



# Sakthi Sugars Limited

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

SL/SE/3047/2023

9.11.2023

Dear Sirs,

Sub: Unaudited Financial Results (Standalone) for the quarter ended 30.9.2023.

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We wish to inform that the Board of Directors of the Company at its meeting held today (9.11.2023) has approved the Unaudited Statement of Financial Results of the Company for the quarter ended 30<sup>th</sup> September 2023.

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

1. Unaudited Statement of Financial Results of the Company (Standalone) for the quarter ended 30<sup>th</sup> September 2023 together with Segment Results, Statement of Assets and Liabilities as at that date and Statement of Cash Flows for the half year ended on that date.
2. A copy of the Limited Review Report of the Statutory Auditors, M/s. P.N.Raghavendra Rao & Co., Coimbatore.

The Board Meeting commenced at 11.45 AM and concluded at 1.10 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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 30.09.2023

(Rs. in Lakhs)

Particulars	Quarter Ended			Period Ended		Year Ended
	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
<b>1. Income</b>						
Revenue from operations	23727.16	36980.96	24198.94	60708.12	54429.31	105375.54
Other Income	239.18	361.73	162.97	600.91	241.00	1472.08
<b>Total Income</b>	<b>23966.34</b>	<b>37342.69</b>	<b>24361.91</b>	<b>61309.03</b>	<b>54670.31</b>	<b>106847.62</b>
<b>2. Expenses</b>						
Cost of material consumed	13322.45	24591.02	14331.78	37913.47	33695.33	65631.78
Purchase of stock in trade	57.86	45.65	9.40	103.51	76.50	146.73
Changes in inventories of finished goods, work-in-progress and stock in trade	2692.34	(620.69)	1407.05	2071.65	1013.64	(346.43)
Employee benefits expenses	1302.59	1758.55	958.79	3061.14	2079.08	4566.97
Finance costs	2601.51	2591.30	2794.27	5192.81	5342.62	10801.07
Depreciation and amortization expense	930.14	918.27	925.87	1848.41	1841.18	3713.65
Other expenses	5513.28	7332.99	5985.69	12846.27	12708.79	26349.97
<b>Total Expenses</b>	<b>26420.17</b>	<b>36617.09</b>	<b>26412.85</b>	<b>63037.26</b>	<b>56757.14</b>	<b>110863.74</b>
<b>3. Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>(2453.83)</b>	<b>725.60</b>	<b>(2050.94)</b>	<b>(1728.23)</b>	<b>(2086.83)</b>	<b>(4016.12)</b>
<b>4. Exceptional Items</b>	--	(10589.19)	(3078.34)	(10589.19)	(20573.93)	(41061.91)
<b>5. Profit/(Loss) before extraordinary items and tax (3-4)</b>	<b>(2453.83)</b>	<b>11314.79</b>	<b>1027.40</b>	<b>8860.96</b>	<b>18487.10</b>	<b>37045.79</b>
