



# Dharani Sugars and Chemicals Limited

Regd. Office : "PGP HOUSE", (Old No.57) New No.59, Sterling Road, Nungambakkam,

Chennai - 600 034. Tel. : 28311313, 28254176, Fax : 28232074, 28232076

Email : commercial@pgpgroup.in, finance@pgpgroup.in, secretarial@pgpgroup.in

Website : www.dharanisugars.in

CIN No.: L15421TN1987PLC014454 TIN No.: 33061502443 CST No.: 818529/19.11.87

DSCL\Results Reg-33 \2018

09.11.2018

BSE Ltd Corporate Relationship Department, First Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai 400 001	National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor Plot No.C/1 G Block Bandra – Kurla Complex Bandra East, Mumbai 400 051
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Dear Sir,

**Sub: Unaudited Financial Results for Quarter/Half year ended 30<sup>th</sup> September 2018.**

**Ref : Scrip Code – 507442 (BSE) – DHARSUGAR (NSE) - Dharani Sugars and Chemicals Limited**

In accordance with Regulation 33 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following items were discussed and approved in the Meeting of the Board of Directors held on 9<sup>th</sup> November 2018.

1. Unaudited Financial Results for the Quarter/ Half year ended 30<sup>th</sup> September 2018 along with segment wise report.
2. Auditors Limited Review Report.

The Meeting of the Board of Directors of the Company commenced at 3.30 p.m. and concluded at 6.30 p.m.

This above Results are also available at the website of the Company ([www.dharanisugars.in](http://www.dharanisugars.in)) and at the websites of the Stock Exchanges where the equity shares of the Company are listed: BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

This is for your information and record.

Thanking You,

Yours faithfully,  
for Dharani Sugars and Chemicals Limited

  
E P Sakthivel  
Company Secretary



Encl.: as above

**Dharani Sugars and Chemicals Limited**  
 Regd. Office: "PGP House", New No.59 Sterling Road, Nungambakkam, Chennai 600 034  
 Tel.No.91-44-28311313, Fax No.091-44-28232074, CIN - L15421TN1987PLC014454  
 Email: secretarial@dharanisugars-pgp.com, Website: www.dharanisugars.in  
 Statement of standalone unaudited financial results for the quarter and six months ended September 30, 2018 under Ind AS

