food & Safety Standards Act, 2006
 - j) The Essential Commodities Act, 1955
 - k) Indian Boilers Act, 1923
 - l) The Uttar Pradesh Vaccum Pan Sugar Factories Licensing Order 1969
 - m) Sugar Control Order 1966
 - n) The Electricity Act, 2003 and other acts related to power generation.
 - o) The Molasses Control (Regulation of Fund for Erection of storage Facilities) Order, 1976
 - p) The Insolvency and Bankruptcy Code, 2016
 - q) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreement entered into by the Company with BSE Ltd. (Stock Exchange) read with SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

1. The Securities and Exchange Board of India on September 17, 2018 had issued directions to the Promoter group of the Company (namely Shri Umesh Kumar Modi, Kumkum Modi, Jayesh Modi, Longwell Investments Private Limited, A to Z Holdings Pvt. Ltd., Moderate Leasing and Capital Services Limited and SBEC Systems (India) Limited), severally or jointly to make a public announcement to acquire the shares of Target Company (i.e. SBEC SUGAR LIMITED) in accordance with the provisions of the Takeover Regulations, 2011, within a period of 45 days from the date of the above mentioned order. The shareholding/ voting rights of the promoter group had increased from 54.46% (2,59,51,083 Shares) as on June 30, 2014 to 63.86% (3,04,32,117 shares) as on September 30, 2014. In addition to the aforesaid acquisition, one of the lending promoters i.e. Moderate Leasing and Capital Services limited had also acquired 1.31% of SBEC Sugar Limited during March 18, 2015 to March 23, 2015, which increased the shareholding of promoter group to 65.17%. As per the said impugned order, the promoter group have violated the provisions of Regulation 3(2) of the Takeover Regulations, 2011 by acquiring shares in excess of the prescribed limit without making an announcement for open offer.
- Against the said impugned SEBI order, M/S SBEC SUGAR Limited had filed appeal no. 1 (No. 443/2018) before the Securities Appellant Tribunal, Mumbai.
- Whereas the promoter group namely (Shri Umesh Kumar Modi, Ms. Kumkum Modi, Mr. Jayesh Modi, Longwell Investments Private Limited, A to Z Holdings Pvt. Ltd., Moderate Leasing and Capital Services Limited) had filed appeal no. 2 (No. 444/2018) before the Securities Appellant Tribunal, Mumbai.
- The Hon'ble Securities Appellate Tribunal upon hearing the said Appeal vide its order dated January 29, 2020 has allowed the Appeal No. 1 (Appeal No.443 of 2018) and partly allowed Appeal No. 2 (Appeal No.444 of 2018), whereby, the directions issued by SEBI for open offer vide order dated September 17, 2018 qua promoters namely SBEC System (India) Limited, Shri. Umesh Kumar Modi, Smt. Kumkum Modi, Shri. Jayesh Modi and Longwell Investment Private Limited has been set aside, however, the directions issued by SEBI for Open Offer vide order dated September 17, 2018 issued qua the promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) has been modified in terms of Regulation 32(1)(b) and they had been directed to sell the shares acquired in violation of the SAST Regulation and to transfer the proceeds of the same to the Investor Protection Fund established under the SEBI (Investor Protection and Education Fund), 2009 within a period of 6 (Six) months from the date of the order i.e. from January 29, 2020.
- The promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) could not comply with the order dated January 29, 2020, therefore, the said promoters approached the Hon'ble Securities Appellate Tribunal vide Misc. Application no.



209 / 2020 seeking an extension of 6 (six) months for compliance of the order dated January 29, 2020 inter-alia on the grounds of operations of the said promoters being shut due to the pandemic COVID – 19. The said Misc. Application was listed before Hon'ble Securities Appellate Tribunal on July 29, 2020 and dismissed vide order dated July 29, 2020.

In the meantime, the Securities Exchange Board of India filed a Civil Appeal bearing nos. 2995 – 2996 / 2020 before the Hon'ble Supreme Court of India on July 29, 2020 against the order dated January 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

Furthermore, the promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. have also filed a Civil Appeal bearing no. 3002 / 2020 before the Hon'ble Supreme Court of India on August 11, 2020 against the order dated July 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

It is important to point out that both the Civil Appeals before the Hon'ble Supreme Court of India had been connected and the pleadings therein were complete. The said Civil Appeals were last listed before the Hon'ble Supreme Court of India on 4th March 2025, and vide Order dated 4th March, 2025 Hon'ble Supreme Court of India allowed the Appeal filed by SEBI and ordered that "The respondents shall, jointly and severally make a public announcement to acquire shares of SBEC Sugar Limited in accordance with the provisions of SEBI SAST Regulations, 2011 within a period of three months from the date of this order.

In compliance with the order passed by Hon'ble Supreme Court of India SBEC Systems India Limited made the public announcement on 2nd June, 2025 to acquire shares of Target Company in respect of complying the Order and successfully completed the open offer on 9th January, 2026.

2. **The Company's application for delisting of shares with the Calcutta Stock Exchange Association Limited is still pending.**
3. **During the previous years, an application was filed under section 9 of the Insolvency and Bankruptcy Code, 2016 against the Company before the Hon'ble National Company Law Tribunal, Allahabad bench alleging default of an amount of Rs. 1,08,02,731/- (Rupees One Crore Eight Lakh Two Thousand Seven Hundred Thirty One). The said application was dismissed by the Hon'ble National Company Law Tribunal, Allahabad vide its order dated February 02, 2024.**

Subsequently the applicant filed an appeal to the Hon'ble National Company Law Appellate Tribunal, New Delhi against the above said order passed by Hon'ble NCLT bench, Allahabad. However, as per the Management reply, nothing is payable to the said party as the party did not lift the contracted material within stipulated time limit. A detailed counter was filed by the Company refusing all the allegations. The matter is still pending before the NCLAT, Delhi.

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

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that,

1. As on March 31st 2026, the Company has two material subsidiaries i.e. SBEC Stockholding & Investments Limited (Wholly Owned Subsidiary Company) and SBEC Bioenergy Limited (Wholly Owned Subsidiary Company).
2. During the year, the Board of Directors' have duly appointed Ms. Kumkum Modi as Non-Independent Director with effect from 25th September, 2025 and Mr. Adhish Sharma, Ms. Preeti Aggarwal & Mr. Rohit Chawdhary as Independent Directors' with effect from 16th September, 2025, which was later approved by the shareholders in their 31st Annual General Meeting.
3. During the year, Mr. Ankit Bisht has resigned from the post of Company Secretary & Compliance officer with effect from 15th November, 2025 and Mr. Anil Kumar Goel has been appointed as the Company Secretary & Compliance officer of the Company with effect from 10th February, 2026.

**For Soniya Gupta & Associates
Company Secretaries**

**Sd/-
(Soniya Gupta)
Proprietor
M. NO. 7493
CP NO. 8136
PRFCN.: 1548/2021
UDIN: F007493H001113721**

**Place: New Delhi
Date: 14.08.2026**



{This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.}

Annexure "A" of the Report

To,
The Members of
SBEC SUGAR LIMITED
Vill- Loyan Malakpur, Teh- Baraut
Distt. – Baghpat, Uttar Pradesh

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Soniya Gupta & Associates
Company Secretaries**

Sd/-
(Soniya Gupta)
Proprietor
M. NO. 7493
CP NO. 8136
PRFCN.: 1548/2021
UDIN: F007493H001113721

Place: New Delhi
Date: 14.08.2026

**Form MR-3
Secretarial Audit Report of
SBEC BIOENERGY LIMITED
(For the year ended on 31.03.2026)**

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

To,
The Members
SBEC BIOENERGY LIMITED
Village Loyan Malakpur,
Tehsil Baraut, Uttar Pradesh-250611

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBEC BIOENERGY LIMITED** having CIN: U40105UP1996PLC037250 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby re-report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2026 according to the provisions of:

- i. The **Companies Act, 2013 (the Act)** and the Rules made thereunder;
- ii. The Securities and Exchange Board of India (**Listing Obligations and Disclosure Requirements**) **Regulations, 2015** thereunder;



- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: **Not Applicable on the company**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Management has identified and confirmed the following laws as specifically applicable to the Company:
- a) The Factories Act, 1948
 - b) The Industrial Dispute Act, 1947
 - c) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
 - d) The Air (Prevention & Control of Pollution) Act, 1981 read with the Air (Prevention & Control of Pollution) Rules, 1982
 - e) The Contract Labour (Regulation and Abolition) Act, 1970
 - f) The Industrial Employment (Standing Orders) Act, 1946
 - g) Indian Boilers Act, 1923
 - h) The Uttar Pradesh Vacuum Pan Sugar Factories Licensing Order 1969
 - i) The Electricity Act, 2003
 - k) The Insolvency and Bankruptcy Code, 2016
 - l) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

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

1. As per the Management representation, the Company has prepared and maintained Notices and Agendas for the meetings of the Board of Directors held during the financial year 2025-26.
2. As per the Management representation, the Company has circulated the Draft and Signed minutes of the meetings of the Board of Directors held during the financial year 2025-26 to the Directors.

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

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that During the year, Mr. Ankit Bisht has resigned from the post of Company Secretary with effect from 15th November, 2025 and Mr. Madhur Agarwal has been appointed as the Company Secretary of the Company with effect from 01st May, 2026.

**For Soniya Gupta & Associates
Company Secretaries**

**Sd/-
(Soniya Gupta)
Proprietor
M. No. 7493
COP No. 8136
PRFCN: 1548/2021
UDIN: F007493H001125720**

**Place: New Delhi
Date: 14.08.2026**



{This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.}

Annexure "A"

To,

The Members
SBEC BIOENERGY LIMITED
Village Loyan Malakpur,
Tehsil Baraut, Uttar Pradesh-250611

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Soniya Gupta & Associates
Company Secretaries**

**Sd/-
(Soniya Gupta)
Proprietor
M. No. 7493
COP No. 8136
PRFCN: 1548/2021
UDIN: F007493H001125720**

**Place: New Delhi
Date: 14.08.2026**



SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2026

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

To,
The Members
SBEC STOCKHOLDING AND INVESTMENT LTD
613, Hemkunt Tower, 98, Nehru Place,
New Delhi - 110019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBEC STOCKHOLDING AND INVESTMENT LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder: Not Applicable
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: Not Applicable
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: Not Applicable
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; Not Applicable
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: Not Applicable
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: Not Applicable
- (vi) OTHER APPLICABLE ACTS,
 - (a) The Payment of Wages Act, 1936, and rules made there-under,
 - (b) The Minimum Wages Act, 1948, and rules made there-under,
 - (c) The Payment of Gratuity Act, 1972
 - (d) The Employees Provident Fund & Miscellaneous Provisions Act, 1952.
 - (e) The Payment of Bonus Act, 1965, and rules made there-under,
 - (f) The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013,

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2015 and all other applicable provisions of the Non-Banking Financial Companies.
- (iii) The Reserve Bank Act, 1934.

In respect of other laws specifically applicable to the Company, we have relied on information/records produced by the Company during the course of our audit and the reporting is limited to that extent. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

1. The Reserve Bank of India vide letter no. DNBS/NO.783/CMS VIII/05.19.494/2019-20 dated July 30, 2019 had called for an explanation from the Company within 15 days of the letter, pointing out that the Company has failed to achieve minimum required Net owned fund in violation of RBI Circular No. 002/03.10.0001/2014-15 dated November 10, 2014. Further the Company was not able to meet the Principal Business Criteria for last three years and such other matters.

As informed by the Company, it has not submitted the reply till date of the report, as the matter is under consideration of the higher management for suitable action.



2. As per Rule 9A of The Companies (Prospectus and Allotment of Securities) Rules, 2014 every Unlisted Public Company shall issue the securities only in dematerialized form and facilitate dematerialization of all existing securities. However, 60 equity shares of the Company are still held in Physical form.
3. The Company has not submitted the required intimation to RBI during the year ended March 31, 2025, regarding the appointment of Mr. Ajay Kumar Agarwal and the resignation of Mr. Anirudh Kumar Modi, in accordance with the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. Further, the Company has not furnished to RBI, within 15 days from the end of each quarter, the quarterly statement on change of directors duly certified by the auditors, along with the Managing Director's certificate confirming compliance with the 'fit and proper' criteria for directors, for the year ended March 31, 2025

We further report that,

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report as under:

That there was no specific event having a major bearing on the Company's affairs in pursuance to above referred laws, rules, regulations, guidelines, standards etc. referred above.

We have relied on the report of the Statutory Auditor for compliance of Prudential Norms on Income recognition, accounting standards, asset classification, provisioning for bad and doubtful debts and concentration of credit/investments as specified in the Directions issued by the Reserve Bank of India in terms of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007.

Sumit Bist
Practising Company Secretary

Sd/-
Prop.
M. No. 60580
UDIN: A060580H001115691

PLACE: NEW DELHI
DATED: 14.08.2026

Note: This report is to be read with the note given below which forms an integral part of this report.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company. We have relied on the audited financial statements and statutory auditor report for the year ended on 31.03.2026 for the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The audit was conducted based on the verification of company's books, papers, minutes books, forms and returns filed, documents and other records furnished by / obtained from the Company electronically and also the information provided by the Company and its officers by audio and visual means.

Sumit Bist
Practising Company Secretary

Sd/-
Prop.
M. No. 60580
UDIN: A060580H001115691

PLACE: NEW DELHI
DATED: 14.08.2026

**"ANNEXURE-C"**

Information to be given under Section 134 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY**(i) The steps taken or impact on conservation of Energy**

1. Installation of VFD:
 - (a) Clear Juice Pump
 - (b) One nos. Pan Mechanical Circulators.

(ii) Step taken by the company for utilizing alternate sources of energy: Nil**(iii) Capital investment on energy conservation equipment: Nil****B. TECHNOLOGY ABSORPTION:**

- (i) Efforts made towards technology absorption: 03 Nos. DCH at Molasses conditioning
- (ii) Benefit derived like product improvement, cost reduction, Product development or import substitution: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO**(Rs. In Lacs)**

Name of Director	2025-26	2024-25
The foreign exchange earned in terms of actual inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows.		
Foreign Exchange earned	-	-
Foreign Exchange outgo	38.37	-

For & behalf of the Board
SBEC Sugar Limited

Sd/-
Umesh Kumar Modi
(Chairman & President)
(DIN: 00002757)

Place: London
Date: 14.08.2026

**"ANNEXURE-D"****STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.****(1) Information as per Section 197(12) read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:**

- (a) The median remuneration of employees of the Company during the financial year was Rs. 466,980 (12 months). The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year 2025-26 are as under:

Directors	Designation	Remuneration Of Directors In Financial Period 2025-26 (Rs. in Lakhs)	Ratio Of Remuneration To Median Remuneration Of Employees
Shri. Umesh Kumar Modi*	Non-Executive Director	-	N.A.
Smt. Kumkum Modi*	Non-Executive Director	-	N.A.
Shri. Abhishek Modi*	Non-Executive Director	-	N.A.
Shri. Jayesh Modi*	Non-Executive Director	-	N.A.
Shri. Vijay Kumar Modi*	Non-Executive Director	-	N.A.
Smt. Mohi Kumari*	Non-Executive &Independent Director	-	N.A.
Shri Ajay Kumar Aggarwal*	Non-Executive &Independent Director	-	N.A.
Shri Pramod Kumar Gupta*	Non-Executive &Independent Director	-	N.A.
Shri Adhish Sharma*	Non-Executive &Independent Director	-	N.A.
Shri Rohit Chawdhary*	Non-Executive &Independent Director	-	N.A.
Smt. Preeti Aggarwal*	Non-Executive &Independent Director	-	N.A.
Shri. Vipin Kumar	Whole Time Director	38.05	7.15

*All the non-executive Directors of the Company were not paid any remuneration and were paid only sitting fee for attending the meetings of the Board/Committee of Directors. Therefore, the said ratio of remuneration of each director to median remuneration of the employees of the company is not applicable.

- (b) The percentage increase in Remuneration of each Director, Whole Time Director, Chief Financial Officer and Company Secretary in the financial year:

Directors	Designation	% Increase in Remuneration
Shri. Umesh Kumar Modi*	Non-Executive Director	N.A.
Smt. Kumkum Modi*	Non-Executive Director	N.A.
Shri. Abhishek Modi*	Non-Executive Director	N.A.
Shri. Jayesh Modi*	Non-Executive Director	N.A.
Shri. Vijay Kumar Modi*	Non- Executive Director	N.A.
Smt. Mohi Kumari*	Non- Executive &Independent Director	N.A.
Shri Ajay Kumar Aggarwal*	Non- Executive &Independent Director	N.A.
Shri Pramod Kumar Gupta*	Non- Executive &Independent Director	N.A.
Shri Adhish Sharma*	Non- Executive &Independent Director	N.A.
Shri Rohit Chawdhary*	Non- Executive &Independent Director	N.A.
Smt. Preeti Aggarwal*	Non- Executive &Independent Director	N.A.
Shri. Vipin Kumar	Whole Time Director	6%

*All the non-executive Directors of the Company were not paid any remuneration and were paid only sitting fee for attending the meetings of the Board/Committee of Directors. Therefore, the percentage increase in remuneration of each Director is not applicable.

Key Managerial Personnel's (KMPs)**(Rs. in Lacs)**

Key Managerial Personnel's	Designation	Remuneration of KMP In Financial Period 2025-26	% Increase In Remuneration
Shri Vipin Kumar	Whole Time Director Cum Occupier	38.16	6%
Shri. A. K. Goel	Chief Financial Officer	44.88	6%
Shri Ankit Bisht *	Company Secretary	7.30	N.A

* resigned w.e.f. 15.11.2025



- (c) The percentage increase in the Median Remuneration of Employees in the financial period was 6%.
- (d) The number of Permanent Employees on the Rolls of Company as on 31st March, 2026 were 344.

In alignment with the principles of diversity, equity, and inclusion (DEI), the Company discloses below the gender composition of its workforce as on the March 31, 2026:

Male Employees: 343

Female Employees: 1

Transgender Employees: 0

- (e) Average percentage increase already made in the salaries of employees other than managerial personnel in the last financial period and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

The average increase in salaries of employees in 2025-26 was 6.00%

- (f) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

The Company affirms that the Remuneration paid during the period were as per the Remuneration Policy of the Company.

(2) Information as per Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and 5 (3) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- a) Name of employee employed throughout the financial year and was in receipt of remuneration Rs.1,02,00,000/- or more: NIL
- b) Name of employee employed for a part of the financial year and was in receipt of remuneration not less than Rs.8,50,000/- per month: NIL
- c) Details of Top Ten Employees in terms of remuneration drawn:

(Rs. in Lacs)

Name/Age	Designation of Employees	Remuneration (Rs.)	Qualification/ Experience (Years)	Date of Commencement of Employment	Previous Employment
Shri A. K. Goel	Chief Financial Officer	44.88	FCA, FCS	01.11.2017	Modipon Ltd
Shri Vipin Kumar	Whole Time Director cum Occupier	38.16	B.Tech, BOE / Energy Mgr.	01.07.2017	Modi Sugar Mill Modinagar U.P
Shri Vijay Kr. Jain	Dy. General Manager (Commercial)	23.02	B.Ed. MBA LLB MA (Eco.)	01.04.2000	SBEC Sugar Malakpur U.P
Shri Jogendra Singh	Sr.Dy. Gm. (Prod.)	21.36	ANSI Sugar Tech.1997	06.08.2021	Wave Sugar Inds.Pvt. Dhanaura
Shri Mukesh Malik	SR.DY.GM.(PROD.)	19.74	BSC (AG)	20.12.2011	Titawi Sugar Complex Titawi Muzaffarnagar UP
Shri Devesh Kr Tyagi	DGM (Hr & Admin)	15.80	M.COM.LLB,PGDHRM	08.08.2022	Yadu Sugar Ltd,Badaun
Shri K.V.Singh	DGM (ELECT.)	15.45	Diploma in ELCET.Engg	20.09.2023	Sir Shadi Lal Sugar Mill Shamli
Shri Rahul Kumar	AGM (INST.)	15.33	12TH PG Diploma in Inst. Tech.	01.10.2021	Simbhaoli Sugar Ltd.
Smt. Renu	OSD	14.84	Graduate	01.07.2017	SBEC Sugar Malakpur U.P
Shri K.S. Jaglan	Addl. Chief Engineer (MH)	14.22	ITI Diploma in Mech. Engg.	01.01.2021	Bajaj Hindustan Ltd. Thanabhawan, U.P.

Notes:

- The nature of employment of all employees above is whole time in nature and terminable with 1 months' notice on either side.
- The above mentioned employees are not relatives (in terms of the Companies Act, 2013) of any Director of the Company.

**For & behalf of the Board
SBEC Sugar Limited**

**Sd/-
Umesh Kumar Modi
(Chairman & President)
(DIN: 00002757)**

**Place: London
Date: 14.08.2026**

**FORM NO. AOC-2**

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Name of Related Party	NONE
Name of Relationship	
Nature and Duration of the Contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date of approval by the Board	
Amount paid as advances, if any:	
Date of Shareholder Resolution Passed if any.	

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related Party	Smt. Nandini Modi
Nature of Relationship	Wife of Shri. Abhishek Modi
Duration of the contracts/ arrangements/ transactions	01-04-2025 to 31-03-2026
Salient terms of the contracts or arrangements or transactions including the value, if any	As per section 188(1)(f) of the Companies Act, 2013 holds place of profit in SBEC Bioenergy Limited, a subsidiary of the Company
Date of approval by the Board	29.05.2018
Amount paid as advances, if any:	NIL
Date of Shareholders Resolution Passed if any.	24-09-2018

Detail of related party transactions are mentioned in the note no. 32 of the Audited financial statement.

**For & behalf of the Board
SBEC Sugar Limited**

**Sd/-
Umesh Kumar Modi
(Chairman & President)
(DIN: 00002757)**

**Place: London
Date: 14.08.2026**



MANAGEMENT DISCUSSION & ANALYSIS

Sugar Industry

The Indian sugar industry, one of the largest globally, Sugar production in India reached 275.28 lakh tonnes in the year 2025-26, registering a nearly 7 per cent increase from 256.49 lakh tonnes recorded during the last year. India's sugar sector is set to recover in the 2026-27 marketing year, with the United States Department of Agriculture's (USDA) and Foreign Agricultural Service (FAS), New Delhi forecasting total sugar production at 33.6 million metric tonnes (MMT) on a raw value basis. India's annual ethanol production capacity stands at approximately 20 billion liters. For the 2026-27 period, the government expects robust sucrose (sugar) diversion of about 3 million metric tons to manufacture roughly 11 to 12 billion liters of ethanol. This fuels the nation's ambitious E20 program (a blend of 20% ethanol and 80% petrol). However, the sector continues to face pressure due to the mismatch between the rising Fair and Remunerative Price (FRP) for sugarcane and the static Minimum Selling Price (MSP) of sugar, which has remained at Rs.31/kg since 2019. This mismatch strains mills—especially those with lower recovery or limited ethanol capacity—making it difficult to cover costs and remain profitable. As a result, arrears have built up, notably in key producing states like Uttar Pradesh and Maharashtra, leading to delayed farmer payments. The Government has issued a notification placing the export of all categories of sugar (raw, white, and refined) under the "Prohibited" category with immediate effect by notification dated May 13, 2026 until 30th September 2026 except with few countries. The year 2026-27 will mark as the changing year for the sugar industry with shifting of approach to production of ethanol rather than focusing on traditional production areas.

Government Policies for Sugar Industry

- Fixation of Fair and Remunerative Price (FRP)

Keeping in view interest of sugarcane farmers (Ganna Kisan), the Cabinet Committee on Economic Affairs chaired by the Prime Minister Shri Narendra Modi has approved Fair and Remunerative Price (FRP) of sugarcane for Sugar Season 2026-27 (October - September) at Rs.365/ quintal for a basic recovery rate of 10.25%, providing a premium of Rs.3.56/ qtl for each 0.1% increase in recovery over and above 10.25%, & reduction in FRP by Rs.3.56/qtl for each 0.1% decrease in recovery. The FRP approved shall be applicable for purchase of sugarcane from the farmers in the Sugar Season 2026-27 (starting w.e.f. 1st October, 2026) by sugar mills. The sugar sector is an important agro-based sector that impacts the livelihood of about 5 crore sugarcane farmers and their dependents and around 5 lakh workers directly employed in sugar mills, apart from those employed in various ancillary activities including farm labour and transportation.

- Ethanol Blended Petrol (EBP) Programme

Ethanol Blended Petrol (EBP) Programme has emerged as a key pillar of India's energy transition and biofuel strategy. It aims to improve energy security, support farmers, and reduce environmental impacts. The programme also promotes greater use of domestically produced renewable fuel.

Under the EBP Programme, ethanol blending has increased from less than 1.5 percent in 2013-14 to 20 percent in 2025-26. India achieved the 20 percent blending target five years ahead of schedule. Ethanol procurement rose from about 38 crore litres in Ethanol Supply Year (ESY) 2013-14 to over 1,200 crore litres (projected) in 2025-26. Production capacity expanded nearly five fold from 421 crore litres in 2014 to about 2,000 crore litres in 2026. This expansion has reduced crude oil imports and saved valuable foreign exchange. It has also lowered greenhouse gas emissions and strengthened farmers' incomes through new market opportunities.

India imports close to 88.5 percent of the crude oil it consumes. That single number explains a great deal about why ethanol blending sits so high on the policy agenda. Every barrel of oil bought from abroad exposes the country to price swings and supply shocks that are entirely beyond its control. Ethanol produced from Indian sugarcane, maize and rice offers a way to blunt that exposure using resources grown at home.

The Ethanol Blended Petrol (EBP) Programme has evolved into a key pillar of India's energy strategy. Its progress reflects scientific evaluation, phased implementation, and collaboration across government, industry, and research institutions. The programme has strengthened energy security, reduced emissions, and created new income opportunities for farmers. It has also reduced crude oil imports and promoted the use of domestically produced renewable fuel. The EBP Programme will continue contributing to a cleaner, more resilient, and self-reliant transport fuel ecosystem.

COMPANY STRUCTURE AND DEVELOPMENT

The Company is located at Village Malakpur, District Baghpat, Uttar Pradesh. The plant started with an initial crushing capacity of 3500 tons of cane crushed per day (TCD), which has been gradually increased to 9,000 TCD. The Company has one of the most modern and efficient sugar factories in the country.

The company is considering augmenting its production capacity in due course to 10,000 TCD. The first phase to increase the plant capacity upto 9,000 TCD was completed which has been operative from season 2022-23. The Company is increasing its capacity upto 10,000 TCD. Regarding that the company has received Consolidated Consent to Operate and Authorisation ("CCA") to operate the plant capacity to 10000 TCD under Section-25 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section-21 of the Air (Prevention & Control of Pollution) Act, 1981 from the Uttar Pradesh Pollution Control Board.

OPERATIONAL PERFORMANCE

The crushing for the season 2025-26 started on October 31, 2025 and ended on April 02, 2026 and cane crushed during season 2025-26 was 107.20 lacs Qtls as compared to 128.49 lacs Qtls in the last season.

Particulars	Unit	Sugar Season		
		2025-26	2024-25	2023-24
Cane Crush	Lac Qtl	103.92	128.49	134.31
Recovery	%	11.09	10.72	11.34
Sugar Production	Lac Qtl	11.52	13.82	15.26

**FINANCIAL PERFORMANCE****(Rs. In Lacs)**

Particulars	2025-26	2024-25	2023-24
Total Income	53738.80	62157.73	64,460.58
EBITDA**	(467.90)	4247.69	4,566.73

** Earning before interest, tax, depreciation and amortization.

RISK AND CONCERNS-SWOT**Analysis Strengths**

- Located in sugarcane rich belt of Western UP with high sucrose varieties of cane.
- The Company has continued its focus on cane quality promotion and is continually investing in cane variety development. The same is also visible in form of increased availability of high yield variety of cane and higher Sugar recovery.

Weaknesses

- The State Government decides sugarcane prices in a manner that is not linked to sugar prices. Unviable sugarcane prices may impact the profitability of the Company.
- High Cane arrears due to low sugar prices.
- Risk of coercive measures by the State Government on account of huge cane arrears.

Opportunities

- Higher recovery, Higher rates of by-products of Sugar.
- Government support towards production of Ethanol.

Threats

- Due to domestic surplus, there could be a softening in the sugar prices affecting the profitability.
- Increase in State Administrative Price of Sugarcane by the State Government.
- Reduction of Co-generation tariffs.

FUTURE OUTLOOK

The sugar industry will be a major player in producing cost effective energy and fuel from its by-products bagasse and molasses. Bagasse can be processed for co-generation of power, ethanol produced from molasses can be used for blending with petrol for motor fuel.

INTERNAL CONTROLS AND SYSTEMS

Your company has in place an adequate internal control system in order to ensure that all transactions are authorized, recorded and reported correctly and that all assets are protected against the perils of unauthorized use or disposition. Towards enhancing the efficiency of internal controls, services of consultants are hired wherever necessary, and their suggestions are reviewed and implemented. Your Company has in place an Internal Audit system, whereby an independent professional firm of Internal Auditors conducts regular audit across the Company and their scope and findings are reviewed by the Management and Audit Committee on a regular basis.

The Audit Committee of the board also meets periodically to review the internal controls, internal audit findings, action taken reports and to advise the management on corrective policies, if any.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company considers human capital as a critical asset and success factor for smooth organizational work flow. Efforts are made to improve skills, knowledge and performance of employees by timely training, job satisfaction and enrichment. The Company has added to its fold, experienced manpower in line with future areas of growth.