<b>6. Extraordinary Items</b>	--	--	--	--	--	--
<b>7. Profit/Loss before tax (5-6)</b>	<b>(2453.83)</b>	<b>11314.79</b>	<b>1027.40</b>	<b>8860.96</b>	<b>18487.10</b>	<b>37045.79</b>
<b>8. Tax expenses</b>						
Current Tax	--	--	--	--	--	--
Deferred tax	(883.11)	3084.08	(30.45)	2200.97	(4.95)	(224.40)
	<b>(883.11)</b>	<b>3084.08</b>	<b>(30.45)</b>	<b>2200.97</b>	<b>(4.95)</b>	<b>(224.40)</b>
<b>9. Profit/(Loss) for the period from continuing operations (7-8)</b>	<b>(1570.72)</b>	<b>8230.71</b>	<b>1057.85</b>	<b>6659.99</b>	<b>18492.05</b>	<b>37270.19</b>
<b>10. Profit/(Loss) before tax from Discontinued Operations</b>	<b>7.79</b>	<b>(240.24)</b>	<b>(571.56)</b>	<b>(232.45)</b>	<b>(664.30)</b>	<b>4511.62</b>
Tax Expense/(Credit) on Discontinued Operations	7.74	(65.48)	(7.20)	(57.74)	(8.15)	--
Profit/(Loss) for the Period from Discontinued Operations	0.05	(174.76)	(564.36)	(174.71)	(656.15)	4511.62
<b>11. Profit for the Period (9+10)</b>	<b>(1570.67)</b>	<b>8055.95</b>	<b>493.49</b>	<b>6485.28</b>	<b>17835.90</b>	<b>41781.81</b>
<b>12. Other Comprehensive Income - Continuing Operations</b>						
i) Items that will not be reclassified to Statement of Profit and Loss	(63.30)	48.33	120.99	(14.97)	19.67	(29.75)
ii) Income tax expenses on the above	15.93	4.93	(30.45)	20.86	(4.95)	(9.61)
	<b>(47.37)</b>	<b>53.26</b>	<b>90.54</b>	<b>5.89</b>	<b>14.72</b>	<b>(39.36)</b>
<b>13. Other Comprehensive Income - Discontinued Operations</b>						
i) Items that will not be reclassified to Statement of Profit and Loss	(0.15)	3.04	28.59	2.89	32.38	(11.76)
ii) Income tax expenses on the above	0.03	3.04	(7.20)	3.07	(8.15)	(0.84)
	<b>(0.12)</b>	<b>6.08</b>	<b>21.39</b>	<b>5.96</b>	<b>24.23</b>	<b>(12.60)</b>
<b>Total Other Comprehensive Income for the year</b>	<b>(47.49)</b>	<b>59.34</b>	<b>111.93</b>	<b>11.85</b>	<b>38.95</b>	<b>(51.96)</b>
<b>14. Total Comprehensive Income</b>	<b>(1618.16)</b>	<b>8115.29</b>	<b>605.42</b>	<b>6497.13</b>	<b>17874.85</b>	<b>41729.85</b>
<b>15. 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>11884.90</b>
<b>16. Other Equity</b>						<b>(12967.66)</b>
<b>17. Earnings per equity share (of Rs. 10 each) (in Rs.)</b> (not annualised for quarterly figures)						
<b>i) For Continuing Operations</b>						
a. Basic	(1.32)	6.93	0.89	5.60	15.56	31.36
b. Diluted	(1.32)	6.93	0.89	5.60	15.56	31.36
<b>ii) For Discontinued Operations</b>						
a. Basic	--	(0.15)	(0.47)	(0.15)	(0.55)	3.80
b. Diluted	--	(0.15)	(0.47)	(0.15)	(0.55)	3.80
<b>iii) For Continuing and Discontinued Operations</b>						
a. Basic	(1.32)	6.78	0.42	5.45	15.01	35.16
b. Diluted	(1.32)	6.78	0.42	5.45	15.01	35.16