S.No	Particulars	Quarter ended			Half year ended		(Rs in Lakhs)
		Sep 30, 2018 (Unaudited)	June 30, 2018 (Unaudited)	Sep 30, 2017 (unaudited)	Sep 30, 2018 (Unaudited)	Sep 30, 2017 (unaudited)	Year ended March 31, 2018 (Audited)
	<b>Income from Operations</b>						
1	(a) Net Sales/ Revenue from operations	6,545.08	11,405.90	14,641.53	17,950.98	29,984.83	48,775.78
2	(b) Other Income (Net)	12.42	33.92	23.44	46.34	69.94	1,758.24
3	<b>Total Income (1+2)</b>	<b>6,557.50</b>	<b>11,439.82</b>	<b>14,664.97</b>	<b>17,997.32</b>	<b>30,054.77</b>	<b>50,534.02</b>
4	<b>Expenses</b>						
	(a) Cost of materials consumed	2,761.26	2,731.74	1,158.70	5,493.00	12,194.79	32,584.28
	(b) Changes in inventories of finished goods, work in progress and stock in trade	3,052.00	7,480.43	11,008.41	10,532.43	10,031.90	7,849.49
	(c) Excise duty expense	-	-	-	-	625.81	625.81
	(d) Employees benefits expense	600.03	601.03	612.33	1,201.06	1,218.33	2,493.40
	(e) Finance Cost	1,816.12	1,894.11	1,806.59	3,710.23	3,670.06	7,628.58
	(f) Depreciation and amortisation expense	564.98	563.05	659.10	1,128.03	1,231.00	2,257.51
	(g) Other expenses	914.30	1,040.42	1,284.58	1,954.72	2,791.87	5,563.67
	<b>Total Expenses</b>	<b>9,708.69</b>	<b>14,310.78</b>	<b>16,529.71</b>	<b>24,019.47</b>	<b>31,763.76</b>	<b>59,002.74</b>
5	Profit/ (Loss) before exceptional items and tax (3-4)	(3,151.19)	(2,870.96)	(1,864.74)	(6,022.15)	(1,708.99)	(8,468.72)
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit/ (Loss) before tax (5+6)</b>	<b>(3,151.19)</b>	<b>(2,870.96)</b>	<b>(1,864.74)</b>	<b>(6,022.15)</b>	<b>(1,708.99)</b>	<b>(8,468.72)</b>
8	<b>Tax expense</b>						
	Current tax	-	-	-	-	-	-
	Deferred tax Asset/(Liability)	(1,577.88)	-	26.86	(1,577.88)	(20.76)	(69.33)
	<b>Total tax expenses</b>	<b>(1,577.88)</b>	<b>-</b>	<b>26.86</b>	<b>(1,577.88)</b>	<b>(20.76)</b>	<b>(69.33)</b>
9	Profit/ (Loss) for the period from continuing operations (7-8)	(4,729.07)	(2,870.96)	(1,837.88)	(7,600.03)	(1,729.75)	(8,538.05)
10	Profit/ (Loss) from discontinued operations	-	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-	-
12	<b>Profit/ (Loss) from discontinued operations (after tax) (10-11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13	<b>Profit/ (Loss) for the period (11+12)</b>	<b>(4,729.07)</b>	<b>(2,870.96)</b>	<b>(1,837.88)</b>	<b>(7,600.03)</b>	<b>(1,729.75)</b>	<b>(8,538.05)</b>
14	Other comprehensive income, net of income tax						
	(a) (i) items that will not be reclassified to profit or loss	34.83	(11.61)	6.38	23.22	6.38	75.00
	(ii) income tax relating to the above items	-	-	-	-	-	-
	(b) (i) items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) income tax relating to the above items	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>34.83</b>	<b>(11.61)</b>	<b>6.38</b>	<b>23.22</b>	<b>6.38</b>	<b>75.00</b>
15	<b>Total comprehensive income/(loss) for the period (13+14)</b>	<b>(4,694.24)</b>	<b>(2,882.57)</b>	<b>(1,831.50)</b>	<b>(7,576.81)</b>	<b>(1,723.37)</b>	<b>(8,463.05)</b>
16	Paid-up equity share capital	3,320.00	3,320.00	3,320.00	3,320.00	3,320.00	3,320.00
	Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00
17	Earning per share (Rs) (not annualised)						
	- Basic	(14.24)	(8.65)	(5.54)	(22.89)	(5.21)	(25.72)
	- Diluted	(14.24)	(8.65)	(5.54)	(22.89)	(5.21)	(25.72)

- Notes:**
- The above results for the quarter and six months ended September 30, 2018 as reviewed and recommended by the audit committee of the Board, has been approved by the Board of Directors at its meeting held on November 9, 2018.
  - The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
  - The format for unaudited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 5 2016, Ind AS and Schedule III (Part II) to the Companies Act, 2013, which are applicable to companies that are required to comply with Ind AS.
  - The principal and interest on term loans taken from the banks and financial institutions are overdue for more than 90 days mainly due to general slow down in the sugar industry. The Company has filed a resolution plan for restructuring the said loans which is under consideration by the banks and financial institutions.
  - Sugar Industry being seasonal in nature, the Quarterly results cannot be taken as an indicator of the full year's working results



*[Handwritten Signature]*



## 6 Statement of assets and liabilities

Particulars	As at	As at
	September 30, 2018	March 31, 2018
<b>Assets</b>	Rs in lakhs	
<b>(1) Non-current assets</b>		
a. Property, plant and equipment	59,461.98	60,429.13
c. Intangible assets		
d. Financial assets	0.06	0.06
Investments		
Other financial assets	2,849.41	2,857.81
e. Deferred tax assets (net)	247.84	287.24
f. Other non-current assets	(1,413.99)	163.89
<b>Total Non-current assets</b>	<b>343.15</b>	<b>413.43</b>
<b>(2) Current assets</b>	<b>61,488.45</b>	<b>64,151.56</b>
a. Inventories		
b. Financial assets	4,104.52	14,690.21
Trade receivables		
Cash and cash equivalents	4,478.46	4,560.14
Bank balances other than above	79.33	261.69
Other financial assets	38.21	1,215.76
c. Other current assets	84.08	79.71
<b>Total Current assets</b>	<b>700.72</b>	<b>699.36</b>
<b>Total Assets</b>	<b>9,485.32</b>	<b>21,506.87</b>
<b>EQUITY AND LIABILITIES</b>	<b>70,973.77</b>	<b>85,658.43</b>
<b>Equity</b>		
a. Equity share capital		
b. Other Equity	3,320.00	3,320.00
<b>Total equity</b>	<b>(1,921.37)</b>	<b>5,655.44</b>
<b>Liabilities</b>	<b>1,398.63</b>	<b>8,975.44</b>
<b>(1) Non-Current Liabilities</b>		
a. Financial liabilities		
Borrowings		
Other financial liabilities	21,017.61	23,855.45
b. Provisions	29.87	31.49
<b>Total Non-Current Liabilities</b>	<b>470.70</b>	<b>447.72</b>
<b>(2) Current liabilities</b>	<b>21,518.18</b>	<b>24,334.66</b>
a. Financial liabilities		
Borrowings		
Trade payables	17,765.44	20,690.97
b. Other financial liabilities	9,869.93	12,917.09
c. Other current liabilities	2,495.54	2,629.96
d. Short Term Provisions	17,645.14	15,866.84
<b>Total Current liabilities</b>	<b>280.91</b>	<b>243.47</b>
<b>Total Liabilities</b>	<b>48,056.96</b>	<b>52,348.33</b>
<b>Total Equity and Liabilities</b>	<b>69,575.14</b>	<b>76,682.99</b>
	<b>70,973.77</b>	<b>85,658.43</b>

