



# 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/1006/2023

29.5.2023

Dear Sirs,

Sub: Audited Financial Results (Standalone) for the quarter and year ended 31<sup>st</sup> March 2023.

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We wish to inform that the Board of Directors of the Company at its meeting held today (29.5.2023) has approved, inter alia, the Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March 2023:

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, 2023 together with Segment Results and Statement of Assets and Liabilities, and Cash Flow Statement.
2. Report of the Statutory Auditors, M/s. P.N.Raghavendra Rao & Co., Coimbatore on the Audited Financial Results.
3. Statement on Impact of Audit Qualification for the financial year ended 31<sup>st</sup> March 2023.

The meeting of the Board of Directors of the Company commenced at 12.15 PM and concluded at 1.30 PM.

We request you to take the above on records.

Thanking you,

Yours faithfully

For SAKTHI SUGARS LIMITED

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 AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2023**

(Rs. in Lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
<b>1. Income</b>					
Revenue from operations	32324.89	18621.34	17826.26	105375.54	43167.40
Other Income	1028.08	203.00	863.92	1472.08	1589.28
<b>Total Income</b>	<b>33352.97</b>	<b>18824.34</b>	<b>18690.18</b>	<b>106847.62</b>	<b>44756.68</b>
<b>2. Expenses</b>					
Cost of material consumed	21120.44	10816.01	10528.79	65631.78	26528.45
Purchase of stock in trade	44.13	26.10	36.09	146.73	73.98
Changes in inventories of finished goods, work-in-progress and stock in trade	(1734.40)	374.33	(1414.61)	(346.43)	(1114.87)
Employee benefits expenses	1181.55	1306.34	1147.27	4566.97	3905.09
Finance costs	2681.60	2776.85	6433.16	10801.07	23316.76
Depreciation and amortization expense	945.16	927.31	2365.98	3713.65	4580.98
Other expenses	7805.30	5835.88	5303.79	26349.97	12294.32
<b>Total Expenses</b>	<b>32043.78</b>	<b>22062.82</b>	<b>24400.47</b>	<b>110863.74</b>	<b>69584.71</b>
<b>3. Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>1309.19</b>	<b>(3238.48)</b>	<b>(5710.29)</b>	<b>(4016.12)</b>	<b>(24828.03)</b>
<b>4. Exceptional Items</b>	<b>(20487.98)</b>	<b>--</b>	<b>(6891.23)</b>	<b>(41061.91)</b>	<b>(6891.23)</b>
<b>5. Profit/(Loss) before extraordinary items and tax (3-4)</b>	<b>21797.17</b>	<b>(3238.48)</b>	<b>1180.94</b>	<b>37045.79</b>	<b>(17936.80)</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>21797.17</b>	<b>(3238.48)</b>	<b>1180.94</b>	<b>37045.79</b>	<b>(17936.80)</b>
<b>8. Tax expenses</b>					
Current Tax	--	--	--	--	--
Deferred tax	(207.35)	(12.10)	39.27	(224.40)	42.63
	<b>(207.35)</b>	<b>(12.10)</b>	<b>39.27</b>	<b>(224.40)</b>	<b>42.63</b>
<b>9. Profit/(Loss) for the period from continuing operations (7-8)</b>	<b>22004.52</b>	<b>(3226.38)</b>	<b>1141.67</b>	<b>37270.19</b>	<b>(17979.43)</b>
<b>10. Profit/(Loss) before tax from Discontinued Operations</b>	<b>(3.63)</b>	<b>5179.55</b>	<b>806.59</b>	<b>4511.62</b>	<b>2924.41</b>
Tax Expense/(Credit) on Discontinued Operations	1.82	6.33	(38.52)	--	(38.52)
<b>Profit/(Loss) for the Period from Discontinued Operations</b>	<b>(5.45)</b>	<b>5173.22</b>	<b>845.11</b>	<b>4511.62</b>	<b>2962.93</b>
<b>11. Profit for the Period (9+10)</b>	<b>21999.07</b>	<b>1946.84</b>	<b>1986.78</b>	<b>41781.81</b>	<b>(15016.50)</b>
<b>12. Other Comprehensive Income - Continuing Operations</b>					
i) Items that will not be reclassified to Statement of Profit and Loss	(97.48)	48.06	(160.03)	(29.75)	(173.15)
ii) Income tax expenses on the above	7.44	(12.10)	39.27	(9.61)	42.63
	<b>(90.04)</b>	<b>35.96</b>	<b>(120.76)</b>	<b>(39.36)</b>	<b>(130.52)</b>
<b>13. Other Comprehensive Income - Discontinued Operations</b>					
i) Items that will not be reclassified to Statement of Profit and Loss	(19.00)	(25.14)	153.06	(11.76)	153.06
ii) Income tax expenses on the above	0.98	6.33	(38.52)	(0.84)	(38.52)
	<b>(18.02)</b>	<b>(18.81)</b>	<b>114.54</b>	<b>(12.60)</b>	<b>114.54</b>
<b>Total Other Comprehensive Income for the year</b>	<b>(108.06)</b>	<b>17.15</b>	<b>(6.22)</b>	<b>(51.96)</b>	<b>(15.98)</b>
<b>14. Total Comprehensive Income</b>	<b>21891.01</b>	<b>1963.99</b>	<b>1980.56</b>	<b>41729.85</b>	<b>(15032.48)</b>
<b>15. Paid-up equity share capital (Face Value of the Shares - Rs.)</b>	<b>11884.90</b>	<b>11884.90</b>	<b>11884.90</b>	<b>11884.90</b>	<b>11884.90</b>
<b>16. Other Equity</b>				<b>(12967.66)</b>	<b>(54697.51)</b>
<b>17. Earnings per equity share (of Rs. 10 each) (in Rs.) (not annualised for quarterly figures)</b>					
i) For Continuing Operations					
a. Basic	18.51	(2.71)	0.96	31.36	(15.13)
b. Diluted	18.51	(2.71)	0.96	31.36	(15.13)
ii) For Discontinued Operations					
a. Basic	--	4.35	0.71	3.80	2.49
b. Diluted	--	4.35	0.71	3.80	2.49
iii) For Continuing and Discontinued Operations					
a. Basic	18.51	1.64	1.67	35.16	(12.64)
b. Diluted	18.51	1.64	1.67	35.16	(12.64)



