

# SAKTHI FINANCE

AN EDIFICE BUILT ON TRUST

SFL:BSE:073:2018-2019

30th May 2018

BSE Limited  
(Scrip Code : 511066)  
Floor 25, P J Towers  
Dalal Street, Fort  
Mumbai - 400 001

On-line Submission through Listing Centre  
Total No of Pages : 12

## **Outcome of the Board Meeting held on 30th May 2018**

We request you to refer our Letter SFL: BM: 056:2018-19 dated 19th May 2018 intimating you of convening of Board Meeting on 30th May 2018 for consideration of audited financial results for the year ended 31st March 2018.

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

### **1. AUDITED FINANCIAL RESULTS**

Audited Financial Results for the quarter and year ended 31st March 2018 in the prescribed format under Regulation 33(4) of the Listing Regulations 2015.

In this regard, we enclose copies of the following documents:

SI No	Particulars	Annexure
1	Detailed Audited Financial Results for the quarter and year ended 31st March 2018	A
2	Auditor's Report from the Statutory Auditors, M/s P K Nagarajan & Co., Chartered Accountants, Coimbatore on the audited financial results for the year ended 31st March 2018	B
3	Declaration under Regulation 33(3)(d) of the Listing Regulations	C
4	Disclosures under Regulation 52(4) of the Listing Regulations 2015	D

A copy of Noting certificate from the Debenture Trustee as required under Regulation 52(5) of Listing Regulations 2015 will be sent separately.



**Sakthi Finance Limited**

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The extract of Audited Financial Results in the prescribed format under the Listing Regulations 2015 will be published within the stipulated time as laid down under regulation 47(1)(b) in English and Tamil newspapers. The audited financial results have been uploaded on the website of the Company [www.sakthifinance.com](http://www.sakthifinance.com) as well as in the website of BSE Limited in the manner required.

## **2. Recommendation of Equity Dividend**

The Board of Directors have recommended a dividend of ₹ 1 per share (10% of the face value of ₹ 10 each) on the Equity Shares subject to the approval of members at the ensuing Annual General Meeting of the Company.

## **3. Confirmation of Interim Dividend on Preference Shares**

The Board of Directors also confirmed the Interim Dividend of ₹ 10 per share (10% on the face value of ₹ 100 each) paid on Redeemable Cumulative Preference Shares and a *pro rata* dividend on 9% Redeemable Cumulative Preference Shares (Unlisted) as final dividend on such Shares.

## **4. REDEMPTION OF PREFERENCE SHARES (Unlisted)**

- a. Redemption of 10% Redeemable Cumulative Preference Shares of face value of ₹ 100 each (RCPS) allotted to the preference shareholders on 16th June 2015 and 6th July 2015 for an amount of ₹ 2.50 lakhs and ₹ 23 lakhs respectively.
- b. Record dates for the Redemption of 10% Redeemable Cumulative Preference Shares of face value of ₹ 100 each (RCPS) have been fixed as fixed **Friday, 8th June 2018 and Friday, 29th June 2018** respectively.

The Board Meeting commenced at 11.45 a.m and concluded at 3.00 p.m.

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

Yours faithfully  
For Sakthi Finance Limited

  
S.Venkatesh  
Company Secretary  
M. No: FCS 7012



Encl:(4)



Annexure A

**Sakthi Finance Limited**  
**62, Dr Nanjappa Road, Coimbatore - 18**  
**Statement of Audited Financial Results for the Quarter and Year Ended 31st March 2018**

(₹ lakh)

