

BOARD OF DIRECTORS	
<p>MR. SANJAY GUPTA R/o. C-56, Suraj Mal Vihar, Delhi-110092. DIN : 00726005</p>	<p>Chairman & Managing Director</p>
<p>MRS. RITA GUPTA R/o. C-56, Suraj Mal Vihar, Delhi-110092. DIN : 00725963</p>	<p>Executive and Non Independent Director</p>
<p>MR. SIDHANT GUPTA R/o. C-56, Suraj Mal Vihar, Delhi-110092. DIN : 02676750</p>	<p>Executive and Non Independent Director</p>
<p>MR. DEEPAK GUPTA R/o. 25/2, Ram Bagh Road, Muzaffarnagar-251001 (U.P.) DIN : 02643569</p>	<p>Non-Executive Independent Director</p>
<p>MR. SAURABH GUPTA R/o. 3/25, Vishnupuri, Kanpur-208002 (U.P.) DIN : 03093901</p>	<p>Non-Executive Independent Director</p>
<p>MR. SANJEEV KR. JAIN R/o. 131, AJ and K Pocket, Dilshad Garden, Delhi-95 DIN : 03121505</p>	<p>Non-Executive Independent Director</p>
<p>Chief Financial Officer Mr. Vipul Kumar Singhal</p> <p>Company Secretary Ms. Preeti Gupta</p> <p>Auditors V. P. Aditya & Company Chartered Accountants 15/198-A, Civil Lines Kanpur-208001</p> <p>Registered Office 9/51, Bazar Gali, Vishwas Nagar Delhi-110032</p> <p>Corporate Office D-161 Surajmal Vihar Delhi-110092</p> <p>Website www.sancopipes.com</p> <p>E-mail-ipo@sancopipes.com</p> <p>Registrar & share transfer Agents Beetal Financial & Computer Services (P) Ltd Beetal House 3rd Floor, 99 Madangir, New Delhi-110062</p>	<p>BANKERS Union Bank of India State Bank of India Central Bank of India</p> <p>CONTENTS</p> <p>Chairman's Message.....</p> <p>Notice.....</p> <p>Directors Report.....</p> <p>Annexure to Director Report (MGT-9).....</p> <p>Secretarial Audit Report.....</p> <p>Management Discussion & Analysis.....</p> <p>Corporate Governance.....</p> <p>Auditors Report.....</p> <p>Balance Sheet.....</p> <p>Profit & Loss Account.....</p> <p>Cash Flow Statement.....</p> <p>Notes to Financial Statements.....</p>

Chairman's Message

Dear Shareholders & Investors,

I am delighted to share again on the performance of Sanco Industries Limited. Sanco continues to set new benchmarks and records despite a challenging global economic scenario for expansion of our existing facilities of PVC Pipes/Profiles and PVC Wires and Cables and LED Lights. This coming year we shall focus on manufacturing & sales of capacity expanded.

We continued to invest in upgrading our existing infrastructure. Our infrastructure platform giving us significant additional capacity to add customers and greater operational efficiencies to manage them.

We stand more confident today of significant future growth, than we probably ever have been. Most of the pieces of the jigsaw are in place for us and we are working hard to embrace the current and future opportunities. The coming few years look set to be the ones that will significantly reward all shareholders who have been a part of this journey.

Sd/-

Sanjay Gupta

Chairman and Managing Director

Notice of Annual General Meeting

NOTICE is hereby given that the 25th Annual General Meeting of the Members of **M/s Sanco Industries Limited** will be held on Wednesday, 30th September, 2015 at 12.30 P.M. at “**Sancos**” D-9, Aditya Mega Mall, CBD Ground, Shahdara, Delhi-110032 to transact the following businesses:

ORDINARY BUSINESS

ITEM NO. 1

To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2015, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

ITEM NO. 2

To appoint a Director in place of Mr. Sidhant Gupta, who retires from office by rotation, and being eligible, offers himself for re-appointment.