DETAILS OF SIGNIFICANT CHANGES

Details of significant changes as required under SEBI (LODR) Regulations, 2015 are as under:

SI. NO.	Particulars	As on 31.03.2026	As on 31.03.2025
1.	Debtors Turnover	32.67 times	34.15 times
2.	Inventory Turnover	1.71 times	1.95 times
3.	Interest Coverage Ratio	(0.10) times	1.15 times



SI. NO.	Particulars	As on 31.03.2026	As on 31.03.2025
4.	Current Ratio	0.40 times	0.41 times
5.	Debt Equity Ratio	(2.22) times	(3.03)times
6.	Operating Profit Margin (%)	(0.87)%	6.83 %
7.	Net Profit Margin (%)	(0.12) %	(1.90)%
8.	Return on net worth	(1.64) times	(0.19) times

CAUTIONARY STATEMENT

The above Management Discussion and Analysis Report contains "forward looking statements" within the meaning of applicable laws, and regulations and is futuristic in nature. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, market position, expenditures and financial results are forward looking statements. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. Investors are requested to make their own independent judgment before taking any investment decisions and the Company assumes no responsibility.



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

SBEC Sugar Limited ("SBEC Sugar"), a member of Umesh Modi Group of Companies, firmly believes in effective Corporate Governance practices and follow all the applicable laws in true letter and spirit. Corporate Governance is an ethically driven process that constitute the strong foundation on which successful commercial enterprise are built and enhancing the organization's wealth generating capacity. The company also has a strong belief in fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct for its Board of Directors' and its Senior Management persons which is available on the Company's website. The Company's corporate governance philosophy has been further strengthened through the SBEC Sugar Code of Conduct for Prevention of Insider Trading. The Company's corporate governance philosophy is based on the following broad principles;

- Comply all applicable Laws in true letter and Spirit;
- Independence and bias free Board of Directors';
- Simple and transparent corporate structure for enhancing overall shareholder value;
- Delegation of decision-making authority with clearly defined roles, responsibilities and accountability

The Company is in compliance with the requirements of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

2. BOARD OF DIRECTORS'

(a) Composition

- As on March 31, 2026, the Company has 12 Directors of which 11 are Non-Executive Directors and 6 out of the 12 Board Members are Independent Directors. The Chairman of the Board is a Non-Executive Director. The Composition of the Board is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015. As required under Section 149(1) of the Companies Act, 2013, Smt. Kumkum Modi, Smt. Mohi Kumari and Smt. Preeti Aggarwal are the Woman Directors on the Board of Directors' of the Company.
- The Independent Directors have confirmed that they satisfy the 'criteria of independence' as stipulated in Sec 149(7) of the Companies Act, 2013. Independent Directors do not serve in more than 7 listed companies.
- The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships (including SBEC Sugar Limited) held by them in Public Companies as on March 31, 2026 are given below. Other directorships do not include alternate directorships, Section 8 Companies, Private Companies and foreign companies. Chairmanships/Memberships in Committees include only Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies.

Name of the Director	Category	Number of Board meetings during the year 2025-26		Attendance at the Last AGM (Held on September 25, 2025)	No of Directorships including this Company (as on March 31, 2026)	Number of membership/ chairmanship in other Board committee (as on March 31, 2026)	
		Held	Attended			Public	Chairman
Shri. Umesh Kumar Modi	NED	5	4	Not Present	6	Nil	1
Smt. Kumkum Modi	NED	5	1	Not Present	4	Nil	Nil
Shri. Abhishek Modi	NED	5	3	Not Present	5	Nil	Nil
Shri. Jayesh Modi	NED	5	1	Not Present	5	Nil	Nil
Shri. Vijay Kumar Modi	NED	5	5	Present	5	2	4
Smt. Mohi Kumari	INED	5	4	Not Present	2	Nil	Nil
Shri. Ajay Kumar Aggarwal	INED	5	5	Present	6	5	6
Shri. Pramod Kumar Gupta	INED	5	5	Present	2	Nil	4
Shri. Adhish Sharma	INED	5	5	Present	2	Nil	1
Shri. Rohit Chawdhary	INED	5	2	Present	2	Nil	Nil
Smt. Preeti Aggarwal	INED	5	2	Present	6	Nil	Nil
Shri. Vipin Kumar	WTD	5	5	Present	2	Nil	Nil

**Note:**

- (i) (a) ED: Executive Director (b) NED: Non-Executive Director (c) INED: Independent Non-Executive Director (d) CEO: Chief Executive Officer
(ii) None of the Directors' used Video/tele-conferencing facilities to participate in the meetings, except Sh. Umesh Kumar Modi, Smt. Kumkum Modi, Sh. Jayesh Modi, Sh. Adhish Sharma, Sh. Rohit Chawdhary and Smt. Preeti Aggarwal.

(b) Board Meetings

The Board meets at least once in a quarter to review the financial results and other items on the agenda. The Agenda of Board Meeting is circulated to all the Directors well in advance and contains all relevant information which is distributed to the Directors in advance.

Five (05) Board meetings were held during the year ended March 31, 2026. These were held on May 29, 2025, June 26, 2025, August 12, 2025, November 12, 2025 and February 10, 2026. the maximum gap between the two Board Meetings did not exceed 120 days. Necessary quorum was present at all meetings.

None of the Non-Executive Directors have any material pecuniary relationship or transaction with the Company.

(c) Name of other listed entities where Directors of the company are Directors and the category of Directorship:

Name of Director	DIN	Name of Listed Companies (excluding this Company) in which the concerned Director is Director	Category of Directorship
Shri. Umesh Kumar Modi	00002757	1. Bihar Sponge Iron Limited	Non-Independent Non-Executive Director
Smt. Kumkum Modi	00522904	1. Bihar Sponge Iron Limited	Non-Independent Non-Executive Director
Shri. Abhishek Modi	00002798	1. Bihar Sponge Iron Limited	Non-Independent Non-Executive Director
Shri. Jayesh Modi	02849637	1. Bihar Sponge Iron Limited	Non-Independent Non-Executive Director
Shri. Vijay Kumar Modi	00004606	1. SBEC Systems (India) Limited	Non-Independent Non-Executive Director
Smt. Mohi Kumari	09696682	1. Bihar Sponge Iron Limited	Independent Director
Shri Ajay Kumar Aggarwal	00632288	1. Bihar Sponge Iron Limited 2. SBEC Systems (India) Limited	Independent Director
Shri Pramod Kumar Gupta	10337571	1. Bihar Sponge Iron Limited	Independent Director
Shri. Adhish Sharma	10751609	1. Bihar Sponge Iron Limited	Independent Director
Shri. Rohit Chawdhary	10751087	1. Bihar Sponge Iron Limited	Independent Director
Smt. Preeti Aggarwal	08889074	1. Pasupati Spinning And Weaving Mills Limited	Independent Director
Shri. Vipin Kumar	10734170	Nil	Nil

(d) Details of Shareholding of Non-Executive Directors

Shri. Umesh Kumar Modi holds 15,71,223 equity Shares, Smt. Kumkum Modi holds 28,300 equity Shares and Shri. Jayesh Modi holds 55,487 equity Shares as on 31st March, 2026.

(e) Familiarization programme for Independent Director

At the time of appointment, the Director is explained in detail the compliances required from him under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and other relevant regulations and his affirmations taken. By way of an introduction to the Company, the Chairman/CEO interacts with the newly appointed Director and explains the functioning of various divisions/departments, the Company's market share, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfil his/her role as a Director of the Company. The familiarization programme for Directors is also placed on the Company's website www.sbecsugar.com.

(f) Information supplied to the Board

The Company provides the information to the Board and Board Committees as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations, 2015 to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers of the respective meetings or by way of presentations and discussions during the meeting.

(g) Skills/Expertise/Competence of the Board of Directors'

The following is the list of core skills / expertise / competencies identified by the Board of Directors' as required in the context of the Company's business and that the said skills are available with the Board Members:

1. Knowledge on Company's businesses (Manufacturing sugar from sucrose from sugar cane) policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.



2. Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
3. Business Strategy, Sales & Marketing, Corporate Governance, Administration and Decision Making.
4. Financial and Management skills.
5. Technical / Professional skills and specialized knowledge in relation to Company's business.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted:

Name of Director	Areas of Skills, Expertise and Competencies				
	Knowledge on Company's business, policies & Culture	Behavioral Skills	Business Strategy, Sales & Marketing etc.	Financial and Management Skills	Technical/ Professional skills
Shri Umesh Kumar Modi	YES	YES	YES	YES	YES
Shri Abhishek Modi	YES	YES	YES	YES	YES
Smt. Kumkum Modi	YES	YES	YES	YES	YES
Shri Jayesh Modi	YES	YES	YES	YES	YES
Shri Vijay Kumar Modi	YES	YES	YES	YES	YES
Smt. Mohi Kumari	YES	YES	YES	YES	YES
Shri Ajay Kumar Aggarwal	YES	YES	YES	YES	YES
Shri Pramod Kumar Gupta	YES	YES	YES	YES	YES
Shri. Adhish Sharma	YES	YES	YES	YES	YES
Shri. Rohit Chawdhary	YES	YES	YES	YES	YES
Smt. Preeti Aggarwal	YES	YES	YES	YES	YES
Shri. Vipin Kumar	YES	YES	YES	YES	YES

(h) Confirmation

Based on the declaration received from the Independent Directors, the Board confirms that in its opinion, the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations, 2015 and are independent of the management.

3. Audit Committee

(a) Terms of Reference

The Audit Committee acts as a link between the Statutory and the Internal Auditors and Board of Directors. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit Activities. The powers, roles, delegation, responsibilities, and terms of reference of the Audit Committee are prescribed under Section 177 of the Companies Act, 2013 and also as provided in Regulation 18 of SEBI (LODR) Regulations, 2015.

(b) Composition

As on March 31, 2026 the Audit Committee of the Board comprises four Directors. Three directors are Independent Directors and have sound knowledge of finance and accounting. Shri Ajay kr. Aggarwal is Chairman of the Committee and was presented in the previous Annual General Meeting held on September 25, 2025 as Chairmen of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

The Head of Departments, Internal Auditors and Statutory Auditors are also invited to the meeting of the Audit Committee as and when required by the Committee. Besides them, Chief Financial Officer of the Company is permanent invitee of the Audit Committee.

The composition of the Audit Committee is hereunder:

Shri Ajay kr. Aggarwal	-	Chairman
Shri Vijay K. Modi	-	Member
Shri. Adhish Sharma	-	Member
Shri Pramod Gupta	-	Member

During the financial year ended 31st March, 2026, the Audit Committee met Four times on May 29, 2025, August 12, 2025, November 12, 2025 and February 10, 2026 and the maximum gap between the two Audit Committee Meetings did not exceed 120 days. The necessary quorum was present for all the meetings.



The particulars of meetings held and attended by the members of the Audit Committee are given below:

S. No.	Name of the Member	Designation	Category	Number of meetings during the year 2025-26.	
				Eligible to attend	Attended
1.	Shri Ajay Kr. Aggarwal	Chairman	Independent Director	4	4
2.	Shri. Vijay K. Modi	Member	Non-Independent Director	4	4
3.	Shri. Pramod K. Gupta	Member	Independent Director	4	4
4.	Shri. Adhish Sharma	Member	Independent Director	4	4

4. Nomination and Remuneration Committee

(a) Terms of Reference

The Company has a Board Committee namely "Nomination and Remuneration Committee" as required under Section 178 (1) of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee looks terms and conditions of appointment, remuneration and related matters of Managerial Personnel such as Whole Time Directors & Directors etc. Remuneration Committee recommends the remuneration for Executive Directors to the Board of Directors for its approval and such remuneration is also subject to the approval of shareholders and such other approvals as may be required. In its recommendations, the remuneration committee considers parameters like performance and contribution, practices and norms and followed by companies of similar size and industry standards.

Shri Pramod K. Gupta is Chairman of the Committee and he was present at the Annual General Meeting held on September 25, 2025 as Chairman of the Nomination and Remuneration Committee. The Company Secretary acts as Secretary to the Committee.

The composition of the Nomination and Remuneration Committee is hereunder:

Shri Pramod Gupta - Chairman

Shri Vijay K. Modi - Member

Shri. Ajay Kumar Aggarwal - Member

During the period ended March 31, 2026, 3 (Three) meetings of the Committee were held on May 29, 2025, August 12, 2025 and February 10, 2026.

(b) The Composition of the Nomination and Remuneration Committee and details of the Meetings of the Committee held and attended during the year 2025-26 are as under:

S. No.	Name of the Member	Designation	Number of meetings during the year 2025-26.	
			Eligible to attend	Attended
1.	Shri. Pramod K. Gupta.- Chairman	Independent Director	3	3
2.	Shri. V. K. Modi	Non-Independent Director	3	3
3.	Shri. Ajay Kumar Aggarwal	Independent Director	3	3

(c) Performance Evaluation of Independent Directors

The performance evaluation criteria for Independent Directors includes qualification, experience, knowledge, competency, availability, attendance, commitment, contribution of the individual directors to the Board and Committee meetings and fulfillment of independence criteria by them and their independence from the management. The performance evaluation of Independent Directors is done by the entire Board of Directors and in the evaluation the directors' who are subject to evaluation do not participate.

5. Stakeholders Relationship Committee

(a) Terms of Reference

The Company has a Board Committee namely "Stakeholder Relationship Committee" as required under the provisions of Section 178 (1) of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 to look into various issues relating to delay in transfers of shares, non-receipt of balance sheet, non-receipt of declared dividends/share certificates, dematerialization of shares, replacement of lost/stolen/ mutilated share certificates, etc.

(b) The Composition of Stakeholders Relationship Committee and details of the Meetings of the Committee held and attended during the year 2025-26.

As on March 31, 2026, the Stakeholders Relationship Committee of the Board comprises of 3 Directors. Two members of the committee are Independent Directors. Mr. Vijay Kumar Modi is Chairman of the Committee.

The composition of the Stakeholders Relationship Committee is hereunder:

Shri Vijay K. Modi - Chairman

Shri Pramod Kr. Gupta - Member

Shri. Ajay Kr. Aggarwal - Member

During the financial year 2025-26, the Committee met once on May 29, 2025.



The Particulars of meetings held and attended by the members of the Committee are given below:

S. No.	Name of the Member	Category	Number of meetings during the year 2025-26	
			Eligible to attend	Attended
1.	Shri. Vijay K. Modi Chairman	Independent Director	1	1
2.	Shri. Pramod Kr. Gupta	Independent Director	1	1
3.	Shri. Ajay Kr. Aggarwal	Independent Director	1	1

Mr. A. K. Goel is the Compliance Officer.

The Compliance Officer can be contacted at:

SBEC Sugar Limited
Village Loyan, Malakpur,
Tehsil Baraut,
Dist. Baghpat- 250611
Uttar Pradesh
Email:investors@sbecsugar.com

At the beginning of the year, two complaints were outstanding, which had been received on March 31, 2025. During the financial year ended March 31, 2026, three (3) complaints were received from shareholders. All the complaints were duly disposed of within the time period prescribed under the applicable laws.

6. Senior Management

The particulars of senior management of the Company as on March 31, 2026 are hereunder:

S. No.	Name	Designation
1	VIPIN KUMAR	WHOLE TIME DIRECTOR
2	ANIL KUMAR GOEL	CHIEF FINANCE OFFICER & COMPANY SECRETARY
3	RENU	OFFICER ON SPECIAL DUTY
4	MUKESH KUMAR	GENERAL MANAGER (CANE)
5	VIJAY KR.JAIN	DY. General Manager (Comml.)
6	DEVESH KR TYAGI	DY. General Manager (HR & Admin.)
7	KAUSHALENDRA SINGH	DY. General Manager (Pur.)
8	RAHUL KUMAR	CHIEF MANAGER (Inst)
9	JOGENDER SINGH	SR.DY. GENERAL MANAGER (PROD.)
10	K V SINGH	DY. GENERAL MANAGER (ELECT.)
11	PRITAM SINGH	ADDL CHIEF CHEMIST
12	KULDEEP SINGH JAGLAN	ADDL CHIEF ENGR.
13	VISHNU GOPAL GUPTA	SR.MANAGER (Quality Control)
14	SHAWAR KHAN	DY CHIEF ENGINEER
15	ABHIT GHOSH	MANAGER ACCOUNTS

The Changes during the Senior Management of the Company during the F.Y. 2025-26 are as under:

Sr. No.	NAME	DESIGNATION	Date of Joining	Date of Cessation/ Resignation
1	ABHIT GHOSH	MANAGER ACCOUNTS	12.05.2025	NA
2	DEEPAK BANSAL	MANAGER COMM.	31.07.2024	05.02.2026
5	ANKIT BISHT	COMPANY SECRETARY	21.10.2024	15.11.2025



7. Remuneration of Directors

The Company has adopted a Remuneration Policy for executive and non-executive directors and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration as approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders and such other authorities as the case may be. The remuneration policy of the Company is also placed on the website: www.sbecsugar.com.

(i) Remuneration to Managing/Whole time/ Executive/ Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

(ii) Remuneration to Non-Executive/ Independent Director:

Pecuniary Relationship

The Company does not have any pecuniary relationship or transaction with the Non-executive Directors.

Sitting Fee

The Non-executive Directors and Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board/ Committee meetings thereof in accordance with the provisions of Act.

The Non-Executive Directors do not draw any remuneration from the Company other than the aggregate sitting fee of Rs. 0.51 lacs for the meetings of the Board and Committee thereof attended by them during the year.

Remuneration

The Companies Act, 2013, under Section 197 allows a company to pay remuneration to its NED depending upon the role and the degree, quality of their engagement with the Board, either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other as per the Company's criteria for making payment to Non-executive Directors. An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or/committee thereof and profit related commission up to a certain percentage of net profits in such proportion, as maybe permissible under the applicable law.

The Company has paid remuneration to Mr. Vipin Kumar, whole time director of the company during the financial year.

The Company does not provide any fixed component and performance linked incentives to its Directors.

The Company does not have any service contracts with its Directors and no policy regarding notice period & severance fees.

The Company does not have any Employees Stock Option Scheme.

8. VIGIL MECHANISM

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company has a Whistle-Blower Policy and Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimization of the persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No employee of the Company was denied access to the Audit Committee. The said whistle blower policy and vigil mechanism has been hosted on the website of the Company at: www.sbecsugar.com

No complaints were received under this policy during the year. No person has been denied to access the Chairman of the audit committee.

9. General Body Meetings:

(a) Annual General Meetings

Location and time of the last three Annual General Meetings:-

Year	Date & Time of Meeting	Location	Special Resolution passed (Yes/ No)
2024-25	September 28, 2024 At 11:00 A.M.	Village: Lohan Malakpur, Tehsil Baraut, Distt. Baghpat, Uttar Pradesh	1. Regularization the Re-Appointment of Smt. Kumkum Modi, who will attain the age of 75 years, as a Non-Executive Director of The Company Under Regulation 17(1A) of The SEBI (LODR) Regulations, 2015. 2. Authorization for Material Related Party Transactions with related parties.
2023-24	September 28, 2024 At 11:00 A.M.	Village: Lohan Malakpur, Tehsil Baraut, Distt. Baghpat, Uttar Pradesh	1. Regularization the Re-Appointment of Sh. Umesh Kumar Special Resolution Modi, as a Non-Executive Director of the Company Under Regulation 17(1)(d) of the SEBI (LODR) Regulations, 2015 2. Regularization the appointment of Sh. Adhish Sharma as an Independent Director of the Company. 3. Regularization the appointment of Sh. Rohit Chawdhary as an Independent Director of the Company. 4. Regularization the appointment of Smt. Preeti Aggarwal as an Independent Director of the Company. 5. Regularization and appointment of Sh. Vipin Kumar, as a Whole Time Director of the Company. 6. Authorization for Material Related Party Transactions with related parties. 7. Approved powers of the Board U/s 180(1)(a) of Companies Act, 2013



Year	Date & Time of Meeting	Location	Special Resolution passed (Yes/ No)
2022-23	September 29, 2023 At 10:00 A.M.	Village: Loyan Malakpur, Tehsil Baraut, Distt. Baghpat, Uttar Pradesh	1. Regularization the appointment of Sh. Anirudh Kumar Modi as an Independent Director of the Company. 2. Regularization the appointment of Sh. Ajay Kumar Agarwal as an Independent Director of the Company. 3. Approved the change in designation of Sh. Vijay Kumar Modi from Non-Executive Independent Director to Non-Executive Non-Independent Director. 4. Re-appointment of Sh. Abhishek Modi as Whole Time Director of the Company. 5. Authorization for Material Related Party Transactions with related parties. 6. Authorisation for Loan & Investment under Section 186 of the Companies Act, 2013.

(b) Extraordinary General Meetings

No Extraordinary General Meeting of the Members was held during the year 2025-26.

(c) Postal Ballot

During the financial year, no resolution was passed through postal ballot.

10. Means of Communication

(a) Quarterly Results

The Company's quarterly results in the proforma prescribed by the Stock Exchange pursuant to Regulation 33 & 47 of the Listing Regulations are approved and taken on record by the Board within the prescribed time frame, and sent forthwith to all the Stock Exchanges on which the Company's shares are listed. These results are being published in national and local newspapers, namely The Financial Express in English and Haribhoomi in Hindi, having wide circulation.

The Annual Reports, notices and other communications have been sent through digital mode to the shareholders whose email address is updated with the Company. As per the statutory requirements under Regulation 33 & 47 of the Listing Regulations, the quarterly/annual financial results are generally published in "Financial Express" in English and "Haribhoomi" in Hindi. The financial results, shareholding pattern and other updates on the working of the Company have been posted on the Company's website: www.sbecsugar.com. Besides the above, the Company also submits, inter-alia, to the Stock Exchanges, the full version of the Annual Report; quarterly report on corporate governance; quarterly/ yearly financial results; quarterly shareholding pattern; quarterly secretarial audit report; details of appointment/resignation of Directors and Company Secretary and such other reports as may be specified. The Company has also designated the email id: investors@sbecsugar.com exclusively for investor servicing.

(b) Website

As per the requirements of Regulation 46 of the Listing Regulations, all the data related to quarterly financial results, shareholding pattern etc. is filed with stock exchanges and also disseminated on the Company's website: www.sbecsugar.com within the time prescribed in this regard. The Company's website also displays the official news releases.

(c) Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Financial Statements, Director's Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDAR) Report forms part of the Annual Report.

11. General Shareholder Information

(i) Annual General Meeting is proposed to be held on Tuesday, September 29, 2026 at Village: Loyan Malakpur, Tehsil Baraut, Distt. Baghpat, Uttar Pradesh-250611.

(ii) Financial Year

The Financial Year covers the period from April 1, 2025 to March 31, 2026 (Both days Inclusive)

(iii) Date of Book Closure

September 19, 2026 to September 29, 2026 (Both days inclusive)

(iv) Dividend Payment Date

Not Applicable

(v). Listing on Stock Exchanges

The company is listed on the following Stock Exchanges:-

Stock Exchange	Stock Code
BSE Limited	532102



The Company has paid annual listing fee to BSE Limited for the year 2025-26.

The Company had initiated steps to get the shares delisted from The Calcutta Stock Exchange Association Limited. However, application for delisting of the shares is still pending with the Calcutta Stock Exchange Association Limited.

(vi). Registrar & Share Transfer Agent:

The transfer of Equity Shares and Electronic Connectivity for the Depository mode for both NSDL and CDSL is being provided by M/s Beetal Financial & Computer Services Pvt. Limited, Registrar & Transfer Agents of the company whose address is given below:

M/s Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor,
99, Madangir, Near Dada Harsukhdas Mandir,
Behind Local Shopping Complex
New Delhi -110062
Ph. No. 011-42959000-09
Fax: 011-29961284 Email: beetal@beetalfinancial.com

(vii). Share Transfer System:

The Equity shares of the Company are in dematerialized form. In respect of the Shares held in physical form the transfers and transmission are done by the Registrar and Share Transfer Agent of the Company viz. M/s Beetal Financial & Computer Services Pvt. Ltd.

The Company obtains yearly certificate from a Company Secretary in Practice relating to compliance with the shares transfer formalities as required under Regulation 40 (9) of the SEBI (LODR) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges, from time to time.

(viii). Distribution of Shareholdings as on March 31, 2026.

Month	Number of Shareholders	Number of Shares	% of total Shares
Upto 5000	4819	964387	2.02
5001 -10000	522	459273	0.96
10001 – 20000	217	351545	0.74
20001- 30000	304	797502	1.67
30001 – 40000	55	199345	0.42
40001 – 50000	143	696334	1.46
50001 – 100000	144	1106558	2.32
95	96	43078936	90.41
Total	6300	47653880	100.00

(ix). Shareholding Pattern as on March 31, 2026

SI No.	Category of Shareholder	Total No. of Shares	% of Shareholding
A	PROMOTER AND PROMOTER GROUP	3,10,33,032	65.12
	Sub Total (A)	3,10,33,032	65.12
B	PUBLIC SHAREHOLDING		
I	INSTITUTIONS		
a	Foreign Institutional Investor	9,59,700	2.01
II	NON-INSTITUTIONS		
a	Bodies Corporate	83,58,164	17.54
b	Individuals	72,24,919	15.16
c	NRI/ OCB	3,490	0.0073
d	HUF	69,975	0.15
e	Clearing Member	0	0.00
f	Unclaimed/Suspense/Escrow A/C	4,600	0.0097
	Sub-Total [B=(BI + BII)]	1,66,20,848	34.88
	Total (A+B)	4,76,53,880	100.00

(x). Dematerialization of equity Shares and liquidity

The trading in Equity Shares of the Company is permitted in dematerialized form. The Company has joined National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the trading. Accordingly, it is requested to all the shareholders who are holding the shares in physical form to get their shares converted into demat form and thereby avail the option of scrip less trading. For this purpose,



Shareholders can open a de-mat account with a depository participant (DP) to avail the facility of dematerialization of shares or shareholders having de-mat account can surrender their share certificate to their respective DPs. As on 31st March 2026, 84.14% of the Company's total listed capitals representing 4,00,94,950 shares were held in dematerialized form and the balance 15.86 % comprising 75,58,930 shares were held in physical form. Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company is **INE948G01019**.

(xi). Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has no outstanding GDRs / ADRs / Warrants or any Convertible Instruments.

(xii). Plant Location of the Company

Village: Loyan Malakpur, Tehsil Baraut, Dist. Baghpat, Uttar Pradesh-250611

(xiii). Investor's Correspondence may be addressed to

All the queries of investors regarding the Company's shares may be sent at the following address:

Mr. Bhawendra Jha, M/s Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3rd Floor, 99, Madangir, Near Dada Harsukhdas Mandir, Behind Local Shopping Complex New Delhi-110062 Ph. No. 011-29961281-83 Fax: 011-29961284 Email: beetal@beetalfinancial.com

(xiv). Details of credit ratings

The Company has not obtained any rating from any credit rating agency.

(xv). Disclosure of commodity price risks/foreign exchange risk and commodity/foreign exchange hedging Activities.

A. Commodity risks and hedging

Most of the Company's sugar trade is however concentrated in domestic spot markets. As per the Industry's convention, in domestic market, Physical Sugar is mostly traded on spot basis on prevailing physical sugar prices and is not through exchange (spot or futures market) barring miniscule trade of Institutional trade through exchange.

B. Foreign exchange risks and hedging

The Company does not have material foreign exchange risk in the normal course of business, as the Company has only domestic sales.

12. Disclosures

(i) Related Party Transactions

The transactions entered with related parties during the year under review were on Arm's Length basis and in the ordinary course of business and complied the provisions of Section 188 of the Companies Act, 2013. All related party transactions were approved by the Audit Committee and the Board. The relevant information regarding related party transactions has been set out in Note No. 30 of the Financial Statements for the financial year ended 31.03.2026.

The Board has framed a Policy on related party transactions and placed the same on the Company's website at www.sbecsugar.com.

(ii) Subsidiary

The Company has two material subsidiary Companies i.e. M/s. SBEC Bioenergy Limited and M/s. SBEC Stockholding and Investment Limited as defined under regulation 24 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Policy for Determining Material Subsidiaries has been formulated and uploaded on the website of the Company i.e. www.sbecsugar.com

The details of material subsidiaries and their auditor's details are given hereunder:

Name of Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditors	Date of Appointment of Statutory Auditors
SBEC Bioenergy Limited	18-04-1996	Delhi	K.K. Jain & Co., Chartered Accountants	30-09-2022
SBEC Stockholding & Investment Limited	14-09-2001	Delhi	Sarat Jain & Associates, Chartered Accountants	28-09-2024

(iii) There are no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under **except;**

The Securities and Exchange Board of India on September 17, 2018 had issued directions to the Promoter group of the Company (namely Shri Umesh Kumar Modi, Kumkum Modi, Jayesh Modi, Longwell Investments Private Limited, A to Z Holdings Pvt. Ltd., Moderate Leasing and Capital Services Limited and SBEC Systems (India) Limited), severally or jointly to make a public announcement to acquire the shares of Target Company (i.e. SBEC SUGAR LIMITED) in accordance with the provisions of the Takeover Regulations, 2011, within a period of 45 days from the date of the above mentioned order. The shareholding/ voting rights of the promoter group had increased from 54.46% (2,59,51,083 Shares) as on June 30, 2014 to 63.86% (3,04,32,117 shares) as on September 30, 2014. In addition to the aforesaid



acquisition, one of the lending promoter i.e. Moderate Leasing and Capital Services limited had also acquired 1.31% of SBEC Sugar Limited during March 18, 2015 to March 23, 2015, which increased the shareholding of promoter group to 65.17%. As per the said impugned order, the promoter group have violated the provisions of Regulation 3(2) of the Takeover Regulations, 2011 by acquiring shares in excess of the prescribed limit without making an announcement for open offer.

Against the said impugned SEBI order, M/S SBEC Systems (India) Limited had filed appeal no. 1 (No. 443/2018) before the Securities Appellate Tribunal, Mumbai.

Whereas the promoter group namely (Shri Umesh Kumar Modi, Ms. Kumkum Modi, Mr. Jayesh Modi, Longwell Investments Private Limited, A to Z Holdings Pvt. Ltd., Moderate Leasing and Capital Services Limited) had filed appeal no. 2 (No. 444/2018) before the Securities Appellate Tribunal, Mumbai.