**SEGMENT WISE AUDITED FINANCIAL RESULTS  
FOR THE YEAR ENDED 31.03.2023**

(Rs. in Lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2023 (Audited)	31.12.2022 (Unaudited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
<b>1. Segment Revenue:- (Sales/Income from Operations)</b>					
a) Sugar	33449.49	17538.27	17602.80	107551.78	40380.28
b) Industrial Alcohol	3634.36	3331.49	2507.16	14274.41	7430.62
c) Power	10681.48	5945.69	5183.50	34943.60	11262.84
	47765.33	26815.45	25293.46	156769.79	59073.74
Less: Intersegment Revenue	15440.44	8194.11	7467.20	51394.25	15906.34
<b>Total Segment Revenue</b>	<b>32324.89</b>	<b>18621.34</b>	<b>17826.26</b>	<b>105375.54</b>	<b>43167.40</b>
Discontinued Operation	4070.34	5205.64	13644.85	25246.29	35634.97
<b>Sales/Income from Operations</b>	<b>36395.23</b>	<b>23826.98</b>	<b>31471.11</b>	<b>130621.83</b>	<b>78802.37</b>
<b>2. Segment Results:- (Profit+)/Loss(-) before tax and Finance Cost)</b>					
a) Sugar	3264.14	(932.74)	803.35	4043.91	(1654.31)
b) Industrial Alcohol	88.51	175.56	69.06	749.44	1204.25
c) Power	652.32	183.20	(137.49)	1815.87	(1013.97)
	4004.97	(573.98)	734.92	6609.22	(1464.03)
Less: i) Finance Cost	2681.60	2776.85	6433.16	10801.07	23316.76
ii) Other un-allocable expenditure	21.48	10.33	13.05	56.92	55.63
iii) Un-allocable income	(20495.28)	(122.68)	(6892.23)	(41294.56)	(6899.62)
<b>Profit before tax from Continuing Operations</b>	<b>21797.17</b>	<b>(3238.48)</b>	<b>1180.94</b>	<b>37045.79</b>	<b>(17936.80)</b>
<b>Profit/ (Loss) before tax from Discontinuing Operations</b>	<b>(3.63)</b>	<b>5179.55</b>	<b>806.59</b>	<b>4511.62</b>	<b>2924.41</b>
<b>Total Profit/Loss before tax</b>	<b>21793.54</b>	<b>1941.07</b>	<b>1987.53</b>	<b>41557.41</b>	<b>(15012.39)</b>
<b>3. Segment Assets:-</b>					
a) Sugar	84351.72	84542.29	86529.94	84351.72	86529.94
b) Industrial Alcohol	7575.28	8131.38	7999.87	7575.28	7999.87
c) Power	28821.59	25259.88	25665.84	28821.59	25665.84
d) Un-allocable Assets	19214.17	3898.12	3679.85	19214.17	3679.85
e) Assets Classified as held for Sale	26853.28	44798.74	57372.01	26853.28	57372.01
	166816.04	166630.41	181247.51	166816.04	181247.51
<b>4. Segment Liabilities:-</b>					
a) Sugar	30744.71	37278.01	38365.43	30744.71	38365.43
b) Industrial Alcohol	2059.45	1895.13	1935.74	2059.45	1935.74
c) Power	13318.99	12725.38	12527.70	13318.99	12527.70
d) Un-allocable Liabilities	120227.25	136593.77	162999.63	120227.25	162999.63
e) Liabilities Directly Associated with Assets Classified as held for Sale	1548.40	1111.89	8231.62	1548.40	8231.62
	167898.80	189604.18	224060.12	167898.80	224060.12

