



Sakthi Sugars Limited

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SL/SE/3731/2019

14.02.2019

Dear Sirs,

Sub. : Unaudited Statement of Financial Results (Standalone) for the quarter ended 31st December 2018.

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 2018.

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 2018 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 11.30 AM and concluded at 1.10 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 : L15421T21961PLC000396

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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 31.12.2018

(Rs. in Lakhs)

Particulars	Three months ended			Period ended		Year ended
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
1. Income						
Revenue from operations	10517.30	5431.44	8430.21	25373.37	37438.21	53020.06
Other Income	171.45	111.20	161.74	426.80	298.57	1139.64
Total Income	10688.75	5542.64	8591.95	25800.17	37736.78	54159.70
2. Expenses						
Cost of material consumed	11393.76	3155.81	6799.62	18683.64	24537.20	39636.97
Purchase of stock in trade	99.21	7.94	79.50	189.36	140.40	287.44
Changes in inventories of finished goods, work-in-progress and stock in trade	-4498.97	994.85	-446.80	-620.75	4456.55	1554.06
Excise Duty on Sales	--	--	--	--	137.13	137.13
Employee benefits expenses	1570.29	1358.66	1570.11	4304.98	4516.04	5906.62
Finance costs	4721.05	3934.42	3410.79	12578.53	10389.36	14994.92
Depreciation and amortization expense	1299.14	1298.74	1334.28	3882.63	3985.34	5281.69
Other expenses	5681.61	1651.31	1575.95	9555.58	6055.83	9331.92
Total Expenses	20266.09	12401.73	14323.45	48573.97	54217.85	77130.75
3. Profit/(Loss) before exceptional items and tax (1-2)	-9577.34	-6859.09	-5731.50	-22773.80	-16481.07	-22971.05
4. Exceptional Items	-4993.85	--	--	-4993.85	--	2249.33
5. Profit/(Loss) before extraordinary items and tax (3-4)	-4583.49	-6859.09	-5731.50	-17779.95	-16481.07	-25220.38
6. Extraordinary Items	--	--	--	--	--	--
7. Profit/Loss before tax (5-6)	-4583.49	-6859.09	-5731.50	-17779.95	-16481.07	-25220.38
8. Tax expenses						
Current Tax	--	--	--	--	--	--
Deferred tax	-2683.66	-661.29	-1508.40	-5536.91	-4393.85	-7510.12
	-2683.66	-661.29	-1508.40	-5536.91	-4393.85	-7510.12
9. Profit/(Loss) for the period from continuing operations (7-8)	-1899.83	-6197.80	-4223.10	-12243.04	-12087.22	-17710.26
10. Comprehensive Income (net of tax)	-12.73	78.07	--	143.41	--	13.62
11. Total Comprehensive Income	-1912.56	-6119.73	-4223.10	-12099.63	-12087.22	-17696.64
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. Reserves excluding revaluation reserve						13953.91
14. Earnings per equity share of Rs.10/- each:						
1. Basic	-1.61	-5.15	-3.55	-10.18	-10.17	-14.89
2. Diluted	-1.61	-5.15	-3.55	-10.18	-10.17	-14.89

**SEGMENT WISE AUDITED FINANCIAL RESULTS
FOR THE PERIOD ENDED 31.12.2018**

(Rs. in Lakhs)