ITEM NO. 3

To appoint M/s V.J.M & Associates, Chartered Accountants, 2473/13, Bihari Colony, Shahdara, Delhi-110032 in place of M/s V.P. Aditya & Co., Chartered Accountants, 15/198 A, Civil Lines, Kanpur-208001, who has given their resignation, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the sixth consecutive Annual General Meeting of the Company i.e. for the term of 5 years from 2015-2020 (subject to ratification of their appointment at each Annual General Meeting) and fix their remuneration.

ITEM NO. 4

The Board of Directors of the Company is of the opinion that no dividend should be declared for this financial year.

For and on Behalf of the Board of Directors of

SANCO INDUSTRIES LTD.

Sd/-

Date: 3rd September, 2015

(Sanjay Gupta)

Place: New Delhi

Managing Director

Notes:

1. **MEMBERS ENTITLED TO ATTEND AND VOTE ARE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.**

A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

A Proxy Form is attached to the Annual Report.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
3. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
4. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number on the Attendance Slip for attending the Meeting.
5. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is annexed hereto. Brief resume and other particulars of Directors who are proposed to be appointed/ re-appointed, as required under Listing Agreement.
6. M/s Beetal Financial Computer Services Pvt. Ltd., 99, Beetal House, Madangir, New Delhi - 110062, is Registrar and Share Transfer Agent of the Company for electronic mode and transfer of shares held in physical form.
7. Members are requested to intimate to M/s Beetal Financial Computer Services Pvt. Ltd., 99, Beetal House, Madangir, New Delhi – 110062, regarding change, if any, of their address for mailing purposes.
8. Members desiring information / clarification on the accounts are requested to write to the Company at its Registered Office at least seven days before the date of the Annual general Meeting so that the same may be responded well in advance.
9. Members are requested to intimate their email address in order to reduce the consumption of paper for copies of Balance Sheet and Auditors Report, to the members of the company. As required under Companies Act, 2013, Balance Sheet and Auditors report have now been allowed to be served through electronic mode as per the new initiatives of Ministry of corporate affairs for corporate governance.

10. As a measure of economy, copies of Annual Reports will not be distributed at the Annual General Meeting. Members are requested to bring their copy of the Annual Report at the meeting.
11. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company during the office hours on all the working days except Saturdays and holidays, between 11:00 a.m. to 1:00 p.m., up to the date of Annual General Meeting.

For and on Behalf of the Board of Directors of

SANCO INDUSTRIES LTD.

Sd/-

Date: 3rd September, 2015

(Sanjay Gupta)

Place: New Delhi

Managing Director

DIRECTORS' REPORT

To,

The Members,

On Behalf of the Board of Director of your Company, it is our privilege to present the 25th Annual Report on the business and operations of the company together with the audited statement of accounts for the financial year ended March 31, 2015 and Auditor's Report thereon.

1. Financial Highlights

The financial performance of your Company

(Rupees in Lacs)

Particulars	2014-15	2013-14
Turnover	10570.87	6634.44
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	829.91	649.57
Less : Finance Charges	477.88	377.44
Profit before Depreciation/Amortization (PBTDA)	352.03	272.13
Less : Depreciation	88.38	69.90
Add: Exceptional Items	10.41	0.00
Net Profit before Taxation (PBT)	274.06	202.23
Provision for taxation	37.44	62.06
Profit/(Loss) after Taxation (PAT)	236.62	140.17
Provision for proposed Dividend	-	-
Dividend tax	-	-
Transfer to General Reserve(Profit for the year and depreciation written back)	369.81	140.17

On the basis of consolidated financial statements, the performance of the Group (Only Indian Subsidiary Company) appears as follows:

(Rupees in Lacs)

Particulars	2014-15	2013-14
Turnover	10576.91	NA
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	834.30	NA
Less : Finance Charges	477.90	NA
Profit before Depreciation/Amortization (PBTDA)	356.40	NA
Less : Depreciation	88.38	NA
Add: Exceptional Items	10.41	NA
Net Profit before Taxation	278.43	NA
Provision for taxation	38.27	NA
Profit/(Loss) after Taxation (PAT)	240.16	NA
Share of profit transferred to minority interest	3.45	NA
Profit for the year	236.71	NA
Provision for proposed Dividend	-	NA
Dividend tax	-	NA
Transfer to General Reserve(Profit for the year and depreciation written back)	499.94	NA

2. State of Company's affairs and future outlook

The Company began this year by achieving business growth and reduction of finance cost thereby boosting the net margins and cash flows. The business increased marginally as the revenues earned for the current year were Rs. 1, 0541.48 crores as compared to Rs. 6622.68 crores during the previous year.