The Hon'ble Securities Appellate Tribunal upon hearing the said Appeal vide its order dated January 29, 2020 has allowed the Appeal No. 1 (Appeal No.443 of 2018) and partly allowed Appeal No. 2 (Appeal No.444 of 2018), whereby, the directions issued by SEBI for open offer vide order dated September 17, 2018 qua promoters namely SBEC System (India) Limited, Shri. Umesh Kumar Modi, Smt. Kumkum Modi, Shri. Jayesh Modi and Longwell Investment Private Limited has been set aside, however, the directions issued by SEBI for Open Offer vide order dated September 17, 2018 issued qua the promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) has been modified in terms of Regulation 32(1)(b) and they had been directed to sell the shares acquired in violation of the SAST Regulation and to transfer the proceeds of the same to the Investor Protection Fund established under the SEBI (Investor Protection and Education Fund), 2009 within a period of 6 (Six) months from the date of the order i.e. from January 29, 2020.

The promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) could not comply with the order dated January 29, 2020, therefore, the said promoters approached the Hon'ble Securities Appellate Tribunal vide Misc. Application no. 209 / 2020 seeking an extension of 6 (six) months for compliance of the order dated January 29, 2020 inter-alia on the grounds of operations of the said promoters being shut due to the pandemic COVID – 19. The said Misc. Application was listed before Hon'ble Securities Appellate Tribunal on July 29, 2020 and dismissed vide order dated July 29, 2020.

In the meantime, the Securities Exchange Board of India filed a Civil Appeal bearing nos. 2995 – 2996 / 2020 before the Hon'ble Supreme Court of India on July 29, 2020 against the order dated January 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

Furthermore, the promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. have also filed a Civil Appeal bearing no. 3002 / 2020 before the Hon'ble Supreme Court of India on August 11, 2020 against the order dated July 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

The Hon'ble Supreme Court order dated 4th March, 2025 received by the Promoter Group on 6th March, 2025 regarding appeal filed by the SEBI against the order of Securities Appellate Tribunal, Mumbai in relation to making a public announcement to acquire the shares of SBEC Sugar Limited in accordance with the provisions of the Takeover Regulations, 2011.

The Hon'ble Supreme Court has directed that the promoter group shall jointly and severally make a public announcement to acquire shares of SBEC Sugar Limited in accordance with the provisions of the SEBI SAST Regulations, 2011 within a period of three months from the date of this order and further directed that the Promoter group shall, along with the offer price, pay interest @ 10% p.a. from the date when the respondents incurred the liability to make the public offer till the date of payment of consideration, to the stakeholders who were holding shares of the target company on the date of violation and whose shares are accepted in the open offer, after adjustment of dividend paid, if any.

Accordingly, on 2nd June 2025, SBEC Systems (India) Limited along with other promoters issued a Public Announcement regarding an Open Offer to acquire shares of SBEC Sugar Limited, the Target Company, in compliance with an order under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

In compliance with the order passed by Hon'ble Supreme Court of India SBEC Systems India Limited promoter of the Company made the public announcement on 2nd June, 2025 to acquire shares of Target Company in respect of complying the Order and successfully completed the open offer on 9th January, 2026.

(iv) The details of vigil mechanism/ whistle blower policy are mentioned in the Directors' report.

(v) Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with applicable Indian Accounting Standards (Ind AS) and relevant presentational requirements of the Companies Act, 2013, as applicable.

(vi) Insider Trading

As required under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of practices and procedures for fair disclosures of unpublished price sensitive information, to inter alia, prevent insider trading in the shares of the Company.

(vii) Code of Conduct

The Company has adopted the code of conduct for all Board members and Senior Management as required under Regulation 17 of the Listing Regulations. The Code is posted on the Company's website: www.sbecsugar.com. All Board members and Senior Management personnel have affirmed compliance with the Code on an annual basis and a declaration to this effect signed by Mr. Vipin Kumar, Manager cum Occupier forms part of this Report.

**Declaration**

I, Vipin Kumar, Whole time director of SBEC Sugar Limited, hereby declare that all the members of the Board of Directors' and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors' in terms of Regulation 17 of the SEBI (LODR) Regulation, 2015, for the year ended March 31, 2026.

Place: New Delhi
Date: 29.05.2026

sd/-
Vipin Kumar
Whole Time Director cum Occupier

(viii) CEO/ CFO CERTIFICATION

Mr. Vipin Kumar, Whole Time Director and Mr. Anil Kumar Goel, Chief Financial Officer of the Company have furnished a certificate relating to financial statement and internal controls systems as per the format prescribed under SEBI (LODR), Regulations, 2015 and the Board took the same on record.

(ix) Details of utilization of funds through preferential allotment:

During the Financial Year ended 31st March, 2026, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

(x) Compliance Certificate from Practicing Company Secretary:

- A. The Company has obtained a certificate from M/s Soniya Gupta & Associates, Practicing Company Secretary confirming compliance with conditions of Corporate Governance as stipulated in Regulations Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed to this report.
- B. The Company has obtained a certificate from M/s Soniya Gupta & Associates, Practicing Company Secretary that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

(xi) Recommendation of any Committee:

There have been no instances of non-acceptance of any recommendations of any Committee by the Board during the Financial Year under review.

(xii) Fees paid by Company and its subsidiaries, to its Statutory Auditor

Total fees of Rs. 10.15 Lacs for financial year 2024-25, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

(xiii) Directors with materially pecuniary or business relationship with the Company

There has been no material relevant pecuniary transaction or relationship between the Company and its non-executive and/or independent Directors for the period under report.

(xiv) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year from April 1, 2025 to March 31, 2026 the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the end of March 31, 2026, no complaint was pending for redressal.

As per the report of Internal Complaint Committee, the details of complaints are hereunder:

No. of Complaints filed during the year	No. of Complaints disposed – off during the year	No. of Complaints at the end of the year
0	0	0

(xv) Maternity Benefit Act, 1961

The company remains committed to providing maternity benefits in compliance with applicable laws and best practices. We support our employees through paid maternity leave and necessary accommodations to ensure their health and well-being. This commitment reflects our dedication to fostering an inclusive and supportive workplace while promoting gender equality and employee retention.

(xvi) Loan & advances in the nature of loans to firms/ companies in which directors are interested:

The details of loan & advances given by the Company & its subsidiary companies in which Directors are interested are mentioned in the financial statement of the Company.

(xvii) Disclosure with respect to demat suspense account/ unclaimed suspense account:

Pursuant to the SEBI Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, RTA / Issuer Companies shall credit the securities to the Suspense Escrow Demat Account of the Company in case the securities holder/claimant fails to submit the demat request within 120 days from the date of issuance of Letter of Confirmation. At the beginning of the Financial Year there were 2,000 Shares lying in the suspense escrow demat account of the Company. After giving effect of debit & credit during the year, at the end of FY 2025-26 total 4,600 shares were lying in the said account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**(xviii) Disclosure of certain types of agreements binding on listed entities:**

The disclosure of agreements which shall be binding on the Company has been given to the stock exchange.

13. Non-mandatory Clauses

The Company has not adopted any of the non-mandatory requirements as provided in SEBI (LODR), Regulations, 2015.

14. Corporate Governance

- (i) The Company has complied all the requirements of corporate governance related to the above paras of this corporate governance report.
- (ii) Adoption of discretionary requirements specified in Part E of Schedule II of SEBI Listing Regulations
 - (a) The Board: The Chairman of the Company is Non-Executive;
 - (b) Shareholder Rights: Quarterly and yearly financial results are published in newspapers and uploaded on Company's website (www.sbecsugar.com). At present, the half yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders;
 - (c) Modified opinion(s) in audit report: The Auditors have given the qualified report for the standalone & consolidated financial results. The details of their qualification/modification along with Board remarks on the same are already mentioned in the Directors Report.
 - (d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: At present there is no separation of posts of Chairperson and the Managing Director or the Chief Executive Officer.
 - (d) Reporting of Internal Auditor: The Internal Auditor of the Company submits its Internal Audit report to the Audit Committee on quarterly basis.
- (iii) The Company has complied all the applicable compliances specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR), 2015.

**For & behalf of the Board
SBEC Sugar Limited**

**Sd/-
Umesh Kumar Modi
(Chairman & President)
(DIN: 00002757)**

**Place: London
Date: 12.08.2026**



Corporate Governance Compliance Certificate

To,

The Members of
SBEC SUGAR LIMITED
 Vill- Lohan Malakpur, Teh- Baraut
 Distt. – Baghpat, Uttar Pradesh

I have examined the compliance of the conditions of Corporate Governance by **SBEC SUGAR LIMITED** ('the Company') for the year ended on March 31, 2026, as stipulated under Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, as adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Soniya Gupta & Associates
Company Secretaries

Sd/-
(Soniya Gupta)
Proprietor
M. NO. 7493
CP NO. 8136
PRFCN.: 1548/2021
UDIN: F007493H001125742

Place: New Delhi
Dated: 14.08.2026

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,
The Members of
SBEC SUGAR LIMITED**

Vill- Lohan Malakpur, Teh- Baraut
Distt. – Baghpat, Uttar Pradesh

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SBEC SUGAR LIMITED** having CIN: **L15421UP1991PLC019160** and having registered office at Vill- Lohan Malakpur, Teh- Baraut, Distt. – Baghpat, Uttar Pradesh (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Soniya Gupta & Associates
Company Secretaries**

**Sd/-
(Soniya Gupta)
Proprietor
M. No. 7493
COP No. 8136
PRFCN.: 1548/2021
UDIN: F007493H001125731**

**Date: 14/08/2026
Place: New Delhi**



INDEPENDENT AUDITORS' REPORT

To The Members of SBEC Sugar Limited

Report on the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of M/s SBEC SUGAR LIMITED ('the Company') which comprise the Balance Sheet as at 31st March, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the **Basis for Qualified Opinion** section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, the loss and total comprehensive (loss), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- 1) During the year ended 31st March, 2026, the company has not made provision for interest on late payment of cane dues amounting Rs. 2642.76 lacs for the sugar season 2024-25 and Rs. 901.02 lacs for the sugar season 2025-26, had the company made provisions of interest, the loss for the year would have been higher by Rs. 3,543.78 lacs and its consequential impact on EPS. (Refer Note No:-26)

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

Emphasis of Matters

- i) We draw attention to note no 34 (ii) of the standalone audited financial statements regarding interest payment on cane dues where the High Court vide its order dated 9th March, 2017 has set aside the decision of State Government for the waiver of Interest for the years 2012-13, 2013-14 and 2014-15 and asked the Cane Commissioner to take a final call in the matter, pending final order the Company has not made provision for interest on the late payment of cane dues for years 2012-13, 2013-14 and 2014-15. The Hon'ble Supreme Court vide its order dated 23.04.2018 has upheld the Hon'ble High Court order dated 9th March, 2017. The matter is still sub-judice.
Under the power vested with the Cane Commissioner (U.P.) for waiver of interest under UP Sugar Cane (Regulation of Supply & Purchase) Act, 1953 in respect of loss making/sick companies, the company had made an application to Cane Commissioner (U.P.) for waiver of interest on cane dues. Pending receipt of the Cane Commissioner's decision, no interest has been provided on the cane dues. The company has decided to account for the same upon decision in the matter/payment.
- ii) We draw attention to note no. 34(i) of the standalone financial statement; the company has settled Debt Assignment Recoverable of Rs. 14,685.98 lacs with Modi Industries Limited for Rs. 14,177.39 lacs as on 31st Dec 2025, resulting into a settlement loss of Rs. 508.59 lacs which is included in the "Other Expenses" for the year. Further, the company has received Rs. 5,950.00 lacs till March '26 and subsequently Rs. 8227.39 lacs aggregating to Rs. 14,177.39 lacs along with interest of Rs. 233.54 lacs till the date of actual receipt of payment.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. We have determined that except for the matter described in the "Basis for Qualified Opinion" section, there are no other key audit matters to communicate in our report.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of this auditors' report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the company's annual report and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial



statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) Except for the possible effect so the matter described in the basis of qualified opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) Except for the possible effect so the matter described in the basis of qualified opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2026 taken on record by the Board of directors, none of the Directors is disqualified as on 31st March, 2026 from being appointed as a Director in terms of section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements.
 - ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief as disclosed in the note 35(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief as disclosed in the note 35(viii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entity (ies).

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The company has neither declared or paid nor has proposed any dividend during the year.
 - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Additionally, the audit trail of relevant previous year has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-
Mukesh Goyal
Partner

Membership No.081810
UDIN: 26081810ACFENA5863

Place: New Delhi
Date: 29th May, 2026

"Annexure A" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of SBEC Sugar Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section

Opinion

We have audited the internal financial controls over financial reporting of SBEC Sugar Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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



Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Other matters

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

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-
Mukesh Goyal
Partner

Membership No.081810
UDIN: 26081810ACFENA5863

Place: New Delhi
Date: 29th May, 2026

"Annexure B" to the Independent Auditor's Report to the members of SBEC Sugar Limited .

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on Other Legal and Regulatory Requirements' section

i.	(a)	(i) The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets. (ii) The Company has maintained proper records showing full particulars of intangible assets.
	(b)	The Company has a programme of physical verification of its property, plant and equipment in phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets, the property, plant and equipment have been physically verified during the year and no material discrepancies were noticed on such verification.
	(c)	According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the company. Some of these title deeds are given as security for securing various facilities and accordingly these original title deeds are kept as security for the lenders.
	(d)	The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.



	(e)	According to information and explanations given to us ,no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
ii.	(a)	The physical verification of inventories has been conducted by the management at reasonable intervals during the year, In our opinion, the coverage and procedure of such verification by the management is appropriate. There was no discrepancy of 10% or more which was noticed in the aggregate for each class of inventory.
	(b)	According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii) (b) of the Order is not applicable.
iii.		According to the information and explanations given to us, during the year the company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) to (f) of the Order are not applicable to the company and hence not commented upon.
iv.		In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
v.		The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
vi.		We have broadly reviewed the records, including the books of account maintained by the company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of company's products and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
vii.	(a)	According to the records of the Company, undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited during the year with the appropriate authorities.
	(b)	According to the information and explanations given to us and as per the books and records examined by us, the particulars of statutory dues, the amount involved and the forum where dispute is pending which have not been deposited are referred to in "Annexure C" .
viii.		There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
ix.	(a)	In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
	(b)	The Company has not been declared willful defaulter by any bank or financial institution or other lender.
	(c)	In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
	(d)	The Company has not raised any funds on short-term basis and hence reporting under clause 3(ix)(d) of the Order is not applicable.
	(e)	The Company has not taken any funds from any entity or persons on account of or to meet the obligations of its subsidiaries during the year. The Company does not have any associate or joint venture. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.
	(f)	The Company has not raised any loans on the pledge of securities held in its subsidiaries during the year. The Company does not have any associate or joint venture. Hence, reporting on clause 3(ix) (f) of the Order is not applicable.
x.	(a)	The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x) (a) of the Order is not applicable.
	(b)	The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Hence, reporting under clause 3(x) (b) of the Order is not applicable to the Company.
xi.	(a)	As represented to us by the Management and to the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
	(b)	To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
	(c)	As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
xii.		In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
xiii.		Based on our audit procedures and according to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
xiv.	(a)	In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.



	(b)	We have considered the internal audit reports issued to the Company during the period under audit.
xv.		In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors, subsidiary companies or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. The company has no holding company.
xvi.		The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
		The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
xvii.		The Company has incurred cash losses of Rs 4568.62 lacs during the financial year covered by our audit and there were no cash losses in the preceding financial year.
xviii.		There has been no resignation of the statutory auditors of the Company during the year.
xix.		On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
xx.		Based on our examination, the provision of section 135 are not applicable on the company. Hence this clause is not applicable on the company.
xxi.		The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause in this report.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-
Mukesh Goyal
Partner

Place: New Delhi
Date: 29th May, 2026

Membership No.081810
UDIN: 26081810ACFENA5863

"ANNEXURE C" TO AUDITORS' REPORT

Referred in Paragraph VII(B) of Annexure "B" a statement on the matters specified in the Companies (Auditors' Report) Order, 2020 for the year ended 31st March, 2026.

Name of The Statute	Name of Dues	Amount (Rs. in Lacs)	Period to which amount relates	Forum where dispute is pending
UP VAT Act , 2008	Vat Imposed on bagasse given to M/s SBEC Bioenergy Ltd.	43.47	2008-09	Appeal Filed before Hon'ble High Court Allahabad by Commercial Tax department against order passed by the Member Commercial Tax, Tribunal , Meerut
Finance Act , 1994	Service Tax on Commission	150.88	2003-04	Pending before Commissioner Central Excise, Meerut-1 for remand
Finance Act , 1994	Service Tax on lease Rent	16.83	01.04.2008 To 01.12.2010	Appeal allowed by way of remand by CESTAT , Delhi
Finance Act , 1994	Service Tax on lease Rent	7.24	2010-11	Appeal allowed by way of remand by CESTAT , Delhi



STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

(Amount in Lakhs)

Particulars	Note No.	As at 31.03.2026	As at 31.03.2025
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	16,544.57	18,123.24
(b) Capital work - in - progress	3(a)	75.71	57.61
(c) Other intangible assets	3(b)	0.68	0.72
(d) Financial assets			
- Investments	4	9,203.55	9,203.55
- Others	4A	8,405.66	14,685.98
(e) Other non - current assets	5	38.10	52.77
		34,268.27	42,123.87
2 Current assets			
(a) Inventories	6	24,809.32	26,563.60
(b) Financial assets			
(i) Trade receivables	7	1,281.65	2,008.18
(ii) Cash and cash equivalents	8	142.52	55.35
(iii) Other Bank Balances	9	214.38	30.63
(iv) Loans	10	50.55	101.48
(c) Other current assets		310.86	237.33
		26,809.28	28,996.57
(d) Non Current assets held for sale		38.87	38.87
		26,848.15	29,035.44
Total assets		61,116.42	71,159.31
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	11	4,769.40	4,769.40
(b) Other equity	12	(17,091.19)	(10,872.40)
		(12,321.79)	(6,103.00)
LIABILITIES			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	4,711.65	3,833.39
(ii) Trade payables	16		
- Total Outstanding dues of micro enterprises and small enterprises		0.00	0.00
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		0.00	0.00
(b) Deferred Revenue/Income	14	808.16	775.52
(c) Provisions	15	2,009.40	2,513.65
		7,529.21	7,122.56
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	22,628.91	14,576.36
(ii) Trade payables	16		
- Total Outstanding dues of micro enterprises and small enterprises		167.50	105.82
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		39,008.34	48,439.75
(iii) Other financial liabilities	17	3,681.56	6,718.31
(b) Other current liabilities	15	357.77	230.81
(c) Provisions	14	64.92	68.70
		65,909.00	70,139.75
Total Equity & Liabilities		61,116.42	71,159.31

The accompany note no. (3 to 26) are integral part of the financial statement.

Summary of Material Accounting Policies

As per our report of even date, attached

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810ACFENA5863

Sd/-

Umesh Kumar Modi

(Chairman & President)

DIN: 00002757

Sd/-

Vipin Kumar

(Whole Time Director)

DIN: 10734170

Sd/-

Ajay Kumar Aggarwal

(Director)

DIN: 00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026**

(Amount in Lakhs)

Particulars	Note No.	For the Year Ended 31.03.2026	For the Year Ended 31.03.2025
I Revenue from operations	18	53,516.06	62,108.64
II Other income	19	222.74	49.09
III Total income (I + II)		53,738.80	62,157.73
IV Expenses			
Cost of materials consumed	20	43,919.00	51,378.62
Changes in inventories of finished goods, stock - in - trade and work - in - progress	21	1,854.87	(1,422.27)
Employee benefits expenses	22	1,877.89	1,888.14
Finance costs	23	4,162.82	3,692.74
Depreciation and amortization expenses	24	1,650.17	1,733.56
Other expenses	25	6,554.94	6,065.55
Total expenses		60,019.69	63,336.34
V Profit / (loss) before exceptional items and tax (I - IV)		(6,280.89)	(1,178.61)
VI Exceptional items		-	-
VII Profit / (loss) before tax (V - VI)		(6,280.89)	(1,178.61)
VIII Tax expense			
(1) Current tax		0.00	0.00
(2) Deferred tax		0.00	0.00
(3) Adjustment of Tax for Earlier Years		0.00	0.00
IX Profit / (loss) from continuing operations (VII - VIII)		(6,280.89)	(1,178.61)
X Profit / (loss) from discontinued operations (VII - VIII)		0.00	-
XI Tax expense of discontinued operations		0.00	-
XII Profit / (loss) from discontinued operations (after tax) (X - XI)		-	-
XIII Profit / (loss) for the period (IX + XII)		(6,280.89)	(1,178.61)
XIV Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		62.10	(35.13)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		62.10	(35.13)
XV Total comprehensive income for the period (XIII + XIV)		(6,218.79)	(1,213.74)
XVI Earnings per equity share (for continuing operations)			
(i) Basic	26	(13.18)	(2.47)
(ii) Diluted	26	(13.18)	(2.47)

The accompany note no. (3 to 26) are integral part of the financial statement.

Summary of Material Accounting Policies

As per our report of even date, attached

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810ACFENA5863

Sd/-

Umesh Kumar Modi

(Chairman & President)

DIN: 00002757

Sd/-

Vipin Kumar

(Whole Time Director)

DIN:10734170

Sd/-

Ajay Kumar Aggarwal

(Director)

DIN:00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026

**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026**

(Amount in Lakhs)

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
A. Cash flow from operating activities:		
Profit for the year before tax	(6,280.89)	(1,178.61)
Adjustments for:		
Finance costs	4,162.82	3,692.74
Interest income	(190.09)	(9.90)
Depreciation and amortisation expense	1,650.17	1,733.56
Loss/(Profit) on sale of Fixed Assets	-	0.02
Provision for Bad & doubtful debts/Advances	-	(11.60)
Assets Written off	-	-
Provision/balances written back	(29.31)	(26.23)
Dividend Income	(0.75)	(1.35)
Operating Profit/(Loss) before working capital changes	(688.05)	4,198.63
Movements in working capital:		
Trade receivables	726.53	(378.69)
Other assets	6,037.72	129.25
Inventories	1,754.28	(1,407.97)
Loans	50.92	40.76
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(9,369.72)	(774.09)
Other liabilities	(377.29)	2,388.52
Other financial liabilities	(3,036.75)	1,857.87
Provisions/other items	120.27	113.59
Cash generated from operations	(4,782.09)	6,167.86
Income tax paid	-	-
Net cash generated by operating activities (A)	(4,782.09)	6,167.86
B. Cash flows from investing activities		
Investment	-	-
Purchases of fixed assets(including WIP)	(89.56)	(218.21)
Interest received	190.09	9.90
Dividend received	0.75	1.35
Proceeds from Sales of Fixed Assets	-	-
Non Current assets held for sale	-	0.94
Net cash generated by/(used in) investing activities (B)	101.28	(206.02)
C. Cash flow from financing activities		
Proceed /Repayment of term loan	8,930.81	(2,321.07)
Interest paid	(4,162.82)	(3,692.74)
Net cash generated by/(used in) financing activities (C)	4,768.00	(6,013.81)
Net Increase/decrease in Cash and cash equivalents (A+B+C)	87.18	(51.97)
Cash and cash equivalents at the beginning of the year	55.35	107.32
Cash and cash equivalents at the end of year end	142.53	55.35
*Cash and cash equivalents as at the Balance Sheet date consists of :		
Bank balance	129.42	48.75
Cash Balance	13.10	6.60
Cash and cash equivalents at the end of year end*	142.53	55.35

In terms of our report of even date, attached

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810ACFENA5863

Sd/-

Umesh Kumar Modi

(Chairman & President)

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(Whole Time Director)

DIN:10734170

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Ajay Kumar Aggarwal

(Director)

DIN:00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

(Amount in Lakhs)

Balance as at 1st April, 2024	Changes in equity share capital during F.Y. 2024-25	Balance as at 31st March, 2025	Changes in equity share capital during F.Y. 2025-26	Balance as at 31st March, 2026
4769.40	-	4769.40	-	4769.40

B. OTHER EQUITY

(Amount in Lakhs)

Particulars	Reserves & Surplus			Other comprehensive Income -Remeasurement of post-employment benefits obligation	Total
	Capital reserve	Other reserve (Molasses storage fund)	Retained earnings		
Balance as at April 1, 2024	49.17	2.55	(9,590.26)	(120.12)	(9,658.66)
Profit for the year	-	-	(1,178.61)	-	(1,178.61)
Other comprehensive income	-	-	-	(35.13)	(35.13)
Transfer to other reserve	-	3.13	(3.13)	-	-
Balance as at 31st March, 2025	49.17	5.68	(10,772.00)	(155.25)	(10,872.40)
Balance as at April 1, 2025	49.17	5.68	(10,772.00)	(155.25)	(10,872.40)
Profit for the year	-	-	(6,280.89)	-	(6,280.89)
Other comprehensive income	-	-	-	62.10	62.10
Transfer to other reserve	-	2.23	(2.23)	-	-
Balance as at 31st March, 2026	49.17	7.91	(17,055.12)	(93.14)	(17,091.19)

This is the Changes in Equity referred to in our report of even date

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810ACFENA5863

Sd/-

Umesh Kumar Modi

(Chairman & President)

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(Whole Time Director)

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Ajay Kumar Aggarwal

(Director)

DIN:00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Note: 1. Corporate Information

SBEC Sugar Limited ('the Company') having CIN No. L15421UP1991PLC019160 is a Public Limited Company incorporated in India under the provisions of the Companies Act and its shares are listed on BSE Ltd (Stock Exchange).

The registered office of the Company is situated at Village-Loyan, Malakpur, Baraut, District- Baghpat, 250611 (UP).

The Company is engaged mainly in the manufacturing and selling of sugar and its related by products.

Note: 2. Material Accounting Policy

2.1 Statement of Compliance with Ind AS

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. The Financial Statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

These financial statements are approved and adopted by board of directors of the Company in their meeting held on May 29, 2026.

2.2 Basis of preparation and presentation.

The financial statements have been prepared accrual basis on historical cost convention, except as stated otherwise.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.3 Functional and presentation currency :

The financial statements including notes thereon are presented in Indian rupees, which is the functional currency of the Company.

All the financial information presented in Indian rupees has been rounded to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.

2.4 Summary of Material Accounting Policies

Current and non-current classification:

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

An asset is treated as current when it is:

- i) expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realized within twelve months after the reporting period,
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) Carrying current portion of non-current financial assets. All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle,
- ii) It is held primarily for the purpose of trading,
- iii) It is due to be settled within twelve months after the reporting period,
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) It includes current portion of non-current financial liabilities. All other liabilities are classified as non-current.

a) Inventory Valuation

- (i) Finished Goods (Sugar): Sugar – at cost
- (ii) Goods in Process – at cost
- (iii) Raw material - at cost
- (iv) Stores and spares - at cost (at weighted Avg. Method)
- (v) Molasses (By-product) is valued at net realizable value.
- (vi) Provision for obsolescence and other anticipated losses are made on the stocks, whenever identified / considered necessary.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the statement of profit and loss when incurred. An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.



c) Intangible assets

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

d) Depreciation

Depreciation on Tangible fixed assets other than Land and Building, Plant & Machinery is charged on straight line method so as to write off the cost/carrying amount of assets. The useful life of assets as prescribed under Part C of Schedule II of the Companies Act 2013 and depreciation is charged on that are on the following basis:-

- (i) Depreciation on All Assets is charged at Straight Line Method basis in the manner as prescribed in Companies Act 2013 and rate as per prescribed useful life.
- (ii) Intangible assets are amortized over a period of 5 year on a straight line basis.

The management has estimated the useful life is different as below:

Assets	Useful Life (Years)
Plant & Machinery	25-32
Building	30-60

e) Expenditure during Construction

In respect of new projects, all expenses including interest incurred up to the date of commencement of commercial production are capitalized till the assets is ready for its intended use or sale.

In respect of substantial expansion of business, at existing locations, only direct costs are capitalized together with interest on the funds relatable to them up to the date of commercial production.

f) Impairment of Non- Financial Assets

The carrying amount of any property, plant and equipment and intangible assets with infinite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factor. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Revenue recognition

- a) Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

- b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest on tax refund is accounted for on receipt basis.
- c) Other miscellaneous revenues are recognized when the amount and the collectability are certain. Accordingly insurance claims are accounted for on settlement.
- d) Dividends income is recognized when the shareholders right to receive payment was established by the balance sheet date.

e) Foreign Currency Transactions

- (i) Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss.
- (ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).



f) Investments

- (i) Long term Investments are stated at cost of acquisition. Provision for diminution in the value is made only if the decline is other than temporary.
- (ii) Unquoted investments are stated at cost.
- (iii) Current investments are valued at carrying value without any adjustment for increase/diminution, if any is accounted at the time of sale of such investments.

g) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of that asset.

Routine seasonal borrowing costs (such as working capital loans for sugarcane procurement/repayment of cane dues) and all other general finance costs are recognized as an expense in the Statement of Profit and Loss in the period they occur.

h) Employee Benefits

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

(i) Provident Fund

The Company makes contribution to statutory Provident Fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustment for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in Other Comprehensive Income. The effect of any plan amendments is recognized in net profits in the Statement of Profit and Loss.

(iii) Compensated Absence

Liability in respect of compensated absence becoming due or expected after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

(iv) Leave Encashment

The Liability on account of un-availed earned leave at the yearend is fully provided for on actuarial valuation basis.

(v) Other Short Term Benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

i) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a Lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

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



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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

j) Financial instruments:

i) Financial assets

A) Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognized when the group becomes a party to the contractual provisions of the instrument. Financial instruments are recognized initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognized in statement of profit and loss).

