



Sakthi Sugars Limited

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Fax : +91 422-4322488, 2220574 E-mail : info@sakthisugars.com CIN : L1542ITZ1961PLC000396

SL/SE/3982/2020

14.02.2020

Dear Sirs,

Sub : Unaudited Statement of Financial Results (Standalone) for the quarter ended 31st December 2019.

We wish to inform that the Board of Directors of the Company at its meeting held today has approved the Unaudited Statement of Financial Results of the Company for the quarter ended 31st December 2019.

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

1. Unaudited Statement of Financial Results of the Company (Standalone) for the quarter ended 31st December 2019 together with Segment Results as at that date.
2. A copy of the Limited Review Report of the Statutory Auditors, M/s. P.K.Nagarajan & Co., Coimbatore.

The Board Meeting commenced at 12.30 PM and concluded at 2.15 PM.

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
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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 31.12.2019

Particulars	Three months ended			Period ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income						
Revenue from operations	21873.87	18021.16	10517.30	58083.52	25373.37	50505.93
Other Income	5883.43	86.31	171.45	6825.74	426.80	15207.84
Total Income	27757.30	18107.47	10688.75	64909.26	25800.17	65713.77
2. Expenses						
Cost of material consumed	17190.88	11730.85	11393.76	38488.96	18683.64	36996.14
Purchase of stock in trade	47.60	57.25	99.21	189.53	189.36	393.80
Changes in inventories of finished goods, work-in-progress and stock in trade	-385.21	662.62	-4498.97	4446.48	-620.75	-1137.66
Employee benefits expenses	1656.90	1378.91	1570.29	4525.91	4304.98	5862.94
Finance costs	3596.18	3611.34	4721.05	11186.53	12578.53	25966.57
Depreciation and amortization expense	1229.45	1240.33	1299.14	3696.89	3882.63	5158.53
Other expenses	4413.07	3615.06	5681.61	11335.50	9555.58	13969.58
Total Expenses	27748.87	22296.36	20266.09	73869.80	48573.97	87209.90
3. Profit/(Loss) before exceptional items and tax (1-2)	8.43	-4188.89	-9577.34	-8960.54	-22773.80	-21496.13
4. Exceptional Items	--	--	-4993.85	--	-4993.85	5180.09
5. Profit/(Loss) before extraordinary items and tax (3-4)	8.43	-4188.89	-4583.49	-8960.54	-17779.95	-26676.22
6. Extraordinary Items	--	--	--	--	--	--
7. Profit/Loss before tax (5-6)	8.43	-4188.89	-4583.49	-8960.54	-17779.95	-26676.22
8. Tax expenses						
Current Tax	--	--	--	--	--	--
Deferred tax	27.08	-0.55	-2683.66	-247.95	-5536.91	-5274.80
	27.08	-0.55	-2683.66	-247.95	-5536.91	-5274.80
9. Profit/(Loss) for the period from continuing operations (7-8)	-18.65	-4188.34	-1899.83	-8712.59	-12243.04	-21401.42
10. Other Comprehensive Income (net of tax)						
i) Items that will not be reclassified to Statement of Profit and Loss	-202.59	1.57	-20.80	-62.55	219.21	116.13
ii) Income tax expenses on the above	27.08	-0.55	8.07	-21.86	-75.80	-39.78
11. Total Comprehensive Income	-194.16	-4187.32	-1912.56	-8797.00	-12099.63	-21325.07
12. Paid-up equity share capital (Face Value of the Shares - Rs. 10 each)	11884.90	11884.90	11884.90	11884.90	11884.90	11884.90
13. Other Equity						-7371.16
14. Earnings per equity share of Rs.10/- each:						
1. Basic	-0.16	-3.52	-1.61	-7.40	-10.18	-17.94
2. Diluted	-0.16	-3.52	-1.61	-7.40	-10.18	-17.94

