

V J M & Associates

Chartered Accountants

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Independent Auditor's Review Report on Review of Interim Standalone Financial Results to Board of Directors of M/s Sanco Industries Limited

1. We have audited the accompanying statement of standalone unaudited financial results of M/s Sanco Industries Limited ("the Company") for the Quarter ended on September 30, 2017 ("the Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Director, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rule issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the statement in accordance with the Standard o Review Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in term of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as modified by 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.

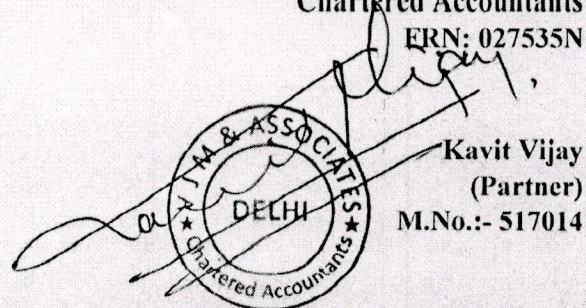
For V J M & Associates
Chartered Accountants

ERN: 027535N

Kavit Vijay
(Partner)

M.No.:- 517014

Date: 2 NOV 2017
Place: Delhi



SANCO INDUSTRIES LIMITED
COMPANY NO:-L74899DL1989PLC035549

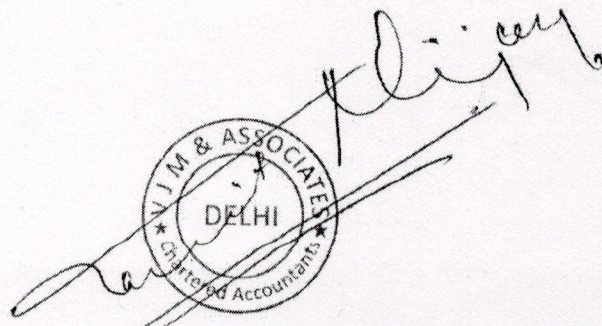
(₹ In Lakh)

Statement of Standalone Unaudited Financial Results for the Quarter Ended on September 30, 2017

Particular	Quarter Ended			Half Yearly
	30th Sep 2017	30th June 2017	30th Sep 2016	30th Sep 2017
1. (a) Gross Sales/Income from Operations	3,011.34	5,199.06	4,020.46	8,210.40
Less: Taxes	493.94	397.57	8.12	891.51
(b) Other Operating Income	2,517.40	4,801.49	4,012.34	7,318.89
Total	2,517.40	4,801.49	4,012.34	7,318.89
2. Expenditure				
a. (+/-) Increase/Decrease in stock in trade and work in progress	(517.89)	675.83	658.82	157.94
b. Consumption of Raw Materials	1,835.33	2,753.04	1,007.23	4,588.37
c. Purchase of traded goods	719.20	937.41	2,057.34	1,656.61
d. Employee cost	48.11	50.66	42.98	98.77
e. Depreciation and Amortisation of Expenses	21.56	21.04	24.60	42.60
f. Other expenditure	78.15	93.46	89.71	171.61
Total	2,184.46	4,531.44	3,880.68	6,715.90
3. Profit from Operations before Other Income, Finance Cost & Exceptional Items (1-2)				
4. Other Income	332.94	270.05	131.66	602.99
5. Profit before Finance Cost & Exceptional Items (3+4)	1.16	2.31	5.52	3.47
6. Finance Cost	334.10	272.36	137.18	606.46
7. Profit after Finance Cost but before Exceptional Items (5-6)	144.48	148.44	171.99	292.92
8. Exceptional Items	189.62	123.92	(34.81)	313.54
9. Profit(+)/Loss(-) from Ordinary Activities before tax (7+8)	-	-	131.38	-
10. Tax expenses	189.62	123.92	96.57	313.54
11. Profit(+)/Loss(-) from Ordinary Activities after tax (9-10)	62.99	47.30	32.08	110.29
12. Extraordinary Item (net of tax expenses)	126.63	76.62	64.49	203.25
13. Net Profit(+)/Loss(-) for the period (11-12)	-	-	-	-
14. Add: Other Comprehensive Income	126.63	76.62	64.49	203.25
Total Comprehensive Income (13+14)	1.73	2.28	(0.60)	4.01
15. Paid-up equity share capital (Face Value of the Share shall be indicated)	128.36	78.90	63.89	207.26
16. Earning Per Share (EPS)	102.84	102.84	102.84	102.84
(a) Basic and Diluted EPS before Extraordinary Items for the period, for the year to date and for the previous year (not to be annualized)	1.25	0.77	0.62	2.02
(b) Basic and Diluted EPS after Extraordinary Items for the period, for the year to date and for the previous year (not to be annualized)	1.25	0.77	0.62	2.02
	1.25	0.77	0.62	2.02

Notes

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 2, 2017. The Statutory Auditors of the Company have conducted a "Limited Review" of the above Unaudited Financial Results for the quarter ended September 30, 2017.