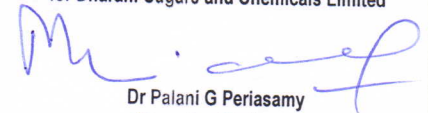


*M. S. S.*

7 The Company has organised the business into three segments viz. Sugar, Distillery and Power. This reporting complies with the Ind AS segment reporting principles.

Particulars	Quarter ended			Half year ended		(Rs.in Lakhs)
						Year ended
	Sep 30, 2018 (Unaudited)	June 30, 2018 (Unaudited)	Sep 30, 2017 (unaudited)	Sep 30, 2018 (Unaudited)	Sep 30, 2017 (unaudited)	March 31, 2018 (Audited)
<b>Segment Revenue</b>						
(a) Sugar	4,877.66	10,019.08	12,077.85	14896.74	25,659.49	42,805.06
(b) Distillery	1,826.39	1,525.58	2,863.00	3351.97	5,460.67	8,650.47
(c) Power	410.51	-	746.76	410.51	1,461.54	3,453.79
(d) Unallocated	12.42	33.92	23.44	46.34	69.94	1,758.24
<b>Total</b>	<b>7,126.98</b>	<b>11,578.58</b>	<b>15,711.05</b>	<b>18705.56</b>	<b>32,651.64</b>	<b>56,667.56</b>
Less: Inter Segment Revenue	569.48	138.76	1,046.08	708.24	2,596.87	6,133.54
<b>Revenue from operations (Net)</b>	<b>6,557.50</b>	<b>11,439.82</b>	<b>14,664.97</b>	<b>17997.32</b>	<b>30,054.77</b>	<b>50,534.02</b>
<b>Segment Results</b>						
Profit (+) / Loss (-) before tax and finance cost						
(a) Sugar	(1,532.12)	(1,118.52)	(776.82)	(2,650.64)	463.94	(4,160.67)
(b) Distillery	187.66	278.35	822.09	466.01	1,421.02	1,589.16
(c) Power	(3.03)	(170.60)	(126.86)	(173.63)	6.17	(26.87)
(d) Unallocated	12.42	33.92	23.44	46.34	69.94	1,758.24
<b>Total</b>	<b>(1,335.07)</b>	<b>(976.85)</b>	<b>(58.15)</b>	<b>(2,311.92)</b>	<b>1,961.07</b>	<b>(840.14)</b>
Add/ Less : Finance Cost	1,816.12	1,894.11	1,806.59	3,710.23	3,670.06	7,628.58
Profit/ (Loss) from continuing operations	-	-	-	-	-	-
Profit/ (Loss) from discontinuing operations	-	-	-	-	-	-
<b>Profit/ (Loss) Before Tax</b>	<b>(3,151.19)</b>	<b>(2,870.96)</b>	<b>(1,864.74)</b>	<b>(6,022.15)</b>	<b>(1,708.99)</b>	<b>(8,468.72)</b>
<b>Segment Assets</b>						
(a) Sugar	45,421.65	48,217.28	58,020.99	45,421.65	58,020.99	56,561.44
(b) Distillery	13,828.26	14,812.68	14,014.08	13,828.26	14,014.08	14,195.00
(c) Power	13,015.92	13,205.93	13,505.14	13,015.92	13,505.14	14,605.00
(d) Other unallocable corporate assets	(1,292.06)	123.11	1,710.97	(1,292.06)	1,710.97	297.00
<b>Total assets</b>	<b>70,973.77</b>	<b>76,359.00</b>	<b>87,251.18</b>	<b>70,973.77</b>	<b>87,251.18</b>	<b>85,658.44</b>
<b>Segment Liabilities</b>						
(a) Sugar	52,342.80	53,405.15	53,360.85	52,342.80	53,360.85	59,329.26
(b) Distillery	4,956.04	4,784.39	4,793.92	4,956.04	4,793.92	4,328.80
(c) Power	12,276.30	12,046.21	13,381.28	12,276.30	13,381.28	13,024.92
(d) Other unallocable corporate liabilities	-	-	-	-	-	-
<b>Total liabilities</b>	<b>69,575.14</b>	<b>70,235.75</b>	<b>71,536.05</b>	<b>69,575.14</b>	<b>71,536.05</b>	<b>76,682.98</b>
<b>Capital Employed (Segment assets-Segment liabilities)</b>						
(a) Sugar	(6,921.14)	(5,187.87)	4,660.14	(6,921.14)	4,660.14	(2,767.82)
(b) Distillery	8,872.22	10,028.29	9,220.16	8,872.22	9,220.16	9,866.20
(c) Power	739.62	1,159.72	123.86	739.62	123.86	1,580.08
<b>Total capital employed in segments</b>	<b>2,690.70</b>	<b>6,000.14</b>	<b>14,004.16</b>	<b>2,690.70</b>	<b>14,004.16</b>	<b>8,678.46</b>
Add Long term loans	21,017.61	22,687.95	27,675.11	21,017.61	27,675.11	23,855.45
Unallocable corporate assets less corporate liabilities	(1,292.06)	123.11	1,710.97	(1,292.06)	1,710.97	297.00
<b>Total Capital Employed</b>	<b>22,416.25</b>	<b>28,811.20</b>	<b>43,390.24</b>	<b>22,416.25</b>	<b>43,390.24</b>	<b>32,830.91</b>