B) Subsequent measurement

a) Financial assets carried at amortized cost (AC)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through statement of profit and loss (FVTPL)

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis. For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost.

d) Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Lease receivables
4. Trade receivables or any contractual right to receive cash or another financial asset
5. Loan commitments which are not measured as at FVTPL



The Company follows 'simplified approach' for recognition of impairment loss allowance on: Trade receivables or contract revenue receivables; and all lease receivables. The application of simplified approach does not require the Company to track changes in credit risk rather; it recognizes impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ii) **Financial liabilities**

A. **Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognized in statement of profit and loss as finance cost.

B. **Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

- a) **Loans and borrowings after initial recognition**, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are derecognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.
- b) **Compound financial instruments** at the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortized cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognized in equity, net of income tax effects, and is not subsequently re-measured.

iii) **De-recognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) **Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

v) **Derivative financial instruments**

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is recognized in Other Comprehensive Income and later to statement of profit or loss when the hedge item effects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

k) **Accounting for Taxation**

Income tax expense represents the sum of tax currently payable and deferred tax. Income Tax – Current & Deferred The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets isrealised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of their reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

l) **Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.



For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

n) Cash and Cash Equivalent

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at Bank, cash in hand and demand deposits with bank with an original maturity of three months or less than the date of acquisition.

o) Cash Flow Statement

Cash flow are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

p) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Depreciation and useful lives of property, plant and equipment:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

iv) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

v) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vi) Fair value measurement of financial instruments:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**NOTE:3 PROPERTY, PLANT AND EQUIPMENT****(Amount in Lakhs)**

Gross Block											
	Land		Buildings	Lease Hold Improvements	Plant & Machinery	Office Equipment	Computer Equipment	Factory Approach Road	Furniture & Fixtures	Vehicles	Total
	Freehold	Leasehold									
As at 31st March,2025	1,671.98	4,322.75	3,988.28	0.85	30,529.69	70.43	119.13	402.08	50.05	31.53	41,186.76
Additions	-	-	-	-	45.34	3.44	7.55	-	14.98	-	71.31
Disposals											-
As at 31st March, 2026	1,671.98	4,322.75	3,988.28	0.85	30,575.03	73.87	126.68	402.08	65.03	31.53	41,258.07

Depreciation											
	Land		Buildings	Lease Hold Improvements	Plant & Machinery	Office Equipment	Computer Equipment	Factory Approach Road	Furniture & Fixtures	Vehicles	Total
	Freehold	Leasehold									
As at 31st March,2025	-	2,466.56	1,761.77	0.85	18,310.91	52.76	97.60	313.24	46.71	13.14	23,063.53
Charged for the year	-	272.73	166.64	-	1,183.16	6.07	9.99	6.23	1.42	3.75	1,649.98
Disposals											-
As at 31st March, 2026	-	2,739.28	1,928.41	0.85	19,494.07	58.82	107.59	319.47	48.13	16.88	24,713.51

Net Block											
As at 31st March, 2025	1,671.98	1,856.19	2,226.51	-	12,218.79	17.68	21.53	88.84	3.34	18.39	18,123.23
As at 31st March, 2026	1,671.98	1,583.46	2,059.87	-	11,080.97	15.05	19.09	82.61	16.90	14.65	16,544.57

NOTE:3(a) CAPITAL WORK -IN-PROGRESS**(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Plant and machinery under erection	57.61	590.81
Additions	18.10	37.10
Disposals	-	570.30
As at 31st March, 2026	75.71	57.61

CWIP AGEING SCHEDULE**(Amount in Lakhs)**

CWIP	Amount of CWIP for a period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More Than 3 Years	
Cane Unloader WIP		2.10	-	-	2.10
Cement Godown WIP	2.18				2.18
New Toilet Cane Yard	2.91				2.91
Tubewell	19.21				19.21
Ethanol Project			37.06		37.06
Air Dryer System	12.25	-	-	-	12.25
Total	36.55	2.10	37.06	-	75.71

**NOTE:3(b) INTANGIBLE ASSETS****(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Gross Block		
Opening	21.27	21.27
Additions	0.16	-
Disposals		
Balance at end of the Year	21.43	21.27
Depreciation		
Opening	20.56	20.30
Charge for the year	0.19	0.26
Disposals		
Balance at end of year	20.74	20.56
Net Balance	0.68	0.72

NOTE:4 INVESTMENTS**(Amount in Lakhs)**

Particulars	Non - current As at 31.03.2026	Current As at 31.03.2026	Non - current As at 31.03.2025	Current As at 31.03.2025
Investment in Subsidiary Companies				
2,30,00,000 Equity Shares of Rs.10/-each in SBEC Bioenergy Ltd. (P.Y. 2,30,00,000 Equity Shares of Rs.10/-each)*	5,283.70		5,283.70	
45,50,000 Equity Shares of Rs.10/-each in SBEC Stockholding & Investment Ltd.(P.Y. 45,50,000 Equity Shares of Rs.10/ each)	455.00		455.00	
1,08,85,645 convertible debenture(0%) fully paid up @ each of SBEC Stockholding and investment limited	3,459.85		3,459.85	
Other Investments:				
20,000 Equity Shares of Rs.25/-each in The SVC Bank Ltd (P.Y. 20,000 Equity Shares of Rs.25/each)	5.00		5.00	
50 Equity shares of Rs. 10 each in saraswat bank	0.01		0.01	
Total	9,203.55	-	9,203.55	-
*Including Rs.82500/-Share Transfer Fee				
Aggregate amount of unquoted investments	9,203.55		9,203.55	

NOTE 4A: FINANCIAL ASSETS-OTHER**(Amount in Lakhs)**

Particulars	Non - current As at 31.03.2026	Current As at 31.03.2026	Non - current As at 31.03.2025	Current As at 31.03.2025
Debt Assignment Recoverable*	8,405.66	-	14,685.98	-
Total Financial Assets-Other	8,405.66		14,685.98	

*The total settlement amount has been agreed at Rs.141,77,38,548/-, inclusive of Rs.25,00,00,000/- already deposited by MIL. Accordingly, the balance amount payable as on 1 January 2026 is Rs.116,77,38,548/-, which shall carry further interest at 8% per annum on a reducing balance basis until final payment. MIL is also required to make further payment of Rs.50 crore in accordance with the terms of the OTS Agreement. It is further relevant that MIL settled the dues of other secured creditors, including Government-owned financial institutions, on the same settlement methodology. Accordingly, the settlement accepted by the Company was consistent with the methodology adopted for similarly situated secured creditors and was not based on any preferential or special arrangement. The total amount of Rs. 144,10,92,728 received from MIL against the said OTS and no dues is pending and the said transaction is closed.

**NOTE: 5 OTHER ASSETS**

(Amount in Lakhs)

Particulars	Non - current As at 31.03.2026	Current As at 31.03.2026	Non - current As at 31.03.2025	Current As at 31.03.2025
- Unsecured, considered good				
Advances recoverable in cash or kind or for value to be received	-	32.59	-	37.68
Advances other than Capital Advances -				
Security deposits	2.72	-	2.72	-
-Prepaid Expenses	-	194.76	-	152.48
Balances with statutory authorities	-	83.51	-	47.17
-Direct tax Recoverable	35.38	-	50.05	-
Total other assets	38.10	310.86	52.77	237.33

NOTE: 6 INVENTORIES

(Amount in Lakhs)

Particulars	As At 31.03.2026	As At 31.03.2025
Raw Materials	13.70	48.17
Stores & Spares	1,119.34	999.56
Work - in - progress	346.16	414.81
Finished goods	20,155.16	21,820.13
Others	3,174.97	3,280.93
Total	24,809.32	26,563.60

NOTE: 7 TRADE RECEIVABLES

(Amount in Lakhs)

Particulars	As At 31.03.2026	As At 31.03.2025
Unsecured considered goods, Unless Otherwise Stated		
-Trade receivables from Related party	256.87	806.09
-Trade receivables from other party	1,049.83	1,229.09
-Less: Provision for expected credit loss	-25.05	-27.00
Total	1,281.65	2,008.18

NOTE : 7(1) TRADE RECEIVABLES

(Amount in Lakhs)

PARTICULARS	Outstanding for following period from due Date of Payment					As on 31.03.2026
	Less than 6 months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	944.93	3.28	-	0.30	15.71	964.22
Undisputed Trade Receivables - which has significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered good						-
Disputed Trade Receivables - which has significant increase in credit risk			333.14		9.33	342.47
Disputed Trade Receivables - Credit Impaired						-
Total	944.93	3.28	333.14	0.30	25.04	1,306.69



PARTICULARS	Outstanding for following period from due Date of Payment					As on 31.03.2025
	Less than 6 months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	1,673.74		1.04	0.26	17.67	1,692.71
Undisputed Trade Receivables - which has significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered good						-
Disputed Trade Receivables - which has significant increase in credit risk			333.14		9.33	342.47
Disputed Trade Receivables - Credit Impaired						-
Total	1,673.74	-	334.18	0.26	27.00	2,035.18

NOTE: 8 CASH & CASH EQUIVALENTS

(Amount in Lakhs)

Particulars	As At 31.03.2026	As At 31.03.2025
Balances with banks		
- in Current Accounts	129.42	48.75
Cheques, drafts in hand	-	-
Cash in hand	13.10	6.60
Total	142.52	55.35

NOTE: 9 OTHER BANK BALANCES

(Amount in Lakhs)

Particulars	As At 31.03.2026	As At 31.03.2025
Fixed Deposit	214.38	30.63
Total	214.38	30.63

NOTE: 10 LOANS

(Amount in Lakhs)

Particulars	Current	Current
	As At 31.03.2026	As At 31.03.2025
Advance to vendors	119.71	167.10
Less : Provision for Doubtful Advance	-69.16	-65.61
Total	50.55	101.49

NOTE 11: SHARE CAPITAL**(1) Current reporting Period**

(Amount in Lakhs)

Particular	Balance at the beginning of the current reporting period	Changes in share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the current year	Balance at the end of current reporting period
Authorised Share Capital:		-	-	-	-
100,000,000 Equity Shares of Rs.10/- each.	10,000.00	-	-	-	10,000.00
Issued, Subscribed Capital :					
47,814,430 Equity Shares of Rs.10/- each.	4,781.44	-	-	-	4,781.44
Paid Up Capital :					
47,653,880 Equity Shares of Rs.10/- each.	4,765.39	-	-	-	4,765.39
Share Forfeiture Account	4.01	-	-	-	4.01
Total	4,769.40	-	-	-	4,769.40

**(1) Previous reporting Period****(Amount in Lakhs)**

Particular	Balance at the beginning of the current reporting period	Changes in share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the current year	Balance at the end of current reporting period
Authorised Share Capital:					
100,000,000 Equity Shares of Rs.10/- each.	10,000.00	-	-	-	10,000.00
Issued, Subscribed Capital :					
47,814,430 Equity Shares of Rs.10/- each.	4,781.44	-	-	-	4,781.44
Paid Up Capital :					
47,653,880 Equity Shares of Rs.10/- each.	4,765.39	-	-	-	4,765.39
Share Forfeiture Account	4.01	-	-	-	4.01
Total	4,769.40	-	-	-	4,769.40

a) Terms/rights attached to Equity Shares

Company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Detail of Shareholders holding more than 5% Equity Shares in the company

Name of Shareholder	As at 31.03.2026		As At 31.03.2025	
	No. of shares Held	% age of Holding	No. of shares Held	%age of Holding
Equity Shares				
1. M/s SBEC Systems (India) Ltd.	1,42,30,884	29.86%	1,42,30,884	29.86%
2. M/s Moderate Leasing & Capital Services Ltd	90,65,568	19.02%	90,65,568	19.02%
3. Abhikum Leasing and Investment Pvt. Ltd.	56,25,844	11.81%	56,25,844	11.81%
4. M/s A to Z Holding Pvt. Ltd.	33,60,070	7.05%	33,60,070	7.05%
5. M/s Longwell Investments Pvt. Ltd.	27,21,500	5.71%	27,21,500	5.71%

c) Shares held by the promoters as on 31.03.2026

S.No.	Promoters Name	No. of Shares	% of Total Shares	% changes during the year
1	M/s SBEC Systems (India) Ltd.	1,42,30,884	29.86%	-
2	M/s Moderate Leasing & Capital Services Ltd	90,65,568	19.02%	-
3	M/s Longwell Investments Pvt. Ltd.	27,21,500	5.71%	-
4	M/s A to Z Holding Pvt. Ltd.	33,60,070	7.05%	-
5	Umesh Kumar Modi	15,71,223	3.30%	-
6	Jayesh Modi	55,487	0.12%	-
7	Kumkum Modi	28,300	0.06%	-
Total		3,10,33,032	65.12%	-

d) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31.03.2026		As At 31.03.2025	
	No. of shares	(Rs.)	No. of shares	(Rs.)
At the beginning of the year	4,76,53,880	4,765.39	4,76,53,880	4,765.39
Add: Shares Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the year	4,76,53,880	4,765.39	4,76,53,880	4,765.39



- e) The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

NOTE 12: OTHER EQUITY					
(1) Current Reporting Period					
Particular	Reserve and surplus			other items of other comprehensive income	Total
	Capital reserve	Other reserve (Molasses storage fund)	Retained earnings		
Balance at the beginning of the current reporting period	49.17	5.68	(10,772.00)	(155.25)	(10,872.40)
Changes in accounting policy of prior period items	-	-	-	-	-
Restated balance at the beginning of current reporting period	49.17	5.68	(10,772.00)	(155.25)	(10,872.40)
Profit / (loss) for the period			(6,280.89)		(6,280.89)
Other comprehensive income				62.10	62.10
Dividends	-	-	-	-	-
Any other changes	-	2.23	(2.23)		-
Balance at the end of current reporting period	49.17	7.91	(17,055.12)	(93.15)	(17,091.19)

(2) Previous Reporting Period					
Particular	Reserve and surplus			other items of other comprehensive income	Total
	Capital reserve	Other reserve (Molasses storage fund)	Retained earnings		
Balance at the beginning of the current reporting period	49.17	2.55	-9,590.26	-120.12	-9,658.66
Changes in accounting policy of prior period items	-	-	-	-	-
Restated balance at the beginning of current reporting period	49.17	2.55	-9,590.26	-120.12	-9,658.66
Total comprehensive Income For the Year	-	-	-1,178.61	-35.13	-1,213.74
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other changes	-	3.13	-3.13		-
Balance at the end of current reporting period	49.17	5.68	-10,772.00	-155.25	-10,872.40

Nature and purpose of reserves

Capital reserve

Used for the purpose of capital expenditure in the company

Storage fund/reserve for molasses

The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. The Company transfers amount from this reserves to general reserve on utilisation of the same towards creation of new molasses storage facility.

Retained earnings

Represents accumulated profits/(losses) of the Company. The debit balance represents accumulated losses of the Company.

Remeasurement of post employment benefit obligation

Remeasurement of post employment benefit obligation represents remeasure gain/(loss) of defined benefit obligation

**NOTE:13 BORROWINGS**

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Term Loans				
- Secured				
From Banks & NBFC	4,711.65	2,671.96	3,833.39	1,999.95
Current maturities of long term debt				
Vehicle Loans		-		-
Net Balance	4,711.65	2,671.96	3,833.39	1,999.95
- Unsecured				
Other Unsecured Loans		2,022.93		-
Inter Corporate Deposit	-	17,934.02	-	12,576.41
Total	4,711.65	22,628.91	3,833.39	14,576.35

NOTE:13 (1) Loan repayment and security schedule

S.No.	Name of Bank/ Financial Institution/Lender	Nature of Loan	Amount outstanding as on 31st March , 2026	Interest Rate (Per Annum)	Repayment Periodicity	Remaining Installments as on 31st March ,2026	Security
	Secured						
1.	SVC CO-OPERATIVE BANK LTD	Term Loan -40 Crores	2,833.38	15.00%	60 Months includng moratorium of 12 months , Moratorium period has already ended	36	1.Exclusive charge by way of Equitable mortgage on land and building and hypothecation on plant and machinery of SBEC Bioenergy Limited . Exclusive charge on cash flow in current account of SBEC Bioenergy Limited Maintained with SVC Bank . Personal Guarantee given by Mr. Umesh Modi and Mr. Abhishek Modi. Corporate Guarantee given by SBEC Bioenergy Limited
2.	TATA Capital Limited	Term Loan - 25 Crores	1,000.00	13.20%	30 Equal monthly installment of Rs. 83.33 lacs	12	Extension of charge on machinery - Spray dryer funded by TCL - extension of charge over the below securities which are already charged to TCL, Land and building along with commercial structure located at plot no. 9 , Block B Sector 59 , GTB Noida U.P. Hypothecation of current assets of the company (SBEC sugar Ltd) to the tune of 2X of primary. Negative lien on property mortgage with TCL- residential property situated at malabar hills (mumbai) during tenor of proposed facility for proposed exposure. Corporate Guarantee given by GS Pharmbutor private Limited and Moderate leasing and capital service limited. Personal Guarantee given by Mr. Abhishek Modi and Umesh Modi.



3.	Arka Fincap Limited	Term Loan - 40 Crores	3,550.23	12.75%	60 monthly installment as per shedule	51	Pari-pasu charge over all fixed assets of the borrower with minimum cover of 2x by way of equitable mortgage. First pari pasu charge over the cash flow of the borrower by way of hypothecation. Exclusive charge over the management consultancy contract between GS Pharmabutor & Moderate leasing having a cash flow of 1.1x times the monthly debt obligations of AFL (Principal & Interest). Principal gurantee from Mr Umesh Modi & Mr. Abhishek Modi. DSRA of 2 months interest & principal to be maintained as a fixed deposit lien marked in favour of the lender. Demand promissory note from borrower. UDC for principal amount & 1 Month interest amount.
Unsecured							
1	Modearte Leasing and capital service Ltd.	Inter corporate Deposit	17,089.41	15.00%	NA	NA	N.A.
2	Modearte Leasing and capital service Ltd.	Inter corporate Deposit for 10 Years	844.62	15.00%	Monthly installment for principle plus applicable interest	31	N.A.
3	Priyadarshini Polysacks Limited	Unsecured Short term loan	505.73	15.00%	Monthly installment for principle plus applicable interest	31	N.A.
4	Pristine Industries Ltd	Unsecured Short term loan	1,517.20	15.00%	Monthly installment for principle plus applicable interest	31	N.A.
Total			27,340.56				

NOTE: 14 PROVISIONS

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Provision for employee benefits				
- Gratuity	727.27	55.00	714.96	60.58
- Leave Encashment	80.89	9.91	60.56	8.12
Total	808.16	64.91	775.52	68.70

NOTE: 15 OTHER LIABILITIES

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Security Deposits	-	-	2,513.65	-
Statutory Payables	-	345.46	-	218.11
Retention money	-	12.32	-	12.70
Total	-	357.77	2,513.65	230.81

**NOTE:16 TRADE PAYABLE**

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Total Outstanding dues of micro enterprises and small enterprises	-	167.50	-	105.82
Total Outstanding dues of creditors other than micro enterprises and small enterprises	-	39,008.34	-	48,439.75
Due to related parties	-	-	-	-
Total	-	39,175.84	-	48,545.57

Trade Payable Ageing Schedule

Particulars	OUTSTANDING AS ON 31.03.26				
	Less Than 1 Year	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
Undisputed dues	167.50			-	39,175.84
(i) MSME	38,868.62	105.27	34.45	-	167.50
(ii) Others	39,036.12	105.27	34.45	-	39,008.34
Disputed dues					-
(i) MSME					-
(ii) Others					-
TOTAL					39,175.84

Trade Payable Ageing Schedule

Particulars	OUTSTANDING AS ON 31.03.25				
	Less Than 1 Year	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
Undisputed dues					48,545.57
(i) MSME	105.82				105.82
(ii) Others	48,308.80	111.08	11.71	8.16	48,439.75
Disputed dues					-
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
TOTAL					48,545.57

NOTE:17 OTHER FINANCIAL LIABILITIES

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Interest Accrue and Due	-	630.73	-	722.54
Interest Accrue but not Due	-	-	-	471.76
Employees related dues	-	249.10	-	236.53
Advance from Customer	-	438.42	-	154.52
Other Liabilities for Expenses	-	81.25	-	170.90
Other Payables	2,009.40	2,282.06	-	4,962.06
Total	2,009.40	3,681.56	-	6,718.31

NOTE: 18 REVENUE FROM OPERATIONS

(Amount in Lakhs)

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
A. Sale of Products*	53,372.46	61,999.62
B. Other Operating Revenue	143.60	109.02
Total	53,516.06	62,108.64

***Details of sale of Products****(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Sugar	47,118.12	53,838.52
Molasses	3,978.70	5,000.09
Baggase	1,355.51	2,212.38
Others	1,063.73	1,057.65
TOTAL	53,516.06	62,108.64

NOTE: 19 OTHER INCOME**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Interest income	190.09	9.90
Provision written back	29.31	26.23
Dividend	0.75	1.35
Net Gain on sale of fixed assets	-	(0.02)
Security Guard Expenses	-	11.60
Subsidy from State Govt.	-	-
Misc. Income	2.59	0.02
Insurance Claim Receivable	-	-
Total	222.74	49.09

NOTE: 20 COST OF MATERIALS CONSUMED**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Raw materials consumed	43,919.00	51,378.62
Total	43,919.00	51,378.62

*Cost of raw material consumed comprises the purchase cost of sugarcane, including all directly attributable expenditures such as transportation, loading and unloading charges incurred to bring the materials to the factory premises

NOTE: 21 CHANGED IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Inventories at the end of the year		
Finished Goods	23,133.94	24,920.15
Work-in-progress	346.16	414.82
Stock in trade	-	-
Sub Total	23,480.10	25,334.97
Inventory at the beginning of the year		
Finished Goods	24,920.15	23,288.28
Work-in-progress	414.82	624.42
Sub Total	25,334.97	23,912.70
Total	1,854.87	(1,422.27)

NOTE: 22 EMPLOYEE BENEFIT EXPENSES**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Salary & Wages & Bonus	1,661.39	1,671.26
Contribution to provident & other funds	149.93	154.03
Workman and staff welfare	66.57	62.85
Total	1,877.89	1,888.14

**NOTE: 23 FINANCE COSTS****(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Interest Expense	4,110.24	3,644.62
Interest Impact on Gratuity	52.58	48.12
Interest on amortisation of Loans	-	-
Total	4,162.82	3,692.74

NOTE:24 DEPRECIATION AND AMORTIZATION EXPENSES**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Depreciation of tangible assets	1,649.98	1,733.31
Amortization of intangible assets	0.19	0.26
Total	1,650.17	1,733.56

NOTE:25 OTHER EXPENSES**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Consumption of stores & spare parts	1,920.81	2,195.16
Power & fuel	1.28	1.54
Material Handling Expenses	198.89	241.85
Repairs & maintenance		
-Plant & Machinery	1,703.94	1,578.88
-Building	225.68	149.92
-Others	200.78	210.87
Insurance (Net)	39.48	90.78
Rent	4.73	4.80
Rates & Taxes	41.64	42.86
Legal & Professional Charges	590.65	176.52
Telephone, Postage & Telegram	11.42	9.74
Travelling & Conveyance	68.35	65.40
Director's Sitting Fee	-	0.49
Auditor's Remuneration :		
-As Audit Fee	3.00	3.00
-Certification & Company Law	1.97	1.81
-Expenses Reimbursement	0.29	0.42
Prior Period Adjustments		
Freight & Forwarding	27.70	32.87
Commission to selling agents	111.71	132.70
Other selling expenses	2.21	66.07
Royalty Expenses	-	267.57
Other expenses	878.59	218.16
Security Guard Expenses	69.48	66.38
Job Work Expenses	-	-
Vehicle Expenses	27.52	27.77
Consultancy fee	424.80	480.00
Total	6,554.94	6,065.55

*AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value, the expenditure on which has been recognized under line item "Short term leases" under Other expenses

NOTE:26 EARNINGS PER SHARE**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Net profit/ (loss) as per Statement of Profit & Loss (for calculation of basic EPS)	(6,280.89)	(1,178.61)
Weighted average number of equity shares in calculating basic EPS	4,76,53,880.00	4,76,53,880.00
Basic earning per share	(13.18)	(2.47)
Diluted earning per share	(13.18)	(2.47)

**NOTE 27: Contingent Liabilities****a. Claims against the Company not acknowledged as debts are as under:****(Amount in Lakhs)**

S.No.	Particulars	Year ended 31.03.2026	Year ended 31.03.2025
1.	Corporate Guarantee given to the Government of Jharkhand against the Soft Loan (excluding Interest) given to the Bihar Sponge Iron Limited.	Nil	Nil
2.	Duties and Tax liabilities disputed by the Company	218.42	218.42

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favor in respect of all the items listed at (1) to (2) above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

b. Deferred Tax Assets & Liability: Computation of Deferred Tax Assets & (Liability) (net) are given below

S.No.	Particulars	31/03/2026	31/03/2025
1.	Difference in tax base & books of accounts for PPE & Intangible assets	-1268.06	-1460.51
2.	Unabsorbed business losses	3228.88	3253.02
3.	Unabsorbed depreciation	2443.43	2443.43
4.	Disallowance U/S 43B of income tax act	167.89	627.63
	Deferred tax Assets	4572.13	4863.57

Note: In accordance with Ind AS 12 "Accounting for Income Taxes", in view of the carry forward losses under tax laws, deferred tax assets on timing differences, have not been recognized in the books since it is not virtually certain whether the Company will be able to use such losses.

Note 28: Commitment**28.1 Capital Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): Nil (P.Y. Rs. 5.42 lacs).

28.2 Other Commitments: Rs.Nil (P.Y. Nil).**Note 29: Employee Benefits**

The disclosure of 'Employee Benefits' as defined in IND AS-19 is as under:

Expenses recognized in the statement of Profit & Loss**(i) Defined Contribution Plan****(Amount. in Lakhs)**

Particulars	Current Year	Previous Year
Employer's Contribution to Provident Fund	125.88	125.92

(ii) Defined Benefits Plan**(Amount. in Lakhs)**

Particulars	Gratuity Unfunded		Leave Encashment Unfunded	
	C. Yr.	P. Yr.	C. Yr.	P. Yr.
Current service cost	48.73	50.76	4.14	3.25
Interest cost	52.58	48.12	4.24	4.26
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (gain)/loss	-	-	9.64	(1.11)
Past service cost	4.78	-	6.15	-
Re-measurements recognized in OCI (Gain)/Loss	-	-	-	-
Comprehensive Income on Gratuity (Gain)/Loss	(62.10)	35.13	0.00	0.00
Expenses recognized in the statement of Profit & Loss	48.73	50.76	24.17	6.40
Interest Impact on Gratuity (charged to profit & Loss)	52.58	48.12	0.00	0.00

Note: Provision for gratuity of Rs. 1.44 lacs booked for more than 60 years employee which was not valued by actuarial in F.Y. 2023-24 was effective in the opening bal as on 01.04.2024.

