



# RASOOL SINGHAL & CO. CHARTERED ACCOUNTANTS

## Independent Auditor's Limited Review Report on

### Interim Standalone Financials Results to Board of Directors of M/S Sanco Industries Limited

We have reviewed the accompanying statement of standalone unaudited financial results of M/s **Sanco Industries Limited** ("the Company") for the quarter and nine months ended December 31, 2019 ("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 amended ("Listing Regulation"). Attention is drawn to the fact that statement of cash flows for the quarter ended 31 Dec 2019 with comparison with 30 sept 2019, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the company but not been subjected to review.

This Statement which is the responsibility of the Company's Management and approved by the Company's 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 express a conclusion on the Statement based on our review.

We have conducted our review of the statement in accordance with the Standard of 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 Statement is free of material misstatements. A review of interim financial information consists of marking inquires, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.



Administrative Office : SD-29, Shastri Nagar, Ghaziabad-201002  
Corporate Office :1003, K.M Trade Tower, Hotel Radisson Blu, Kaushambi, Ghaziabad-201010  
Head Office :G-313, Sector 63 Noida-201301  
Contact No. :9634172042, 8510898012,0120-4545361  
Email :rajatbanga.rb@gmail.com,carasoolsinghal@gmail.com



## RASOOL SINGHAL & CO. CHARTERED ACCOUNTANTS

A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable an us to obtain assurance that we would become aware of all significant matter that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Based on our review conducted as above we observed that the company bank CC accounts (South Indian and UBI) has become Non-Performing Assets (NPA) as per banking rules and regulations. The company is also irregular while paying its undisputed and disputed statutory liabilities. We observed that undisputed and disputed statutory liabilities which is pending for more than 6 months with respect to Income Tax, ESIC and EPF and it has also not been paid till the date of review.*

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 Rasool Singhal & Company**

**Chartered Accountants**

**FRN- 500015N**

**CA RAJAT BANGA**

**PARTNER**

**MRN-542089**

**UDIN-20542089AAAAAN6256**



**Date- 14/02/2020**

**Place-Delhi**

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**Sanco Industries Limited**  
**COMPANY NO:-L74899DL1989PLC035549**  
**Statements Assets and Liabilities as at 31st December 2019**

Particulars	Rs. Lakhs	
	Standalone Unaudited	
	As at 31st Dec' 2019	As at 31st Mar' 2019
<b>I ASSETS</b>		
(1) <b>Non-Current Assets</b>		
a) Property, Plant and Equipment	237.39	275.23
b) Capital Work-in-Progress	2.99	2.99
c) Financial Assets		
Investments	311.26	450.58
Trade receivables	3,831.36	2041.91
Bank balances		
d) Deferred Tax Assets (Net)	12.67	12.67
e) Other Non-Current Assets	0.10	0.10
<b>Total Non-Current Assets</b>	<b>4395.76</b>	<b>2783.48</b>
(2) <b>Current assets</b>		
a) Inventories	4,151.34	3861.16
b) Financial Assets		
Trade receivables	2,380.43	4447.95
Cash and cash equivalents	77.46	23.08
Bank balances	32.23	2.18
Other financial assets	1,344.23	1214.69
c) Current tax assets (Net)	3.98	1.78
d) Other Current Assets	30.26	64.67
<b>Total Current Assets</b>	<b>8,019.93</b>	<b>9615.51</b>
<b>TOTAL ASSETS</b>	<b>12,415.69</b>	<b>12398.99</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a) Equity Share Capital	1,028.40	1028.40
b) Other Equity	2,435.98	2492.10
<b>Total Equity</b>	<b>3,464.38</b>	<b>3520.50</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
a) Financial Liabilities		
Borrowings	1,264.00	1215.24
Other Financial Liabilities	17.08	22.99
b) Provisions	15.18	16.27
c) Other Non-Current Liabilities	274.30	274.30
<b>Total Non-Current Liabilities</b>	<b>1,570.56</b>	<b>1528.80</b>
<b>Current Liabilities</b>		
a) Financial Liabilities		
Borrowings	4,597.00	4669.86
Trade payables		
-Total Outstanding dues of MSME Creditor	1,349.47	501.76
-Total Outstanding dues of creditors other than MSME Enterprises	1,111.42	1720.83
Other Financial Liabilities	229.45	173.64
b) Other current Liabilities	93.41	278.25
c) Provisions	-	5.35
<b>Total Current Liabilities</b>	<b>7380.75</b>	<b>7349.69</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,415.69</b>	<b>12398.99</b>

For and on behalf of the Board

Sanjay Gupta  
 Managing Director  
 DIN: 00726005  
 Date: 14/02/2020  
 Place: Delhi