**Notes to the Financial Results:**

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 29, 2023.
- The figures for the quarter ended March 31, 2023, are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the said financial year which were subjected to limited review.
- 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.
- During the period under review, the Company has approved the sale of Sugar and Distillery units at Dhenkanal and Soya unit at Pollachi, at competitive prices, for the purpose of raising funds to reduce the liabilities.

The company has sold its Sugar and Distillery units at Dhenkanal for a consideration of Rs. 13410.00 lakhs on November 11, 2022, on slump sale basis and the company has recognised Rs.5624.98 Lakhs as profit on disposal of Dhenkanal units.



Results of these units for all the periods presented have been disclosed as results from Discontinued Operations.

The details relating to the discontinued operations are furnished below

(Rs. In Lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
Total Income	4077.52	10836.76	13686.86	30957.38	35776.48
Total Expenses	4081.15	5657.21	12880.27	26445.76	32852.07
Profit/(Loss) Before Tax	(3.63)	5179.55	806.59	4511.62	2924.41
Tax Expenses	1.82	6.33	(38.52)	—	(38.52)
Profit/(Loss) After Tax	(5.45)	5173.22	845.11	4511.62	2962.93

5. The Auditors have qualified their report for the quarter and year ended March 31, 2023, as under:

No provision for the expected credit loss/ impairment on interest receivable from an erstwhile associate company of Rs. 25219.69 lakhs have been recognized as per the requirement of Ind AS 109 "Financial Instruments". In view of non-recoveries, non-confirmations/reconciliation from the debtor company, initiation of legal action against the interest claim of the company and in absence of clear forward looking information regarding outcome of pending Legal actions initiated and time frame and quantum of realisability of the interest receivable, we are unable to determine the amount of expected credit loss/ impairment as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact on the financial results.

This matter has been qualified by the predecessor auditors in their audit report for the year ended March 31, 2022.

This matter was also qualified by the predecessor auditors in their report on the financial statements for the year ended March 31, 2020, and March 31, 2021.

Board of Directors have considered the qualification made by the Auditors and have addressed the same as under:

With reference to the statutory auditors remarks your directors wish to state that the Company is confident of obtaining favourable award and hence ECL is not provided.

6. The Company has de-recognised investment in Equity shares of Sakthi Auto Component Limited of Rs.15157.86 Lakhs and Capital WIP in Co-Generation - II amounting to Rs.3216.96 Lakhs from Assets classified as held for sale on account of withdrawal of proposal for sale of such assets as on March 31, 2023.
7. Exceptional items, represent remission of interest liability on secured borrowings as per agreement net of related expenditure.
8. The figures of previous periods/year have been re-grouped/ re-classified wherever necessary.