SI No	Particulars	Quarter Ended			Year Ended	
		31-03-2018	31/12/2017	31/03/2017	31/03/2018	31/03/2017
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from Operations	4488.18	4017.72	4,397.76	16597.86	16,781.20
2	Other Income	39.48	43.04	43.26	258.11	274.20
3	<b>Total Revenue</b>	<b>4527.66</b>	<b>4060.76</b>	<b>4,441.02</b>	<b>16855.97</b>	<b>17,055.40</b>
4	<b>Expenses</b>					
	a. Employee benefits expense	759.96	547.14	677.95	2373.06	2,084.86
	b. Finance Cost	2466.24	2451.01	2,622.80	9993.28	10,346.56
	c. Depreciation and amortisation expense	83.64	83.35	80.69	331.92	321.71
	d. Provisions and write off	197.04	150.78	154.49	607.05	655.51
	e. Other expenditure	619.14	350.30	337.16	1652.67	1,503.32
	f. Contingent Provision against Standard Assets	28.79	5.60	14.00	44.04	31.90
	<b>Total Expenses</b>	<b>4154.81</b>	<b>3588.18</b>	<b>3,887.09</b>	<b>15002.02</b>	<b>14,943.86</b>
5	<b>Profit/(Loss) before Exceptional and Extraordinary Items and Tax (3-4)</b>	<b>372.85</b>	472.58	553.93	<b>1853.95</b>	<b>2,111.54</b>
6	Exceptional Items	-	-	-	-	-
7	<b>Profit / (Loss) before extraordinary Items and Tax</b>	<b>372.85</b>	472.58	553.93	<b>1853.95</b>	<b>2,111.54</b>
8	Extraordinary Items	-	-	-	-	-
9	<b>Profit/(Loss) before tax (7 - 8)</b>	<b>372.85</b>	472.58	553.93	<b>1853.95</b>	<b>2,111.54</b>
10	Tax expense:					
	a. Current Tax	27.60	205.91	28.07	839.28	599.84
	b. Deferred Tax	39.68	(52.08)	(47.74)	(180.23)	(163.88)
	c. Provision for Taxation (for earlier years)	-	-	-	2.27	0.02
11	<b>Profit (Loss) for the period from continuing operations (9-10)</b>	<b>305.57</b>	<b>318.75</b>	<b>573.60</b>	<b>1192.63</b>	<b>1,675.56</b>
12	Profit / (loss) from Discontinuing operations	-	-	-	-	-
13	Tax expense of discontinuing operations	-	-	-	-	-
14	Profit / (loss) from Discontinuing operations (after tax) (12-13)	-	-	-	-	-
15	Profit / (Loss) for the period (11+14)	<b>305.57</b>	<b>318.75</b>	<b>573.60</b>	<b>1192.63</b>	<b>1675.56</b>
16	Paid-up equity share capital (Face Value Rs.10 per Share)	5000.00	5000.00	5000.00	5000.00	5000.00
17	Reserves (excluding Revaluation Reserve as per balance sheet of previous accounting year)	-	-	-	9010.92	8509.99
18	Earnings per Equity share :					
	(1) Basic (₹)	0.61	0.64	1.15	2.12	3.10
	(2) Diluted (₹)	0.61	0.64	1.15	2.12	3.10





**SAKTHI FINANCE LIMITED**  
**62, Dr Nanjappa Road, Coimbatore - 18**

**STATEMENT OF ASSETS AND LIABILITIES**

(₹ Lakh)

SI No	Particulars	As at	As at
		31.03.2018	31.03.2017
		(Audited)	(Audited)
<b>(A)</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' funds:</b>		
	Share Capital	6,137.45	6,050.00
	Reserves and Surplus	10,790.11	10,332.43
	<b>Sub-total - Shareholders' funds</b>	<b>16,927.56</b>	16,382.43
2	<b>Non-current liabilities</b>		
	Long-term Borrowings	45,949.87	59,222.37
	Deferred Tax Liabilities (net)	244.56	424.79
	<b>Sub-total - Non-current liabilities</b>	<b>46,194.43</b>	59,647.16
3	<b>Current Liabilities</b>		
	Short-term Borrowings	18,870.10	13,790.74
	Other Current Liabilities	25,002.54	16,425.25
	Short-term Provisions	2,355.53	1,667.88
	<b>Sub-total - Current liabilities</b>	<b>46,228.17</b>	31,883.87
	<b>TOTAL (A)</b>	<b>109,350.16</b>	107,913.46
<b>(B)</b>	<b>ASSETS</b>		
1	<b>Non-Current assets</b>		
	Fixed assets:		
	- Tangible Assets	5,917.45	6,005.11
	- Intangible Assets	359.00	462.83
	- Capital Work in Progress	74.87	5.43
	Non-current investments	2,566.44	2,604.90
	Long-term loans and advances	1,070.97	1,017.89
	<b>Sub-total - Non-current assets</b>	<b>9,988.73</b>	10,096.16
2	<b>Current assets</b>		
	Current investments	136.31	-
	Stock on Hire	90,161.19	90,366.43
	Trade receivables	123.65	136.12
	Cash and Bank Balances	5,202.88	3,566.42
	Short-term loans and advances	3,578.94	3,508.88
	Other current assets	158.46	239.45
	<b>Sub-total - Current assets</b>	<b>99,361.43</b>	97,817.30
	<b>TOTAL (B)</b>	<b>109,350.16</b>	107,913.46





