

# SAKTHI FINANCE

AN EDIFICE BUILT ON TRUST

SFL:BSE:242:2016-2017

9th February 2017

BSE Limited  
Floor 25, P J Towers  
Dalal Street, Fort  
Mumbai - 400 001  
Fax No : 022 - 22723121 / 22723719 / 22722309  
Scrip Code : 511066  
Email : [corp.compliance@bseindia.com](mailto:corp.compliance@bseindia.com)

Kind Attn : Ms. Sapna Mathukiya  
Asst. Manager, DCS

Dear Sir / Madam,

## **Outcome of the Board Meeting held on 9th February 2017**

We refer to our Letter No SFL:BSE:231:2016-17 dated 30th January 2017 intimating you of convening a Board Meeting on 9th February 2017 for consideration of Unaudited Financial Results for the quarter and nine months period ended 31st December 2016 and other items.

In this regard, we wish to inform you that the Board of Directors of the Company have, at their meeting held today, considered and approved the following agenda items:

### **1. UNAUDITED FINANCIAL RESULTS**

Unaudited Financial Results for the quarter and nine months period ended 31st December 2016 in the format prescribed under Regulations 33(4) of the Listing Regulations.

A copy of Limited Review Report given by our Statutory Auditors, M/s P. N Ragavendra Rao & Co, on the Unaudited Financial Results was taken on record.

We enclose a copy of the Unaudited Financial Results for the quarter and nine months period ended 31st December 2016 along with the Limited Review Report.

The extract of unaudited financial results in the format prescribed under the Listing Regulations will be published within the stipulated time in the manner laid down under regulation 47(1)(b) in English and Tamil newspapers.

The Unaudited financial results have also been uploaded in the website of the Company [www.sakthifinance.com](http://www.sakthifinance.com) as well as in the website of BSE Limited in the required manner.

### **2. PUBLIC ISSUE OF NON-CONVERTIBLE DEBENTURES**

Public Issue of Secured, Redeemable, Non-Convertible Debentures ("**Secured NCDs**") and Unsecured, Redeemable, Non-Convertible Debentures ("**Unsecured NCDs**") of face value of ₹ 1,000 each for cash at par, aggregating to ₹ 10,000 lakh (being the "**Base issue size**") with an option to retain over-subscription up to ₹ 5,000 lakh, aggregating to ₹ 15,000 lakh. The Unsecured,



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**Sakthi Finance Limited**

62, Dr. Nanjappa Road Coimbatore - 641 018 | T: 0422 2231471/4 | F: 0422 2231915 | W: [www.sakthifinance.com](http://www.sakthifinance.com)  
CIN : L65910TZ1955PLC000145

# **SAKTHI FINANCE** **AN EDIFICE BUILT ON TRUST**

Redeemable, Non-Convertible Debentures will be in the nature of sub-ordinated debt and will be eligible for Tier II capital.

The details required to be given in terms of Regulation 30 of the SEBI Listing Regulations 2015 in respect of the above public issue are given below:

SI No	Particulars	Details
1	Size of the Issue	Public Issue of Secured, Redeemable, Non-Convertible Debentures (" <b>Secured NCDs</b> ") and Unsecured, Redeemable, Non-Convertible Debentures (" <b>Unsecured NCDs</b> ") of face value of ₹ 1,000 each for cash at par, aggregating to ₹ 10,000 lakh (being the " <b>Base issue size</b> ") with an option to retain over-subscription up to ₹ 5,000 lakh, aggregating to ₹ 15,000 lakh. The Unsecured, Redeemable, Non-Convertible Debentures will be in the nature of sub-ordinated debt and will be eligible for Tier II capital
2	Whether proposed to be listed? If yes, name of the stock exchange(s)	Yes. The Non-Convertible Debentures will be listed in BSE Limited
3	Tenure of the Instrument - date of the allotment and date of maturity	Will be decided by the Board of Directors / NCD Issuance Committee
4	Coupon/interest offered, schedule of payment of coupon / interest and principal	Will be decided by the Board of Directors / NCD Issuance Committee
5	Charge / Security, if any, created over the assets	An identified immovable property with specified Hire Purchase receivables of the Company will be offered as security for the secured debentures. Security Cover will be 100% of the debenture amount.
6	Special Right/ interest / privileges attached to the instrument and changes thereof	Not Applicable
7	Delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal	Not applicable
8	Details of any letter or comments regarding payment / non-payment of interest, principal on due dates, or any other matter concerning the security and /or the assets along with its comments thereon, if any	Not applicable
9	Details of redemption of preference shares indicating the manner of redemption (whether out of profits or out of fresh issue) and debentures	Redemption will be made out of the profits of the company

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### 3. REDEMPTION OF DEBENTURES

- a. Redemption of Secured, Redeemable, Non-convertible Debentures (NCDs) of face value of ₹ 100 each allotted to the NCD holders on 1st April 2015 pursuant to the Public Issue Prospectus dated 18th February 2015. The details of NCD redemption are given below.