**(a) The assumptions used to determine the benefit obligations:****(Amount. in Lakhs)**

Particulars	Gratuity		Leave Encashment	
	C. Yr.	P. Yr.	C. Yr.	P. Yr.
Discount Rate	7.37%	6.78%	7.37%	6.78%
Expected Rate of increase in Compensation Levels	5.50%	5.50%	5.50%	5.50%
Expected Rate of Return on Plan Assets	NA	NA	NA	NA
Expected Average remaining working lives of employees (years)	11.63 Years	12.11 Years	11.63 Years	10.37 Years

(b) Reconciliation of Opening and Closing balances of benefit obligations:**(Amount. in Lakhs)**

Particulars	Gratuity Unfunded		Leave Encashment Unfunded	
	C. Yr.	P. Yr.	C. Yr.	P. Yr.
Benefit obligation at beginning of the year	776.99	667.01	62.59	58.89
Current service cost	48.72	50.76	4.14	3.25
Interest Cost	52.58	48.12	4.24	4.26
Benefits paid	(37.27)	(24.03)	(1.48)	(2.70)
Past service cost Curtailment Gains/Losses	4.78	-	6.15	-
Contribution by plan participants	-	-	-	-
Re-measurements Recognized in OCI (gain)/ loss	-	-	-	-
Actuarial (gain)/ loss	(62.10)	35.13	9.64	(1.11)
Projected benefit obligation at end of the year	-	-	-	-
Net amount recognized in the balance sheet as at the end of the year	783.70	776.99	85.28	62.59

(c) There is no plan asset at the beginning and at the closing of the year.**Note 30: RELATED PARTY DISCLOSURE****(A) Name of Related Parties where control exists and with whom transactions have taken place during the year:**

S.No.	Name of Related Party	Nature of Relationship
A	(i) <u>A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity</u>	
1	Umesh Kumar Modi	Promoters having voting control
2	Kumkum Modi	Promoters having voting control
3	Jayesh Modi	Promoters having voting control
	(ii) <u>A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.</u>	
1	Abhishek Modi	Relative of Promoter
2	Anil Kumar Goel	Chief Financial Officer
3	Ankit Bisht	Company Secretary
4	Vipin Kumar	Whole Time Director
B	(i) <u>The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)</u>	
1	SBEC Stockholding & Investment Limited	Wholly Owned Subsidiary
2	SBEC Bioenergy Limited	Wholly Owned Subsidiary



(ii)	<u>The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity</u>		
	SBEC Sugar EPF Trust	Trust	
(iii) (a)	The entity is controlled or jointly controlled by a person identified in (a).		
(iii) (b)	<u>A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</u>		
1	A to Z holdings Pvt. Limited	Directorship and Shareholding along with relatives in the Company.	
2	Bihar Sponge Iron Limited		
3	Jai Abhishek Investments Pvt. Ltd.		
4	Longwell Investment Pvt. Ltd.		
5	Modi Goods and Retail Services Pvt. Ltd.		
6	Modi Hitech India Limited		
7	Modi Illva India Pvt. Ltd.		
8	Modi Industries Limited		
9	Modi – Mundipharma Healthcare Pvt. Ltd.		
10	Modi-Mundipharma Beauty Products Private Limited		
11	Modi-Mundipharma Pvt. Ltd.		
12	SBEC Bioenergy Ltd		
13	SBEC Stockholding & Investment Limited		
14	SBEC Systems (India) Ltd.		
15	Umesh Modi Corp Pvt. Ltd		
16	Win-Medicare Private Limited		
17	Modi-Senator (India) Pvt. Ltd.		
18	Abhikum Leasing & Investments Pvt. Ltd.		
19	ABC Holding Pvt. Ltd		
20	Kumabhi Investments Pvt. Ltd		
21	Meghkum Leasing & Investment Pvt. Ltd.		
22	Trimium Advisors LLP (Formerly Known as Trimium Advisors Private Limited)		
23	JayeshTradex Pvt. Ltd.		
24	M First Trading Pvt. Ltd.		
25	MeghnaAutoworks Pvt. Ltd		
26	MG Mobiles India Pvt. Ltd		
27	Modi Arts Pvt. Ltd		
28	Modi Diagnostics Pvt. Ltd		
29	Modi Motors Pvt. Ltd.		
30	PHD Chamber of Commerce and Industry		
31	MG Mobiles India Trading Pvt. Ltd		
32	H.M. Tubes & Containers Pvt. Ltd		
33	Moderate Leasing & Capital Services Limited		
34	Modiline Travel Services Pvt. Ltd.		
35	G S Pharmabutor Pvt. Ltd.		
36	Arvind Continental Pvt. Ltd.		
37	Mahabir Export & Import Co. Ltd.		
38	Modi Casings And Packaging Private Limited		
39	Modi-Ecoweld Private Limited		
(iv)	<u>Reporting entity being an associate of the other entity</u>		
1	SBEC SYSTEMS (India) Limited		

**(B) Details of transactions with related parties****(Amount. in Lakhs)**

Transactions		Other Related parties	Key managerial personnel	Total
i. Sitting Fees paid to:				
Kumkum Modi	31-Mar-26	0.01	-	0.01
	31-Mar-25	0.02	-	0.02
Jayesh Modi	31-Mar-26	0.01	-	0.01
	31-Mar-25	0.04	-	0.04
Anirudh Kumar Modi	31-Mar-26	0.02	-	0.02
	31-Mar-25	0.06	-	0.06
Ajay Kumar Agarwal	31-Mar-26	0.09	-	0.09
	31-Mar-25	0.07	-	0.07
Pramod Kumar Gupta	31-Mar-26	0.09	-	0.09
	31-Mar-25	0.10	-	0.10
Abhishek Modi	31-Mar-26	0.03	-	0.03
	31-Mar-25	0.03	-	0.03
Preeti Agarwal	31-Mar-26	0.02	-	0.02
	31-Mar-25	0.01	-	0.01
Mohi Kumari	31-Mar-26	0.04	-	0.04
	31-Mar-25	0.01	-	0.01
Rohit Chawdhary	31-Mar-26	0.02	-	0.02
	31-Mar-25	0.01	-	0.01
Adhish Sharma	31-Mar-26	0.09	-	0.09
	31-Mar-25	0.01	-	0.01
Narayan Prakash Bansal	31-Mar-26	-	-	-
	31-Mar-25	0.05	-	0.05
Vijay Kumar Modi	31-Mar-26	0.09	-	0.09
	31-Mar-25	0.07	-	0.07
Total F.Y. 2025-26	F.Y. 2025-26	0.51	-	0.51
Total F.Y. 2024-25	F.Y. 2024-25	0.49	-	0.49
ii. Remuneration paid to:				
Company Seceretary				
Salary and Allowances (Including Perquisites)	31-Mar-26	-	6.97	6.97
	31-Mar-25	-	7.11	7.11
Contribution to PF and superannuation	31-Mar-26	-	0.35	0.35
	31-Mar-25	-	0.37	0.37
Chief Financial Officer				
-Salary and Allowances (Including Perquisites)	31-Mar-26	-	41.52	41.52
	31-Mar-25	-	39.17	39.17
Contribution to PF and superannuation	31-Mar-26	-	3.23	3.23
	31-Mar-25	-	3.05	3.05
Whole Time Director cum occupier				
-Salary and Allowances (Including Perquisites)	31-Mar-26	-	35.30	35.30
	31-Mar-25	-	33.60	33.60
Contribution to PF and superannuation	31-Mar-26	-	2.75	2.75
	31-Mar-25	-	2.59	2.59
Total F.Y. 2025-26	F.Y. 2025-26	-	90.12	90.12
Total F.Y. 2024-25	F.Y. 2024-25	-	85.89	85.89



Transactions		Other Related parties	Key managerial personnel	Total
iii Reimbursement of expenses paid to:				
Win Medicare Pvt. Ltd.	31-Mar-26	0.19	-	0.19
	31-Mar-25	1.35	-	1.35
Anil kumargoel	31-Mar-26	-	9.45	9.45
	31-Mar-25	-	9.21	9.21
Vipin Kumar	31-Mar-26	-	4.50	4.50
	31-Mar-25	-	4.97	4.97
Total F.Y. 2025-26		0.19	13.95	14.14
Total F.Y. 2024-25		1.35	14.18	15.53
iv Purchase of materials/Paid for Exp.				
Modiline Travels Service Pvt. Ltd.	31-Mar-26	3.02	-	3.02
	31-Mar-25	2.29	-	2.29
Modihitech India Ltd.	31-Mar-26	10.80	-	10.80
	31-Mar-25	13.85	-	13.85
Modi Industries Ltd (Modi Sugar Mills)	31-Mar-26	0.89	-	0.89
	31-Mar-25	2.03	-	2.03
Jayesh Tradex Pvt. Ltd.	31-Mar-26	22.23	-	22.23
	31-Mar-25	23.15	-	23.15
SBEC Bioenergy Ltd	31-Mar-26	940.22	-	940.22
	31-Mar-25	360.04	-	360.04
Umesh Modi Corp. P Ltd	31-Mar-26	2.95	-	2.95
	31-Mar-25	2.95	-	2.95
HM Tube & Containers P Ltd	31-Mar-26	0.14	-	0.14
	31-Mar-25	0.09	-	0.09
SBEC System (I) Ltd.	31-Mar-26	313.48	-	313.48
	31-Mar-25	348.16	-	348.16
Moderate consultancy services (A unit of Moderate leasing and capital services Limited)	31-Mar-26	424.80	-	424.80
	31-Mar-25	424.80	-	424.80
Moderate Leasing and capital Services Limited	31-Mar-26	141.60	-	141.60
	31-Mar-25	141.60	-	141.60
Moderate Leasing and capital Services Limited	31-Mar-26	0.07	-	.07
	31-Mar-25	-	-	-
Total F.Y. 2025-26		1,860.20	-	1,860.20
Total F.Y. 2024-25		1,127.61	-	1,127.61
V Sales of Materials				
GS Pharmbutor Pvt. Ltd.	31-Mar-26	10,310.94	-	10,310.94
	31-Mar-25	12,954.96	-	12,954.96
SBEC Bioenergy Ltd	31-Mar-26	140.49	-	140.49
	31-Mar-25	160.99	-	160.99
Modi Industries Ltd (Modi Sugar Mills)	31-Mar-26	30.04	-	30.04
	31-Mar-25	9.11	-	9.11
Total F.Y. 2025-26		10,481.47	-	10,481.47
Total F.Y. 2024-25		13,125.06	-	13,125.06
Vi Interest paid				
GS Pharmbutor Pvt. Ltd.	31-Mar-26	300.00	-	300.00
	31-Mar-25	412.67	-	412.67
Moderate leasing & capital service ltd.	31-Mar-26	2345.87	-	2345.87
	31-Mar-25	1,942.24	-	1,942.24
SBEC Bioenergy Limited	31-Mar-26	144.58	-	144.58
	31-Mar-25	209.69	-	209.69
Total F.Y. 2025-26		2,790.45	-	2,790.45
Total F.Y. 2024-25		2,564.60	-	2,564.60



Transactions		Other Related parties	Key managerial personnel	Total
Vii	Amount Paid against Loan/Paybles			
	SBEC Bioenergy Limited	31-Mar-26	495.83	495.83
		31-Mar-25	1,075.72	1,075.72
	Moderate leasing & capital services ltd.	31-Mar-26	3132.49	3132.49
		31-Mar-25	1,389.02	1,389.02
	Total F.Y. 2025-26		3628.32	-
	Total F.Y. 2024-25		2,464.74	-
Viii	Debt Assignment Receivable from MIL			
	Modi Industries Ltd (Sugar section)	31-Mar-26	8405.65	8405.65
		31-Mar-25	14,685.98	14,685.98
	Total F.Y. 2025-26		8405.65	-
	Total F.Y. 2024-25		14,685.98	-
ix	Receipt Inter-corporate Deposit/Security Deposit			
	GS Pharmbutor Pvt. Ltd.	31-Mar-26	-	-
		31-Mar-25	2,500.00	2,500.00
	Moderate leasing & capital service ltd.	31-Mar-26	7308.77	7308.77
		31-Mar-25	1740.00	1740.00
	Total F.Y. 2025-26		7308.77	-
	Total F.Y. 2024-25		4240.00	-
X	Outstanding "Receivables"			
	Modi Industries Limited	31-Mar-26	1.61	1.61
		31-Mar-25	37.26	37.26
	Modi Industries Ltd (Debt Assignment)	31-Mar-26	8405.65	8405.65
		31-Mar-25	14685.87	14685.87
	HM Tubes & Containers P Ltd	31-Mar-26	0.13	0.13
		31-Mar-25	-	-
	GS Trading Division	31-Mar-26	255.13	255.13
		31-Mar-25	-	-
	Total F.Y. 2025-26		8,662.52	-
	Total F.Y. 2024-25		14,723.13	-
Xi	Outstanding "Payables"			
	Modiline Travels Service Pvt. Ltd.	31-Mar-26	0.43	0.43
		31-Mar-25	0.67	0.67
	Chief Financial Officer	31-Mar-26	-	2.14
		31-Mar-25	-	0.70
	SBEC Bio-Energy Ltd.	31-Mar-26	2,054.65	2,054.65
		31-Mar-25	2,461.97	2,461.97
	Win Medicare Pvt. Ltd.	31-Mar-26	0.42	0.42
		31-Mar-25	1.84	1.84
	Jayesh Tradex Pvt. Ltd.	31-Mar-26	-	-
		31-Mar-25	0.70	0.70
	GS Pharmbutor Pvt. Ltd.	31-Mar-26	1,817.76	1,817.76
		31-Mar-25	1,820.64	1,820.64
	Umesh Modi Corp. P Ltd	31-Mar-26	2.70	2.70
		31-Mar-25	-	-
	SBEC System (I) Ltd.	31-Mar-26	132.83	132.83
		31-Mar-25	127.74	127.74
	Modihitech India Ltd.	31-Mar-26	1.57	1.57
		31-Mar-25	5.76	5.76
	Modi Ilva India P Ltd	31-Mar-26	13.76	13.76
		31-Mar-25	-	-



Transactions		Other Related parties	Key managerial personnel	Total
Occupier	31-Mar-26	-	1.38	1.38
	31-Mar-25	-	0.85	0.85
Moderate leasing & capital service ltd.	31-Mar-26	18,224.66	-	18,224.66
	31-Mar-25	13,960.86	-	13,960.86
Modi Industries Limited (Modi Sugar Mills)	31-Mar-26	-	-	-
	31-Mar-25	2,500.00	-	2,500.00
Total F.Y. 2025-26		22,248.78	3.52	22,248.78
Total F.Y. 2024-25		20,880.18	1.55	20,881.73

Note 31: Segment Reporting

The Company is a single location single product company and hence the requirement of Ind As-108 On segment reporting is not required.

Note 32: Outstanding dues to micro, small and medium Enterprises :

The disclosure of dues details relating to enterprises covered under micro, small and medium enterprises Development Act 2006, to the extent the information are available With the company, are as under :

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
a)	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year. (ii) Interest due thereon.	27.72	105.82
b)	(i) The amount of interest paid in terms of sec.16 of MSMED Act, 2006 beyond the respective due date during the year. (ii) The amount of principal paid beyond the due date during the year.	- 124.24	26.07 392.65
c)	The amount of interest due and payable for delay period (where principal has already been paid after due date.)	3.73	21.99
d)	The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-
e)	The amount of interest accrued and remaining unpaid as at the end of the accounting year.	3.73	21.99

Note 33: Financial Instruments**a) Financial risk management**

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarized ahead.

b) Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. The Company's activities expose it primarily to the financial risks of changes in interest rates. If 0.5% of increase/decrease in interest rate would the impact in financial statements is negative/ positive by Rs.136.70 Lacs.

c) Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, balances with banks, investments and security deposits. The credit risk on bank balances is limited because the counter parties are banks with good credit ratings.

d) Trade Receivables

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

e) Investments

The Company limits its exposure to credit risk by generally investing with counter parties that have a good credit rating. The Company has funded defined-benefit gratuity plans. The funded status of these plans is influenced by movements in financial market. A negative performance of the financial markets could have a material impact on cash funding requirements.

f) Cash & cash equivalents

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counter party, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counter party as non-material.



g) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

h) Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31.03.2026

(Amount in Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings	-	4711.65	4711.65
Current borrowings	22628.91	-	22628.91
Trade payables	39175.84	-	39175.84
Other financial liabilities	3681.56	-	3681.56

AS AT 31.03.2025

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings	-	3833.39	3833.39
Current borrowings	14576.36	-	14576.36
Trade payables	48545.57	-	48545.57
Other financial liabilities	6718.31	-	6718.31

- i) The Company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The Company is not subject to any externally imposed capital requirements.

Note:

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the Current years and previous years

j) Key Financial Ratio

Particulars	Numerator	Denominator	as at 31.03.2026	as at 31.03.2025	Percentage Variation	Reason of Variation (in case variation is more than 25%)
1. Current Ratio	Current Assets	Current Liability	0.407	0.41	0.79	
2. Debt-Equity Ratio	Total Debt	Total Equity	(2.22)	(3.02)	(26.53)	Increase in Losses
3. Debt. Service Coverage Ratio	Earnings before Interest, Tax, depreciation & Amortization (EBITDA)	Debt Service = Interest + Principle Liability	(0.10)	1.15	(108.64)	Decrease in EBITDA
4. Return on Equity Ratio	Profit for the year	Total Equity	(0.51)	(19.31)	(97.36)	Increase in losses
5. Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	1.71	1.95	(12.32)	
6. Trade Receivable turnover ratio	Net Sales	Average Trade receivable	32.67	34.15	(4.33)	
7. Trade Payable turnover ratio	Net Credit purchase	Average Trade Payable	1.04	1.08	(3.37)	
8. Working capital turnover ratio	Net sales	Working capital	(1.40)	(1.51)	(8.98)	
9. Net Profit Ratio	Profit for the year	Total Sale	(0.12)	(1.90)	(93.85)	Increase in Losses
10. Return on capital employed	Earnings before Interest & Tax (EBIT)	Capital employed (Equity + Debt)	(0.44)	20.43	(102.16)	Decrease in EBIT
11. Return on Investment (G/R)	Profit for the year	Capital employed (Equity + Debt)	(1.31)	(9.58)	(86.32)	Increase in losses

**k) Categories of financial instruments****(Amount. in Lakhs)**

Particulars	As at 31 March, 2026 (Rs.)	As at 31 March, 2025 (Rs.)
Financial assets		
Measured at amortized cost		
Other non-current assets	38.10	52.77
Other financial assets (non current)	8405.66	14,685.98
Trade receivables	1281.65	2,008.18
Cash and cash equivalents	142.55	55.35
Bank Balances other than Cash and cash equivalents	214.38	30.63
Other current assets	310.86	237.33
Other financial assets (current)	-	-
Loans	50.55	101.48
Measured at fair value through Profit & Loss		
Investment	9203.55	9203.55
Financial liabilities		
Measured at amortized cost		
Borrowings (non-current)	4711.65	3,833.39
Borrowings (current)	22,628.91	14,576.36
Trade payables	39,175.84	48,545.57
Other financial liabilities (non-current)	-	-
Other financial liabilities (current)	3681.56	6,718.31
Other current liabilities	357.77	230.81
Other Non-Current liabilities	2009.40	2,513.65

l) Fair value of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)**(Amount. in Lakhs)**

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Financial Assets at amortized cost :	19,298.31	-	26,085.17	
Financial Liabilities	-	-	-	
Financial Liabilities held at amortized cost:	70,197.96	-	73,673.62	

Exposure to credit risk**Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)****(Amount. in Lakhs)**

Particulars	As at 31 March, 2026	As at 31 March, 2025
Investments	9,203.55	9,203.55
Cash and bank balances	142.52	55.35
Bank deposit	214.38	30.63
Short-term loans and advances	50.55	101.48

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)



(Amount. in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Trade Receivable	1,281.65	2,008.18

The ageing analysis of the receivables has been attached in trade receivable schedule.

During the year the Company has recognized loss allowance of Rs. NIL under 12 months expected credit loss model.

No material changes in estimation techniques or assumptions were made during the reporting period.\

Note 34. Other Disclosures

ONE TIME SETTLEMENT WITH MODI INDUSTRIES LIMITED (MIL)

- (i) The transaction involving acquisition of the secured debt of Modi Industries Limited ("MIL") was undertaken pursuant to a broader and considered business strategy of the Company. At the relevant time, the Company was evaluating diversification into the liquor business in India. Since the Company did not have the requisite distillation and bottling facilities, it was contemplated that Modi Distillery, a unit of MIL, would be associated with the proposed arrangement. Accordingly, acquisition of the secured debt of MIL was considered not as an isolated financial investment, but as part of a broader commercial strategy intended to facilitate a long-term and uninterrupted business relationship with Modi Sugar and Modi Distillery and to support the Company's proposed expansion into allied and potentially higher-margin business segments.

The subsequent settlement of the dues with MIL was undertaken in the backdrop of significant financial and operational stress being faced by sugar mills in the State of Uttar Pradesh, including the Company. The financial position of sugar mills had been adversely affected by, inter alia, high sugarcane procurement prices, deterioration in sugarcane yield and the consequent accumulation of sugarcane dues. The liquidity position of the Company was further constrained by the Tagging Orders issued by the State Government, pursuant to which a substantial portion of the realisations from sale of sugar and its by-products was required to be applied towards discharge of sugarcane dues. With effect from the crushing season 2020-21, the scope of such restrictions was also extended to specified realisations from surplus electricity generated from the Company's co-generation operations.

The coercive measures taken by District Administration of the State of Uttar Pradesh for recovery of dues included, inter alia, issuance of Recovery Certificates for recovery of the outstanding sugarcane dues against the concerned persons, and communications indicating possible sealing of the sugar mill in the event of continued default. These measures posed a direct threat to the uninterrupted functioning of the Company's operations.

The Company was also confronted with the apprehension of initiation of insolvency proceedings in respect of the outstanding dues. Public Interest Litigations had also been instituted before various Courts concerning the non-payment of sugarcane dues, thereby adding to the legal and regulatory pressure.

As a part of the continuing coercive measures, the cane area allocated to the Company was also reduced. The reduction in the allotted cane area necessarily resulted in lower availability of sugarcane for crushing, which in turn adversely affected sugar production, capacity utilisation and profitability of the Company.

In furtherance to above, the officials and representatives of the Company were being regularly called / summoned by the District Administration and other competent authorities and were repeatedly required to furnish concrete proposals and timelines for repayment of the outstanding sugarcane dues.

On account of mounting pressure, the officials of the Company in fact to save the company had to undertake in writing promising to clear the sugarcane dues in timely manner. These undertakings were issued not only to the District Magistrate, other officials, but in fact to the Hon'ble Chief Minister of Uttar Pradesh.

In these circumstances, timely recovery of the amounts due from MIL assumed considerable commercial importance. The Company accordingly evaluated the available courses of action, including pursuing prolonged legal proceedings for recovery. Having regard to the time, cost, uncertainty and delay inherent in litigation, as against the Company's immediate requirement for liquidity, the Company considered that a structured settlement with MIL would be commercially prudent and in the best interests of the Company and its shareholders.

It is pertinent to note that MIL did not have adequate liquidity to discharge its obligations to the Company and was required to arrange external funding from financial institutions to honour the settlement. The settlement was thus achieved pursuant to sustained negotiations and recovery efforts undertaken by the Company and cannot be regarded as a voluntary or unilateral concession to MIL. Needless to add, had the settlement with MIL not been achieved in a timely and structured manner, the Company would have remained exposed to continuing coercive action, including enforcement of Recovery Certificates, whereby, the appropriate statutory authority can seal the entire land, plant & machinery of the Company as well as auction the same.

The total settlement amount has been agreed at Rs.141,77,38,548/-, inclusive of Rs.25,00,00,000/- already deposited by MIL. Accordingly, the balance amount payable as on 1 January 2026 is Rs.116,77,38,548/-, which shall carry further interest at 8% per annum on a reducing balance basis until final payment. MIL is also required to make further payment of Rs.50 crore in accordance with the terms of the OTS Agreement. It is further relevant that MIL settled the dues of other secured creditors, including Government-owned financial institutions, on the same settlement methodology. Accordingly, the settlement accepted by the Company was consistent with the methodology adopted for similarly situated secured creditors and was not based on any preferential or special arrangement. The total amount of Rs. 144,10,92,728 received from MIL against the said OTS and no dues is pending and the said transaction is closed.

The acquisition of the secured debt of MIL by the Company from Government-owned banks and financial institutions was undertaken through proper banking channels. The consideration paid for such acquisition was duly recorded in the books of account and reflected in the respective financial statements of the entities concerned.



The Board, after considering the Company's financial position, its immediate requirement for funds towards discharge of sugarcane dues, the continuing regulatory and administrative pressure, the risks associated with disruption of operations, the prospects and uncertainties of prolonged recovery proceedings and the actual recovery achieved from MIL, was of the view that the settlement represented a commercially prudent course of action. The transaction enabled the Company to realise substantial value from the assigned debt, strengthen its liquidity position, continue its operations as a going concern and, consequently, protect the long-term interests and value of the Company for its shareholders.

Accordingly, the Board is of the considered view that the transaction and the settlement with MIL were undertaken bona fide, on commercial considerations and in the overall interests of the Company and its shareholders.

- (ii) The Hon'ble Supreme Court vide its order dated 23.04.2018 has upheld the order passed by the Hon'ble High Court of Judicature at Allahabad dated 9th March, 2017 in PIL No. 67617/2004, where the said court has set aside the decision of the state Government for the waiver of interest for the year 2012-13, 2013-14 and 2014-15 and proceeded to ask the Cane Commissioner to take a final call in the matter. Pending final order, the Company has not made provision for interest on the late payment of cane dues for the years 2012-13, 2013-14 and 2014-15. The Matter is Sub-Judice. Under the power vested with the Cane Commissioner (U.P.) for waiver of interest under UP Sugar Cane (Regulation of Supply & Purchase) Act, 1953 in respect of loss making/sick companies, the company had made an application to Cane Commissioner (U.P.) for waiver of interest on cane dues. Pending receipt of the Cane Commissioner's decision, no interest has been provided on the cane dues. The company has decided to account for the same upon decision in the matter/payment.
- (iii) The financial statements have been prepared on a going concern basis. Management has evaluated the Company's financial position, cash flow forecasts, and business plans for the foreseeable future, covering at least the next twelve months from the reporting date.

Despite challenges facing the sugar industry, including fluctuations in sugar prices, regulatory controls, and high working capital requirements, management believes that the Company has adequate resources to continue its operations. Key factors supporting this assessment include:

- The Company has successfully negotiated/renewed its credit facilities with [Bank Name(s)], ensuring continued access to working capital to finance its operations.
- Management's ongoing initiatives to improve operational efficiencies and cost management, including measures to optimize the sugar crushing process and reduce overheads.
- Supportive government policies, including the Minimum Selling Price (MSP) mechanism for sugar, export subsidies, and potential assistance in managing sugarcane prices, which collectively help stabilize revenues and margins.
- Positive cash flow projections, which incorporate expected sales volumes, projected sugar prices, and anticipated government support mechanisms.

Based on the above factors, management has concluded that there are no material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Note 35: Other Statutory Information

- The company does not have any benami property, where any proceeding has been initiated or pending against the company for holding any benami property.
- The company does not have any transactions with companies struck off.
- The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company has not traded or invested in crypto currency or virtual currency during the financial year
- The company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- All the title deeds of immovable properties are held in the name of company as at the balance sheet date.
- The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall lend or invest in party identified by or on behalf of company (Ultimate beneficiaries)
- The company has not received any fund from any party(s) (funding party) with the understanding that the company shall whether directly or indirectly lend or invest in other person or entities identified by or on behalf of company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- Ministry of Corporate Affairs (MCA) vide its notification number G.S.R. 206(E) dated March 24, 2021 (amended from time to time) in reference to the proviso to Rule 3(1) of the Companies(Accounts) Amendment Rules, 2021, introduced the requirement of only using such accounting software w.e.f April 01, 2023 which has a feature of recording audit trail of each and every transaction.

The Company used accounting software for maintenance of its books of account for the year ended March 31, 2026, which has a feature of recording audit trail facility and the audit trail has operated throughout the year for all relevant transactions are recorded in the software.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2026, has been preserved by the company as per the statutory requirement for record retention.

Note 36: Additional information pursuant to provisions of Part II of Schedule III of Companies Act 2013:

(a) Capacity

Installed Capacity(as certified by the management)	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
Sugarcane Crushing M.T. per day	9,000	9,000

**(b) Production Purchase, Turnover & Stock**

Classes of Goods	Opening stock – Quantity	Production Quantity	Sales		Closing stock	
	(Qtls.)	(Qtls.)	Quantity (Qtls.)	Value (In Lakhs)	Quantity (Qtls.)	Value (In Lakhs)
Sugar	5,64,820	11,88,860	12,30,111	47,118.12	5,23,569	20,155.15
	(5,57,020)	(14,54,590)	(14,46,790)	(53,838.52)	(5,64,820)	(21,820.13)
Molasses	3,06,470	5,00,924.30	4,46,306.10	3978.70	3,60,790.50*	2,879.08
(By-product)	(3,33,064.85)	(6,00,938.15)	(6,26,455.35)	(5,000.00)	(3,06,470.00)#	(2,950.73)
		Purchases				
Sugar Trading	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)

* Difference of 297.70 Qtls of Molasses during F.Y. 2025-26 vaporized and treated as normal loss.

#Difference of 1,077.65 Qtls of Molasses during F.Y. 2024-25 vaporized and treated as normal loss.

(C) Consumption of Raw Material

Particulars	Year ended 31st March, 2026		Year ended 31st March, 2025	
	Quantity (Quintals)	Value (Rs. In lakhs)	Quantity (Quintals)	Value (Rs. In lakhs)
Sugar Cane	1,07,20,322	42,279.41	1,34,57,343	49,259.39

(d) Expenditure in foreign currency (On accrual basis)**(Rs. In lakhs)**

Particulars	Current year	Previous Year
Business Promotion	38.37	-

(e) Value if imported/Indigenous Raw Materials, Stores and Spares Consumed**(Rs. In lakhs)**

Particulars	Indigenous Value	%age	Imported Value	%age
Raw Materials	42,279.41	100%	-	Nil
Previous Year	(49,259.39)	100%	-	Nil
Stores & Spares*	3156.19	100%	-	Nil
Previous Year	(3460.81)	100%	-	Nil

*Excluding spares used for capitalization.

* () Show Previous year figures.

Note: 37. The financial statements were approved for issue by the Board of Directors, at its meeting held on 29 May, 2025

- In the opinion of the Board of Directors, Trade Receivables, other current financial assets, and other current assets have value on realization in the ordinary course of the Company's business, which is at least equal to the amount at which they are stated in the balance sheet.
- The financial statements were approved for issue by the Board of Directors, at its meeting held on 29 May, 2026.

Note 1 to 37 Containing Accounting Policies and General Notes from part of the financial statements.–

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N**Sd/-****Mukesh Goyal**

Partner

Membership No. 081810**UDIN: 26081810ACFENA5863****Sd/-****Umesh Kumar Modi**

(Chairman & President)

DIN: 00002757

Sd/-**Vipin Kumar**

(Whole Time Director)

DIN:10734170

Sd/-**Ajay Kumar Aggarwal**

(Director)

DIN:00632288

Sd/-**A.K. Goel**

(Chief Financial Officer)

Sd/-**Madhur Agarwal**

(Company Secretary)

Place: New Delhi/London**Date: 29th May, 2026**



INDEPENDENT AUDITOR'S REPORT

To the members of SBEC Sugar Limited Report on the Consolidated Ind AS Financial Statements Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of SBEC Sugar Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2026, the Consolidated Statements of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the **Basis for Qualified Opinion** section of our report, and based on the reports of other auditors as referred in the Other Matters paragraph, the aforesaid Consolidated Financial Statement give the information required by the Companies Act, 2013 ("the Act") in the manner, so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its Subsidiaries as at 31st March, 2026, and the consolidated profit, Consolidated Total Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows for the year ended on that date.