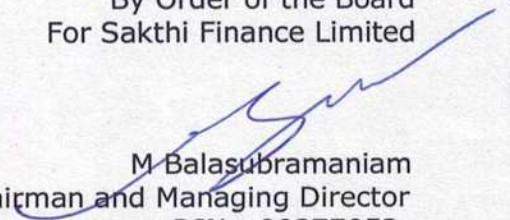
Notes:

1. The Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 29th May 2018 and 30th May 2018.
2. The Board of Directors have recommended an equity dividend of ₹ 1 per share (10% on the face value of ₹ 10) aggregating to ₹ ~~602.8~~ lakh, which is subject to approval of members at the ensuing Annual General Meeting.
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 way of exclusive charge / 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. The figures for the quarter ended 31st March 2018 are the balancing figures between audited figures in respect of full financial year ended 31st March 2018 and the year to date figures published for the nine months period ended 31st December 2017.
6. The figures for the previous period / year have been regrouped / rearranged / reclassified, wherever necessary to conform to the current period / year presentation.

30th May 2018  
Coimbatore – 18



By Order of the Board  
For Sakthi Finance Limited

  
M Balasubramaniam  
Vice Chairman and Managing Director  
DIN : 00377053



Ref. No. : \_\_\_\_\_

Date : \_\_\_\_\_

Auditors' Report on Quarterly Financial Results and Year to Date Results of the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To

The Board of Directors of Sakthi Finance Limited

We have audited the quarterly financial results of Sakthi Finance Limited ("the Company"), for the quarter and year ended 31st March 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. These Quarterly financial results as well as year to date financial results have been prepared on the basis of the annual financial statements, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial results based on our audit of such annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.



Pune Branch Address

559, A6 Flat No. 18 Poonam Terrace, Maharshi Nagar, Pune PIN Code - 411 037  
Mobile : +91 94204 81028 E-mail : rpkankalia@gmail.com

Ref. No. : \_\_\_\_\_

Date : \_\_\_\_\_

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In our opinion and to the best of our information and according to the explanations given to us, these quarter and year ended financial results;

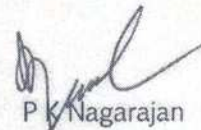
- I. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- II. give a true and fair view of the net profit and other financial information for the quarter and year ended 31<sup>st</sup> March 2018.

The comparative financial statements of the Company for the corresponding quarter and year ended 31st March 2017 were audited by the predecessor auditors who have issued an unmodified report.

The statement includes the results for the quarter ended 31st March 2018, being the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were reviewed by us.

Place : Coimbatore  
Date : 30.05.2018

For P K Nagarajan and Co.,  
Chartered Accountants  
Firm Reg. No:016676S



P. K. Nagarajan  
Partner  
Membership No.025679

— Pune Branch Address —

559, A6 Flat No. 18 Poonam Terrace, Maharshi Nagar, Pune PIN Code - 411 037  
Mobile : +91 94204 81028 E-mail : rpkankalia@gmail.com



# SAKTHI FINANCE

AN EDIFICE BUILT ON TRUST

SFL:BSE:072:2018-2019

30th May 2018

BSE Limited  
(Scrip Code : 511066)  
Floor 25, P J Towers  
Dalal Street, Fort  
Mumbai - 400 001

On-line Submission through Listing Centre

Dear Sir / Madam

**Declaration pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations 2015)**

I, M K Vijayaraghavan, Chief Financial Officer of Sakthi Finance Limited having its Registered Office at No. 62, Dr. Nanjappa Road, Coimbatore - 641 018, hereby declare that, the Statutory Auditors of the Company, M/s P K Nagarajan & Co. Chartered Accountants (Firm Registration No : 016676S), have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the year ended 31st March 2018.