The business performance and future outlook has been discussed elaborately in the Management Discussion and Analysis Report.

3. Change(s) in the nature of business

During this period there is no change in business of the Company or in the subsidiaries' business or in the nature of business carried on by them.

4. Dividend

Keeping in view the Company's need for capital and its growth plans, the Directors do not recommend any dividend for the year ended March 31, 2015. The Directors believe this would increase shareholder value and eventually lead to a higher return threshold.

5. Transfer to Reserves

The amount to be transferred to reserves during the year is Rs. 369.81 lacs. (Rs. 236.62 is on account of the profit during the year and Rs. 133.19 is on account of change in depreciation policy as per company act, 2013)_____.

6. Changes in Share Capital

There is no change in the Share capital of the company during this financial year.

Details pertaining to shares in suspense account - N.A.

Details relating to material variations – N.A

7. Directors and Key Managerial Personnel

Following are the directors and KMPs of the company as on date:

1. Mr. Sanjay Gupta (Managing Director)

Brief Description	Promoter, Graduation from DU,MBA
Expertise	Marketing and Finance
Name of other Companies where holds directorship	Superlink Polyfab Ltd. Sanco Enterprises Pvt Ltd.

2. Mr. Sidhant Gupta(Whole Time Director)

Brief Description	Promoter, B.B.A. from Dibrugarh University, Commercial Pilot from Eagle Flight Academy, New Zealand
Expertise	Strategic Planning and Business Development.
Name of other Companies where holds directorship	Superlink Polyfab Ltd. Sanco Enterprises Pvt Ltd.

3. Mrs. Rita Gupta(Whole Time Director)

Brief Description	Promoter, Post Graduation from CCS University.
Expertise	Fields of Business & Official Management
Name of other Companies where holds directorship	Sanco Enterprises Pvt Ltd.

4. Mr. Saurabh Gupta (Independent Director)

Brief Description	B.com, CA, DISA
Expertise	Audit and Taxation
Name of other Companies where holds directorship	NA

5. Mr. Sanjeev Kumar Jain (Independent Director)

Brief Description	Graduation from DU,CA
Expertise	Audit, Commerce and Taxation
Name of other Companies where holds directorship	NA

6. Mr. Deepak Gupta (Independent Director)

Brief Description	B.A Graduate and LLB from CCS University
Expertise	Advisory and Legal Matters
Name of other Companies where holds directorship	NSUS Infotel Private Ltd.

7. Ms. Preeti Gupta (Company Secretary)

Brief Description	Graduation from DU, Member of ICSI
Expertise	Corporate & Listing Compliances Matters.
Name of other Companies where holds directorship	NA

8. Mr. Vipul Singhal (Chief Finance Officer)

Brief Description	B.Com from CCS University, MBA Finance from UPTU University
Expertise	Finance
Name of other Companies where holds directorship	NA

Mr. Sidhant Gupta, Director of the Company retiring by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends the appointment of the above Director.

During the year Mrs. Shakuntla Gupta has resigned on 29th December 2014 and Mrs. Rita Gupta was appointed as executive director of the Company on the same date.

8. Statement on declaration given by Independent directors under sub-section (6) of Section 149

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

9. Number of meetings of Board of Directors

During the financial year 2014-15, there held 17 meetings of the Board of Directors.

10. Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors

The performance of all the directors during the year was satisfactory and towards the growth prospects.

Personnel relations with all employees remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciation for the devoted services of all employees of the Company.