Particulars	Quarter ended			Period ended		Year ended
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
1. Segment Revenue:- (Sales/Income from Operations)						
a) Sugar	5869.17	411.88	4575.64	10596.16	25061.81	36551.54
b) Industrial Alcohol	1754.89	1397.90	924.99	5551.63	3697.99	4937.70
c) Soya Products	3584.75	3823.41	3243.53	10402.39	9306.88	12821.06
d) Power	1346.58	6.68	379.80	1921.15	1780.71	2947.34
	12555.39	5639.87	9123.96	28471.33	39847.39	57257.64
Less: Intersegment Revenue	2038.09	208.43	693.75	3097.96	2409.18	4237.58
Sales/Income from Operations	10517.30	5431.44	8430.21	25373.37	37438.21	53020.06
2. Segment Results:- (Profit(+)/Loss(-) before tax and Finance Cost)						
a) Sugar	-1835.49	-2417.86	-2222.62	-6361.38	-5403.92	-7046.87
b) Industrial Alcohol	-386.15	-317.64	66.61	-700.55	448.79	954.98
c) Soya Products	261.73	272.23	435.35	852.88	912.77	1331.83
d) Power	-2881.60	-447.00	-598.46	-3929.38	-2019.87	-3172.86
Total	-4841.51	-2910.27	-2319.12	-10138.43	-6062.23	-7932.92
Less: i) Finance Cost	4721.05	3934.42	3410.79	12578.53	10389.36	14994.92
ii) Other un-allocable expenditure	25.30	17.07	12.08	70.04	45.81	59.54
iii) Un-allocable income	-5004.37	-2.67	-10.49	-5007.05	-16.33	2233.00
Total Profit/Loss before tax	-4583.49	-6859.09	-5731.50	-17779.95	-16481.07	-25220.38
3. Segment Assets:-						
a) Sugar	115189.58	113104.51	102852.93	115189.58	102852.93	118536.37
b) Industrial Alcohol	11308.26	12164.44	12507.10	11308.26	12507.10	14457.70
c) Soya Products	13355.50	13581.25	13374.06	13355.50	13374.06	13756.71
d) Power	31381.28	34685.89	34930.96	31381.28	34930.96	35280.01
e) Unallocated	3959.43	3626.70	22519.52	3959.43	22519.52	3870.96
	175194.05	177162.79	186184.57	175194.05	186184.57	185901.75
4. Segment Liabilities:-						
a) Sugar	53549.87	48488.35	45330.99	53549.87	45330.99	50410.62
b) Industrial Alcohol	322.16	164.94	110.80	322.16	110.80	275.62
c) Soya Products	1219.62	1129.70	1017.96	1219.62	1017.96	1370.77
d) Power	11880.35	12537.54	12524.55	11880.35	12524.55	12762.96
e) Unallocated	95732.17	97748.09	81931.87	95732.17	81931.87	91031.13
	162704.17	160068.62	140916.17	162704.17	140916.17	155851.10

Note:-

- 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, 2019. Auditors have given their Limited review report on the above results.
- 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 corresponding period ended of previous year being inclusive of excise duty are not comparable with figures for the period ended 31st December 2018.
- The Auditors have qualified their report for the quarter and period ended 31.12.2018 and also for the year ended 31.03.2018 as under:-
As per the agreement entered, no interest has been provided on the advance given to a company. Non-provision of interest at least to the extent of interest on Government Securities is in violation of Section 186(7) of the Companies Act 2013. Consequential impact of the same on the Loss for the quarter and period under review/accumulated loss is not ascertainable.
Board of Directors have considered the qualification made by the Auditors and have addressed the same as under:-
Non-provision of interest is as per the original Agreement entered into with the Associate Company.
- The company has initiated steps for disposal of Investments held for sale and non-core assets, restructuring of dues to lenders/creditors, rationalization of operation, etc. One of the Institutions has restructured the loan, and has granted remission of interest. The restructuring by other institutions are under active consideration. Taking into consideration of the steps initiated, these financial results of the Company have been prepared on going concern basis.

FOR SAKTHI SUGARS LIMITED


(M. MANICKAM)

**CHAIRMAN AND MANAGING DIRECTOR
DTN : 00102233**

**COIMBATORE
14.02.2019**

Ref. No. : _____

Date : _____

**Limited review report on unaudited financial results for the quarter and nine months ended on
December 31, 2018**

Independent Auditor's Review Report to
the Board of Directors of
Sakthi Sugars Limited

1. Report on the Unaudited Financial Results

We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Sakthi Sugars Limited ("the Company") for the quarter and nine months ended December 31, 2018, attached herewith, 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.

2. Management Responsibility for the Unaudited Financial Results

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 read SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 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.

3. Auditor's Responsibility

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 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.

4. Basis for Qualified Conclusion

As per the agreement entered, no interest has been provided on the advance given to a Company. Non-provision of interest at least to the extent of interest on Government Securities is in contravention of sub-section (7) of Section 186 of the Companies Act 2013. Consequential impact of the same on the loss for the quarter and nine months ended /accumulated loss is not ascertainable.



Ref. No. : _____

Date : _____

5. Qualified Conclusion

Based on our review, with the exception of the matter described in *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with its circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

Attention of the members is invited to Note.4 of the Statement, wherein the directors have detailed the reasons for compiling the financial statements on a going concern basis. The appropriateness of the said basis is subject to the Company adhering to the steps for disposal of Investments held for sale and non-core assets, restructuring of dues to lenders/creditors, rationalization of operation, etc. We have relied on the representations made to us by the management. Our conclusion is not modified in respect of this matter.

7. Other Matter

The comparative Ind AS financial information of the Company for the quarter ended June 30, 2017 were reviewed by the predecessor auditor who expressed unmodified opinion vide their report dated August 11, 2017. The results for the said quarter have been included in the results for nine months ended on December 31, 2017. The reliance has been placed by us on report of the said auditor for the purpose of this report. Our conclusion is not modified in respect of this matter.

For P.K.Nagarajan & Co.,
Chartered Accountants
Firm Registration Number: 016676S


P.K. Nagarajan
Partner

Membership Number: 025679



Coimbatore
February 14, 2019