This declaration is given in compliance of Regulation 33(3)(d) of the Listing Regulations 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, by notification No SEBI/LAD-NRO/GN/2016-17/001 dated 25th May 2016 and Circular No CIR/CFD/CMD/56/2016 dated 27th May 2016.

We request you to take this declaration on record.

Yours faithfully  
For Sakthi Finance Limited

  
M K Vijayaraghavan  
Chief Financial Officer





**SAKTHI FINANCE LIMITED**  
**COIMBATORE – 18**

**Disclosure in accordance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015**

**1. Credit Rating**

The Credit Rating as on 31st March 2018 is as follows:

<b>Instrument</b>	<b>Credit Rating Agency</b>	<b>Credit Rating as on 31st March 2018</b>	<b>Previous Credit Rating</b>
Secured, Redeemable Non-Convertible Debentures	ICRA Limited	[ICRA] BBB (Stable)	[ICRA] BBB (Stable)

ICRA Limited has re-affirmed the credit rating as mentioned above.

2. a) **Asset Cover available** : 1.09  
b) **Debt Equity Ratio** : 6.15
3. **Previous due date for the payment of interest / principal for non convertible debt securities the period from 1st October 2017 to 31st March 2018 are given below:**

**NCD Public Issue – 2015**

<b>Series / Tranche</b>	<b>ISIN No</b>	<b>Type (Interest / Principal)</b>	<b>Due date of payment</b>	<b>Amount (₹ lakh)</b>	<b>Actual date of payment</b>
Option III	INE302E07037	Interest	1st November 2017	5.76	1st Nov 2017
Option VI	INE302E07060	Interest	1st November 2017	17.71	1st Nov 2017
Option III	INE302E07037	Interest	1st December 2017	5.96	1st Dec 2017
Option VI	INE302E07060	Interest	1st December 2017	18.32	1st Dec 2017
Option III	INE302E07037	Interest	1st January 2018	6.35	2nd Jan 2018
Option VI	INE302E07060	Interest	1st January 2018	19.54	2nd Jan 2018
Option III	INE302E07037	Interest	1st February 2018	5.96	1st Feb 2018
Option VI	INE302E07060	Interest	1st February 2018	18.32	1st Feb 2018
Option III	INE302E07037	Interest	1st March 2018	5.56	1st Mar 2018
Option VI	INE302E07060	Interest	1st March 2018	17.10	1st Mar 2018
Option III	INE302E07037	Principal	1st April 2018	642.42	31st March 2018
Option IV	INE302E07045	Principal	1st April 2018	194.44	31st March 2018
Option V	INE302E07052	Principal	1st April 2018	698.46	31st March 2018
Option III	INE302E07037	Interest	1st April 2018	5.96	31st March 2018





Series / Tranche	ISIN No	Type (Interest / Principal)	Due date of payment	Amount (₹ lakh)	Actual date of payment
Option IV	INE302E07045	Annual Interest	1st April 2018	22.81	31st March 2018
Option V	INE302E07052	Interest	1st April 2018	275.82	31st March 2018
Option VI	INE302E07060	Interest	1st April 2018	19.54	2nd April 2018
Option VII	INE302E07060	Annual Interest	1st April 2018	32.65	2nd April 2018