Option	ISIN	BSE Scrip Code	Interest payment frequency	Redemption Remarks	Amount (₹ lakh)
I	INE302E07011	935385	Monthly	100% of principal amount + last month interest	1466.60*
II	INE302E07029	935387	Cumulative	100% of principal amount + interest up to 31st March 2017	4179.12*
<b>Total</b>					<b>5645.72</b>

\* including interest

- b. As per the terms and conditions of the Prospectus dated 18 February 2015, the record date shall be seven days prior to the redemption date. As the date, i.e. 25 March 2017, falls on a trading holiday, the Company has fixed **Monday, 27 March 2017** as the Record date for the purpose of determining the Debenture holders who are eligible to receive the redemption proceeds.

Further, as the redemption date falls on 1 April 2017, being a trading holiday and as per the terms and conditions of the Prospectus dated 18 February 2015, the repayment of maturity amount of debentures will be made on 31 March 2017.

The Board Meeting commenced at 12.00 noon and concluded at 2.45 p.m

We request you to take the above documents/information on record.

Yours faithfully  
For Sakthi Finance Limited

  
S. Venkatesh  
Company Secretary  
**FCS 7012**  
Encl: (2)



**SAKTHI FINANCE LIMITED**  
**62 DR NANJAPPA ROAD, COIMBATORE - 18**



**Statement of Unaudited Financial Results for the Quarter and Nine Months Period Ended 31st December 2016**

(Rs. lakhs)

**Part I**

Sl No	Particulars	Quarter Ended			Nine Months Ended			Year Ended
		31/12/2016 (Unaudited)	30/09/2016 (Unaudited)	31/12/2015 (Unaudited)	31/12/2016 (Unaudited)	31/12/2015 (Unaudited)	31/03/2016 (Audited)	
1	Income from Operations	4260.21	4141.39	4120.36	12383.44	12256.28	16802.56	
2	<b>Total income from Operations (net)</b>	<b>4260.21</b>	4141.39	4120.36	<b>12383.44</b>	12256.28	16802.56	
	<b>Expenses</b>							
	a. Employee benefits expense	515.02	475.97	439.70	1406.91	1329.48	1933.09	
	b. Depreciation and amortisation expense	82.73	81.64	75.79	241.01	209.38	285.05	
	c. Provisions and write off	179.03	145.65	141.15	501.02	408.48	647.16	
	d. Other expenditure	430.65	371.70	385.70	1166.17	1084.02	1555.85	
	e. Contingent Provision against Standard Assets	8.55	5.35	3.70	17.90	47.90	52.45	
	<b>Total Expenses</b>	<b>1215.98</b>	1080.31	1046.04	<b>3333.01</b>	3079.26	4473.60	
3	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>3044.23</b>	3061.08	3074.32	<b>9050.43</b>	9177.02	12328.96	
4	Other Income	36.62	116.15	38.65	230.94	231.99	404.16	
5	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>3080.85</b>	3177.23	3112.97	<b>9281.37</b>	9409.01	12733.12	
6	Finance Costs	2567.43	2611.71	2572.53	7723.75	7615.79	10261.07	
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)</b>	<b>513.42</b>	565.52	540.44	<b>1557.62</b>	1793.22	2472.05	
8	Exceptional Items	-	-	-	-	432.12	432.12	
9	<b>Profit/(Loss) from ordinary activities before tax (7 - 8)</b>	<b>513.42</b>	565.52	540.44	<b>1557.62</b>	1361.10	2039.93	
10	Tax expense	110.65	188.74	194.90	455.65	505.64	787.36	
11	<b>Net Profit / (Loss) from ordinary activities after tax (9 - 10)</b>	<b>402.77</b>	376.78	345.54	<b>1101.97</b>	855.46	1252.57	
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-	
13	<b>Net Profit/(Loss) for the period (11 - 12)</b>	<b>402.77</b>	376.78	345.54	<b>1101.97</b>	855.46	1252.57	
14	Paid-up equity share capital (Face Value of Rs.10 per Share)	5000.00	5000.00	5000.00	5000.00	5000.00	5000.00	
15	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	-	7670.99	
16	Earnings per share (not annualised) before extraordinary items:							
	(a) Basic (Rs.)	0.81	0.75	0.69	2.20	1.71	2.25	
	(b) Diluted (Rs.)	0.81	0.75	0.69	2.20	1.71	2.25	
16	Earnings per share (not annualised) after extraordinary items:							
	(a) Basic (Rs.)	0.81	0.75	0.69	2.20	1.71	2.25	
	(b) Diluted (Rs.)	0.81	0.75	0.69	2.20	1.71	2.25	