11. Managerial Remuneration

- During the year there is considerable increase in remuneration of directors and KMP:

Name of the Director /KMP	% in change of remuneration during the year
Sidhant Gupta	60%

- The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:
 - Basic Pay
 - Perquisites and Allowances
 - There are 114 permanent employees on the rolls of company:
 - Work Place – 100
 - Corporate Office - 14
- Remuneration to Non-Executive Directors: The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

Remuneration to other employees: Employees remuneration shall be determined within the appropriate qualifications and work experience and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

12. Details of Subsidiary

Your Company has two Subsidiaries, M/s Sanjita Polymet Ltd. (Company Incorporated in Hong Kong) and M/s Superlink Polyfab Ltd. (earlier Group Company of Sanco Industries)

M/s Sanjita Polymet Ltd. (Wholly Owned Subsidiary)

M/s Sanjita Polymet Ltd. was incorporated in August, 2013 in Hong Kong to promote trading of PVC Raw Materials and Metal Products in International market. However, the Company has made investment of 10,000 USD in the paid up share capital of M/s Sanjita Polymet Ltd. during the year.

M/s Superlink Polyfab Ltd.

M/s Superlink Polyfab Ltd. become subsidiary of the company during the year as company invested in the paid up share capital of above mentioned company 51% and above. M/s Superlink Polyfab Ltd. is the material subsidiary of Sanco Industries Ltd as per the SME listing agreement. And accordingly we have appointed Mr. Saurabh Gupta (Independent Director of the Company) as director in M/s Superlink Polyfab Ltd.

During the year the performance of M/s Sanjita Polymet Ltd. and M/s Superlink Polyfab Ltd. is satisfactory.

13. Statutory Auditors

The Auditors of the Company M/s V.P Aditya & Co., Chartered Accountants, hold office until the conclusion of forthcoming Annual General Meeting has given their resignation and M/s V J M & Associates, Chartered Accountants, Delhi being eligible, offer them for appointment. The Company has also received intimation to the effect that their reappointment, if done, would be within the limits laid down under Section 139(1) of the Companies Act, 2013.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

14. Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, Cost Audit has become applicable on your company for the financial year 2015-16 accordingly M/s JMS & co. has been appointed as Cost Auditors.

15. Secretarial Audit Report

There were no qualifications, reservations or adverse remarks or disclaimer given by the company secretary in practice in the secretarial audit report.

16. Response to Auditor's Remarks

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

17. Disclosure on Employee Stock Option/ Purchase Scheme

The Company has not provided any Employee Stock Option Scheme or Purchase Scheme to the employees.

18. Audit Committee

The Audit Committee of the company has been dealing with matters prescribed by the Board of Directors on a case to case basis. In general, the primary role/objective of the Audit Committee is to review the financial statements of the Company, strengthen internal controls & look into all transactions having monetary implications on the functioning of the Company. The nomenclature, constitution and terms of reference of the Committee are as per the provisions of the Section 177 of the Companies Act, 2013 and Clause 52 of the Listing Agreement of the Stock Exchange. The audit committee will also do the function required for vigil mechanism of the company.

The Committee consist of three Directors. Out of that two Directors are Non-Executive and Independent Directors in accordance with the prescribed guidelines. Mr. Saurabh Gupta is the Chairman of the Committee. The other members are Mr. Deepak Gupta and Mr. Sanjay Gupta, Managing Director of the Company. The members of the Committee have adequate knowledge in the field of finance, accounting, and law. The Scope of the functioning of the Audit Committee is to review, from time to time, the internal control procedures, the accounting policies of the Company and such other functions, as may be recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013, which inter-alia include review of:

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the company.
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
3. Examination of the financial statement and the auditor's report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters.
9. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
10. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control system.
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority to the official heading the department, reporting structure coverage and frequency of internal audit.
12. Discussion with internal auditors any significant findings and follow-up thereon.
13. Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
14. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
16. To review the functioning of the Vigil Mechanism. The Chairperson of Audit Committee will act as the chairperson of the vigil mechanism.

19. Vigil mechanism

As per the provisions of Companies Act, 2013 there is a mandatory requirement to establish a mechanism called 'Vigil Mechanism' for the directors and employees of the Company to report concern about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

The Vigil Mechanism ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee of the Company."

