



# Sakthi Sugars Limited

180, Race Course Road, Post Box No. 3775 Coimbatore - 641 018 Phone : + 91 422-2221551, 4322222  
Fax : +91 422-4322488, 2220574 E-mail : info@sakthisugars.com CIN : L1542ITZ1961PLC000396

SL/SE/638/2019

28.5.2019

Dear Sirs,

Sub. : Audited Financial Results (Standalone) for the quarter and year ended 31<sup>st</sup> March 2019.

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We wish to inform that the Board of Directors of the Company at its meeting held today (28.5.2019) has approved, inter alia, the Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March 2019:

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following:

1. Audited Financial Results of the Company (Standalone) for the quarter and year ended March 31, 2019 together with Segment Results and Statement of Assets and Liabilities.
2. Report of the Statutory Auditors, M/s. P.K.Nagarajan & Co., Coimbatore on the Audited Financial Results.
3. Declaration regarding unmodified opinion of the Statutory Auditors, M/s. P.K.Nagarajan & Co.

The meeting of the Board of Directors of the Company commenced at 12.00 Noon and concluded at 1.30 PM.

We request you to take the above on records.

Thanking you,

Yours faithfully  
For SAKTHI SUGARS LIMITED

Senior Vice President &  
Company Secretary

Encl: As above

To:

BSE Limited  
Floor - 25,  
P.J.Towers  
Dalal Street, Fort  
MUMBAI - 400 001

The National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor, Plot No.C/1,  
G-Block, Bandra Kurla Complex,  
Bandra (East)  
MUMBAI - 400 051

**SAKTHI SUGARS LIMITED**

CIN : L15421TZ1961PLC000396

Regd Office: Sakthinagar PO - 638315, Erode District, Tamilnadu

(Phone: 0422 4322222, 2221551, Fax: 0422 4322488, 2220574)

(E mail : shares@sakthisugars.com, Website : www.sakthisugars.com)

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2019**

(Rs. in Lakhs)

Particulars	Three months ended			Year ended	
	31.03.2019 (Audited)	31.12.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
<b>1. Income</b>					
Revenue from operations	25132.56	10517.30	15581.85	50505.93	53020.06
Other Income	14781.04	171.45	841.07	15207.84	1139.64
<b>Total Income</b>	<b>39913.60</b>	<b>10688.75</b>	<b>16422.92</b>	<b>65713.77</b>	<b>54159.70</b>
<b>2. Expenses</b>					
Cost of material consumed	18312.50	11393.76	15099.77	36996.14	39636.97
Purchase of stock in trade	204.44	99.21	147.04	393.80	287.44
Changes in Inventories of finished goods, work-in-progress and stock in trade	-516.91	-4498.97	-2902.49	-1137.66	1554.06
Excise Duty on Sales	--	--	--	--	137.13
Employee benefits expenses	1557.96	1570.29	1390.58	5862.94	5906.62
Finance costs	13388.04	4721.05	4605.56	25966.57	14994.92
Depreciation and amortization expense	1275.90	1299.14	1296.35	5158.53	5281.69
Other expenses	4414.00	5681.61	3276.09	13969.58	9331.92
<b>Total Expenses</b>	<b>38635.93</b>	<b>20266.09</b>	<b>22912.90</b>	<b>87209.90</b>	<b>77130.75</b>
<b>3. Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>1277.67</b>	<b>-9577.34</b>	<b>-6489.98</b>	<b>-21496.13</b>	<b>-22971.05</b>
<b>4. Exceptional Items</b>	<b>10173.94</b>	<b>-4993.85</b>	<b>2249.33</b>	<b>5180.09</b>	<b>2249.33</b>
<b>5. Profit/(Loss) before extraordinary items and tax (3-4)</b>	<b>-8896.27</b>	<b>-4583.49</b>	<b>-8739.31</b>	<b>-26676.22</b>	<b>-25220.38</b>
<b>6. Extraordinary Items</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>7. Profit/Loss before tax (5-6)</b>	<b>-8896.27</b>	<b>-4583.49</b>	<b>-8739.31</b>	<b>-26676.22</b>	<b>-25220.38</b>
<b>8. Tax expenses</b>					
Current Tax	--	--	--	--	--
Deferred tax	262.11	-2683.66	-3116.27	-5274.80	-7510.12
	262.11	-2683.66	-3116.27	-5274.80	-7510.12
<b>9. Profit/(Loss) for the period from continuing operations (7-8)</b>	<b>-9158.38</b>	<b>-1899.83</b>	<b>-5623.04</b>	<b>-21401.42</b>	<b>-17710.26</b>
<b>10. Comprehensive Income (net of tax)</b>	<b>-67.06</b>	<b>-12.73</b>	<b>13.62</b>	<b>76.35</b>	<b>13.62</b>
<b>11. Total Comprehensive Income</b>	<b>-9225.44</b>	<b>-1912.56</b>	<b>-5609.42</b>	<b>-21325.07</b>	<b>-17696.64</b>
<b>12. Paid-up equity share capital (Face Value of the Shares - Rs. 10 each)</b>	<b>11884.90</b>	<b>11884.90</b>	<b>11884.90</b>	<b>11884.90</b>	<b>11884.90</b>
<b>13. Reserves excluding revaluation reserve</b>				<b>-7371.16</b>	<b>13953.91</b>
<b>14. Earnings per equity share of Rs.10/- each:</b>					
1. Basic	-7.76	-1.61	-4.72	-17.94	-14.89
2. Diluted	-7.76	-1.61	-4.72	-17.94	-14.89