**Sanco Industries Limited**  
**COMPANY NO:-L74899DL1989PLC035549**

Particulars		Rs. Lakhs	
		Standalone Unaudited	
		As at 30th Sep' 2019	As at 31st Mar' 2019
<b>I ASSETS</b>			
(1)	<b>Non-Current Assets</b>		
	a) Property, Plant and Equipment	250.27	275.23
	b) Capital Work-in-Progress	2.99	2.99
	c) Financial Assets		
	Investments	397.22	450.58
	Trade receivables	2,368.89	2041.91
	Bank balances	-	-
	d) Deferred Tax Assets (Net)	12.67	12.67
	e) Other Non-Current Assets	0.10	0.10
	<b>Total Non-Current Assets</b>	<b>3032.14</b>	<b>2783.48</b>
(2)	<b>Current assets</b>		
	a) Inventories	4,122.36	3861.16
	b) Financial Assets		
	Trade receivables	4,095.28	4447.95
	Cash and cash equivalents	72.17	23.08
	Bank balances	2.23	2.18
	Other financial assets	1,666.94	1214.69
	c) Current tax assets (Net)	1.78	1.78
	d) Other Current Assets	46.80	64.67
	<b>Total Current Assets</b>	<b>10,007.56</b>	<b>9615.51</b>
	<b>TOTAL ASSETS</b>	<b>13,039.70</b>	<b>12398.99</b>
<b>II EQUITY AND LIABILITIES</b>			
	<b>Equity</b>		
	a) Equity Share Capital	1,028.40	1028.40
	b) Other Equity	2,424.54	2492.10
	<b>Total Equity</b>	<b>3,452.94</b>	<b>3520.50</b>
	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
	a) Financial Liabilities		
	Borrowings	1,227.01	1215.24
	Other Financial Liabilities	12.60	22.99
	b) Provisions	16.27	16.27
	c) Other Non-Current Liabilities	274.30	274.30
	<b>Total Non-Current Liabilities</b>	<b>1,530.18</b>	<b>1528.80</b>
	<b>Current Liabilities</b>		
	a) Financial Liabilities		
	Borrowings	4,694.17	4669.86
	Trade payables		
	-Total Outstanding dues of MSME Creditors	1,809.50	501.76
	-Total Outstanding dues of creditors other than MSME Creditors	1,039.81	1720.83
	Enterprises		
	Other Financial Liabilities	132.95	173.64
	b) Other current Liabilities	375.53	278.25
	c) Provisions	4.63	5.35
	<b>Total Current Liabilities</b>	<b>8056.59</b>	<b>7349.69</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>13,039.70</b>	<b>12398.99</b>

For and on behalf of the Board

Sanjay Gupta  
 Managing Director  
 DIN: 00726005  
 Date: 14/02/2020  
 Place: Delhi



**Statement of Unaudited Standalone Ind AS Financial Results for the Quarter and Nine Months ended on 31st December, 2019**

Particulars	Quarter ended				Nine Month Ended		Rs. Lakhs
	Dec/19	Sep/19	Jun/19	Dec/18	Dec/19	Dec/18	Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Income</b>							
1. Revenue from Operations							
2. Other Income	203.89	1,098.21	2,117.27	2,902.48	3,419.37	7,890.70	11,185.10
3. Total Income (1+2)	22.09	3.30	-	2.57	25.39	6.87	10.49
4. Expenditure	<b>225.98</b>	<b>1,101.51</b>	<b>2,117.27</b>	<b>2,905.05</b>	<b>3,444.76</b>	<b>7,897.57</b>	<b>11,195.59</b>
Cost of Materials Consumed							
Purchase of stock-in-trade	152.31	1,183.70	1,869.19	1,987.99	3,205.20	6,792.40	9,015.26
Change in Inventories of Finished Goods, Stock in trade and WIP	0.98	1.35	10.92	225.22	13.25	534.46	1,117.15
Employee benefits expenses	(22.47)	(209.18)	15.41	397.92	(216.24)	(395.71)	(246.14)
Finance cost	30.58	37.51	36.13	44.30	104.22	135.48	189.57
Depreciation and Amortization expense	3.05	33.62	161.50	167.98	198.17	494.32	654.82
Other expenses	12.88	12.56	12.56	16.51	38.00	49.65	65.82
	37.21	72.42	48.65	77.71	158.28	197.34	263.25
<b>5. Profit Before Tax (3-4)</b>	<b>214.54</b>	<b>1,131.98</b>	<b>2,154.36</b>	<b>2,917.63</b>	<b>3,500.89</b>	<b>7,807.94</b>	<b>11,059.73</b>
6. Tax expenses	11.45	(30.47)	(37.09)	-12.58	(56.12)	89.63	135.86
Current Tax/MAT payable							
Less- Mat Credit Entitlementnet							
Net Current Tax	-	-	-	-	-	27.70	41.55
Deferred Tax	-	-	-	-	-	27.70	41.55
<b>Total tax Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.16</b>	<b>-</b>	<b>8.16</b>	<b>1.34</b>
<b>7. Profit for the period (5-6)</b>	<b>11.45</b>	<b>(30.47)</b>	<b>(37.09)</b>	<b>(20.74)</b>	<b>(56.12)</b>	<b>53.77</b>	<b>42.89</b>
8. Other Comprehensive Income							
<b>9. Total Comprehensive Income (7+8)</b>	<b>11.45</b>	<b>(30.47)</b>	<b>(37.09)</b>	<b>(20.74)</b>	<b>(56.12)</b>	<b>53.77</b>	<b>92.97</b>
10. Paid-up equity share capital (Face Value of Rs. 10 per share)	102.84	102.84	102.84	102.84	102.84	102.84	102.84
11. Other Equity							
12. Earning Per Share (EPS)							
(a) Basic EPS ordinary activities after tax for the period, for the year to date	0.11	(0.30)	(0.36)	(0.20)	(0.55)	0.52	0.90
(b) Diluted EPS ordinary activities after tax for the period, for the year to date	0.11	(0.30)	(0.36)	(0.20)	(0.47)	0.52	0.90