20. Nomination and Remuneration Committee

The Committee has been constituted to recommend/review the remuneration package of the Whole Time Directors apart from deciding other matters. The remuneration policy is directed towards rewarding performance based on review of achievements which are being reviewed periodically which is in consonance with the existing industry practices.

Pursuant to the provisions of Section 178 of the Companies Act, 2013, a Nomination and Remuneration Committee be constituted consisting of –

Mr. Sanjeev Kr. Jain	- Non Executive, Independent Director
Mr. Deepak Gupta	- Non Executive, Independent Director
CA Saurabh Gupta	- Non Executive, Independent Director

As members to carry out such functions set out in Section 178 of the Companies Act, 2013 and that the quorum shall be any two Directors personally present including the Chairman.”

21. Stakeholders Relationship Committee

Pursuant to the provisions of Section 178(5) of the Companies Act, 2013 a Stakeholders Relationship Committee be constituted consisting of –

Mr. Deepak Gupta	- Non Executive, Independent Director
Mr. Sanjay Gupta	- Managing Director
Mr. Sanjeev Kr. Jain	- Non Executive, Independent Director

As members to consider and resolve complaints/ grievances of the security holders of the Company so as to ensure that timely relief is extended to stakeholders/investors in respect of their complaints.

The terms of reference of the Stakeholders Relationship Committee include the following:

1. It shall have the authority to investigate into any matter in relation to transfer of securities or referred to it by the Board and for this purpose, shall have full access to information contained in the records of our Company and external professional advice, if necessary.
2. To investigate any activity within its terms of reference.
3. To seek any information from any employee.
4. To seek information from share transfer agents.
5. To obtain outside legal or other professional advice.
6. To secure attendance of outsiders with relevant expertise, if it consider necessary.
7. To approve issue of duplicate share certificates and to oversee and review all matters connected with the transfer, transmission and issue of securities.
8. To approve share transfer / transmission securities periodically, whether by circular resolution or otherwise.
9. To look into redressing of shareholders' complaint like transfer of shares, non-receipt of balance sheet, non receipt of declared dividends etc.
10. To oversee the performance of the Registrar and transfer Agents an recommended measures or overall improvement in the quality of investors services.

22. Risk Management Policy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

23. Extract of the annual return

The extract of annual return as on the financial year ended March 31, 2015 in Form No. MGT-9 is attached with this report.

24. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

There is no material changes occurred subsequent to the close of the financial year ended 31.03.2015 affecting the financial position of the Company.

25. Details of significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future

During the year there are no significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future.

26. Statement in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

27. Deposits

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

28. Particulars of loans, guarantees or investments under section 186

- Details of loans, guarantee/security provided :

There were no loans, guarantees or security made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

- Details of investments:

SL No.	Date of investment	Name of investee	Purpose for which the proceeds	Equity Shares	Amount
1	12/09/2014	Superlink Polyfab Ltd	For Making it a subsidiary	75000	7,50,000
2	14/10/2014	Sanjita Polymet Ltd	For Making investment in	10000USD	6,12,025
3	12/03/2015	Superlink Polyfab Ltd.	For Making it a subsidiary	1452596	1,45,25,960

29. Particulars of contracts or arrangements with related parties

Date and No. Contract or Arrangement	Name of Parties to Contract	Particulars of Contract	Name of Directors Interested
12 th September 2014	Sanco Industries Ltd & Superlink Polyfab	Co. Invested in shares of Superlink Polyfab Ltd for Rs. 7,50,000	Sidhant Gupta Sanjay

	Ltd		Gupta Shakuntla Gupta
14 th October 2014	Sanco Industries Ltd & Sanjita Polymet Ltd	Co. Invested in shares of M/s Sanjita Polymet Ltd for rs.612025	Sidhant Gupta
12 th March 2015	Sanco Industries Ltd & Superlink Polyfab Ltd	Co. Invested in shares of Superlink Polyfab Ltd for Rs. 14525960	Sidhant Gupta Sanjay Gupta
1 st April 2014- 31 st March, 2015	Shakuntla Gupta	Rent paid to Mrs. Shakuntla Gupta of Rs. 4.50 lacs	Shakuntla Gupta
1 st April 2014- 31 st March, 2015	Rita Gupta	Rent paid to Mrs. Rita Gupta of Rs. 1.50 lacs	Rita Gupta