FOR SAKTHI SUGARS LIMITED

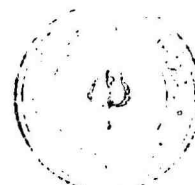


(M. MANICKAM)

CHAIRMAN AND MANAGING DIRECTOR

DIN : 00102233

COIMBATORE  
29.05.2023



## STATEMENT OF ASSETS AND LIABILITIES

(Rs. in lakhs)

Particulars	As at	As at
	31.03.2023 (Audited)	31.03.2022 (Audited)
<b>A. ASSETS</b>		
<b>1. NON-CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	79314.91	82407.74
(b) Capital work-in-progress	3351.95	50.06
(c) Right-of-use Assets	87.93	--
(d) Biological assets other than bearer plants	8.70	8.40
(e) Financial Assets		
i) Investments	17022.64	1657.60
ii) Loans	68.43	65.06
iii) Other financial assets	737.28	667.14
(f) Other Non-current Assets	3424.06	3367.08
<b>Total Non-current Assets</b>	<b>104230.70</b>	<b>88223.08</b>
<b>2. CURRENT ASSETS</b>		
(a) Inventories	5525.92	4116.13
(b) Biological Assets	6.75	6.27
(c) Financial Assets		
i) Trade receivables	774.31	635.55
ii) Cash and cash equivalents	528.19	855.90
iii) Bank Balances Other than Cash and cash equivalents	26.32	50.59
iv) Loans	24907.34	24859.29
v) Other Financial Assets	89.48	124.45
(d) Current tax assets (Net)	545.37	454.11
(e) Other current assets	3328.39	4550.11
	35732.07	35652.40
(f) Assets Classified as held for Sale	26853.27	57372.03
<b>Total Current Assets</b>	<b>62585.34</b>	<b>93024.43</b>
<b>TOTAL ASSETS (1 and 2)</b>	<b>166816.04</b>	<b>181247.51</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. EQUITY</b>		
(a) Equity Share Capital	11884.90	11884.90
(b) Other Equity	(12967.66)	(54697.51)
<b>Total Equity</b>	<b>(1082.76)</b>	<b>(42812.61)</b>
<b>2. LIABILITIES</b>		
<b>A. NON-CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i) Borrowings	50358.87	37576.31
ii) Lease Liabilities	80.32	--
iii) Trade Payable	--	123.79
iv) Other Financial Liabilities	148.82	1645.71
(b) Provisions	1632.36	639.00
(d) Other non-current liabilities	--	--
<b>Total Non-Current Liabilities</b>	<b>52220.37</b>	<b>39984.81</b>
<b>B. CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i) Borrowings	34772.45	56251.48
ii) Lease liabilities	16.45	--
iii) Trade Payable		
a) Total outstanding dues of micro and small enterprises	566.21	370.85
b) Total outstanding dues of other than (iii) (a) above	10125.13	4344.70
iv) Other Financial Liabilities	41103.00	87952.32
(b) Other current liabilities	27151.15	26502.98
(c) Provisions	395.64	421.37
(d) Liabilities directly associated with Assets classified as held for Sale	1548.40	8231.61
<b>Total Current Liabilities</b>	<b>115678.43</b>	<b>184075.31</b>
<b>Total Liabilities</b>	<b>167898.80</b>	<b>224060.12</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>166816.04</b>	<b>181247.51</b>

FOR SAKTHI SUGARS LIMITED



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

COIMBATORE  
29.05.2023



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2023**

(Rs. in Lakhs)

