



Sakthi Sugars Limited

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

SL/SE/2916/2019

14.11.2019

Dear Sirs,

Sub. : Unaudited Statement of Financial Results (Standalone) for the quarter ended 30th September 2019.

We wish to inform that the Board of Directors of the Company at its meeting held today (14.11.2019) has approved the Unaudited Statement of Financial Results of the Company for the quarter ended 30th September 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 30th September 2019 together with Segment Results and Assets and Liabilities 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 12.15 pm and ended at 1.30 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

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

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 30.09.2019

Particulars	Three months ended			Period ended		(Rs. In Lakhs)
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income						
Revenue from operations	18021.16	18188.49	5431.44	36209.65	14856.07	50505.93
Other Income	86.31	856.00	111.20	942.31	255.35	15207.84
Total Income	18107.47	19044.49	5542.64	37151.96	15111.42	65713.77
2. Expenses						
Cost of material consumed	11730.85	9567.23	3155.81	21298.08	7289.88	36996.14
Purchase of stock in trade	57.25	84.68	7.94	141.93	90.15	393.80
Changes in inventories of finished goods, work-in-progress and stock in trade	662.62	4169.07	994.85	4831.69	3878.22	-1137.66
Employee benefits expenses	1378.91	1490.10	1358.66	2869.01	2734.69	5862.94
Finance costs	3611.34	3979.01	3934.42	7590.35	7857.48	25966.57
Depreciation and amortization expense	1240.33	1227.11	1298.74	2467.44	2583.49	5158.53
Other expenses	3615.06	3387.37	1651.31	6922.43	3873.97	13969.58
Total Expenses	22296.36	23824.57	12401.73	46120.93	28307.88	87209.90
3. Profit/(Loss) before exceptional items and tax (1-2)	-4188.89	-4780.08	-6859.09	-8968.97	-13196.46	-21496.13
4. Exceptional Items	--	--	--	--	--	5180.09
5. Profit/(Loss) before extraordinary items and tax (3-4)	-4188.89	-4780.08	-6859.09	-8968.97	-13196.46	-26676.22
6. Extraordinary Items	--	--	--	--	--	--
7. Profit/Loss before tax (5-6)	-4188.89	-4780.08	-6859.09	-8968.97	-13196.46	-26676.22
8. Tax expenses						
Current Tax	--	--	--	--	--	--
Deferred tax	-0.55	-274.48	-661.29	-275.03	-2853.25	-5274.80
	-0.55	-274.48	-661.29	-275.03	-2853.25	-5274.80
9. Profit/(Loss) for the period from continuing operations (7-8)	-4188.34	-4505.60	-6197.80	-8693.94	-10343.21	-21401.42
10. Other Comprehensive Income (net of tax)						
i) Items that will not be reclassified to Statement of Profit and Loss	1.57	138.47	120.01	140.04	240.01	116.13
ii) Income tax expenses on the above	-0.55	-48.39	-41.94	-48.94	-83.87	-39.78
11. Total Comprehensive Income	-4187.32	-4415.52	-6119.73	-8602.84	-10187.07	-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	-3.52	-3.72	-5.15	-7.24	-8.57	-17.94
2. Diluted	-3.52	-3.72	-5.15	-7.24	-8.57	-17.94