**SEGMENT WISE UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND PERIOD ENDED 30.09.2023**

(Rs. in Lakhs)

Particulars	Quarter Ended			Period Ended		Year Ended
	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
<b>1. Segment Revenue:- (Sales/Income from Operations)</b>						
a) Sugar	21471.72	37080.25	24622.72	58551.97	56564.03	107551.78
b) Industrial Alcohol	4671.25	6206.11	3317.41	10877.36	7308.56	14274.41
c) Power	6204.46	12049.87	7698.49	18254.33	18316.43	34943.60
	32347.43	55336.23	35638.62	87683.66	82189.02	156769.79
Less: Intersegment Revenue	8620.27	18355.27	11439.68	26975.54	27759.71	51394.25
<b>Total Segment Revenue</b>	<b>23727.16</b>	<b>36980.96</b>	<b>24198.94</b>	<b>60708.12</b>	<b>54429.31</b>	<b>105375.54</b>
Discontinued Operation	4456.27	3220.00	6764.13	7676.27	15970.31	25246.29
<b>Sales/Income from Operations</b>	<b>28183.43</b>	<b>40200.96</b>	<b>30963.07</b>	<b>68384.39</b>	<b>70399.62</b>	<b>130621.83</b>
<b>2. Segment Results:- (Profit+)/Loss(-) before tax and Finance Cost)</b>						
a) Sugar	(1473.68)	925.38	(111.48)	(548.31)	1712.53	4043.91
b) Industrial Alcohol	959.70	1242.20	239.28	2201.90	485.37	749.44
c) Power	616.74	1031.19	525.02	1647.93	980.35	1815.87
	102.76	3198.77	652.82	3301.52	3178.25	6609.22
Less: i) Finance Cost	2601.51	2591.30	2794.27	5192.81	5342.62	10801.07
ii) Other un-allocable expenditure	10.67	14.13	12.06	24.80	25.12	56.92
iii) Un-allocable income	(55.59)	(10721.45)	(3180.91)	(10777.05)	(20676.59)	(41294.56)
<b>Profit before tax from Continuing Operations</b>	<b>(2453.83)</b>	<b>11314.79</b>	<b>1027.40</b>	<b>8860.96</b>	<b>18487.10</b>	<b>37045.79</b>
<b>Profit/ (Loss) before tax from Discontinuing Operations</b>	<b>7.79</b>	<b>(240.24)</b>	<b>(571.56)</b>	<b>(232.45)</b>	<b>(664.30)</b>	<b>4511.62</b>
<b>Total Profit/Loss before tax</b>	<b>(2446.04)</b>	<b>11074.55</b>	<b>455.84</b>	<b>8628.51</b>	<b>17822.80</b>	<b>41557.41</b>
<b>3. Segment Assets:-</b>						
a) Sugar	84283.36	86553.03	84526.23	84283.36	84526.23	84351.72
b) Industrial Alcohol	7355.04	7768.52	8691.83	7355.04	8691.83	7575.28
c) Power	27940.71	28508.27	25637.35	27940.71	25637.35	28821.59
d) Un-allocable Assets	15348.62	14644.36	3838.71	15348.62	3838.71	19214.17
e) Assets Classified as held for Sale	26587.11	26146.14	54431.64	26587.11	54431.64	26853.28
	161514.84	163620.32	177125.76	161514.84	177125.76	166816.04
<b>4. Segment Liabilities:-</b>						
a) Sugar	20748.63	21916.15	34420.57	20748.63	34420.57	30744.71
b) Industrial Alcohol	1860.52	2122.44	1829.33	1860.52	1829.33	2059.45
c) Power	13611.77	13496.79	12533.46	13611.77	12533.46	13318.99
d) Un-allocable Liabilities	118436.95	118013.06	150468.68	118436.95	150468.68	120227.25
e) Liabilities Directly Associated with Assets Classified as held for	1442.60	1039.35	2541.48	1442.60	2541.48	1548.40
	156100.47	156587.79	201793.52	156100.47	201793.52	167898.80

**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 November 9, 2023.
- 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.
- 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.

During the FY. 2022-23, the company has sold its Sugar and Distillery units at Dhenkanal for a consideration of Rs.13410.00 Lakhs, on slump sale basis and 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			Period Ended		Year Ended
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
Total Income	4456.78	3220.39	6774.90	7677.17	16043.10	30957.38
Total Expenses	4448.99	3460.63	7346.46	7909.62	16707.40	26445.76
Profit/(Loss) Before Tax	7.79	(240.24)	(571.56)	(232.45)	(664.30)	4511.62
Tax Expenses	7.74	(65.48)	(7.20)	(57.74)	(8.15)	--
Profit/(Loss) After Tax	0.05	(174.76)	(564.36)	(174.71)	(656.15)	4511.62

4. The Auditors have qualified their report for the quarter ended September 30, 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 was qualified by the auditors in their report on the financial statements for the year ended March 31, 2023.

This matter was also qualified by the predecessor auditors in their report on the financial statements for the year ended March 31, 2020, March 31, 2021, and March 31, 2022.

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. The provisional results of borrower company have been considered for arriving at the financial capabilities for making the payment on us obtaining favourable award.