**SAKTHI FINANCE LIMITED**  
**62, DR. NANJAPPA ROAD, COIMBATORE -18**

**Notes:**

1. The above Unaudited Financial Results for the quarter and nine months period ended 31st December 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 8th February 2017 and 9th February 2017.
2. The Statutory Auditors of the Company have carried out a Limited Review on the Unaudited Financial Results for the quarter and nine months period ended 31st December 2016.
3. The Company is primarily engaged in the business of asset financing. This, in the context of Accounting Standard – 17 on Segment Reporting, notified by the Companies (Accounting Standards) Rules 2006, is considered to constitute a single primary segment.
4. The Company's Secured, Redeemable, Non-Convertible Debentures (NCDs) are secured by mortgage of immovable properties and hire purchase receivables of the Company with a cover of 100% / 110% as per the terms of the issue.
5. Figures for the previous period / year have been regrouped / rearranged wherever necessary to conform to the current period presentation.

By Order of the Board  
For Sakthi Finance Limited



M. Balasubramaniam

Vice Chairman and Managing Director

DIN 00377053

9th February 2017  
Coimbatore

**SAKTHI FINANCE LIMITED**  
**62, DR NANJAPPA ROAD, COIMBATORE - 18**

**Extract of Statement of Unaudited Financial Results for the Quarter  
and Nine Months period ended 31st December 2016**

(Rs. lakhs)

PARTICULARS	QUARTER ENDED 31.12.2016	NINE MONTHS ENDED 31.12.2016	QUARTER ENDED 31.12.2015
	Unaudited	Unaudited	Unaudited
Total Income from Operations	<b>4260.21</b>	<b>12383.44</b>	4,120.36
Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	<b>513.42</b>	<b>1557.62</b>	540.44
Net Profit / (Loss) for the period before tax (after Exceptional and/ or Extraordinary items)	<b>513.42</b>	<b>1557.62</b>	540.44
Net Profit / (Loss) for the period after tax (after Exceptional and/ or Extraordinary items)	<b>402.77</b>	<b>1101.97</b>	345.54
Equity Share Capital	<b>5000.00</b>	<b>5000.00</b>	5000.00
Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	<b>7670.99 as on 31st March 2016</b>		
Earnings Per Share (Face Value: ₹ 10/- each)			
Basic (₹)	<b>0.81</b>	<b>2.20</b>	0.69
Diluted (₹)	<b>0.81</b>	<b>2.20</b>	0.69

Note:

The above is an extract of the detailed format of Quarterly Unaudited Financial Results filed with Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The full format of the Quarterly Unaudited Financial Results are available on the BSE Limited's website: [www.bseindia.com/corporates](http://www.bseindia.com/corporates) and company's website [www.sakthifinance.com](http://www.sakthifinance.com).

9th February 2017  
Coimbatore



By Order of the Board  
For Sakthi Finance Limited

M. Balasubramaniam  
Vice Chairman and Managing Director  
DIN 00377053

Ref. No. ....

Date : .....

Limited Review Report on Quarterly / Nine Months unaudited financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors  
Sakthi Finance Limited

We have reviewed the accompanying statement of unaudited financial results ("the statements") of M/s. Sakthi Finance Limited for the quarter/nine months period ended 31<sup>st</sup> December 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

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 financial 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Coimbatore

Date: 08.02.2017



For P.N.Raghavendra Rao & Co  
Chartered Accountants  
Firm, Reg. No:003328S

*Pon Arul Paraneedharan*

Pon Arul Paraneedharan  
Partner  
M.No.212860