for Dharani Sugars and Chemicals Limited



Dr Palani G Periasamy  
Executive Chairman  
DIN : 00081002

Place: Chennai  
Date : November 9, 2018

Initialled for identification purposes







## **CNGSN & ASSOCIATES LLP**

### **CHARTERED ACCOUNTANTS**

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**Limited Review Report on Unaudited Financial Results for the  
quarter and six months ended September 2018 of  
M/s Dharani Sugars and Chemicals Limited Pursuant to the Regulation 33 of the SEBI (Listing  
Obligations and Disclosure Requirements) Regulations, 2015**

The Board of Directors  
Dharani Sugars and Chemicals Limited  
59, Sterling Road, Nungambakkam, Chennai 34

1. We have reviewed the unaudited financial results of Dharani Sugars and Chemicals Limited (the "Company") for the quarter and six months ended September 30, 2018 which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2018' and the statement of assets and liabilities as on that date together with the notes thereon (the "Statement"). The Statement has been prepared by the Company's management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by its board of directors.

Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.





## CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

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**E.K. SRIVATSAN**  
B.Com., FCA

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

### 5. Emphasis of matter

Without qualifying our opinion, we draw attention to the following:

- (a) In respect of the term loans taken by the Company, the principal and interest payments are overdue and we understand that some of the consortium banks have declared the account as non-performing asset (NPA). The Company has incurred significant losses in the previous year as well as in the previous and current quarters. The above causes a significant doubt on the Company's ability to continue as a going concern.
- (b) We understand from the Company that this is an industry issue and that a formal representation was made by The South Indian Sugar Mills Association to the Hon'ble Prime Minister and the Chief Minister of Tamil Nadu for announcing revival packages for sugar industry. The Company has also obtained a stay from the Hon'ble Supreme Court of India for directing the Reserve Bank of India to maintain status quo till the next hearing on November 14, 2018. Further, the Company has submitted a Resolution Plan to the consortium banks for restructuring the loans. The resolution plan has been considered by the consortium banks in the Joint Lenders' Meeting held on August 29, 2018 and a decision is yet to be taken for restructuring the loans.
- (c) Pending resolution of the above uncertainties, the Company has prepared the aforesaid Statement on a going concern basis.

**For CNGSN & Associates LLP**

Chartered Accountants

Firm Registration No.004915S/ S200036

**(CHINNSAMY GANESAN)**

Partner

Membership No. 027501

Place: Chennai

Date: November 9, 2018