5. Exceptional items, represent remission of interest liability on secured borrowings as per relevant agreement.

6. The figures of previous periods/year have been re-grouped/ re-classified wherever necessary.

COIMBATORE  
09.11.2023

FOR SAKTHI SUGARS LIMITED



(M. MANICKAM)

CHAIRMAN AND MANAGING DIRECTOR  
DIN : 00102233



## STATEMENT OF ASSETS AND LIABILITIES

(Rs. in lakhs)

Particulars	As at 30.09.2023 (Unaudited)	As at 31.03.2023 (Audited)
<b>A. ASSETS</b>		
<b>1. NON-CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	77528.69	79314.91
(b) Capital work-in-progress	3516.91	3351.95
(c) Right-of-use Assets	77.38	87.93
(d) Biological assets other than bearer plants	8.01	8.70
(e) Financial Assets		
i) Investments	16331.59	17022.64
ii) Loans	62.79	68.43
iii) Other financial assets	772.87	737.28
(f) Deferred tax assets (Net)	--	214.80
(g) Other Non-current Assets	3568.88	3424.06
<b>Total Non-current Assets</b>	<b>101867.12</b>	<b>104230.70</b>
<b>2. CURRENT ASSETS</b>		
(a) Inventories	3484.90	5525.92
(b) Biological Assets	8.64	6.75
(c) Financial Assets		
i) Trade receivables	1330.90	774.31
ii) Cash and cash equivalents	866.33	528.19
iii) Bank Balances Other than Cash and cash equivalents	41.08	26.32
iv) Loans	24932.00	24907.34
v) Other Financial Assets	14.60	89.48
(d) Current tax assets (Net)	590.97	545.37
(e) Other current assets	3756.50	3328.39
<b>Total Current Assets</b>	<b>35025.92</b>	<b>35732.07</b>
(f) Assets Classified as held for Sale	26587.11	26853.27
<b>Total Current Assets</b>	<b>61613.03</b>	<b>62585.34</b>
<b>TOTAL ASSETS (1 and 2)</b>	<b>163480.15</b>	<b>166816.04</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. EQUITY</b>		
(a) Equity Share Capital	11884.90	11884.90
(b) Other Equity	(6470.53)	(12967.66)
<b>Total Equity</b>	<b>5414.37</b>	<b>(1082.76)</b>
<b>2. LIABILITIES</b>		
<b>A. NON-CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i) Borrowings	52905.35	50358.87
ii) Lease Liabilities	61.76	80.32
iv) Other Financial Liabilities	127.54	148.82
(b) Provisions	1746.01	1632.36
(c) Deferred tax liabilities (Net)	1965.31	--
<b>Total Non-Current Liabilities</b>	<b>56805.97</b>	<b>52220.37</b>
<b>B. CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
i) Borrowings	33739.69	34772.45
ii) Lease liabilities	26.91	16.45
iii) Trade Payable		
a) Total outstanding dues of micro and small enterprises	850.36	566.21
b) Total outstanding dues of other than (iii) (a) above	5430.77	10125.13
iv) Other Financial Liabilities	33659.88	41103.00
(b) Other current liabilities	25832.47	27151.15
(c) Provisions	277.13	395.64
(d) Liabilities directly associated with Assets classified as held for Sale	1442.60	1548.40
<b>Total Current Liabilities</b>	<b>101259.81</b>	<b>115678.43</b>
<b>Total Liabilities</b>	<b>158065.78</b>	<b>167898.80</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>163480.15</b>	<b>166816.04</b>

FOR SAKTHI SUGARS LIMITED

COIMBATORE  
09.11.2023

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

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30.09.2023

(Rs. in Lakhs)