Basis for Qualified Opinion

- 1) During the year ended 31st March, 2026, the holding company has not made provision for interest on late payment of cane dues amounting Rs.2642.76 lacs for the sugar season 2024-25 and Rs.901.02 lacs for the sugar season 2025-26, had the company made provisions of interest, the profit for the year would have been lower by Rs.3,543.78 lacs and its consequential impact on EPS. (Refer Note No.28)

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matters

- a) We draw attention to note no. 36(ii) of the consolidated financial Statement regarding interest payment on cane dues where the High Court vide its order dated 9th March, 2017 has set aside the decision of State Government for the waiver of Interest for the year 2012-13, 2013-14 and 2014-15 and asked the Cane Commissioner to take a final call in the matter, pending final order the Company has not made provision for interest, on the late payment of cane dues for these years. The Hon'ble Supreme Court vide its order dated 23.04.2018 has upheld the Hon'ble High Court order dated 9th March, 2017. The matter is still sub-judice.
Under the power vested with the Cane Commissioner (U.P.) for waiver of interest under UP Sugar Cane (Regulation of Supply & Purchase) Act, 1953 in respect of loss making/sick companies, the company had made an application to Cane Commissioner (U.P.) for waiver of interest on cane dues. Pending receipt of the Cane Commissioner's decision, no interest has been provided on the cane dues. The company has decided to account for the same upon decision in the matter/payment.
- b) We draw attention to note no. 36(i) of the consolidated financial Statement; the company has settled Debt Assignment Recoverable of Rs 14,685.98 lacs with Modi Industries Limited for Rs 14,177.39 lacs as on 31st Dec 2025, resulting into a settlement loss of Rs 508.59 lacs which is included in the "Other Expenses" for the year. Further, the company has received Rs 5,950.00 lacs till March '26 and subsequently Rs 8,227.39 lacs aggregating to Rs 14,177.39 lacs along with interest of Rs 233.54 lacs till the date of actual payment.
- c) We draw attention to the note no. 40 to the consolidated financial statements and Emphasis of Matter paragraphs (EOM) included in the Independent Auditors Audit Report on the Consolidated Financial Statements of SBEC Stockholding and Investment Limited (Subsidiary), issued by other auditor. As mentioned in note the management reassessed the conditions prevalent relating to long term restriction and other financial information/details available as at year end relating to Joint venture company, and after detailed evaluation of the changed circumstances concluded that the company should henceforth account the Increase in value of "Investment in Joint Venture" using the equity method which until previous years were carried without giving the impact as per equity method.
Considering that joint control existed during the relevant reporting years the Company accordingly has retrospectively applied the equity method to the "Investment in Joint Venture". Accordingly as per the requirement of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' the company has restated the balance of investment in joint venture & carried out the related adjustments to opening retained earnings as at 1st April, 2024, Share of Profit of Joint Venture and Share of Other Comprehensive Income for the year ended 31st March, 2025 amounting to Rs. 13,286.91 Lacs, Rs.6,670.50 Lacs and Rs.45.93 Lacs respectively with consequential impact on EPS.

Our opinion on the Consolidated Financial Statements is not modified in respect of matters (a) to (c) above.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. We have determined that except for the matter described in the "Basis for Qualified Opinion" section, there are no other key audit matters to communicate in our report.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' Information Report, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of this auditors' report.



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

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the company's annual report and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

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

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Total Comprehensive Income, Consolidated Changes in Equity and Consolidated Cash Flows of the Company including its subsidiaries in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The Board of Directors of the Company and of its Subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Board of Directors of the Company.

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

The respective Board of Directors of the Company and of its Subsidiaries are also responsible for overseeing the financial reporting process of the Company and its Subsidiaries.

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

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

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

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

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the financial statements/financial information of two subsidiaries included in the consolidated Financial Statement whose financial statements / financial information reflect total assets of Rs. 40,776.11 lacs (PY Rs. 31,926.67lacs) as at 31st March, 2026, total income of Rs. 1,514.91Lacs (PY Rs. 1,152.72Lacs), total net profit after tax of Rs. 8,146.41Lacs(PY Rs. 5,988.34Lacs), total comprehensive income of Rs. 8,632.00 Lacs (PY Rs. 6,034.70Lacs) for the year ended on that date, as considered in the consolidated financial results.

As per the Independent Auditors Audit Report on the Consolidated Financial Statements of SBEC Stockholding and Investment Limited(Subsidiary), in respect of its share in Joint Venture for the year ended 31st March 2026 is as per the financial statements / financial information, as certified by the Management of the Joint Venture entity as the audit is not yet completed and restatement/retrospective adjustments of Previous Year/Opening Reserve is as per audited financial statement of the Joint Venture entity for the year ended 31st March,2025, being the latest audited financial statement.

The reports on the audited standalone / consolidated financial statements and other financial information have been furnished to us by the Management of the Holding Company and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in the paragraph above.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements provided by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the subsidiaries included in the Consolidated Financial Statements.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - (a) We/ the other auditors whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - (b) Except for the possible effect so the matter described in the basis of qualified opinion paragraph, in our opinion, proper books of accounts as required by law relating to preparation of aforesaid Consolidated Financial Statement have been kept so far as it appears from our examination of those books and reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Financial Statements.
 - (d) Except for the possible effect so the matter described in the basis of qualified opinion paragraph, in our opinion, the aforesaid Consolidated Financial Statement comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors of the Company and the reports of the Statutory Auditors of its Subsidiaries Companies incorporated in India, none of the Directors of the Company and its Subsidiaries Companies incorporated in India is disqualified as on 31st March, 2026 from being appointed as a Director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; which is based on the auditor's reports of the Company and its Subsidiary Companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those Companies, for reasons stated therein.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us and reports of the other auditors, the remuneration paid by the Company and its Subsidiary Companies to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and reports of the other auditors:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its subsidiary – Refer Note 29 to the consolidated financial statements;



- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31st March, 2026.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended 31st March, 2026.
 - iv) (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief as disclosed in note no. 37(vii) to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief as disclosed in note 37(viii) to the consolidated Ind AS financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Holding Company and its subsidiaries companies have not declared or paid any dividend during the year and has not proposed any dividend for the year.
 - vi) Based on our examination, which included test checks and reports of the other auditors, the Holding Company, and its subsidiaries have used accounting software's for maintaining their books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year in the respective software.

Further, during the course of audit, we and other auditors did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of relevant previous year has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention, to the extent it was enabled and recorded in the previous year.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-
Mukesh Goyal
Partner

Membership No.081810
UDIN: 26081810YOKMIH3356

Place: New Delhi
Date: 29th May, 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements to the members of SBEC Sugar Limited dated 31st March, 2026.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

Opinion

In conjunction with our audit of the consolidated financial statements of SBEC Sugar Limited as of 31st March, 2026. We have audited the internal financial controls over financial reporting of SBEC Sugar Limited (hereinafter referred to as the "Holding Company") and two subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") incorporated in India, as of the date.

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Holding company, and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").



Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Other matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of above matters.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-
Mukesh Goyal
Partner

Membership No.081810
UDIN: 26081810YOKMIH3356

Place: New Delhi
Date: 29th May, 2026

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026**

(Amount in Lakhs)

Particulars	Note No.	As at 31.03.2026	As at 31.03.2025
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	20,543.64	22,257.82
(b) Capital work - in - progress	3(a)	75.71	57.61
(c) Other intangible assets	3(b)	0.68	0.72
(d) Financial assets			
- Investments	4	32,621.92	23,806.68
- Others	5	8,405.66	14,685.98
(e) Other non - current assets	6	159.71	158.85
(f) Deferred tax assets (net)	7	93.81	167.88
		61,901.13	61,135.54
2 Current assets			
(a) Inventories	8	25,167.02	26,923.13
(b) Financial assets			
(i) Trade receivables	9	2,451.63	2,839.44
(ii) Cash and cash equivalents	10	235.68	86.35
(iii) Other Bank Balances	11	214.38	30.63
(iv) Loans & other financial assets	12	79.76	127.73
(c) Other current assets	6	324.28	244.52
		28,472.75	30,251.80
(d) Non Current assets held for sale		38.87	38.87
		28,511.62	30,290.67
Total assets		90,412.75	91,426.21
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	4,769.40	4,769.40
(b) Other equity	14	11,971.90	9,558.67
		16,741.30	14,328.07
Non Controlling Interest		-	-
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	4,711.65	5,525.94
(ii) Trade payables	19	-	-
- Total Outstanding dues of micro enterprises and small enterprises		-	-
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other financial liabilities	17	-	-
(b) Deferred Revenue/Income		-	-
(c) Provisions	16	892.49	864.37
(d) Other financial liabilities	17	1,980.46	0.45
(e) Other non-current liabilities	18	2,009.40	2,513.65
		9,594.00	8,904.41
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	22,628.91	14,679.62
(ii) Trade payables	19	-	-
- Total Outstanding dues of micro enterprises and small enterprises		167.50	162.78
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		39,212.38	48,583.24
(iii) Other financial liabilities	17	1,515.46	4,314.56
(b) Other current liabilities	18	465.25	371.03
(c) Provisions	16	87.95	82.51
		64,077.44	68,193.73
Total Equity & Liabilities		90,412.75	91,426.21

The accompany note no. (3 to 28) are integral part of the financial statement.

Summary of Material Accounting Policies

As per our report of even date, attached

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810YOKMIH3356

Sd/-

Umesh Kumar Modi

(Chairman & President)

DIN: 00002757

Sd/-

Vipin Kumar

(Whole Time Director)

DIN:10734170

Sd/-

Ajay Kumar Aggarwal

(Director)

DIN:00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026

Thirty Second Annual Report



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(Amount in Lakhs)

Particulars	Note No.	Year Ended 31.03.2026	Year Ended 31.03.2025
I Revenue from operations	20	54,845.41	63,048.48
II Other income	21	408.30	52.31
III Total income (I + II)		55,253.71	63,100.79
IV Expenses			
Cost of materials consumed	22	43,919.00	51,378.62
Changes in inventories of finished goods, stock - in - trade and work - in - progress	23	1,856.00	(1,437.82)
Employee benefits expenses	24	2,245.69	2,245.86
Finance costs	25	4,469.59	3,874.85
Depreciation and amortization expenses	26	1,853.57	1,936.84
Other expenses	27	7,304.49	6,873.39
Total expenses		61,648.34	64,871.74
V Profit / (loss) before exceptional items and tax (I - IV)		(6,394.63)	(1,770.95)
VI Exceptional items		-	-
Share of Profit / (Loss) of Joint Venture		8,334.25	6,670.50
VII Profit / (loss) before tax (V - VI)		1,939.62	4,899.54
VIII Tax expense			
(1) Current tax		0.00	0.00
(2) Deferred tax	7	74.08	89.82
(3) Adjustment of Tax for Earlier Years		0.00	0.00
		74.08	89.82
IX Profit / (loss) from Continuing operations (VII - VIII)		1,865.54	4,809.72
X Profit / (loss) from discontinued operations (VII - VIII)		0.00	0.00
XI Tax expense of discontinued operations		0.00	0.00
XII Profit / (loss) from discontinued operations (after tax) (X - XI)		0.00	0.00
XIII Profit / (loss) for the period (IX + XII)		1,865.54	4,809.72
XIV Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		66.70	(34.70)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		480.99	46.25
(iii) Share of Profit / (Loss) of Joint Venture that will not be reclassified to profit or loss		0.00	(0.31)
		547.69	11.23
XV Total comprehensive income for the period (XIII + XIV)		2,413.23	4,820.95
Shareholders of the company		2,413.23	4,820.95
Non Controlling Interest		0.00	0.00
Of the total comprehensive income above, profit for the year attributable to:			
Shareholders of the company		1,865.54	4,809.72
Non Controlling Interest		0.00	0.00
Of the total comprehensive income above, other comprehensive income attributable to:			
Shareholders of the company		547.69	11.23
Non Controlling Interest		0.00	0.00
XVI Earnings per equity share (for continuing operations)			
(1) Basic	28	3.91	10.09
(2) Diluted	28	3.91	10.09

The accompany note no. (3 to 28) are integral part of the financial statement.

Summary of Material Accounting Policies

As per our report of even date, attached

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810YOKMIH3356

Sd/-

Umesh Kumar Modi

(Chairman & President)

DIN: 00002757

Sd/-

Vipin Kumar

(Whole Time Director)

DIN:10734170

Sd/-

Ajay Kumar Aggarwal

(Director)

DIN:00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026



CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026

(Amount in Lakhs)

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
A. Cash flow from operating activities:		
Profit for the year before tax	1,939.62	4,899.54
Adjustments for:		
Finance costs	4,469.59	3,874.85
Interest income	(335.96)	(11.77)
Depreciation and amortisation expense	1,853.57	1,936.84
Loss/(Profit) on sale of Fixed Assets	(37.39)	0.02
Provision for Bad & doubtful debts/Advances	2.27	(11.60)
Provision written back/Written off	(33.78)	(27.57)
Dividend Income	(0.75)	(1.35)
Operating Profit/(Loss) before working capital changes	7,857.16	3,988.48
<u>Movements in working capital:</u>		
Trade receivables	387.81	(719.22)
Other assets	6,015.95	154.88
Inventories	1,756.12	(1,406.85)
Loans	47.96	49.18
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(9,366.14)	(100.51)
Other current liabilities	(410.02)	2,268.94
Other financial liabilities	(819.10)	2,645.61
Provisions/other items	(8,202.48)	127.21
Cash generated from operations	(2,732.73)	7,007.72
Income tax paid	-	-
Net cash generated by operating activities (A)	(2,732.73)	7,007.72
B. Cash flows from investing activities		
Share Purchased - NCI	-	-
Purchases of fixed assets(including WIP)	(162.26)	(218.21)
Interest received	335.96	11.77
Dividend received	0.75	1.35
Proceeds from Sales of Fixed Assets	42.20	-
Non Current assets held for sale	-	0.94
Net cash generated by/(used in) investing activities (B)	216.65	(204.16)
C. Cash flow from financing activities		
Proceed /Repayment of term loan	7,135.00	(2,983.42)
Interest paid	(4,469.59)	(3,874.85)
Net cash generated by/(used in) financing activities (C)	2,665.41	(6,858.27)
Net Increase/decrease in Cash and cash equivalents (A+B+C)	149.33	(54.71)
Cash and cash equivalents at the beginning of the year	86.35	141.06
Cash and cash equivalents at the end of year end	235.68	86.35
*Cash and cash equivalents as at the Balance Sheet date consists of :	2025-26	2024-25
Bank balance	221.28	78.73
Cash Balance	14.40	7.62
Total	235.69	86.35

In terms of our report of even date, attached

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810YOKMIH3356

Sd/-

Umesh Kumar Modi

(Chairman & President)

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Sd/-

Vipin Kumar

(Whole Time Director)

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Sd/-

Ajay Kumar Aggarwal

(Director)

DIN:00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Balance as at 1st April, 2024	Changes in equity share capital during F.Y. 2024-25	Balance as at 31st March, 2025	Changes in equity share capital during F.Y. 2025-26	Balance as at 31st March, 2026
4769.40	-	4769.40	-	4769.40

B. OTHER EQUITY

(Amount in Lakhs)

Particulars	Reserves & Surplus			Other comprehensive Income - Remeasurement of post-employment benefits obligation	Deficit on purchase of NCI	Total
	Capital reserve	Other reserve (Molasses storage fund)	Retained earnings			
Balance as at April 1, 2024	49.17	2.55	(8,148.02)	(114.31)	(338.58)	(8,549.19)
Effect of Restatement (Refer Note-40)			13,286.91			13,286.91
Restated Balance as at April 1, 2024	49.17	2.55	5,138.89	(114.31)	(338.58)	4,737.72
Profit for the year	-	-	4,809.72	-		4,809.72
Other comprehensive income	-	-	-	11.23		11.23
Transfer to other reserve	-	3.13	(3.13)	-		-
Deficit on purchase of NCI			(338.58)		338.58	-
Balance as at 31st March, 2025	49.17	5.68	9,606.90	(103.08)	-	9,558.67
Balance as at April 1, 2025	49.17	5.68	9,606.90	(103.08)	-	9,558.67
Profit for the year	-	-	1,865.54	-	-	1,865.54
Other comprehensive income	-	-	-	547.69	-	547.69
Transfer to other reserve	-	2.23	(2.23)	-	-	-
Deficit on purchase of NCI	-	-	-	-	-	-
Prior period Adjustment of Share of Profit / (Loss) of Joint Venture	-	-	-	-	-	-
Balance as at 31st March, 2026	49.17	7.91	11,470.21	444.61	-	11,971.90

This is the Changes in Equity referred to in our report of even date

For Doogar & Associates

Chartered Accountants

Firm Registration No 000561N

Sd/-

Mukesh Goyal

Partner

Membership No. 081810

UDIN: 26081810YOKMIH3356

Sd/-

Umesh Kumar Modi

(Chairman & President)

DIN: 00002757

Sd/-

Vipin Kumar

(Whole Time Director)

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Ajay Kumar Aggarwal

(Director)

DIN:00632288

Sd/-

A.K. Goel

(Chief Financial Officer)

Sd/-

Madhur Agarwal

(Company Secretary)

Place: New Delhi/London

Date: 29th May, 2026



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Note: 1 CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of SBEC Sugar Limited and its wholly owned Subsidiaries company "SBEC Bioenergy Limited" and "SBEC Stock Holding & Investment Limited" for the year ended March 31, 2026.

SBEC Sugar Limited ("the Company") having CIN No. L15421UP1991PLC019160 is a Public Limited Company incorporated in India under the provisions of the Companies Act and its shares are listed on BSE Ltd (Stock Exchange).

The registered office of the Company is situated at Village-Loyan, Malakpur, Baraut, District- Baghpat, 250611 (UP).

The Company is engaged mainly in the manufacturing and selling of sugar and its related by products.

Note: 2 SUMMARIES OF CONSOLIDATED MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation of financial information

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The preparation of financial statements requires the use of certain significant accounting estimates and judgments. It also requires the management to exercise judgment in applying the Company's accounting policies.

The Financial statement are prepared and rounded off to nearest lakhs rupees,

2.2 Historical Cost Convention

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Summary of Material Accounting Policies

A) Principles of Consolidation

- (i) The financial statements of the holding company and subsidiary companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances, intra-group transactions and the unrealized profits.

The financial statements of the holding company and the subsidiary companies have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances except where otherwise stated.

- (ii) The Subsidiary Companies considered in the consolidated financial statement:

Name of the Company	Country of Incorporation	% of Voting Power as on 31.03.2026
SBEC Bio-Energy Limited	India	100
SBEC Stockholding & Investment Limited	India	100

- (iii) During the F.Y. 2023-24, SBEC Sugar Limited has acquired 45% equity shares of SBEC Bioenergy Limited therefore SBEC Bioenergy Limited has become a wholly owned subsidiary of the Company.

B) Current and non-current classification:

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

An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within twelve months after the reporting period,
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- Carrying current portion of non-current financial assets. All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period,
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- it includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

C) Recognition of Revenues & Expenses

- a) Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could



affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

- b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest on tax refund is accounted for on receipt basis.
- c) Other miscellaneous revenues are recognized when the amount and the collectability are certain. Accordingly insurance claims are accounted for on settlement.
- d) Dividends income is recognized when the shareholders right to receive payment was established by the balance sheet date.

D) Inventory Valuation

- (i) Finished Goods (Sugar): Sugar – at cost.
- (ii) Goods in Process - at cost.
- (iii) Raw material - at cost.
- (iv) Stores and spares - at cost (computed on Weighted Average basis)
- (v) Molasses (By-product) is valued at net realizable value.
- (vi) Provision for obsolescence and other anticipated losses are made on the stocks, whenever identified / considered necessary.
- (vii) Closing Stock of Power Banked is valued at lower of cost and market value. (Cost includes raw material, stores and spares consumed and factory overheads.)

E) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the statement of profit and loss when incurred. An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on DE recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

F) Intangible assets

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

G) Depreciation

Depreciation on Tangible fixed assets other than land is charged on straight line method so as to write off the cost/carrying amount of assets. The useful life of assets as prescribed under Part C of Schedule II of the Companies Act 2013 and depreciation is charged on that are on the following basis:-

- (i) Depreciation on All Assets is charged at Straight Line Method basis in the manner as prescribed in Companies Act 2013 and rate as per prescribed useful life
- (ii) Intangible assets are amortized over a period of 5 year on a straight line basis.

The management has estimated the useful life is different as below:

Assets	Useful Life (Years)
Plant & Machinery	25-32
Building	30-60

H) Impairment of Non Financial Assets

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factor. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

I) Investments in associates and joint ventures

Investments in associates and joint ventures are accounted for using the equity method and are initially recognised at cost from the date significant influence or joint control commences until the date that significant influence or joint control ceases, or such investment is classified as held for sale.

Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associates or joint ventures and impairment charges, if any. When the Group's share of losses exceeds the carrying value of the associates or joint ventures, the group



discontinues to recognize further losses. Additional losses are recognized only to the extent that the Group has legal or constructive obligations or made payments on behalf of the associates or joint ventures. Distributions received from an associate or a joint venture reduce the carrying amount of investment.

J) Foreign Currency Transactions

- (i) Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss.
- (ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

K) Investments

- Long term Investments are stated at cost of acquisition. Provision for diminution in the value is made only if the decline is other than temporary.
- Unquoted investments are stated at cost.
- Current investments are valued at carrying value without any adjustment for increase/diminution, if any is accounted at the time of sale of such investments.

L) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of that asset.

Routine seasonal borrowing costs (such as working capital loans for sugarcane procurement/repayment of cane dues) and all other general finance costs are recognized as an expense in the Statement of Profit and Loss in the period they occur.

M) Employee Benefits

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

(i) Provident Fund and ESI

The Company makes contribution to statutory Provident Fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustment for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Gains and losses through re-measurements of the net defined benefit liability/asset are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in Other Comprehensive Income. The effect of any plan amendments is recognized in net profits in the Statement of Profit and Loss.

(iii) Compensated Absence

Liability in respect of compensated absence becoming due or expected after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

(iv) Other Short Term Benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(v) Leave Encashment

The Liability on account of un-availed earned leave at the year end is fully provided for on actuarial valuation basis.

N) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time



in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

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

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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

O) Financial instruments:

i) Financial assets

A. Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognized when the group becomes a party to the contractual provisions of the instrument. Financial instruments are recognized initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognized in statement of profit and loss).

B. Subsequent measurement

- a) Financial assets carried at amortized cost (AC) A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

C. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

D. Financial assets at fair value through statement of profit and loss (FVTPL)

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis. For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost.

E. Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Lease receivables



4. Trade receivables or any contractual right to receive cash or another financial asset
5. Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on: Trade receivables or contract revenue receivables; and all lease receivables. The application of simplified approach does not require the Company to track changes in credit risk rather; it recognizes impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ii) Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognized in statement of profit and loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

- a) **Loans and borrowings after initial recognition,** interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are derecognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

- b) **Compound financial instruments**

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortized cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognized in equity, net of income tax effects, and is not subsequently re-measured.

- iii) **De-recognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

- iv) **Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value and such value may vary from actual realization on future date.

- v) **Derivative financial instruments**

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is recognized in other Comprehensive Income and later to statement of profit or loss when the hedge item effects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

P) Accounting for Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Income Tax – Current & Deferred The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of their reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**Q) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

R) Miscellaneous Expenditure

Preliminary expenses and deferred revenue expenses are being amortized over a period of ten years from the date of commencement of commercial operations.

S) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

T) Cash and Cash Equivalent

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at Bank, cash in hand and demand deposits with bank with an original maturity of three months or less than the date of acquisition.

U) Cash Flow Statement

Cash flow are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

V) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Depreciation and useful lives of property, plant and equipment:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

iv) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

v) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Fair value measurement of financial instruments: The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

W) Expenditure during Construction

In respect of new projects, all expenses including interest incurred up to the date of commencement of commercial production are capitalized till the assets is ready for its intended use or sale.

In respect of substantial expansion of business, at existing locations, only direct costs are capitalized together with interest on the funds relatable to them up to the date of commercial production.

**NOTE:3 PROPERTY, PLANT AND EQUIPMENT****(Amount in Lakhs)**

Gross Block										
	Land		Buildings	Lease Hold	Plant &	Office	Computer	Factory	Furniture	Vehicles
	Freehold	Leasehold		Improvements	Machinery	Equipment	Equipment	Approach Road	& Fixtures	
As at 31st March, 2025	2,701.90	4,322.75	4,433.97	0.85	39,125.30	75.73	127.27	410.77	54.58	235.76
Additions	-	-	-	-	118.03	3.44	7.55	-	14.98	-
Disposals	-	-	-	-	-	-	-	-	-	4.80
As at 31st March, 2026	2,701.90	4,322.75	4,433.97	0.85	39,243.33	79.17	134.82	410.77	69.57	230.96

Depreciation										
	Land		Buildings	Lease Hold	Plant &	Office	Computer	Factory	Furniture	Vehicles
	Freehold	Leasehold		Improvements	Machinery	Equipment	Equipment	Approach Road	& Fixtures	
As at 31st March 2025	-	2,466.56	2,096.73	0.85	23,926.36	57.88	105.59	321.50	51.12	204.48
Charged for the year	-	272.73	189.50	-	1,355.59	6.07	9.99	6.23	1.43	11.84
Disposals	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2026	-	2,739.28	2,286.23	0.85	25,281.95	63.94	115.58	327.73	52.55	216.32

Net Block										
As at 31st March 2025	2,701.90	1,856.19	2,337.25	-	15,198.94	17.85	21.67	89.28	3.46	31.28
As at 31st March, 2026	2,701.90	1,583.46	2,147.75	-	13,961.38	15.22	19.23	83.04	17.01	14.64

NOTE:3(a) CAPITAL WORK -IN-PROGRESS**(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Plant and machinery under erection	57.61	590.81
Additions	18.10	37.10
Deletions	-	570.30
As at 31st March 2026	75.71	57.61

CWIP AGEING SCHEDULE**(Amount in Lakhs)**

CWIP	Amount of CWIP for a period of 2025-26				Total
	Less than 1 Year	1-2 Year	2-3 Year	More Than 3 Years	
Cane Unloader WIP	-	2.10	-	-	2.10
Cement Godown WIP	2.18	-	-	-	2.18
New Toilet Cane Yard	2.91	-	-	-	2.91
Tubewell	19.21	-	-	-	19.21
Ethanol Project	-	-	37.06	-	37.06
Air Dryer System	12.25	-	-	-	12.25
Total	36.55	2.10	37.06	-	75.71

**NOTE:3(b) INTANGIBLE ASSETS**

(Amount in Lakhs)

Particulars	As At 31.03.2026	As At 31.03.2025
Gross Block		
Opening	25.38	25.38
Additions	0.16	-
Disposals	-	-
Balance at end of year	25.53	25.38
Depreciation		
Opening	24.66	24.40
Charge for the Year	0.19	0.26
Disposals	-	-
Balance at end of year	24.85	24.66
Net Balance	0.68	0.72

NOTE:4 INVESTMENTS

(Amount in Lakhs)

Particulars	Non - current As at 31.03.2026	Current As at 31.03.2026	Non - current As at 31.03.2025	Current As at 31.03.2025
Investment in Joint Venture				
of Joint venture companies (379,25,000 equity shares @Rs.10/- each of fully paid up in Modi Illva India Pvt.Ltd)				
(P.Y. 3,21,25,000 as at 31st March,2020 @ Rs.10/-each)				
Add: Increase in value of Joint Venture				
Opening Balance	3,792.50		3,792.50	
Opening Balance (Refer Note-40)	20,003.34		13,286.91	
Add: addition during the year profit/(Loss)	8,815.24		6,716.43	
Closing Balance	28,818.58		20,003.34	
Net Value of Investment in Joint Venture	32,611.08		23,795.84	
Investment in Others				
Of other entities(100 equity shares @Rs.10/-each of fully paid up in Chandil Power Ltd)				
(P.Y. 100 as at 31st March,2020 @ Rs.10/-each)	0.01		0.01	
40,000 Equity Shares of Rs.25/-each in The SVC Bank Ltd	10.00		10.00	
(P.Y. 40,000 Equity Shares of Rs.25/each)				
Transfer /Stamp Fee	0.83		0.83	
50 Equity shares of Rs. 10 each in saraswat bank	0.01		0.01	
Net Value of Investment in other	10.84		10.84	
Total	32,621.92	-	23,806.68	-
Aggregate amount of unquoted investments	32,621.92	-	23,806.68	-

**NOTE 5: Financial Assets-Other****(Amount in Lakhs)**

Particulars	Non - current As at 31.03.2026	Current As at 31.03.2026	Non - current As at 31.03.2025	Current As at 31.03.2025
Debt Assignment Recoverable*	8,405.66	-	14,685.98	-
Other Receivable	-	-	-	-
	8,405.66	-	14,685.98	-

The total settlement amount has been agreed at Rs.141,77,38,548/-, inclusive of Rs.25,00,00,000/- already deposited by MIL. Accordingly, the balance amount payable as on 1 January 2026 is Rs.116,77,38,548/-, which shall carry further interest at 8% per annum on a reducing balance basis until final payment. MIL is also required to make further payment of Rs.50 crore in accordance with the terms of the OTS Agreement. It is further relevant that MIL settled the dues of other secured creditors, including Government-owned financial institutions, on the same settlement methodology. Accordingly, the settlement accepted by the Company was consistent with the methodology adopted for similarly situated secured creditors and was not based on any preferential or special arrangement. The total amount of Rs. 144,10,92,728 received from MIL against the said OTS and no dues is pending and the said transaction is closed.