**SEGMENT WISE UNAUDITED FINANCIAL RESULTS
FOR THE PERIOD ENDED 30.09.2019**

Particulars	(Rs. in Lakhs)					
	Quarter ended			Year ended		Year ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
1. Segment Revenue:- (Sales/Income from Operations)						
a) Sugar	11552.91	12775.68	411.88	24328.58	4726.99	30790.86
b) Industrial Alcohol	3275.01	2428.37	1397.90	5703.38	3796.74	8523.73
c) Soya Products	4336.03	3862.97	3823.41	8199.00	6817.64	13772.92
d) Power	2483.71	1795.97	6.68	4279.68	574.57	5660.25
	21647.66	20862.99	5639.87	42510.64	15915.94	58747.76
Less: Intersegment Revenue	3626.50	2674.50	298.43	6300.99	1059.87	8241.83
Sales/Income from Operations	18021.16	18188.49	5431.44	36209.65	14856.07	50505.93
2. Segment Results:- (Profit(+)/Loss(-) before tax and Finance Cost)						
a) Sugar	-1450.45	-1918.43	-2417.86	-3368.87	-4525.88	-6852.51
b) Industrial Alcohol	826.00	503.14	-317.64	1329.14	-314.40	-892.74
c) Soya Products	185.00	221.59	272.23	406.59	591.15	899.50
d) Power	-127.08	-284.70	-447.00	-411.78	-1047.78	-3317.36
	-566.53	-1478.40	-2910.27	-2044.92	-5296.91	-10163.11
Less: I) Finance Cost	3611.34	3979.01	3934.42	7590.35	7857.48	25966.57
ii) Other un-allocable expenditure	13.15	11.85	17.07	25.01	44.74	91.13
iii) Un-allocable income	-2.13	-689.18	-2.67	-691.31	-2.67	-9544.59
Total Profit/Loss before tax	-4188.89	-4780.08	-6859.09	-8968.97	-13196.46	-26676.22
3. Segment Assets:-						
a) Sugar	121427.52	122738.75	113104.51	121427.52	113104.51	128714.60
b) Industrial Alcohol	10978.49	11621.51	12164.44	10978.49	12164.44	11302.95
c) Soya Products	12231.56	12445.26	13581.25	12231.56	13581.25	12675.65
d) Power	30927.70	30993.29	34685.89	30927.70	34685.89	31315.99
e) Unallocated	3918.33	4055.33	3626.70	3918.33	3626.70	4017.95
	179483.60	181854.14	177162.79	179483.60	177162.79	188027.14
4. Segment Liabilities:-						
a) Sugar	57095.02	58254.84	48488.35	57095.02	48488.35	61723.66
b) Industrial Alcohol	818.70	333.34	164.94	818.70	164.94	459.19
c) Soya Products	2025.11	2051.70	1129.70	2025.11	1129.70	2073.24
d) Power	11640.77	11771.97	12537.54	11640.77	12537.54	11712.34
e) Unallocated	113242.40	110593.37	97748.09	113242.40	97748.09	108568.18
	184822.00	183005.22	160068.62	184822.00	160068.62	184536.61



STATEMENT OF ASSETS AND LIABILITIES

(Rs. In lakhs)

Particulars	As at	As at
	30.09.2019 (Unaudited)	31.03.2019 (Audited)
A. ASSETS		
1. NON-CURRENT ASSETS		
(a) Property, Plant and Equipment	116553.19	118866.56
(b) Financial Assets		
i) Investments	875.42	926.98
ii) Loans	79.21	84.72
iii) Other financial assets	745.38	666.77
(c) Deferred tax assets (Net)	1249.30	1,023.21
(d) Other Non-current Assets	5125.45	5165.70
Total Non-current Assets	124627.95	126733.94
2. CURRENT ASSETS		
(a) Inventories	5762.59	11328.48
(b) Financial Assets		
i) Other Investments	354.55	482.59
ii) Trade receivables	7038.76	6760.72
iii) Cash and cash equivalents	510.83	1196.46
iv) Bank Balances Other than Cash and cash equivalents	931.42	128.02
v) Loans	14285.64	14798.04
vi) Other Financial Assets	160.67	108.11
(c) Current tax assets (Net)	521.61	513.76
(d) Other current assets	2670.75	3192.26
(e) Assets Classified as held for Sale	23868.13	23887.97
Total Current Assets	56104.95	62316.41
TOTAL ASSETS (1 and 2)	180732.90	189050.35
B. EQUITY AND LIABILITIES		
1. EQUITY		
(a) Equity Share Capital	11884.90	11884.90
(b) Other Equity	-15974.00	-7371.16
Total Equity	-4089.10	4513.74
2. LIABILITIES		
A. NON-CURRENT LIABILITIES		
(a) Financial Liabilities		
i) Borrowings	9345.49	17013.34
ii) Other Financial Liabilities	260.10	281.25
(b) Provisions	2624.20	2509.59
(c) Other non-current liabilities	145.82	--
Total Non-Current Liabilities	12375.61	19804.18
B. CURRENT LIABILITIES		
(a) Financial Liabilities		
i) Borrowings	13109.88	12779.52
ii) Trade Payable		
a) Total outstanding dues of micro and small enterprises	291.60	328.15
b) Total outstanding dues of other than (ii) (a) above	22376.45	25673.01
iii) Other Financial Liabilities	124899.72	115935.74
(b) Other current liabilities	11479.13	9463.69
(c) Provisions	299.61	552.32
Total Current Liabilities	172446.39	164732.43
Total Liabilities	184822.00	184536.61
TOTAL EQUITY AND LIABILITIES	180732.90	189050.35