**SEGMENT WISE AUDITED FINANCIAL RESULTS  
FOR THE YEAR ENDED 31.03.2019**

(Rs. in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2019 (Audited)	31.12.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
<b>1. Segment Revenue:-</b> (Sales/Income from Operations)					
a) Sugar	20194.70	5869.17	11489.73	30790.86	36551.54
b) Industrial Alcohol	2972.10	1754.89	1239.72	8523.73	4937.70
c) Soya Products	3370.53	3584.75	3514.18	13772.92	12821.06
d) Power	3739.10	1346.58	1166.64	5660.25	2947.34
	<b>30276.43</b>	<b>12555.39</b>	<b>17410.27</b>	<b>58747.76</b>	<b>57257.64</b>
Less: Intersegment Revenue	5143.87	2038.09	1828.42	8241.83	4237.58
Sales/Income from Operations	<b>25132.56</b>	<b>10517.30</b>	<b>15581.85</b>	<b>50505.93</b>	<b>53020.06</b>
<b>2. Segment Results:-</b> (Profit+)/Loss(-) before tax and Finance Cost)					
a) Sugar	-491.14	-1835.49	-1642.95	-6852.51	-7046.87
b) Industrial Alcohol	-192.19	-386.15	506.19	-892.74	954.98
c) Soya Products	46.62	261.73	419.06	899.50	1331.83
d) Power	612.02	-2881.60	-1152.99	-3317.36	-3172.86
Total	-24.69	-4841.51	-1870.69	-10163.11	-7932.92
Less: i) Finance Cost	13388.04	4721.05	4605.56	25966.57	14994.92
ii) Other un-allocable expenditure	21.09	25.30	13.73	91.13	59.54
iii) Un-allocable income	-4537.55	-5004.37	2249.33	-9544.59	2233.00
Total Profit/Loss before tax	<b>-8896.27</b>	<b>-4583.49</b>	<b>-8739.31</b>	<b>-26676.22</b>	<b>-25220.38</b>
<b>3. Segment Assets:-</b>					
a) Sugar	128714.60	115189.58	118536.37	128714.60	118536.37
b) Industrial Alcohol	11302.95	11308.26	14457.70	11302.95	14457.70
c) Soya Products	12675.65	13355.50	13756.71	12675.65	13756.71
d) Power	31315.99	31381.28	35280.01	31315.99	35280.01
e) Unallocated	4017.95	3959.43	3870.96	4017.95	3870.96
	<b>188027.14</b>	<b>175194.05</b>	<b>185901.75</b>	<b>188027.14</b>	<b>185901.75</b>
<b>4. Segment Liabilities:-</b>					
a) Sugar	61723.66	53549.87	50410.63	61723.66	50410.63
b) Industrial Alcohol	459.19	322.16	275.62	459.19	275.62
c) Soya Products	2073.24	1219.62	1370.77	2073.24	1370.77
d) Power	11712.34	11880.35	12762.97	11712.34	12762.97
e) Unallocated	108568.18	95732.17	91031.14	108568.18	91031.14
	<b>184536.61</b>	<b>162704.17</b>	<b>155851.13</b>	<b>184536.61</b>	<b>155851.13</b>