**SEGMENT WISE UNAUDITED FINANCIAL RESULTS
FOR THE PERIOD ENDED 31.12.2019**

Particulars	(Rs. in Lakhs)					
	Quarter ended			Year ended		
	31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1. Segment Revenue:- (Sales/Income from Operations)						
a) Sugar	15069.63	11552.91	5869.17	39398.22	10596.16	30790.86
b) Industrial Alcohol	3990.08	3275.01	1754.89	9693.46	5551.63	8523.73
c) Soya Products	4192.55	4336.03	3584.75	12391.55	10402.39	13772.92
d) Power	3096.69	2483.71	1346.58	7376.37	1921.15	5660.25
	26348.95	21647.66	12555.39	68859.60	28471.33	58747.76
Less: Intersegment Revenue	4475.08	3626.50	2038.09	10776.08	3097.96	8241.83
Sales/Income from Operations	21873.87	18021.16	10517.30	58083.52	25373.37	50505.93
2. Segment Results:- (Profit(+)/Loss(-) before tax and Finance Cost)						
a) Sugar	-3075.72	-1450.45	-1835.49	-6444.59	-6361.38	-6852.51
b) Industrial Alcohol	965.38	826.00	-386.15	2294.52	-700.55	-892.74
c) Soya Products	209.26	185.00	261.73	615.85	852.88	899.50
d) Power	-218.86	-127.08	-2881.60	-630.64	-3929.38	-3317.36
	-2119.94	-566.53	-4841.51	-4164.86	-10138.43	-10163.11
Less: i) Finance Cost	3596.18	3611.34	4721.05	11186.53	12578.53	25966.57
ii) Other un-allocable expenditure	15.04	13.15	25.30	40.05	70.04	91.13
iii) Un-allocable income	-5739.59	-2.13	-5004.37	-6430.90	-5007.05	-9544.59
Total Profit/Loss before tax	8.43	-4188.89	-4583.49	-8960.54	-17779.95	-26676.22
3. Segment Assets:-						
a) Sugar	126524.77	121427.52	115189.58	126524.77	115189.58	128714.60
b) Industrial Alcohol	10563.00	10978.49	11308.26	10563.00	11308.26	11302.95
c) Soya Products	12640.55	12231.56	13355.50	12640.55	13355.50	12675.65
d) Power	30862.71	30927.70	31381.28	30862.71	31381.28	31315.99
e) Unallocated	3772.24	3918.33	3959.43	3772.24	3959.43	4017.95
	184363.27	179483.60	175194.05	184363.27	175194.05	188027.14
4. Segment Liabilities:-						
a) Sugar	59861.49	57095.02	53549.87	59861.49	53549.87	61723.66
b) Industrial Alcohol	1152.21	818.70	322.16	1152.21	322.16	459.19
c) Soya Products	2361.97	2025.11	1219.62	2361.97	1219.62	2073.24
d) Power	11695.07	11640.77	11880.35	11695.07	11880.35	11712.34
e) Unallocated	114825.09	113242.40	95732.17	114825.09	95732.17	108568.18
	189895.83	184822.00	162704.17	189895.83	162704.17	184536.61

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 February 14, 2020. The statutory auditors have conducted a limited review of the financial results.
2. The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended.
3. Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases". The adoption of the standard, does not have any material impact on the financial results of the Company.
4. 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.8960.54 lakhs during the period ended December 31, 2019 and as of that date the Company's accumulated losses amount to Rs.46305.86 lakhs. Further as of that date, Company's current liabilities exceeded its current assets by Rs.114744.11 lakhs. Significant financial ratios are also negative.
 - (b) The Company has defaulted in repayment of dues to SDF, financial institutions, banks and Asset Reconstruction Companies for principal amount of Rs.46413.92 lakhs and interest amounting of Rs.46991.73 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.
5. The figures of previous periods / year have been regrouped/reclassified wherever necessary to make them comparable with those of the current period / year.

COIMBATORE
14.02.2020

FOR SAKTHI SUGARS LIMITED



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

Independent Auditor's Limited Review Report on unaudited financial results for the quarter and nine months ended on December 31, 2019

To
The Board of Directors of
Sakthi Sugars Limited

Report on the Unaudited Financial Results

1. We have reviewed the accompanying statement of unaudited financial results of Sakthi Sugars Limited (the "Company") for the quarter and nine months ended on December 31, 2019 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

Management Responsibility for the Unaudited Financial Results

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review.

Auditor's Responsibility

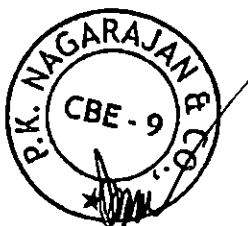
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Material Uncertainty Related to Going Concern

5. We draw attention to Note 4 of the Statement. The company has incurred net loss of Rs. 8960.54 lakhs during the period ended December 31, 2019 and as of that date, the Company's accumulated losses aggregate to Rs. 46305.86 lakhs. Further, as of that date, company's current liabilities exceeded its current assets by Rs. 114744.11 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 conclusion is not modified in respect of this matter.



P.K. NAGARAJAN & CO

Chartered Accountants

ICAI FRN : 016676S

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Ramnagar, Coimbatore – 641009

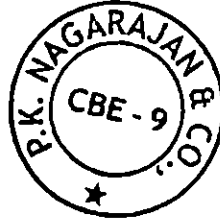
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Emphasis of Matter

6. Certain banks/financial institutions 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. Our conclusion on the Statement is not modified in respect of this matter.



Coimbatore
February 14, 2020

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

A handwritten signature in black ink, appearing to read "P K Nagarajan".

P K Nagarajan
Partner

Membership Number: 025679
UDIN: 20025679AAAAAF1286