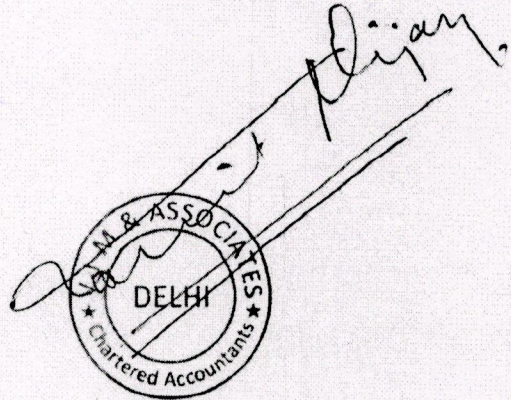
2. On April 1, 2017 the Company has adopted the India Accounting Standard ('Ind AS') notified by the Ministry of Corporate Affairs with effect from April 1, 2016. Accordingly, the financial results for the quarter ended September 30, 2017 have been prepared in accordance with Ind AS and other accounting principles generally accepted in India and the results for the comparative quarter ended September 30, 2016 have been restated in accordance with Ind AS. The financial results for the quarter ended September 30, 2016 have been review or auditor and are compiled by the management after exercising necessary due diligence to ensure that these give a true and fair view of the Company's affairs.
3. Considering the nature of the Company's business and operations, as well as based on reviews performed by chief operating decision makes regarding resources allocation and performance management, the Company has reorganized its operating segments and has classified Trading and Manufacturing as separate operating segments, in addition to earlier reported segments. During the quarter, after considering the above reorganization, the Company has identified Trading and Manufacturing as reportable segments in accordance with the requirements of Ind AS-108 " Operating Segments"
4. Reconciliation of results between previous reported (referred to pervious GAAP) and Ind AS for the quarter ended September 30, 2016 is presented as below:

	Rs. in Lakhs
Profit/(Loss) for the quarter ended Sep 30, 2016 as per Previous GAAP	62.87
Re-measurement of Revenue	(0.60)
Re-measurement of Employee benefit cost	2.59
Tax Effects	-0.96
Total Comprehensive Income for the Period	63.89

5. The statement does not include Ind AS Compliant results for the preceding previous year ended March 31, 2017 as the same is not mandatory as per SEBI's circular dated July 5, 2016.

For and on behalf of the Board

Sanjay Gupta
 Managing Director
 DIN: 00726005
 Date: 2 NOV 2017
 Place: Delhi



SANCO INDUSTRIES LIMITED
COMPANY NO:-L74899DL1989PLC035549

Segment information

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company.

As part of Secondary reporting, the company has no geographical segment by location.

Information about Business Segment - Primary

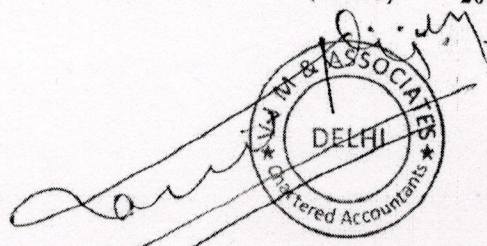
Reportable Segments for the Quarter ended 30th September 2017

₹ in Lakh

Particular	Manufacturing	Trading	Unallocable	Total
Revenue				
Gross Sale	2,126.21	885.13	-	3,011.34
Less: GST	359.13	134.81	-	493.94
Net Sale	1,767.08	750.32	-	2,517.40
Other Operative Income	-	-	-	-
Total revenue	1,767.08	750.32	-	2,517.40
Results				
Segment results (PBIT)	431.98	(99.04)	-	332.94
Operating profit	431.98	(99.04)	-	332.94
Finance costs	-	-	(144.48)	(144.48)
Add: Other Income	-	-	1.16	1.16
Profit before tax	431.98	(99.04)	(143.32)	189.62
Less: Income taxes	-	-	62.99	62.99
Add: Other Comprehensive Income	-	-	1.73	1.73
Net profit as at 30th September 2017	431.98	(99.04)	(204.58)	128.36

Reportable Segments for the Period ended 30th September 2017

Particular	Manufacturing	Trading	Unallocable	Total
Gross Sale	5,998.22	2,212.18	-	8,210.40
Less: GST	756.70	134.81	-	891.51
Net Sale	5,241.52	2,077.37	-	7,318.89
Other Operative Income	-	-	-	-
Total revenue	5,241.52	2,077.37	-	7,318.89
Results				
Segment results (PBIT)	878.70	(275.71)	-	602.99
Operating profit	878.70	(275.71)	-	602.99
Finance costs	-	-	292.92	292.92
Add: Other Income	-	-	3.47	3.47
Profit before tax	878.70	(275.71)	(289.45)	313.54
Less: Income taxes	-	-	110.29	110.29
Add: Other Comprehensive Income	-	-	4.01	4.01
Net profit as at 30th September 2017	878.70	(275.71)	(395.73)	207.26



Segment Assets				
Total Assets	7,182.60	2,274.43	-	9,457.03
	7,182.60	2,274.43	-	9,457.03
Segment Liabilities				
Total Liabilities	1,304.85	1,117.48	4,126.75	6,549.08
	1,304.85	1,117.48	4,126.75	6,549.08
Other segment information				
Capital Expenditure:				
Tangible Assets	-	-	-	-
Intangible Assets	394.60	-	-	394.60
Depreciation	0.03	-	-	0.03
Amortization	16.62	-	-	16.62
	4.94	-	-	4.94

Secondary Segment Reporting (by Geographic Segments) - Business Segments and Geographical segments are same.