Note:-

- (1) The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 28, 2019.
- (2) Exceptional Items represent revocation of remission of Interest and principal of Rs. 10173.94 lakhs for the quarter ended 31.3.2019.
- (3) The revenue from Operation for the quarter commenced from 1st July 2017 does not include Goods and Service Tax (GST). Revenue from operations and expenses for the previous year ended 31st March 2018 being inclusive of excise duty are not comparable with figures for the current year ended 31st March 2019.
- (4) The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year ended 31st March 2019 and the published year to date figures up to the third quarter ended 31st December 2018.
- (5) Effective April 1, 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers'. The application of Ind AS 115 do not have any material impact on the financial statements.
- (6) The financial statement of the Company has been prepared on going concern basis as in the opinion of the directors, there is a reasonable expectation that the Company will continue its operations for the foreseeable future. The Directors have examined the following points in order to ascertain the validity of going concern assumption.
  - (a) The Company has incurred a loss of Rs.26676.22 lakhs during the year ended March 31, 2019 and as of that date the Company's accumulated losses amount to Rs.37508.86 lakhs. Further as of that date, Company's current liabilities exceeded its current assets by Rs.102416.02 lakhs. Significant financial ratios are also negative.
  - (b) The Company has defaulted in repayment of dues to financial institutions, banks and Asset Reconstruction Companies for principal amount of Rs.49282.48 lakhs and interest amounting of Rs.47183.30 lakhs since May 2011. The Company has received recall notice from one of the Asset Reconstruction Company for non-payment of principal and interest thereon after the due date by the Company.The company has taken steps for restructuring its liabilities with banks and other lenders/creditors which will result in significant reduction of the liabilities and revive its ability to continue as a going concern. Further, the company is in the process of selling of investments and certain non-core assets. The management is hopeful of finalizing a restructuring package and sale of those assets soon.

Conditions explained above indicate existence of material uncertainty that may cast significant doubt of the Company's ability to continue as going concern due to which the Company may not be able to realize its assets and discharge its liabilities in the normal course of business. However, considering management plans relating to restructuring of debt, expected improvement in operating activities and proposed sale of investments and non-core assets, the financial statement has been prepared on going concern basis.
- (7) The figures of previous periods / year have been regrouped/reclassified wherever necessary to make them comparable with those of the current period / year.

COIMBATORE  
28.05.2019

FOR SAKTHI SUGARS LIMITED



(M. MANICKAM)

CHAIRMAN AND MANAGING DIRECTOR  
DIN : 00102233

## STATEMENT OF ASSETS AND LIABILITIES

(Rs. in lakhs)

Particulars	As at 31.03.2019 (Audited)	As at 31.03.2018 (Audited)
<b>A. ASSETS</b>		
<b>1. NON-CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	118866.56	123871.73
(b) Capital work-in-progress	--	3229.22
(c) Financial Assets		
i) Investments	926.98	1072.38
ii) Loans	84.72	107.41
iii) Other financial assets	666.77	653.05
(d) Deferred tax assets (Net)	1023.21	--
(e) Other Non-current Assets	5165.70	6402.51
<b>Total Non-current Assets</b>	<b>126733.94</b>	<b>135336.30</b>
<b>2. CURRENT ASSETS</b>		
(a) Inventories	11328.48	10849.77
(b) Financial Assets		
i) Other Investments	402.59	776.47
ii) Trade receivables	6760.72	6852.73
iii) Cash and cash equivalents	1196.46	1495.23
iv) Bank Balances Other than Cash and cash equivalents	128.02	96.67
v) Loans	14798.04	2337.37
vi) Other Financial Assets	108.11	2733.86
(c) Current tax assets (Net)	513.76	276.98
(d) Other current assets	3192.26	4479.56
(e) Assets Classified as held for Sale	23887.97	20666.81
<b>Total Current Assets</b>	<b>62316.41</b>	<b>50565.45</b>
<b>TOTAL ASSETS (1 and 2)</b>	<b>189050.35</b>	<b>185901.75</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. EQUITY</b>		
(a) Equity Share Capital	11884.90	11884.90
(b) Other Equity	-7371.16	13953.91
<b>Total Equity</b>	<b>4513.74</b>	<b>25838.81</b>
<b>2. LIABILITIES</b>		
<b>A) NON-CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i) Borrowings	17013.34	45504.60
ii) Other Financial Liabilities	281.25	279.21
(b) Provisions	2509.59	2462.27
(c) Deferred tax liabilities (Net)	--	4211.81
<b>Total Non-Current Liabilities</b>	<b>19804.18</b>	<b>52457.89</b>
<b>B) CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i) Borrowings	12779.52	11531.86
ii) Trade Payable		
a) Total outstanding dues of micro and small enterprises	328.15	189.69
b) Total outstanding dues of other than (ii) (a) above	25673.01	24847.50
iii) Other Financial Liabilities	115935.74	64330.53
(b) Other current liabilities	9463.69	6147.10
(c) Provisions	552.32	558.37
<b>Total Current Liabilities</b>	<b>164732.43</b>	<b>107605.05</b>
<b>Total Liabilities</b>	<b>184536.61</b>	<b>160062.94</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>189050.35</b>	<b>185901.75</b>