Particulars	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit / (Loss) before tax from Continuing Operations	37,045.79	(17,936.80)
Net Profit / (Loss) before tax from Discontinuing Operations	4,511.62	2,924.41
Adjustment for:		
Depreciation and amortization expense	4,401.15	5,500.40
Finance Costs	10,864.29	23,414.81
Remission of Interest/Liability	(41,061.91)	(6,891.23)
Provision for Expected credit loss	16.05	175.22
(Profit) / Loss on Property, Plant and Equipment Sold / Discarded (Net)	(5,106.00)	--
(Gain) / Loss on Fair Valuation of Non Current Investment through Profit and Loss (Net)	(207.18)	(340.87)
Dividend Income	(9.60)	(680.98)
Interest Income	(182.41)	(140.25)
Operating Profit before Working Capital / Other Changes	10,271.80	6,024.71
Changes in Working Capital:		
Adjustments for (Increase) / Decrease in Operating Assets:		
Inventories/Biological Assets	156.21	(3,382.97)
Trade Receivables	(180.48)	(83.05)
Other Financial Assets	36.28	700.54
Other Current Assets	1,468.95	(1,167.90)
Other Non-current Assets	(59.04)	(54.66)
Adjustments for Increase / (Decrease) in Operating Liabilities:		
Trade Payables	1,014.65	(9,147.95)
Other Financial Liabilities	(149.96)	60.02
Other Current Liabilities	(415.77)	11,320.64
Other Long Term Liabilities	(1,374.92)	(565.74)
Cash Generated from Operations	10,767.72	3,703.64
Income Tax Paid (Net)	(100.62)	(49.12)
<b>Net Cash from / (used in) Operating Activities (A)</b>	<b>10,667.10</b>	<b>3,654.52</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment	(1,884.90)	(608.25)
Proceeds from Disposal of Property, Plant and Equipment	13,768.33	10.95
Investment in Long Term Investments (Net)	--	645.91
Dividend received	9.60	680.98
Interest Income	182.41	140.25
Loans and Advances - Related Parties	--	(6.88)
<b>Net Cash from / (used in) Investing Activities (B)</b>	<b>12,075.44</b>	<b>862.96</b>



(Rs. in Lakhs)

Particulars	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Finance Costs Paid	(10,748.11)	(3,398.44)
Principal Payment of Lease Liabilities	96.77	(67.17)
Interest Paid on Lease Liabilities	(14.77)	(9.40)
Proceeds from Long Term Borrowings	19,492.51	25,879.57
Repayment of Long Term Borrowings	(33,869.64)	(25,485.64)
Short Term Borrowings (Net)	(0.00)	100.00
Loans from Body corporate (Net)	1,245.60	(191.36)
<b>Net Cash from / (used in) Financing Activities (C)</b>	<b>(23,797.64)</b>	<b>(3,172.44)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(1,055.10)</b>	<b>1,345.04</b>
Cash and cash equivalents at the beginning of the year	1,726.70	381.66
<b>Cash and cash equivalents at the end of the year</b>	<b>671.60</b>	<b>1,726.70</b>
Cash and cash equivalents at the end of the year comprises of		
(a) Cash on hand	17.15	53.73
(b) Balances with banks:		
i) In Current Accounts	571.88	1,607.97
ii) Margin Money with banks / Security against borrowings	82.57	65.00
Cash and cash equivalents as at the end of the year	671.60	1,726.70

FOR SAKTHI SUGARS LIMITED



(M. MANICKAM)

CHAIRMAN AND MANAGING DIRECTOR

DIN : 00102233

COIMBATORE

29.05.2023





**P.N. RAGHAVENDRA RAO & CO**

Chartered Accountants

Founder P.N. Raghavendra Rao

No. 23/2, Viswa Paradise Apartments IInd Floor, Kalidas Road, Ramnagar, Coimbatore - 641 009

☎ : 0422 2232440, 2236997 ✉ : info@pnrandco.in 🌐 : www.pnrandco.in

Ref. No. ....

Date : .....

**Independent Auditor's Report on Financial Results for the Quarter and Year Ended March 31, 2023**

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

**Qualified Opinion**

1. We have audited the accompanying financial results of Sakthi Sugars Limited ("the company") for the quarter and year ended March 31, 2023, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us these financial results:
  - (a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - (b) except for the effect/possible effect of the matter described in basis for qualified opinion paragraph below, give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive loss and other financial information for the quarter and year ended March 31, 2023.

**Basis for Qualified Opinion**

3. No provision for the expected credit loss/ impairment on interest receivable from an erstwhile associate company of Rs. 25219.69 lakhs has been recognized as per the requirement of Ind AS 109 "Financial Instruments". In view of non-recoveries, non-confirmations/reconciliation from the debtor company, initiation of legal action against the interest claim of the company and in absence of clear forward looking information regarding outcome of pending legal actions initiated and time frame and quantum of realisability of the interest receivable, we are unable to determine the amount of expected credit loss/ impairment as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact on the financial results. This matter has been qualified by the predecessor auditors in their audit report for the year ended March 31, 2022.
4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules





# P.N. RAGHAVENDRA RAO & CO

Chartered Accountants

Founder P.N. Raghavendra Rao

No. 23/2, Viswa Paradise Apartments IInd Floor, Kalidas Road, Ramnagar, Coimbatore - 641 009

☎ : 0422 2232440, 2236997 ✉ : info@pnrandco.in 🌐 : www.pnrandco.in

Ref. No. ....