NOTE:6 OTHER ASSETS**(Amount in Lakhs)**

Particulars	Non - current As at 31.03.2026	Current As at 31.03.2026	Non - current As at 31.03.2025	Current As at 31.03.2025
- Unsecured, considered good				
Advances recoverable in cash or kind or for value to be received	-	44.91	-	40.48
Advances other than Capital Advances -	-	-	-	-
Security deposits	5.27	-	5.27	0.18
-Prepaid Expenses	-	195.86	-	156.69
Balances with statutory authorities	-	83.51	-	47.17
-Direct tax Recoverable	154.44	-	153.58	-
Total other assets	159.71	324.28	158.85	244.52

NOTE 7: Deferred tax (Assets) / (Liability) (net)**(Amount in Lakhs)**

Particulars	As At 31.03.2026	For the year	As At 31.03.2025
Deferred tax assets on account of :			
Depreciation	(128.95)	-	(130.57)
Disallowance u/s 43B	6.80	-	6.40
Gratuity	23.61	-	22.77
Other disallowance under income tax act	-	-	-
Carry Forward Losses	192.36	-	269.28
Total	93.81	-	167.88

NOTE:8 INVENTORIES**(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Raw Materials	13.70	48.17
Stores & Spares	1,119.34	1,333.05
Work - in - progress	346.16	414.82
Finished goods	20,512.85	21,846.17
Others	3,174.97	3,280.93
Total	25,167.02	26,923.13

**NOTE:9 TRADE RECEIVABLES****(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Unless Otherwise Stated		
-Trade receivables from Related party	256.87	806.09
-Trade receivables from other party	2,219.81	2,060.35
-Less: Provision for expected credit loss	-25.05	-27.00
Total	2,451.63	2,839.44

NOTE : 9(1) TRADE RECEIVABLES**(Amount in Lakhs)**

PARTICULARS	Outstanding for following period from due Date of Payment					As on 31.03.2026
	Less than 6 months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	2,114.91	3.28	-	0.30	15.71	2,134.20
Undisputed Trade Receivables - which has significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered good						-
Disputed Trade Receivables - which has significant increase in credit risk			333.14		9.33	342.47
Disputed Trade Receivables - Credit Impaired						-
Total	2,114.91	3.28	333.14	0.30	25.05	2,476.67

PARTICULARS	Outstanding for following period from due Date of Payment					As on 31.03.2025
	Less than 6 months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	2,505.00	-	1.04	0.26	17.67	2,523.97
Undisputed Trade Receivables - which has significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered good						-
Disputed Trade Receivables - which has significant increase in credit risk			333.14		9.33	342.47
Disputed Trade Receivables - Credit Impaired						-
Total	2,505.00	-	334.18	0.26	27.00	2,866.44

NOTE:10 CASH & CASH EQUIVALENTS**(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Balances with banks		
- in Current Accounts	221.28	78.73
Cash in hand	14.40	7.62
Total	235.68	86.35

**NOTE: 11 OTHER BANK BALANCES****(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Fixed Deposit	214.38	30.63
Total	214.38	30.63

NOTE:12 LOANS AND OTHER FINANCIAL ASSETS**(Amount in Lakhs)**

Particulars	As At 31.03.2026	As At 31.03.2025
Security Deposits		
Advance to vendors	155.51	196.32
Less : Provision for Doubtful Advance	-75.74	-68.59
Total	79.76	127.73

NOTE 13: SHARE CAPITAL**(1) Current reporting Period****(Amount in Lakhs)**

Particular	Balance at the beginning of the current reporting period	Changes in share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the current year	Balance at the end of current reporting period
Authorised Share Capital:					
100,000,000 Equity Shares of Rs.10/- each.	10,000.00	-	-	-	10,000.00
Issued, Subscribed Capital :					
47,814,430 Equity Shares of Rs.10/- each.	4,781.44	-	-	-	4,781.44
Paid Up Capital :					
47,653,880 Equity Shares of Rs.10/- each.	4,765.39	-	-	-	4,765.39
Share Forfeiture Account	4.01	-	-	-	4.01
Total	4,769.40	-	-	-	4,769.40

(2) Previous reporting Period**(Amount in Lakhs)**

Particulars	Balance at the beginning of the current reporting period	Changes in share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the current year	Balance at the end of current reporting period
Authorised Share Capital:					
100,000,000 Equity Shares of Rs.10/- each.	10,000.00	-	-	-	10,000.00
Issued, Subscribed Capital :					
47,814,430 Equity Shares of Rs.10/- each.	4,781.44	-	-	-	4,781.44
Paid Up Capital :					
47,653,880 Equity Shares of Rs.10/- each.	4,765.39	-	-	-	4,765.39
Share Forfeiture Account	4.01	-	-	-	4.01
Total	4,769.40	-	-	-	4,769.40

a) Terms/rights attached to Equity Shares

Company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.


b) Detail of Shareholders holding more than 5% Equity Shares in the company

Name of Shareholder	As at 31.03.2026		As At 31.03.2025	
	No. of shares Held	% age of Holding	No. of shares Held	%age of Holding
Equity Shares				
1. M/s SBEC Systems (India) Ltd.	1,42,30,884	29.86%	1,42,30,884	29.86%
2. M/s Moderate Leasing & Capital Services Ltd	90,65,568	19.02%	90,65,568	19.02%
3. Abhikum Leasing and Investment Pvt. Ltd.	55,31,994	11.81%	55,31,994	11.81%
4. M/s A to Z Holding Pvt. Ltd.	33,82,500	7.05%	33,82,500	7.05%
5. M/s Longwell Investments Pvt. Ltd.	27,21,500	5.71%	27,21,500	5.71%

c) Shares held by the promoters as on 31.03.2026

S.No.	Promoters Name	No. of Shares	% of Total Shares	% changes during the year
1	M/s SBEC Systems (India) Ltd.	1,42,30,884	29.86%	-
2	M/s Moderate Leasing & Capital Services Ltd	90,65,568	19.02%	-
3	M/s Longwell Investments Pvt. Ltd.	27,21,500	5.71%	-
4	M/s A to Z Holding Pvt. Ltd.	33,60,070	7.05%	-
5	Umesh Kumar Modi	15,71,223	3.30%	-
6	Jayesh Modi	55,487	0.12%	-
7	Kumkum Modi	28,300	0.06%	-
Total		3,10,33,032	65.12%	

d) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31.03.2026		As At 31.03.2025	
	No. of shares	(Rs.)	No. of shares	(Rs.)
At the beginning of the year	4,76,53,880	4,765.39	4,76,53,880	4,765.39
Add: Shares Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the year	4,76,53,880	4,765.39	4,76,53,880	4,765.39

e) The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

NOTE 14: OTHER EQUITY
(1) Current Reporting Period
(Amount in Lakhs)

Particular	Reserve and surplus			Other item of other comprehensive Income	Deficit on purchase of NCI	Total
	Capital reserve	Other reserve (Molasses storage fund)	Retained earnings			
Balance at the beginning of the current reporting period	49.17	5.68	9,606.90	(103.08)	-	9,558.67
Changes in accounting policy of prior period items	-	-	-	-		-
Restated balance at the beginning of current reporting period	49.17	5.68	9,606.90	(103.08)		9,558.67
Total comprehensive Income For the Year			1,865.54	547.69		2,413.23
Dividends	-	-	-	-		-
Transfer to retained earnings	49.17	5.68	11,472.45	444.61		11,971.90
Any other changes	-	2.23	(2.23)			-
Balance at the end of current reporting period	49.17	7.91	11,470.21	444.61	-	11,971.90



(2) Previous Reporting Period						(Amount in Lakhs)
Particular	Reserve and surplus			Other item of other comprehensive Income	Deficit on purchase of NCI	Total
	Capital reserve	Other reserve (Molasses storage fund)	Retained earnings			
Balance at the beginning of the current reporting period	49.17	2.55	(8,148.02)	(114.31)	(338.58)	(8,549.20)
Changes in accounting policy of prior period items	-	-	13,286.91	-		13,286.91
Restated balance at the beginning of current reporting period	49.17	2.55	5,138.89	(114.31)		5,076.29
Total comprehensive Income For the Year			4,809.72	11.23		4,820.95
Dividends	-	-	-	-		-
Transfer to retained earnings	49.17	2.55	(338.58)	(149.02)	338.58	(97.30)
Any other changes	-	3.13	(3.13)			-
Balance at the end of current reporting period	49.17	5.68	9,606.90	(103.08)	-	9,558.67

Nature and purpose of reserves

Capital reserve

Used for the purpose of capital expenditure in the company

Storage fund/reserve for molasses

The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. The Company transfers amount from this reserves to general reserve on utilisation of the same towards creation of new molasses storage facility.

Retained earnings

Represents accumulated profits/(losses) of the Company. The debit balance represents accumulated losses of the Company.

Remeasurement of post employment benefit obligation

Remeasurement of post employment benefit obligation represents remeasure gain/(loss) of defined benefit obligation

NOTE:15 BORROWINGS

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Term Loan /Unsecured Loans :				
- Term Loan				
From Banks	4,711.65	2,671.96	3,833.39	
Less : Current maturities of long term debt				1,999.96
Net Balance	4,711.65	2,671.96	3,833.39	1,999.96
From Others	-		-	
	4,711.65	2,671.96	3,833.39	1,999.96
Vehicle Loan	-	-	-	-
Total	4,711.65	2,671.96	3,833.39	1,999.96
- Unsecured				
Deposits from selling agent	-	-	-	-
From Body Corporates			1,692.55	
Inter Corporate Deposits		17,934.02		12,576.41
Others		2,022.93		103.25
Total	4,711.65	22,628.91	5,525.94	14,679.62

**NOTE:15 (1) Loan repayment and security schedule**

S. No.	Name of Bank/ Financial Institution/ Lender	Nature of Loan	Amount outstanding as on 31st March, 2026	Interest Rate (Per Annum)	Repayment Periodicity	Remaining Installments as on 31st March, 2026	Security
Secured							
1	SVC CO-OPERATIVE BANK LTD	Term Loan -40 Crores	2,833.38	15.00%	60 Months including moratorium of 12 months , Moratorium period has already ended	36	1.Exclusive charge by way of Equitable mortgage on land and building and hypothecation on plant and machinery of SBEC Bioenergy Limited . Exclusive charge on cash flow in current account of SBEC Bioenergy Limited Maintained with SVC Bank . Personal Guarantee given by Mr. Umesh Modi and Mr. Abhishek Modi. Corporate Guarantee given by SBEC Bioenergy Limited
2	TATA Capital Limited	Term Loan - 25 Crores	1,000.00	13.20%	30 Equal monthly installment of Rs. 83.33 lacs	12	Extension of charge on machinery - Spray dryer funded by TCL - extension of charge over the below securities which are already charged to TCL, Land and building along with commercial structure located at plot no. 9 , Block B Sector 59 , GTB Noida U.P. Hypothecation of current assets of the company (SBEC sugar Ltd) to the tune of 2X of primary. Negative lien on property mortgage with TCL- residential property situated at malabar hills (mumbai) during tenor of proposed facility for proposed exposure. Corporate Guarantee given by GS Pharmabutor private Limited and Moderate leasing and capital service limited. Personal Guarantee given by Mr. Abhishek Modi and Umesh Modi.
3.	Arka Fincap Limited	Term Loan - 40 Crores	3,550.23	12.75%	60 monthly installment as per shedule	51	Pari-pasu charge over all fixed assets of the borrower with minimum cover of 2x by way of equitable mortgage. First pari pasu charge over the cash flow of the borrower by way of hypothecation. Exclusive charge over the management consultancy contact between GS Pharmabutor & Moderate leasing having a cash flow of 1.1x times the monthly debt obligations of AFL (Principal & Interest). Principal gurantee from Mr Umesh Modi & Mr. Abhishek Modi. DSRA of 2 months interest & principal to be maintained as a fixed deposit lien marked in favour of the lender. Demand promissory note from borrower. UDC for principal amount & 1 Month interest amount.
Unsecured							
1	Modearte Leasing and capital service Ltd.	Inter corporate Deposit	17,089.41	15.00%	NA	NA	N.A.
2	Modearte Leasing and capital service Ltd.	Inter corporate Deposit for 10 Years	844.62	15.00%	Monthly installment for principle plus applicable interest	31	N.A.



3	Priyadarshini Polysacks Limited	Unsecured Short term loan	505.73	15.00%	Monthly installment for principle plus applicable interest	31	N.A.
4	Pristine Industries Ltd	Unsecured Short term loan	1,517.20	15.00%	Monthly installment for principle plus applicable interest	31	N.A.
Total			27,340.56				

In case of SBEC Stockholding & Investment Limited

Name of Bank/ Financial Institution/ Lender	Nature of Loan	Amount outstanding as on 31st March, 2026	Interest Rate (Per Annum)	Repayment Periodicity	Remaining Installments as on 31st March, 2026	Security
Unsecured						
Moderate Leasing Capital services Private Limited	Inter corporate deposit	1,980.01	16.00%	As per agreement		Nil
TOTAL		1,980.01				

NOTE:16 PROVISIONS

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Provision for employee benefits				
- Gratuity	799.90	73.15	791.71	71.41
- Leave Encashment	92.59	14.79	72.66	11.10
Total	892.49	87.95	864.37	82.51

NOTE: 17 OTHER FINANCIAL LIABILITIES

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Security Deposits (Retention Money)	0.45		0.45	
Employees related dues		283.71		266.91
Interest Accrue and Due		630.73		722.54
Interest Accrue but not Due				471.76
Advance from Customer		438.42		154.52
Other Liabilities for Expenses		154.53		198.38
Other Payables	1,980.01	8.08		2,500.45
Total	1,980.46	1,515.46	0.45	4,314.56

NOTE: 18 OTHER LIABILITIES

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Other Liabilities	2,009.40	70.19		60.08
Security Deposits		-	2,513.65	-
Statutory Payables		379.67		295.17
Retention money		15.39		15.78
Total	2,009.40	465.25	2,513.65	371.03

NOTE:19 TRADE PAYABLE

(Amount in Lakhs)

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025	As at 31.03.2025
Due to parties registered under MSMED Act		167.50		162.78
Due to other parties		39,212.38		48,583.24
Due to related parties	-	-	-	-
Total	-	39,379.87	-	48,746.02



Trade Payable Ageing Schedule	OUTSTANDING AS ON 31.03.26				
	Less Than 1 Year	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
Undisputed dues					39,379.87
(i) MSME	167.50				167.50
(ii) Others	39,072.66	105.27	34.45	-	39,212.38
Disputed dues					-
(i) MSME					-
(ii) Others					-
TOTAL					39,379.87

Trade Payable Ageing Schedule	OUTSTANDING AS ON 31.03.26				
	Less Than 1 Year	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL
Undisputed dues					48,746.03
(i) MSME	162.78				162.78
(ii) Others	48,380.01	170.53	11.80	20.91	48,583.25
Disputed dues					-
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
TOTAL					48,746.03

NOTE:20 REVENUE FROM OPERATIONS

(Amount in Lakhs)

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
A. Sale of Goods	54,701.81	62,939.46
B. Other Operating Revenue	143.60	109.02
Total	54,845.41	63,048.48

***Details of sale of Products**

(Amount in Lakhs)

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Sugar	47,118.12	53,838.52
Molasses	3,978.70	5,000.09
Baggase	1,355.51	2,212.38
Power sale	1,329.35	939.84
Others	1,063.73	1,057.65
TOTAL	54,845.41	63,048.48

NOTE:21 OTHER INCOME

(Amount in Lakhs)

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Interest income	335.96	11.77
Provision written back	33.78	27.57
Dividend	0.75	1.35
Provision for Bad & doubtful debts/Advances	(2.27)	11.60
Misc. Income	2.68	0.02
Net Gain on sale of fixed assets	37.39	-
Total	408.30	52.31

**NOTE:22 COST OF MATERIALS CONSUMED****(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Raw materials consumed	43,919.00	51,378.62
Total	43,919.00	51,378.62

*Cost of raw material consumed comprises the purchase cost of sugarcane, including all directly attributable expenditures such as transportation, loading and unloading charges incurred to bring the materials to the factory premises

NOTE:23 CHANGED IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Inventories at the end of the year		
Finished Goods	23,158.86	24,946.20
Work-in-progress	346.16	414.82
Stock in trade	-	-
Sub Total	23,505.01	25,361.02
Inventory at the beginning of the year		
Finished Goods	24,946.20	23,298.78
Work-in-progress	414.82	624.42
Stock in trade	-	-
Sub Total	25,334.97	23,923.20
Total	1,856.00	(1,437.82)

NOTE: 24 EMPLOYEE BENEFIT EXPENSES**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Salary & Wages & Bonus	1998.00	1997.95
Contribution to provident & other funds	175.60	179.11
Workman and staff welfare	67.30	63.70
Gratuity	4.79	5.10
Total	2245.69	2245.86

NOTE:25 FINANCE COSTS**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Interest Expense	4,408.82	3,804.34
EIR Adjustment on Borrowing	-	-
Interest Impact on Gratuity	58.52	53.79
Other Interest	2.23	16.72
BANK CHARGES	0.02	-
Total	4,469.59	3,874.85

NOTE:26 DEPRECIATION AND AMORTIZATION EXPENSES**(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Depreciation of tangible assets	1,853.38	1,936.58
Amortization of intangible assets	0.19	0.26
Total	1,853.57	1,936.84

**NOTE:27 OTHER EXPENSES****(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Consumption of stores & spare parts	1,941.08	2,212.62
Power & fuel	8.13	6.67
Material Handling Expenses	198.89	241.85
Repairs & maintenance		
-Plant & Machinery	2,023.18	1,947.94
-Building	225.68	149.92
-Others	201.28	211.06
Insurance (Net)	54.55	108.07
Rent	4.73	4.80
Rates & Taxes	42.07	44.54
Legal & Professional Charges	603.87	197.26
Telephone, Postage & Telegram	13.41	11.08
Travelling & Conveyance	192.91	187.23
Director's Sitting Fee	0.13	0.69
Auditor's Remuneration		
-As Audit Fee	4.78	4.78
RETAINERSHIP EXPENSES	7.13	-
Freight & Forwarding	27.70	32.87
Commission to selling agents	111.71	132.70
Other selling expenses	2.21	66.07
Misc. Expenses	99.50	267.57
Other expenses*	878.59	311.03
Provision for Bad & doubtful debts/Advances	3.61	-
Security Guard Expenses	89.38	85.15
Power Export Deviation charges	57.17	-
Loss on sale of fixed assets		0.02
LDC CHARGES	1.54	65.22
Bank Charges	0.02	0.03
Fee for GST	0.08	-
Bagasse and Ash Handling Charges	53.63	65.46
Vehicle Expenses	32.43	36.01
-Certification & Company Law	0.32	2.21
-Expenses Reimbursement		0.57
Consultancy fee	424.80	480.00
Total	7,304.49	6,873.39

*AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value, the expenditure on which has been recognized under line item "Short term leases" under Other expenses

**NOTE:28 EARNINGS PER SHARE****(Amount in Lakhs)**

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Net profit/ (loss) as per Statement of Profit & Loss (for calculation of basic EPS	1,865.54	4,809.72
Weighted average number of equity shares in calculating basic EPS	4,76,53,880.00	4,76,53,880.00
Basic earning per share	3.91	10.09
Diluted earning per share	3.91	10.09

NOTE 29: Contingent Liabilities**Claims against the Company not acknowledged as debts are as under:****In the case of the Holding Company:****(Amount in Lakhs)**

S. No.	Particulars	As at 31.03.2026	As at 31.03.2025
i)	Corporate Guarantee given to the Government of Jharkhand against the Soft Loan (excluding Interest) given to the Bihar Sponge Iron Limited.	Nil	Nil
ii)	Duties and Tax liabilities disputed by the Company	218.42	218.42

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favor in respect of all the items listed at (1) to (2) above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

b. Deferred Tax Assets & Liability: Computation of Deferred Tax Assets & (Liability) (net) are given below:

S. No.	Particulars	31/03/2026	31/03/2025
1	Difference in tax base & books of accounts for PPE & Intangible assets	-1268.06	-1460.51
2	Unabsorbed business losses	1269.52	3253.02
3	Unabsorbed depreciation	2443.43	2443.43
4	Disallowance U/S 43B of income tax act	167.89	627.63
	Deferred tax Assets	2612.77	4863.57

In accordance with Ind AS 12 "Accounting for Income Taxes", in view of the carry forward losses under tax laws, deferred tax assets on timing differences, have not been recognized for in the books since it is not virtually certain whether the Company will be able to use such losses.

NOTE 30: Commitments**30.1 Capital Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): Rs. Nil (P.Y. Rs. 5.42 lacs).

30.2 Other Commitments: Rs. Nil (P.Y. Nil)**Note 31: Employee Benefits**

The disclosure of 'Employee Benefits' as defined in IND AS-19 is as under:

Expenses recognized in the statement of Profit & Loss**(i) Defined Contribution Plan****(Amount in Lakhs)**

Particulars	Current Year	Previous Year
Employer's Contribution to Provident Fund	149.48	148.64

**(ii) Defined Benefits Plans****(Amount in Lakhs)**

Particulars	Gratuity Unfunded		Leave Encashment Unfunded	
	C. Yr.	P. Yr.	C. Yr.	P. Yr.
Current service cost	52.85	55.86	4.96	4.05
Interest cost	58.51	53.79	5.20	5.09
Expected Return on Plan Assets				
Net Actuarial (gain)/loss			8.39	0.97
Past service cost	5.45		7.17	
Re-measurements recognized in OCI (Gain)/Loss				
Comprehensive Income on Gratuity	(66.69)	34.71		
Expenses recognized in the statement of Profit & Loss	53.52	55.86	25.73	10.11
Interest Impact on Gratuity (Charged to Profit and loss)	58.51	53.79		

Note: Provision for gratuity of Rs. 1.44 lacs booked for more than 60 years employees which was not valued by actuarials

(a) The assumptions used to determine the benefit obligations:

Particulars	Gratuity		Leave Encashment Unfunded	
	C. Yr.	P. Yr.	C. Yr.	P. Yr.
Discount Rate	7.37%	6.78%	7.37%	7.23%
Expected Rate of increase in Compensation Levels	5.50%	5.50%	5.50%	5.50%
Expected Rate of Return on Plan Assets	NA	NA	NA	NA
Expected Average remaining working lives of employees (years)	11.63 Years	12.11 Years	11.63 Years	10.37 Years

(b) Reconciliation of Opening and Closing balances of benefit obligations:**(Amount in Lakhs)**

Particulars	Gratuity Unfunded		Leave Encashment Unfunded	
	C. Yr.	P. Yr.	C. Yr.	P. Yr.
Benefit obligation at beginning of the year	864.56	745.37	76.71	70.36
Current service cost	52.84	55.86	5.98	4.05
Interest Cost	58.51	53.79	5.20	5.09
Benefits paid	(40.18)	(25.16)	(1.54)	(3.76)
Past service cost Curtailment Gains/Losses	5.45		6.15	
Contribution by plan participants				
Re-measurements Recognized in OCI (gain)/ loss				
Actuarial (gain)/ loss	(66.69)	34.70	8.39	(0.97)
Projected benefit obligation at end of the year				
Net amount recognized in the balance sheet as at the end of the year	874.49	864.56	100.89	76.71

(c) There is no plan asset at the beginning and at the closing of the year.

**NOTE 32: RELATED PARTY DISCLOSURE****(A) Name of Related Parties where control exists and with whom transactions have taken place during the year:**

S.No.	Name of Related Party	Nature of Relationship
A	(i) <u>A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity</u>	
	Umesh Kumar Modi	Promoters having voting control
	Kumkum Modi	Promoters having voting control
	Jayesh Modi	Promoters having voting control
	(ii) <u>A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.</u>	
	Abhishek Modi	Whole Time Director
	Nandini Modi	Vice President – New Projects
	Vipin Kumar	Whole Time Director
	Anil Kumar Goel	Chief Financial Officer
	Ajay Gupta	Chief Financial Officer
	Ankit Bisht	Company Secretary
B	(i) <u>The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)</u>	
	1 SBEC Bioenergy Limited	Subsidiary
	2 SBEC Stockholding & Investment Limited	Wholly Owned Subsidiary
	(ii) <u>The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity</u>	
	SBEC Sugar EPF Trust	Trust
	(iii) <u>The entity is controlled or jointly controlled by a person identified in (a).</u>	
	(iv) <u>A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</u>	
	1 A to Z holdings Pvt. Limited	Directorship and Shareholding along with relatives in the Company.
	2 Bihar Sponge Iron Limited	
	3 Jai Abhishek Investments Pvt. Ltd.	
	4 Longwell Investment Pvt. Ltd.	
	5 Modi Goods and Retail Services Pvt. Ltd.	
	6 Modi Hitech India Limited	
	7 Modi Ilva India Pvt. Ltd.	
	8 Modi Industries Limited	
	9 Modi – Mundipharma Healthcare Pvt. Ltd.	
	10 Modi-Mundipharma Beauty Products Private Limited	
	11 Modi-Mundipharma Pvt. Ltd.	
	12 SBEC Bioenergy Ltd	
	13 SBEC Stockholding & Investment Limited	
	14 SBEC Systems (India) Ltd.	
	15 Umesh Modi Corp Pvt. Ltd	
	16 Win-Medicare Private Limited	
	17 Modi-Senator (India) Pvt. Ltd.	



18	Abhikum Leasing & Investments Pvt. Ltd.
19	ABC Holding Pvt. Ltd
20	Kumabhi Investments Pvt. Ltd
21	Meghkum Leasing & Investment Pvt. Ltd.
22	Trimium Advisors LLP (Formerly Known as Trimium Advisors Private Limited)
23	JayeshTradex Pvt. Ltd.
24	M First Trading Pvt. Ltd.
25	MeghnaAutoworks Pvt. Ltd
26	MG Mobiles India Pvt. Ltd
27	Modi Arts Pvt. Ltd
28	Modi Diagnostics Pvt. Ltd
29	Modi Motors Pvt. Ltd.
30	PHD Chamber of Commerce and Industry
31	MG Mobiles India Trading Pvt. Ltd
32	H.M. Tubes & Containers Pvt. Ltd
33	Moderate Leasing & Capital Services Limited
34	Modiline Travel Services Pvt. Ltd.
35	G S Pharmabutor Pvt. Ltd.
36	Arvind Continental Pvt. Ltd.
37	Mahabir Export & Import Co. Ltd.
38	Modi Casings And Packaging Private Limited
39	Modi-Ecoweld Private Limited
(v)	Reporting entity being an associate of the other entity
	SBEC Sugar Limited is the associate Company of SBEC SYSTEMS (India) Limited

(B) Details of transactions with related parties**(Amount. in Lakhs)**

Transactions		Other Related parties	Key managerial personnel	Total
i. Sitting Fees paid to:				
Kumkum Modi	31-Mar-26	0.01	-	0.01
	31-Mar-25	0.02	-	0.02
Jayesh Modi	31-Mar-26	0.02	-	0.02
	31-Mar-25	0.06	-	0.06
Anirudh Kumar Modi	31-Mar-26	0.02	-	0.02
	31-Mar-25	0.07	-	0.07
Ajay Kumar Agarwal	31-Mar-26	0.13	-	0.13
	31-Mar-25	0.10	-	0.10
Pramod Kumar Gupta	31-Mar-26	0.09	-	0.09
	31-Mar-25	0.10	-	0.10
Abhishek Modi	31-Mar-26	0.03	-	0.03
	31-Mar-25	0.03	-	0.03
Preeti Agarwal	31-Mar-26	0.02	-	0.02
	31-Mar-25	0.01	-	0.01
Mohi Kumari	31-Mar-26	0.04	-	0.04
	31-Mar-25	0.01	-	0.01
Rohit Chawdhary	31-Mar-26	0.02	-	0.02
	31-Mar-25	0.01	-	0.01
Adhish Sharma	31-Mar-26	0.09	-	0.09
	31-Mar-25	0.01	-	0.01



Transactions		Other Related parties	Key managerial personnel	Total
Vijay Kumar Modi	31-Mar-26	0.13	-	0.13
	31-Mar-25	0.11	-	0.11
Jagdish Chandra Chawla	31-Mar-26		-	-
	31-Mar-25	0.05	-	0.05
Narayan Prakash Bansal	31-Mar-26		-	-
	31-Mar-25	0.05	-	0.05
Shiv Shankar Agarwal	31-Mar-26	0.04	-	0.04
	31-Mar-25	0.05	-	0.05
Total F.Y. 2025-26		0.64	-	0.64
Total F.Y. 2024-25		0.69	-	0.69
ii. Remuneration paid to:				
Company Secretary (Sugar)				
Salary and Allowances (Including Perquisites)	31-Mar-26		6.95	6.95
	31-Mar-25		7.11	7.11
Contribution to PF and superannuation	31-Mar-26		0.35	0.35
	31-Mar-25		0.37	0.37
Company Secretary (Bio)				
Salary and Allowances (Including Perquisites)	31-Mar-26		1.28	1.28
	31-Mar-25		0.96	0.96
Contribution to PF and superannuation	31-Mar-26		-	-
	31-Mar-25		-	-
Chief Financial Officers (Sugar)				
-Salary and Allowances (Including Perquisites)	31-Mar-26		41.52	41.52
	31-Mar-25		39.17	39.17
Contribution to PF and superannuation	31-Mar-26		3.23	3.23
	31-Mar-25		3.05	3.05
Chief Financial Officers (Bio)				
-Salary and Allowances (Including Perquisites)	31-Mar-26		7.99	7.99
	31-Mar-25		7.53	7.53
Contribution to PF and superannuation	31-Mar-26		0.51	0.51
	31-Mar-25		0.48	0.48
Whole Time Director cum occupier (Sugar)				
-Salary and Allowances (Including Perquisites)	31-Mar-26		35.30	35.30
	31-Mar-25		33.60	33.60
Contribution to PF and superannuation	31-Mar-26		2.75	2.75
	31-Mar-25		2.59	2.59
Whole Time Director (Bio)				
-Salary and Allowances (Including Perquisites)	31-Mar-26		116.87	116.87
	31-Mar-25		110.25	110.25
Contribution to PF and superannuation	31-Mar-26		8.00	8.00
	31-Mar-25		7.55	7.55
Vice President (Bio)				
-Salary and Allowances (Including Perquisites)	31-Mar-26		52.30	52.30
	31-Mar-25		45.69	45.69
Contribution to PF and superannuation	31-Mar-26		5.44	5.44
	31-Mar-25		4.75	4.75
Total F.Y. 2025-26		-	282.49	282.49
Total F.Y. 2024-25		-	267.13	267.13