### **NCD Public Issue – 2016**

Series / Tranche	ISIN No	Type (Interest / Principal)	Due date of payment	Amount (₹ lakh)	Actual date of payment
Option I	INE302E07094	Interest	1st November 2017	10.29	1st Nov 2017
Option III	INE302E07110	Interest	1st November 2017	6.67	1st Nov 2017
Option VI	INE302E07144	Interest	1st November 2017	52.74	1st Nov 2017
Option I	INE302E07094	Interest	1st December 2017	10.64	1st Dec 2017
Option III	INE302E07110	Interest	1st December 2017	6.90	1st Dec 2017
Option VI	INE302E07144	Interest	1st December 2017	54.55	1st Dec 2017
Option I	INE302E07094	Interest	1st January 2018	11.35	2nd Jan 2018
Option III	INE302E07110	Interest	1st January 2018	7.36	2nd Jan 2018
Option VI	INE302E07144	Interest	1st January 2018	58.19	2nd Jan 2018
Option I	INE302E07094	Interest	1st February 2018	10.64	1st Feb 2018
Option III	INE302E07110	Interest	1st February 2018	6.90	1st Feb 2018
Option VI	INE302E07144	Interest	1st February 2018	54.55	1st Feb 2018
Option I	INE302E07094	Interest	1st March 2018	9.93	1st March 2018
Option III	INE302E07110	Interest	1st March 2018	6.44	1st March 2018
Option VI	INE302E07144	Interest	1st March 2018	50.92	1st March 2018
Option I	INE302E07094	Interest	1st April 2018	11.35	2nd April 2018
Option III	INE302E07110	Interest	1st April 2018	7.36	2nd April 2018
Option VI	INE302E07144	Interest	1st April 2018	58.19	2nd April 2018

All interest on Non-Convertible Debentures due for payment during the half-year ended 31st March 2018 have been paid on their respective due dates.





4. Next due date for payment of interest / principal for non convertible debt securities the period from 1st April 2018 to 30th September 2018 are given below

**NCD Public Issue - 2015**

Series / Tranche	ISIN No	Type (Interest / Principal)	Due date of payment	Amount (₹ lakh)
Option VI	INE302E07060	Interest	2nd May 2018	18.42
Option VI	INE302E07060	Interest	1st June 2018	18.42
Option VI	INE302E07060	Interest	1st July 2018	19.03
Option VI	INE302E07060	Interest	1st August 2018	18.42
Option VI	INE302E07060	Interest	1st September 2018	19.03
Option VI	INE302E07060	Interest	2nd October 2018	18.42

**NCD Public Issue - 2016**

Series / Tranche	ISIN NO	Type (Interest / Principal)	Due date of payment	Amount (₹ lakh)
Option I	INE302E07094	Interest	2nd May 2018	10.70
Option III	INE302E07110	Interest	2nd May 2018	6.94
Option VI	INE302E07144	Interest	2nd May 2018	54.85
Option I	INE302E07094	Interest	18th May 2018	5.71
Option II	INE302E07102	Interest	18th May 2018	485.83
Option I	INE302E07094	Principal	18th May 2018	1266.69
Option II	INE302E07102	Principal	18th May 2018	2165.40
Option IV	INE302E07128	Annual Interest	18th May 2018	36.49
Option VII	INE302E07151	Annual Interest	18th May 2018	109.58
Option III	INE302E07110	Interest	1st June 2018	6.94
Option VI	INE302E07144	Interest	1st June 2018	54.85
Option III	INE302E07110	Interest	1st July 2018	7.17
Option VI	INE302E07144	Interest	1st July 2018	56.68
Option III	INE302E07110	Interest	1st August 2018	6.94
Option VI	INE302E07144	Interest	1st August 2018	54.85
Option III	INE302E07110	Interest	1st September 2018	7.17
Option VI	INE302E07144	Interest	1st September 2018	56.68
Option III	INE302E07110	Interest	1st October 2018	6.94
Option VI	INE302E07144	Interest	1st October 2018	54.85





4. Outstanding redeemable preference shares : Nil

5. Details of Debenture Redemption Reserve are given below:

Series / Tranche	Amount of issue (₹ lakh)	DRR required to be created (₹ lakh)	DRR created up to 31.03.2018 (₹ lakh)	Funds invested for debentures maturing during the year (₹ lakh)
NCD Public Issue 2015	10000.00	NA		
NCD Public Issue 2016	16487.08	NA	3936.00	959.95

6. Net worth : ₹ 14,736.75 lakh

7. Net profit after tax : ₹ 1,192.63 lakh

8. Earnings per Share : ₹ 2.12