Date : .....

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 qualified opinion.

## Management Responsibilities for the Financial Results

5. These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors is responsible for the preparation and presentation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in the accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financials statements that gives a true and fair view and is free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial results by the Directors of the Company, as aforesaid.
6. In preparing the financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of Financial Results

8. Our objectives are to obtain reasonable assurance about whether the financial results 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 financial results.



A handwritten signature in black ink, appearing to be "P.N. Raghavendra Rao".

# P.N. RAGHAVENDRA RAO & CO

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

- (a) Identify and assess the risks of material misstatement of the financial results, 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.
- (b) Obtain an understanding of internal control 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 with reference to financial statements in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- (d) Conclude on the appropriateness of the Board of Directors' 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 a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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.
- (e) Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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.



A handwritten signature in black ink, appearing to be "P.N. Raghavendra Rao".

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## Other Matters

12. The annual financial results include the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our opinion is not modified in respect of this matter.

13. The Comparative financial statements of the Company for the corresponding quarter and year ended March 31, 2022 were audited by the predecessor auditors who expressed a modified opinion on those financial statements. Our opinion is not modified in respect of this matter.

Coimbatore  
May 29, 2023



For P N RAGHAVENDRA RAO & CO.,  
Chartered Accountants  
Firm Registration Number: 003328S

A handwritten signature in black ink, appearing to be "P R Vittel".





P R Vittel  
Partner

Membership Number: 018111  
UDIN: 23018111BGZEXS6060

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023**

		(Rs. In Lakhs)		
I.	Sl.No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	1,06,847.62	1,06,847.62
	2	Total Expenditure	1,10,863.74	1,10,863.74
	3	Net Profit/(Loss)	41,781.81	41,781.81
	4	Earnings Per Share (in Rs.)	35.16	35.16
	5	Total Assets	1,66,816.04	1,66,816.04
	6	Total Liabilities	1,67,898.80	1,67,898.80
	7	Net Worth	(1,082.76)	(1,082.76)
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
<b>II</b>				
<b>Audit Qualification (each audit qualification separately):</b>				
<b>Audit Qualification - I</b>				
<b>a. Details of Audit Qualification</b>				
<p>No provision for the expected credit loss/ impairment on interest receivable from an erstwhile associate company of Rs. 25219.69 lakhs have been recognized as per the requirement of Ind AS 109 "Financial Instruments". In view of non-recoveries, non-confirmations/reconciliation from the debtor company, initiation of legal action against the interest claim of the company and in absence of clear forward looking information regarding outcome of pending legal actions initiated and time frame and quantum of realisability of the interest receivable, we are unable to determine the amount of expected credit loss/ impairment as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact on the financial results.</p>				
<b>b. Type of Audit Qualification: Qualified Opinion/Disclaimer of Opinion/ Adverse Opinion</b>				
Qualified opinion.				
<b>c. Frequency of qualification: Whether appeared first time/repetitive/since howlong continuing</b>				
Repetitive from March 31, 2020				
<b>d. For Audit Qualification where the impact is quantified by the Auditor, Management's views:</b>				
Not applicable				



	<p>e. <b>For Audit Qualifications(s) where the impact is not quantified by the auditor:</b></p> <p><b>(i) Management's estimation on the impact of audit qualification:</b> The impact is unascertainable</p> <p><b>(ii) If management is unable to estimate the impact, reasons for the same</b> The Management is confident of obtaining favourable award and considers the full amount is recoverable. Hence, no provision is made.</p> <hr/> <p><b>(iii) Auditors' Comments on (i) or (ii) above:</b> The Auditors Report is qualified for non-provision of expected credit loss as per Ind AS-109.</p>	
III	Signatories	
	CEO/Managing Director	 M. Manickam Chairman and Managing Director
	CFO	 S. Veluswamy Chief Financial Officer
	Audit Committee Chairman	 C. Rangamani Chairman of the Audit Committee
Statutory Auditors	 P R Vittel Partner Membership Number: 018111 M/s P.N. Raghavendra & Co., FRN: 003328S	

Place : Coimbatore

Date : 29.05.2023