31. Corporate Governance

Your Company is committed to maintain the highest standards of Corporate Governance. The Company adheres to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and the requirements of the SME Listing Agreement and has implemented all the mandatory stipulations prescribed there under. Report on Corporate Governance for the year ended March 31, 2015 in terms of Clause 52 of the SME Listing Agreements entered into with the Stock Exchanges in India forms part of the Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

32. Management Discussion and Analysis Report

Management Discussion and Analysis Statement on the Company's performance, industry trends and other material changes with respect to the Company is presented in a separate section forming part of annual Report.

33. Fraud Reporting

During the year, the company has reported no frauds.

34. Revision of financial statements or Board's Report

No revision of financial statements or Board's Report.

35. Details of debenture trustees

The provisions related to debenture trustees are not applicable for the company.

36. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013

During the Period no cases has been reported under Sexual Harassment of Women at Workplace

37. Details of unclaimed NCDs

The provisions related to unclaimed NCDs are not applicable for the company.

38. Details of Downstream Investment

The provisions related to downstream investment is not applicable for the company.

39. Details of Voluntary Delisting

The provisions related to voluntary delisting is not applicable for the company.

40. Conservation of energy, technology absorption, foreign exchange earnings and outgo and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. CONSERVATION OF ENERGY

I. Energy conservation measures taken

Conservation of energy is given top priority by the Company. During the year, the Company has taken following measures towards energy conservation:

Organizing the operating procedures in such a way that energy losses are minimized by eliminating idle running. This has helped in reducing Energy per unit.

Optimization of electrical load by matching motor power capacity to the exact operational requirements.

II. Additional Investment and proposals, if any, being implied for reduction of consumption energy.

At present the company has no proposal for additional investment for reduction of consumption of energy.

III. Impact of measures at (I), (II) above for reduction of energy consumption impacting the cost of production of goods.

The measures adopted by the company for energy conservation have been instrumental in bringing down the cost of energy per unit of production in addition to improving quality.

B. TECHNOLOGY ABSORPTION

Effects made in technology absorption in prescribed form-B Research & Development (R & D)

The company is carrying research & development in routine manufacturing activities. There is no specific expenditure in research & development.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The company has already absorbed technology fully

C. FOREIGN EXCHANGE EARNING & OUTGO (In Rs.)

Foreign Exchange Out goes	NIL
Foreign Exchange earning	NIL

41. Corporate Social Responsibility (CSR) and its terms of reference

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

42. Directors' Responsibility Statement

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors state that:

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (vi) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

43. Acknowledgements

Your Directors would like to express their sincere appreciation for significant contribution made by the Company's executives, staff and workers through their deep sense of dedication, hard work and commitment, and the trust reposed on us by our customers, in the overall growth and prosperity of the Company.

We also acknowledge the support and wise counsel extended to us by the analysts, financial institutions, bankers, Government authorities, customers, vendor, shareholders, investors and members at large. We look forward to having the same support in our future endeavours.

The Company will make every effort to meet the aspirations of its Shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

**For and on behalf of the
Board of Directors**

Sd/-

Mr. Sanjay Gupta

(Managing Director)

Sd/-

Mr. Sidhant Gupta

(Director)

Place: Delhi

Date: 08.07.2015

**EXTRACT OF ANNUAL RETURN
As on the financial year ended on 2015
Form No. MGT-9**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

- i) CIN: L47899DL1989PLC035549
- ii) Registration Date: 17/03/1989
- iii) Name of the Company: Sanco Industries Ltd
- iv) Category / Sub-Category of the Company : Public Limited Company
- v) Address of the Registered office and contact details: 9/51, Bazar Gali Vishwas Nagar Delhi-110032
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent: **“Beetal Financial & Computer Services (P) Ltd.”** Beetal House 3rd floor, 99 Madangir, BH- Local Shopping Complex near Dada Harsukhdas Mandir, New Delhi-110062.
Ph no: 29961281, 29961282