FOR SAKTHI SUGARS LIMITED



(M. MANICKAM)  
CHAIRMAN AND MANAGING DIRECTOR  
DIN : 00102233

COIMBATORE  
28.05.2019

## **Independent Auditor's Report on Financial Results for the year ended March 31, 2019**

### **The Board of Directors of Sakthi Sugars Limited**

#### **Report on the Statement of Financial Results**

1. We have audited the accompanying Statement containing the annual audited financial results of Sakthi Sugars Limited (the "Company") for the year ended March 31, 2019, together with the notes thereon (hereinafter referred to as the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

#### **Management Responsibility for the Financial Results**

2. Management is responsible for the preparation of the accompanying Statement which is prepared from the annual statutory financial statements in accordance with the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and the accounting principles generally accepted in India (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited financial results has been prepared and approved by the Board of Directors. The responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us:
  - (i) the Statement is presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - (ii) the annual audited financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of loss and other comprehensive income) and other financial information of the Company for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.



**Material Uncertainty Related to Going Concern**

7. We draw attention to Note 6 of the Statement. The company has incurred net loss of Rs. 26676.22 lakhs during the year ended March 31, 2019 and as of that date, the Company's accumulated losses aggregate to Rs. 37508.86 lakhs. Further, as of that date, company's current liabilities exceeded its current assets by Rs. 102416.02 lakhs. These factors along with other matters as set forth in said note raise substantial doubt about the company's ability to continue as a going concern in the foreseeable future. However, the company's financial statement has been prepared on going concern basis as disclosed by management in said note. Our opinion is not modified in respect of this matter.

**Emphasis of Matters**

8. Certain banks have classified its advance to company as Non-Performing Assets and are not charging/applying interest accrued. In order to account for all probable liabilities, the management in its best judgement has provided interest including penal interest, as per the terms of original sanction, on such borrowings. The management is of the opinion that the difference in interest, if any, shall be accounted for as and when the interest is charged or adjusted by the banks.
9. We draw your attention to Note 4 of the Statement regarding the figures for the quarter ended March 31, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year.

Our opinion is not modified in respect of the above stated matters.

**Other Matter**

10. The Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. This Statement is based on and should be read with the audited financial statements of the Company for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated May 28, 2019.

**Restriction on Use**

11. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 10 above. This report should not be otherwise used by any other party for any other purpose.



Coimbatore  
May 28, 2019

**For P K NAGARAJAN & CO.,**  
Chartered Accountants  
Firm Registration Number: 016676S

**P.K. Nagarajan**  
Partner  
Membership Number: 025679



# Sakthi Sugars Limited

180, Race Course Road, Post Box No. 3775, Coimbatore - 641 018. Phone : + 91 422-2221551, 4322222  
Fax : +91 422-4322488, 2220574 E mail info@sakthisugars.com CIN : L1542ITZ1961PLC000396

SL/SE/639/2019

28.5.2019

Dear Sirs,

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015

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I, M.Manickam, (DIN: 102233), Chairman & Managing Director of Sakthi Sugars Limited having its registered office at Sakthinagar-638315, Bhavani Taluk, Erode District, Tamil Nadu, hereby declare that the Statutory Auditors of the Company, M/s.P.K.Nagarajan & Co., Chartered Accountants (Firm Registration No.016676S) have issued an Audit Report with unmodified opinion on the standalone financial results for the quarter and year ended 31st March 2019.

This declaration is given pursuant to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015.

Thanking you,

Yours faithfully  
For SAKTHI SUGARS LIMITED

M.MANICKAM  
Chairman & Managing Director

To:

BSE Limited  
Floor - 25,  
P.J.Towers  
Dalal Street, Fort  
MUMBAI - 400 001

The National Stock Exchange of India  
Limited  
Exchange Plaza, 5th Floor, Plot No.C/1,  
G-Block, Bandra Kurla Complex,  
Bandra (East)  
MUMBAI - 400 051