FOR SAKTHI SUGARS LIMITED



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

COIMBATORE
14.11.2019



STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	Half Year ended 30.09.2019 (Unaudited)		Half Year ended 30.09.2018 (Unaudited)	
	A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before tax as per statement of Profit and Loss		(8,968.97)		(13,196.46)
Adjustment for:				
Depreciation of Property, Plant and Equipment	2,467.44		2,583.49	
Finance Costs	7,590.35		7,857.48	
Remission/Unclaimed Liability	(689.18)		--	
(Profit) / Loss on Property, Plant and Equipment Sold / Discarded	(4.02)		27.66	
(Gain) / Loss on Fair Valuation of Non Current Investment through Profit and Loss (Net)	51.56		135.47	
(Gain) / Loss on Fair Valuation of Current Investment through Profit	48.04		304.24	
Lease Rent Paid	(34.72)		--	
Dividend Income	(2.13)		(2.67)	
Interest Income	(104.54)	9,322.80	(72.51)	10,833.16
Operating Profit before Working Capital / Other Changes		353.83		(2,363.30)
Changes in Working Capital:				
Adjustments for (Increase) / Decrease in Operating Assets:				
Inventories	5,565.89		5,989.86	
Trade Receivables	(278.04)		(993.58)	
Other Financial Assets	(131.17)		(57.37)	
Other Current Assets	529.20		1,677.25	
Other Non-current Assets	45.76		(61.19)	
Adjustments for Increase / (Decrease) in Operating Liabilities:				
Trade Payables	(3,612.04)		(4,590.57)	
Other Financial Liabilities	(389.43)		237.03	
Other Current Liabilities	1,663.61		2,021.60	
Other Long Term Liabilities	254.65	3,648.43	252.73	4,475.76
Cash Generated from Operations		4,002.26		2,112.46
Income Tax Paid (Net)		(7.85)		(220.77)
Net Cash from / (used in) Operating Activities (A)		3,994.41		1,891.69
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Property, Plant and Equipment	(15.48)		(164.45)	
Proceeds from Disposal of Property, Plant and Equipment	54.00		126.47	
Investment in Long Term Investments (Net)	--		(2.47)	
Dividend received	2.13		2.67	
Interest Income	104.54		72.51	
Loans and Advances - Related Parties	504.71		885.01	
Net Cash from / (used in) Investing Activities (B)		649.90		919.74



(Rs. in Lakhs)

Particulars	Half Year ended 30.09.2019 (Unaudited)		Half Year ended 30.09.2018 (Unaudited)	
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Finance Costs Paid	(1,625.60)		(959.02)	
Long Term Borrowings (Net)	(2,554.17)		(233.64)	
Short Term Borrowings (Net)	(342.00)		(99.75)	
Loans from Body corporate (Net)	(4.77)		(28.47)	
Net Cash from / (used in) Financing Activities (C)		(4,526.54)		(1,320.88)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		117.77		1,490.55
Cash and cash equivalents at the beginning of the year		1,324.48		1,591.90
Cash and cash equivalents at the end of the year		1,442.25		3,082.45
Cash and cash equivalents at the end of the year comprises of				
(a) Cash on hand		17.22		10.84
(b) Balances with banks:				
i) In Current Accounts		493.61		1,139.60
ii) Unclaimed Dividend / Interest warrants		--		2.91
ii) Margin Money with banks / Security against borrowings		931.42		1,929.10
Cash and cash equivalents as at the end of the year		1,442.25		3,082.45

FOR SAKTHI SUGARS LIMITED



(M. MANICKAM)

CHAIRMAN AND MANAGING DIRECTOR

DIN : 00102233

COIMBATORE
14.11.2019

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 November 14, 2019.
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.8968.97 lakhs during the period ended September 30, 2019 and as of that date the Company's accumulated losses amount to Rs.46111.70 lakhs. Further as of that date, Company's current liabilities exceeded its current assets by Rs.116341.44 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.43860.51 lakhs and interest amounting of Rs.45077.26 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
14.11.2019



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 six months ended on September 30, 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 six months ended on September 30, 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

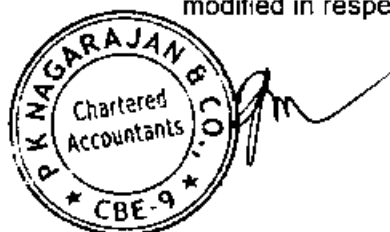
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review 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. 8968.97 lakhs during the period ended September 30, 2019 and as of that date, the Company's accumulated losses aggregate to Rs. 46111.70 lakhs. Further, as of that date, company's current liabilities exceeded its current assets by Rs. 116341.44 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.



Emphasis of Matpter

6. 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. Our conclusion on the Statement is not modified in respect of this matter.

Other Matters

7. We draw your attention to the fact that the figures for net cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited financial results have been approved by the Board of Directors of the Company but have not been subjected to review. Our conclusion on the Statement is not modified in respect of this matter.



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

A handwritten signature in black ink, appearing to read "S P Muthusami".

S P Muthusami
Partner

Membership Number: 224171
UDIN: 19224171AAAAFY6167

Coimbatore
November 14, 2019