Transactions		Other Related parties	Key managerial personnel	Total	
iii	Purchase of materials/Paid for Exp.				
	Modiline Travels Service Pvt. Ltd.	31-Mar-26	15.86	-	15.86
		31-Mar-25	39.51	-	39.51
	Modihitech India Ltd.	31-Mar-26	10.80	-	10.80
		31-Mar-25	13.85	-	13.85
	Modi Industries Ltd (Modi Sugar Mills)	31-Mar-26	-	-	-
		31-Mar-25	2.03	-	2.03
	Jayesh Tradex Pvt. Ltd.	31-Mar-26	22.23	-	22.23
		31-Mar-25	23.15	-	23.15
	Umesh Modi Corp. P Ltd	31-Mar-26	3.25	-	3.25
		31-Mar-25	3.25	-	3.25
	HM Tube & Containers P Ltd	31-Mar-26	0.13	-	0.13
		31-Mar-25	0.09	-	0.09
	Win Medicare Pvt. Ltd.	31-Mar-26	0.19	-	0.19
		31-Mar-25	-	-	-
	Moderate leasing & capital service ltd. (C.A Supp)	31-Mar-26	0.07	-	0.07
		31-Mar-25	-	-	-
	SBEC System (I) Ltd.	31-Mar-26	313.48	-	313.48
		31-Mar-25	348.16	-	348.16
	Moderate consultancy services (A unit of Moderate leasing and capital services Limited)	31-Mar-26	424.80	-	424.80
		31-Mar-25	424.80	-	424.80
	Moderate Leasing and capital Services Limited	31-Mar-26	141.60	-	141.60
		31-Mar-25	141.60	-	141.60
Total F.Y. 2025-26		932.41	-	932.41	
Total F.Y. 2024-25		996.44	-	996.44	
IV	Sales of Materials				
	GS Pharmbutor Pvt. Ltd.	31-Mar-26	10,310.94		10,310.94
		31-Mar-25	12,954.96		12,954.96
	Modi Industries Ltd (Modi Sugar Mills)	31-Mar-26	30.04		30.04
		31-Mar-25	9.11		9.11
Total F.Y. 2025-26		10,340.98	-	10,340.98	
Total F.Y. 2024-25		12,964.07	-	12,964.07	
V	Interest paid				
	GS Pharmbutor Pvt. Ltd.	31-Mar-26	300.00		300.00
		31-Mar-25	412.67		412.67
	Moderate leasing & capital service ltd.	31-Mar-26	2,345.87		2,345.87
		31-Mar-25	1,942.24		1,942.24
Total F.Y. 2025-26		2,645.87	-	2,645.87	
Total F.Y. 2024-25		2,354.91	-	2,354.91	
Vi	Amount Paid against Loan/Paybles				
	Moderate leasing & capital services ltd.	31-Mar-26	3,132.49	-	3,132.49
		31-Mar-25	1,389.02	-	1,389.02
Total F.Y. 2025-26		3,132.49	-	3,132.49	
Total F.Y. 2024-25		1,389.02	-	1,389.02	
Vii	Debt Assignment Receivable from MIL				
	Modi Industries Ltd (Sugar section)	31-Mar-26	8,405.65	-	8,405.65
		31-Mar-25	14,685.98	-	14,685.98
Total F.Y. 2025-26		8,405.65	-	8,405.65	
Total F.Y. 2024-25		14,685.98	-	14,685.98	



Transactions		Other Related parties	Key managerial personnel	Total
Viii Receipt Inter-corporate Deposit/Security Deposit				
GS Pharmbutor Pvt. Ltd.	31-Mar-26	-	-	-
	31-Mar-25	2,500.00	-	2,500.00
Moderate leasing & capital service ltd.	31-Mar-26	7308.77	-	7308.77
	31-Mar-25	1740.00	-	1740.00
Total F.Y. 2025-26		7308.77	-	7308.77
Total F.Y. 2024-25		4240.00	-	4240.00
iX Outstanding " Receivables"				
Modi Industries Limited	31-Mar-26	1.61		1.61
	31-Mar-25	37.26		37.26
HM Tubes & Containers P Ltd	31-Mar-26	0.13	-	0.13
	31-Mar-25	-	-	-
GS Trading Division	31-Mar-26	255.13	-	255.13
	31-Mar-25	-	-	-
Total F.Y. 2025-26		256.87	-	256.87
Total F.Y. 2024-25		37.26	-	37.26
X Outstanding " Payables"				
Modiline Travels Service Pvt. Ltd.	31-Mar-26	1.90	-	1.90
	31-Mar-25	1.33	-	1.33
Chief Financial Officer	31-Mar-26	-	2.14	2.14
	31-Mar-25	-	0.70	0.70
Win Medicare Pvt. Ltd.	31-Mar-26	0.42	-	0.42
	31-Mar-25	1.84	-	1.84
Jayesh Tradex Pvt. Ltd.	31-Mar-26	-	-	-
	31-Mar-25	0.70	-	0.70
GS Pharmbutor Pvt. Ltd.	31-Mar-26	1,817.76	-	1,817.76
	31-Mar-25	1,820.64	-	1,820.64
	31-Mar-26	9.09	-	9.09
Modi Ilva India P Ltd	31-Mar-26	13.76	-	13.76
	31-Mar-25	-	-	-
Umesh Modi Corp. P Ltd	31-Mar-26	2.70		2.70
	31-Mar-25	0.30		0.30
SBEC System (I) Ltd.	31-Mar-26	132.83	-	132.83
	31-Mar-25	127.74	-	127.74
Modihitech India Ltd.	31-Mar-26	1.56	-	1.56
	31-Mar-25	5.76	-	5.76
Occupier	31-Mar-26	-	1.38	1.385
	31-Mar-25	-	0.85	0.85
Moderate leasing & capital service ltd.	31-Mar-26	18,224.66	-	18,224.66
	31-Mar-25	13,960.86	-	13,960.86
Modi Industries Limited (Modi Sugar Mills)	31-Mar-26	-	-	-
	31-Mar-25	2,500.00	-	2,500.00
Total F.Y. 2025-26		20,206.24	3.52	20,206.24
Total F.Y. 2024-25		18,419.17	1.55	18,420.72

**Note 33: Segment Reporting**

The Company is a single location single product company and hence the requirement if Ind As-108 on segment reporting are not required.

Note 34: Outstanding dues to micro, small and medium Enterprises:

The disclosure of dues details relating to enterprises covered under micro, small and medium enterprises Development Act 2006, to the extent the information are available with the company, are as under:

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
a)	(i)Principal amount remaining unpaid to any supplier as at the end of the accounting year. (ii)Interest due thereon.	27.72	162.78
b)	(i)The amount of interest paid in terms of sec.16 of MSMED Act, 2006 beyond the respective due date during the year. (ii)The amount of principal paid beyond the due date during the year.	137.89	26.07 392.65
c)	The amount of interest due and payable for delay period (where principal has already been paid after due date.)	3.73	21.99
d)	The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-
e)	The amount of interest accrued and remaining unpaid as at the end of the accounting year.	3.73	21.99

Note 35: Financial Instruments**i) Financial risk management**

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarized ahead.

ii) Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. The Company's activities expose it primarily to the financial risks of changes in interest rates. If 0.5% of increase/decrease in interest rate would the impact in financial statements is negative/ positive by Rs.146.60 Lacs.

iii) Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, balances with banks, investments and security deposits. The credit risk on bank balances is limited because the counter parties are banks with good credit ratings.

iv) Trade Receivables

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

v) Investments

The Company limits its exposure to credit risk by generally investing with counter parties that have a good credit rating. The Company has funded defined-benefit gratuity plans. The funded status of these plans is influenced by movements in financial market. A negative performance of the financial markets could have a material impact on cash funding requirements.

vi) Cash & cash equivalents

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counter party, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counter party as non-material.

vii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies

Related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

viii) Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

**As at 31.03.2026****(Amount. in Lakhs)**

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings		4,711.65	4,711.65
Current borrowings	22,628.91		22,628.91
Trade payables	39,379.87		39,379.87
Other financial liabilities (Current)	1,515.46		4,314.56
Other financial liabilities (Non-Current)		1980.46	1980.46

AS AT 31.03.2025**(Amount. in Lakhs)**

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings		5,525.94	5,525.94
Current borrowings	14,679.62		14,679.62
Trade payables	48,746.01		48,746.01
Other financial liabilities (Current)	4,314.56		4,314.56
Other financial liabilities (Non-Current)		0.45	0.45

- a) The Company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 15 offset by cash and bank balances as detailed in note 10 & 12) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

Note:

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current years and previous years.

b) Key Financial Ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	Numerator	Denominator	as at 31.03.2026	as at 31.03.2025	Variation in %	Reason of Variation (in case variation is more than 25%)
1. Current Ratio	Current Assets	Current Liability	0.44	0.44	0.17	-
2. Debt -Equity Ratio	Total Debt	Total Equity	1.63	1.41	15.81	-
3. Debt. Service Coverage Ratio	Earnings before Interest & depreciation	Debt Service = Interest + Principle Liability	1.75	1.94	(9.53)	-
4. Return on Equity Ratio	Profit for the year	Total Equity	0.11	0.34	(66.80)	Decrease in profit
5. Inventory Turnover Ratio	Net Sales	Average Inventory	1.69	1.90	(11.47)	-
6. Trade Receivable turnover ratio	Net Sales	Average Trade receivable	20.89	25.45	(17.93)	-
7. Trade Payable turnover ratio	Net Credit purchase	Average Trade Payable	0.98	1.13	(13.73)	-
8. Net Capital Ratio	Total Sale	Working capital	(1.06)	(1.70)	(6.78)	-
9. Net Profit Ratio	Profit for the year	Total Sale	0.03	0.09	(61.21)	Decrease in sales
10. Return on capital employed	Earnings before Interest & Tax	Capital employed (Equity + Debt)	0.24	0.38	(35.56)	Decrease in profit
11. Return on Investment (G/R)	Profit for the year	Capital employed (Equity + Debt)	0.07	0.21	(65.78)	Decrease in profit

The ratios of 31st March 2025 has been significantly changed as last year profit & loss has been revalued after adding the profit from joint venture.



c) Categories of financial instruments

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Financial assets		
Measured at amortized cost		
Other non current assets	159.71	158.85
Other financial assets (non current)	8,405.66	14,685.98
Trade receivables	2,451.63	2,839.44
Cash and cash equivalents	235.68	86.35
Bank Balances other than Cash and cash equivalents	214.38	30.63
Other current assets	324.28	244.52
Other financial assets (current)		
Loans	79.76	127.73
Measured at fair value through Profit & Loss		
Investments	32621.91	23806.68
Financial liabilities		
Measured at amortized cost		
Borrowings (non-current)	4,711.65	5,525.94
Borrowings (current)	22,628.91	14,679.62
Trade payables	39,379.87	48,746.02
Other financial liabilities (non-current)	1980.46	0.45
Other financial liabilities (current)	1,515.46	4,314.56
Other current liabilities	465.25	371.03
Other Non-Current liabilities	2,009.40	2,513.65

d) Fair value of the financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

(Amount in Lakhs)

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Financial Assets at amortized cost :	44,009.03		41,576.81	
Financial Liabilities				
Financial Liabilities held at amortized cost:	68,235.89		73,266.14	

Exposure to credit risk

Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

(Amount in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Investments	32621.91	23806.68
Cash and bank balances	235.68	86.35
Bank deposit	214.38	30.63
Short-term loans and advances	79.76	127.73

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)

(Amount in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Trade Receivable	2,451.63	2,839.44

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.



Particulars	
As at 31.03.2026	
Up to 6 months	2,451.63
More than 6 months	-
As at 31.03.2025	
Up to 6 months	2,505.00
More than 6 months	334.44

During the year the Company has recognized loss allowance of Rs. Nil (Previous Year Rs. Nil/-) under 12 months expected credit loss model.

No significant changes in estimation techniques or assumptions were made during the reporting period.

Note 36. Other Disclosures

In Case of Holding Company

ONE TIME SETTLEMENT WITH MODI INDUSTRIES LIMITED (MIL)

- (i) The transaction involving acquisition of the secured debt of Modi Industries Limited ("MIL") was undertaken pursuant to a broader and considered business strategy of the Company. At the relevant time, the Company was evaluating diversification into the liquor business in India. Since the Company did not have the requisite distillation and bottling facilities, it was contemplated that Modi Distillery, a unit of MIL, would be associated with the proposed arrangement. Accordingly, acquisition of the secured debt of MIL was considered not as an isolated financial investment, but as part of a broader commercial strategy intended to facilitate a long-term and uninterrupted business relationship with Modi Sugar and Modi Distillery and to support the Company's proposed expansion into allied and potentially higher-margin business segments.

The subsequent settlement of the dues with MIL was undertaken in the backdrop of significant financial and operational stress being faced by sugar mills in the State of Uttar Pradesh, including the Company. The financial position of sugar mills had been adversely affected by, inter alia, high sugarcane procurement prices, deterioration in sugarcane yield and the consequent accumulation of sugarcane dues. The liquidity position of the Company was further constrained by the Tagging Orders issued by the State Government, pursuant to which a substantial portion of the realisations from sale of sugar and its by-products was required to be applied towards discharge of sugarcane dues. With effect from the crushing season 2020-21, the scope of such restrictions was also extended to specified realisations from surplus electricity generated from the Company's co-generation operations.

The coercive measures taken by District Administration of the State of Uttar Pradesh for recovery of dues included, inter alia, issuance of Recovery Certificates for recovery of the outstanding sugarcane dues against the concerned persons, and communications indicating possible sealing of the sugar mill in the event of continued default. These measures posed a direct threat to the uninterrupted functioning of the Company's operations.

The Company was also confronted with the apprehension of initiation of insolvency proceedings in respect of the outstanding dues. Public Interest Litigations had also been instituted before various Courts concerning the non-payment of sugarcane dues, thereby adding to the legal and regulatory pressure.

As a part of the continuing coercive measures, the cane area allocated to the Company was also reduced. The reduction in the allotted cane area necessarily resulted in lower availability of sugarcane for crushing, which in turn adversely affected sugar production, capacity utilisation and profitability of the Company.

In furtherance to above, the officials and representatives of the Company were being regularly called / summoned by the District Administration and other competent authorities and were repeatedly required to furnish concrete proposals and timelines for repayment of the outstanding sugarcane dues.

On account of mounting pressure, the officials of the Company in fact to save the company had to undertake in writing promising to clear the sugarcane dues in timely manner. These undertakings were issued not only to the District Magistrate, other officials, but in fact to the Hon'ble Chief Minister of Uttar Pradesh.

In these circumstances, timely recovery of the amounts due from MIL assumed considerable commercial importance. The Company accordingly evaluated the available courses of action, including pursuing prolonged legal proceedings for recovery. Having regard to the time, cost, uncertainty and delay inherent in litigation, as against the Company's immediate requirement for liquidity, the Company considered that a structured settlement with MIL would be commercially prudent and in the best interests of the Company and its shareholders.

It is pertinent to note that MIL did not have adequate liquidity to discharge its obligations to the Company and was required to arrange external funding from financial institutions to honour the settlement. The settlement was thus achieved pursuant to sustained negotiations and recovery efforts undertaken by the Company and cannot be regarded as a voluntary or unilateral concession to MIL. Needless to add, had the settlement with MIL not been achieved in a timely and structured manner, the Company would have remained exposed to continuing coercive action, including enforcement of Recovery Certificates, whereby, the appropriate statutory authority can seal the entire land, plant & machinery of the Company as well as auction the same.

The total settlement amount has been agreed at Rs.141,77,38,548/-, inclusive of Rs.25,00,00,000/- already deposited by MIL. Accordingly, the balance amount payable as on 1 January 2026 is Rs.116,77,38,548/-, which shall carry further interest at 8% per annum on a reducing balance basis until final payment. MIL is also required to make further payment of Rs.50 crore in accordance with the terms of the OTS Agreement. It is further relevant that MIL settled the dues of other secured creditors, including Government-owned financial institutions, on the same settlement methodology. Accordingly, the settlement accepted by the Company was consistent with the methodology adopted for similarly situated secured creditors and was not based on any preferential or special arrangement. The total amount of Rs. 144,10,92,728 received from MIL against the said OTS and no dues is pending and the said transaction is closed.



The acquisition of the secured debt of MIL by the Company from Government-owned banks and financial institutions was undertaken through proper banking channels. The consideration paid for such acquisition was duly recorded in the books of account and reflected in the respective financial statements of the entities concerned.

The Board, after considering the Company's financial position, its immediate requirement for funds towards discharge of sugarcane dues, the continuing regulatory and administrative pressure, the risks associated with disruption of operations, the prospects and uncertainties of prolonged recovery proceedings and the actual recovery achieved from MIL, was of the view that the settlement represented a commercially prudent course of action. The transaction enabled the Company to realise substantial value from the assigned debt, strengthen its liquidity position, continue its operations as a going concern and, consequently, protect the long-term interests and value of the Company for its shareholders.

Accordingly, the Board is of the considered view that the transaction and the settlement with MIL were undertaken bona fide, on commercial considerations and in the overall interests of the Company and its shareholders.

- (ii) The Hon'ble Supreme Court vide its order dated 23.04.2018 has upheld the order passed by the Hon'ble High Court of Judicature at Allahabad dated 9th March, 2017 in PIL No. 67617/2004, where the said court has set aside the decision of the state Government for the waiver of interest for the year 2012-13, 2013-14 and 2014-15 and proceeded to ask the Cane Commissioner to take a final call in the matter. Pending final order, the Company has not made provision for interest on the late payment of cane dues for the years 2012-13, 2013-14 and 2014-15. The Matter is Sub-Judice. Under the power vested with the Cane Commissioner (U.P.) for waiver of interest under UP Sugar Cane (Regulation of Supply & Purchase) Act, 1953 in respect of loss making/sick companies, the company had made an application to Cane Commissioner (U.P.) for waiver of interest on cane dues. Pending receipt of the Cane Commissioner's decision, no interest has been provided on the cane dues. The company has decided to account for the same upon decision in the matter/payment.

- (iii) The financial statements have been prepared on a going concern basis. Management has evaluated the Company's financial position, cash flow forecasts, and business plans for the foreseeable future, covering at least the next twelve months from the reporting date.

Despite challenges facing the sugar industry, including fluctuations in sugar prices, regulatory controls, and high working capital requirements, management believes that the Company has adequate resources to continue its operations. Key factors supporting this assessment include:

- The Company has successfully negotiated/renewed its credit facilities with [Bank Name(s)], ensuring continued access to working capital to finance its operations.
- Management's ongoing initiatives to improve operational efficiencies and cost management, including measures to optimize the sugar crushing process and reduce overheads.
- Supportive government policies, including the Minimum Selling Price (MSP) mechanism for sugar, export subsidies, and potential assistance in managing sugarcane prices, which collectively help stabilize revenues and margins.
- Positive cash flow projections, which incorporate expected sales volumes, projected sugar prices, and anticipated government support mechanisms.

Based on the above factors, management has concluded that there are no material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Note 37: Other Statutory Information

- I. The company does not have any benami property, where any proceeding has been initiated or pending against the company for holding any benami property.
- II. The company does not have any transactions with companies struck off.
- III. The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- IV. The company has not traded or invested in crypto currency or virtual currency during the financial year.
- V. The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- VI. All the title deeds of immovable properties are held in the name of company as at the balance sheet date.
- VII. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall lend or invest in party identified by or on behalf of company (Ultimate beneficiaries).
- VIII. The company has not received any fund from any party(s) (funding party) with the understanding that the company shall whether directly or indirectly lend or invest in other person or entities identified by or on behalf of company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- IX. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- X. Ministry of Corporate Affairs (MCA) vide its notification number G.S.R. 206(E) dated March 24, 2021 (amended from time to time) in reference to the proviso to Rule 3(1) of the Companies (Accounts) Amendment Rules, 2021, introduced the requirement of only using such accounting software w.e.f April 01, 2023 which has a feature of recording audit trail of each and every transaction.

The Company used accounting software for maintenance of its books of account for the year ended March 31, 2026, which has a feature of recording audit trail facility and the audit trail has operated throughout the year for all relevant transactions are recorded in the software.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2025, has been preserved by the company as per the statutory requirement for record retention.

In Case of Bio-Energy Limited:

- i) The 132 KV Line was laid by Uttar Pradesh Power Corporation Limited (UPPCL) and commissioned on 1st December, 2005. The Company's contribution in respect of the line amounted to Rs.19,545,474/- as demanded by UPPCL till end of March, 2017. The total expenditure in laying the



line is pending finalization by UPPCL. The ownership of the line however, vests with UPPCL.

ii) UPPCL has charged Rs. 8.44 lacs for the year 2025-26 (Previous Year Rs. 8.02 lacs) as Annual Maintenance Charges.

NOTE 38: MANAGERIAL REMUNERATION

In Case of Bio-Energy Limited

Mr. Abhishek Modi, Executive director was paid remuneration in accordance with Schedule V to the Companies Act, 2013. The same having been included under different heads of expenditure is as follows: (Amount. in Lakhs)

Particulars	Current Year	Previous Year
Salary	116.86	100.61
Cont. to Provident Fund	7.99	7.55

Note: Remuneration excludes provision for gratuity determined on actuarial basis as these are determined for the company as a whole.

Computation of Profit in accordance with Section 198 of the Companies Act, 2013 is as under:-

Particulars	Current Year	Previous Year
Profit/ (Loss) for the year before taxation (as per Profit & Loss Account)	111.93	(426.06)
Add:-		
(a) Depreciation provided in the Accounts	203.39	203.28
(b) Director and Manager Remuneration	124.85	117.80
(c) Loss on sale of Fixed Assets	-	-
Less:-		
(a) Depreciation as per section 123 of the Companies Act, 2013	203.39	203.28
(b) Profit on sale of Fixed Assets	-	-
Profit(Loss) u/s 198	236.78	(308.26)

Note 39: Additional information

In Case of Holding Company

(a) Capacity

Installed Capacity(as certified by the management)	Year Ended 31st March,2026	Year Ended 31st March,2025
Sugarcane Crushing M.T. per day	9,000	9,000

(b) Production Purchase, Turnover & Stock

Classes of Goods	Opening stock – Quantity	Production Quantity	Sales		Closing stock	
	(Qtls.)	(Qtls.)	Quantity (Qtls.)	Value (In Lacs)	Quantity (Qtls.)	Value (In Lacs)
Sugar	5,64,820	11,88,860	12,30,111	47,118.12	5,23,569	20,155.15
	(5,57,020)	(14,54,590)	(14,46,790)	(53,838.52)	(5,64,820)	(21,820.13)
Molasses (By-product)	3,06,470	5,00,924.30	4,46,306.10	3978.70	3,60,790.50*	2,879.08
	(3,33,064.85)	(6,00,938.15)	(6,26,455.35)	(5,000.00)	(3,06,470.00)#	(2,950.73)
		Purchases				
Sugar Trading	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)

* Difference of 297.70 Qtls of Molasses during F.Y. 2025-26 vaporized and treated as normal loss.

Difference of 1,077.65 Qtls of Molasses during F.Y. 2024-25 vaporized and treated as normal loss.

**(C) Consumption of Raw Material**

Particulars	Year ended 31st March, 2026		Year ended 31st March, 2025	
	Quantity (Quintals)	Value (Rs. In lacs)	Quantity (Quintals)	Value (Rs. In lacs)
Sugar Cane	1,07,20,322	42,279.41	1,34,57,343	49,259.39

(d) Expenditure in foreign currency (On accrual basis)**(Rs. in lacs)**

Particulars	Current year	Previous Year
Business Promotion	38.37	-

(e) CIF Value of import**(Rs. in lacs)**

Particulars	Current year	Previous Year
Store & Spares	-	-

(f) Earning in foreign currency**(Rs. in lacs)**

Particulars	Current year	Previous Year
Export of goods calculated on FOB basis	-	-

(g) Value if imported/Indigenous Raw Materials, Stores and Spares Consumed**(Rs. in lacs)**

Particulars	Indigenous Value	%age	Imported Value	%age
Raw Materials	42,279.41	100%	-	Nil
Previous Year	(49,259.39)	100%	-	Nil
Stores & Spares*	3156.19	100%	-	Nil
Previous Year	(3460.81)	100%	-	Nil

*Excluding spares used for capitalization.

* () Show Previous year figures.

In Case of Bio-Energy Limited

Additional information required to be given pursuant to Part II of Schedule III to the Companies Act, 2013 (to the extent applicable) is as follows:

a. Statement of Installed & Licensed Capacity and Generation Quantity: @

Description	Licensed Capacity	Installed Capacity	Actual Generation*
Power	Not Applicable	24MW (24MW)	65,580,800 kwh (75,731,530) kwh)
Steam	Not Applicable	77 tph (77 tph)	2,54,069 tones (2,90,457) tones

Figures in brackets are for Previous Year.

* Transmission losses have not been considered in arriving at generation quantity.

And the plant operated for 171 days in the current year (previous year 180) days).

b. Details of Sales/Conversions.**(Rs. in Lakhs)**

Description	Op. Stock		Conversion		Sales		Cl. Stock	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity *	Value
Power	2475046 (1118438 kwh)	26.05 (10.50)	34444642 (39625714 kwh)	---- ----	25803167 (27480675kwh)	1329.35** (939.84)	1999065 (2475046 kwh)	24.92 (26.05)
Steam	----	----	254069 (290457 tonnes)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Figures in brackets are for previous Year.

**c. Consumption of Imported and Indigenous Raw Material and Stores & Spares****(Rs. in Lakhs)**

Particulars	Indigenous		Imported	
	Value	%	Value	%
Store / Spares	270.90 (241.44)	100% 100%	Nil Nil	Nil Nil

Figures in brackets are for previous year.

d. Value of Import on CIF Basis

Particulars	Current year	Previous Year
Store & Spares	Nil	Nil

e. Expenditure in Foreign Currency (Paid)

Particulars	Current year	Previous Year
Purchase of stores and spares	NIL	NIL
Others	103.56	78.31

a) Figures in brackets, wherever given, are in respect of previous year.

b) The company has reclassified previous year figures to confirm to this year's classification.

Note: 40.

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the group has retrospectively restated its Balance Sheet as at March 31, 2025 and April 1, 2024 (beginning of the previous year) and Statement of Profit and Loss for the year ended March 31, 2025 for the reasons as stated below:

In respect of SBEC Stockholding & Investment Limited

In case of a subsidiary (SBEC Stockholding & Investment Limited) the management reassessed the conditions prevalent relating to long term restriction and other financial information/details available as at year end relating to Joint venture company, and after detailed evaluation of the changed circumstances concluded that the company should henceforth account the Increase in value of "Investment in Joint Venture" using the equity method which until previous years were carried without giving the impact as per equity method.

Considering that joint control existed during the relevant reporting years the Company accordingly has retrospectively applied the equity method to the "Investment in Joint Venture". Accordingly as per the requirement of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' the company has restated the balance of investment in joint venture & carried out the related adjustments to opening retained earnings as at 1st April'2024, Share of Profit of Joint Venture and Share of Other Comprehensive Income for the year ended 31st March'2025 amounting to Rs. 13286.91 Lacs, Rs.6670.50 Lacs and Rs.45.93 Lacs respectively with consequential impact on EPS. Therefore the holding company has restated its consolidated financial results to record the change.

The Reconciliation of financial statement line items which are retrospectively restated are as under:

Reconciliation on of restated items of Balance Sheet as at March 31, 2025 and April 01, 2024:

Amount (In Lacs)

Particulars	As at April 01,2024		
	As previously reported	Restatement	As restated
Investment in Joint (Effect in Assets Side)	3803.34	13286.91	17090.25
Other Equity (Effect in Liability Side)	(8,549.20)	13,286.91	4,737.71

Amount (In Lacs)

Particulars	As at March 31,2025		
	As previously reported	Restatement	As restated
Investment in Joint (Effect in Assets Side)	3803.34	20,003.34	23806.68
Other Equity (Effect in Liability Side)	(10,444.67)	20,003.34	9,558.67



Reconciliation of restated items of Statement of Profit and Loss for the year ended March 31, 2025

Amount (In Lacs)

Particulars	As at March 31, 2025		
	As previously reported	Restatement	As restated
Profit / (loss) before exceptional items and tax	(1,770.95)	-	(1,770.95)
Share of Profit / (Loss) of Joint Venture	-	6,670.50	6670.5
Profit Before Tax	(1,770.95)	6,670.50	4899.54
Profit After Tax	(1,860.77)	6,670.50	4809.72
Other Comprehensive Income - Share of Profit / (Loss) of Joint Venture	(34.70)	45.93	11.23
Total Comprehensive Income	(1,895.47)	6,716.43	4820.95

Note: 41

- The financial statements were approved for issue by the Board of Directors, at its meeting held on 29 May, 2026.
- In the opinion of the Board of Directors, Trade Receivables, other current financial assets, and other current assets have a value on realization in the ordinary course of the Company's business, which is at least equal to the amount at which they are restated in the balance sheet.
- Previous Year Figures have been recast/restated.

Note No. 1 to 41 Containing Accounting Policies and General Notes from part of the financial statements.

For Doogar & Associates
Chartered Accountants
Firm Registration No 000561N

Sd/-
Mukesh Goyal
 Partner
Membership No. 081810
UDIN :26081810YOKMIH3356

Sd/-
Umesh Kumar Modi
 (Chairman & President)
 DIN: 00002757

Sd/-
Vipin Kumar
 (Whole Time Director)
 DIN:10734170

Sd/-
Ajay Kumar Aggarwal
 (Director)
 DIN:00632288

Place: New Delhi/London
Date: 29th May, 2026

Sd/-
A.K. Goel
 (Chief Financial Officer)

Sd/-
Madhur Agarwal
 (Company Secretary)

If undelivered, please return to:

SBEC SUGAR LIMITED

REGISTERED OFFICE & PLANT

Village: Loyan Malakpur,

Tehsil: Baraut - 250 611,

Distt. Baghpat,

Uttar Pradesh