For and on behalf of the Board

Sanjay Gupta  
 Managing Director  
 DIN: 00726005  
 Date: 14/02/2020  
 Place: Delhi



Sanco Industries Limited  
Cash Flow Statement for the Period ended December 31, 2019

Particular	Dec/19	Sep/19
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before Tax		
<b>Adjustments for:</b>	(56.12)	(67.56)
Depreciation and Amortization	38.00	25.12
(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property	(3.24)	(3.24)
Interest Income	(22.08)	(0.06)
Interest Expenses	198.17	195.12
<b>Cash Generated Before Working Capital Changes</b>	<b>154.73</b>	<b>149.38</b>
<b>Movement In Working Capital</b>		
Increase / (Decrease) in Assets	(109.43)	(669.89)
Increase / (Decrease) in Liabilities	96.93	672.20
<b>Cash Generated From Operations</b>	<b>142.23</b>	<b>151.69</b>
Direct Taxes Paid	-	-
<b>Net Cash Flow From / (Used in) Operating Activities</b>	<b>142.23</b>	<b>151.69</b>
<b>B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>		
Purchase of PPE, Intangible Assets and Investment Property	(0.17)	0.17
Proceeds from Investments	142.56	56.60
Interest Income Received	22.08	0.06
<b>Net Cash Flow From / (Used in) Investing Activities</b>	<b>164.47</b>	<b>56.84</b>
<b>C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>		
Proceeds / (Repayment) of Long & Short Term Borrowings	36.04	13.41
Interest Paid	(198.17)	(195.12)
<b>Net Cash Flow From / (Used in) Financing Activities</b>	<b>(162.13)</b>	<b>(181.71)</b>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	144.57	26.47
Cash and Cash Equivalents at the beginning of the Period	(4,465.42)	(4,465.42)
Cash and Cash Equivalents at the end of the Period	<b>(4,320.85)</b>	<b>(4,438.95)</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash and cheques on Hand		
Balances with Banks	66.75	62.32
Bank Overdraft	42.94	12.08
<b>Cash and cash Equivalent</b>	<b>(4,430.54)</b>	<b>(4,513.35)</b>
	<b>(4,320.85)</b>	<b>(4,438.95)</b>

**Notes**

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on Feb 14, 2020. The Statutory Auditors of the Company have conducted a "Limited Review" of the above Audited Financial Results for the quarter and year ended December 31, 2019.
- The statutory auditor have expressed an unmodified audit opinion on these results.
- Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind-AS notified under the Companies (India Accounting Standards) Rules, 2015.
- As the company business activity fall within one segment viz. Manufacturing Business as per Ind AS 108, the disclosures requirements of Ind AS 108 of operating sigment is not applicable.
- The company has not paid its disputed/undisputed statutory liability which is pending for more than 6 months with respect to Income Tax, ESIC and EPF.
- Previous periods figures have been regrouped/rearranged wherever considered necessary to make them comparable with current period.

For and on behalf of the Board

Sanjay Gupta  
Managing Director  
DIN: 00726005  
Date: 14/02/2020  
Place: Delhi