Particulars	Half Year Ended 30.09.2023 (Unaudited)	Half Year Ended 30.09.2022 (Unaudited)	Year Ended 31.03.2023 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit / (Loss) before tax from Continuing Operations	8,860.96	18,487.10	37,045.79
Net Profit / (Loss) before tax from Discontinuing Operations	(232.45)	(664.30)	4,511.62
Adjustment for:			
Depreciation and amortization expense	2,019.98	2,294.27	4,401.15
Finance Costs	5,205.54	5,386.45	10,864.29
Remission of Interest/Liability	(10,589.19)	(20,573.93)	(41,061.91)
Provision for Expected credit loss	--	--	16.05
(Profit) / Loss on Sale / Redemption of Investments (Net)	(241.29)	--	--
(Profit) / Loss on Property, Plant and Equipment Sold / Discarded (Net)	(2.58)	(0.17)	(5,106.00)
(Gain) / Loss on Fair Valuation of Non Current Investment through Profit and Loss (Net)	(175.97)	(38.52)	(207.18)
Dividend Income	(3.10)	(3.11)	(9.60)
Interest Income	(61.98)	(108.96)	(182.41)
Operating Profit before Working Capital / Other Changes	4,779.92	4,778.83	10,271.80
Changes in Working Capital:			
Adjustments for (Increase) / Decrease in Operating Assets:			
Inventories/Biological Assets	3,412.92	969.91	156.21
Trade Receivables	(652.76)	65.83	(180.48)
Other Financial Assets	41.81	64.29	36.28
Other Current Assets	70.91	1,502.18	1,468.95
Other Non-current Assets	(138.08)	(5.42)	(59.04)
Adjustments for Increase / (Decrease) in Operating Liabilities:			
Trade Payables	(4,451.65)	(3,190.88)	1,014.65
Other Financial Liabilities	1,129.82	(28.43)	(149.96)
Other Current Liabilities	(1,558.83)	9,940.08	(415.77)
Other Long Term Liabilities	89.06	(481.90)	(1,374.92)
Cash Generated from Operations	2,723.12	13,614.49	10,767.72
Income Tax Paid (Net)	(48.33)	(138.05)	(100.62)
<b>Net Cash from / (used in) Operating Activities (A)</b>	<b>2,674.79</b>	<b>13,476.44</b>	<b>10,667.10</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Purchase of Property, Plant and Equipment	(239.38)	(476.89)	(1,884.90)
Proceeds from Disposal of Property, Plant and Equipment	3.99	35.36	13,768.33
Investment in Long Term Investments (Net)	1,108.31	--	--
Dividend received	3.10	3.11	9.60
Interest Income	61.98	108.96	182.41
Loans and Advances - Related Parties	--	(1.75)	--
<b>Net Cash from / (used in) Investing Activities (B)</b>	<b>938.00</b>	<b>(331.21)</b>	<b>12,075.44</b>



(Rs. in Lakhs)

Particulars	Half Year Ended 30.09.2023 (Unaudited)	Half Year Ended 30.09.2022 (Unaudited)	Year Ended 31.03.2023 (Audited)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Finance Costs Paid	(2,191.04)	(7,688.32)	(10,748.11)
Principal Payment of Lease Liabilities	(8.10)	--	96.77
Interest Paid on Lease Liabilities	(6.77)	--	(14.77)
Proceeds from Long Term Borrowings	4,127.33	18,113.75	19,492.51
Repayment of Long Term Borrowings	(2,988.79)	(27,878.23)	(33,869.64)
Short Term Borrowings (Net)	(145.00)	1,500.00	--
Loans from Body corporate (Net)	(281.47)	2,686.84	1,245.60
<b>Net Cash from / (used in) Financing Activities (C)</b>	<b>(1,493.84)</b>	<b>(13,265.96)</b>	<b>(23,797.64)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>2,118.95</b>	<b>(120.73)</b>	<b>(1,055.10)</b>
Cash and cash equivalents at the beginning of the year	671.60	1,726.70	1,726.70
<b>Cash and cash equivalents at the end of the year</b>	<b>2,790.55</b>	<b>1,605.97</b>	<b>671.60</b>
Cash and cash equivalents at the end of the year comprises of			
(a) Cash on hand	19.05	51.11	17.15
(b) Balances with banks:			
i) In Current Accounts	1,218.35	947.83	571.88
ii) Margin Money with banks / Security against borrowings	1,553.15	607.03	82.57
Cash and cash equivalents as at the end of the year	2,790.55	1,605.97	671.60

FOR SAKTHI SUGARS LIMITED



(M. MANICKAM)

CHAIRMAN AND MANAGING DIRECTOR

DIN : 00102233

COIMBATORE

09.11.2023



# P.N. RAGHAVENDRA RAO & CO

Chartered Accountants

Founder P.N. Raghavendra Rao

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

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Ref. No. ....

Date : .....

## Independent Auditor's Limited Review Report on unaudited financial results for the quarter and six months ended on September 30, 2023

To

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

### Report on the Statement of 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, 2023 (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.

### Basis for Qualified Conclusion

4. 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



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of Ind-AS 109 "Financial Instruments" and its consequential impact on the financial results. This matter has been qualified in our audit report for the year ended March 31, 2023.

## Qualified Conclusion

5. 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 Statement prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting practices and policies generally accepted in India 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.

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: 23018111BGZEF2662

Coimbatore  
November 9, 2023