II. Principal business activities of the company

All the Business activities contributing 10 % or more of the total turnover of the company are:- vipul

Sl.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	PVC Pipes	22207	18.60
2	PVC Wires & Cables	27320	25.36
3	Copper Wire Rod	NA(Trading)	53.36

III. Particulars of holding, subsidiary and associate companies

S. No.	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate
1	Sanco Enterprises Private Ltd	U00000DL190PTC040854	Associate
2	Superlink Polyfab Ltd.	U25209DL2002115859	Subsidiary
3	Sanjita Polymet Ltd. (incorporated in hong kong)	1951307	Wholly Owned Subsidiary

IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

- i) **Category-wise Share Holding**

SANCO INDUSTRIES LIMITED



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share s	
A. Promoters									
(1) Indian									
a) Individual/HUF	4698500	0	4698500	54.82	4698500	0	4698500	54.82	0
b) Central Govt	0	0	0		0	0			0
c) State Govt(s)	0	0			0	0			0
d) Bodies Corp.	26700	0	26700	0.31	26700	0	26700	0.31	0
e) Banks / FI	0	0	0		0	0			0
f) Any Other(Director & Relative)	1444800	0	1444800	16.86	1444800	0	1444800	16.86	0
Sub-total (A) (1):-	6170000	0	6170000	72.00	6170000	0	6170000	72.00	0
(2) Foreign									0
a) NRIs - Individuals	0	0	0.00	0.00	0	0	0.00	0.00	0
b) Other Individuals	0	0	0.00	0.00	0	0	0.00	0.00	0
c) Bodies Corp.	0	0	0.00	0.00	0	0	0.00	0.00	0
d) Banks / FI	0	0	0.00	0.00	0	0	0.00	0.00	0
e) Any Other	0	0	0.00	0.00	0	0	0.00	0.00	0
Sub-total (A) (2):-			0.00	0.00	0	0	0.00	0.00	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6170000	0	6170000	72.00	6170000	0	6170000	72.00	0

SANCO INDUSTRIES LIMITED



B. Public Shareholding									0
1. Institutions									0
a) Mutual Funds	0	0	0.00	0.00	0	0	0.00	0.00	0
b) Banks / FI	0	0	0.00	0.00	0	0	0.00	0.00	0
c) Central Govt	0	0	0.00	0.00	0	0	0.00	0.00	0
d) State Govt(s)	0	0	0.00	0.00	0	0	0.00	0.00	0
e) Venture Capital Funds	0	0	0.00	0.00	0	0	0.00	0.00	0
f) Insurance Companies	0	0	0.00	0.00	0	0	0.00	0.00	0
g) FIs	0	0	0.00	0.00	0	0	0.00	0.00	0
h) Foreign Venture Capital Funds	0	0	0.00	0.00	0	0	0.00	0.00	0
i) Others (specify)	0	0	0.00	0.00	0	0	0.00	0.00	0
Sub-total (B)(1):-	0	0	0.00	0.00	0	0	0.00	0.00	0
2. Non-Institutions									0
a) Bodies Corp.	928000	0	928000	10.83	928000	712000	712000	8.31	2.52
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0

SANCO INDUSTRIES LIMITED



i) Individual shareholders holding nominal share capital Upto Rs. 1 lakh	736000	0	736000	8.59	0	432000	432000	5.04	3.55
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	408000	0	408000	4.76	0	936000	936000	10.92	6.16
c) Others									
Market Makers	120000	0	120000	1.40	120000	0	120000	1.40	0
HUF	208000	0	208000	2.43	200000	0	200000	2.33	0.1
Sub-total (B)(2):-									
	2400000	0	2400000	28.00	2400000	0	2400000	28.00	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2400000	0	2400000	28.00	2400000	0	2400000	28.00	0
C. Shares held by Custodian or GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	8570000	0	8570000	N.A	8570000	0	8570000	N.A	0

ii) Shareholding of Promoters

SI No	Shareholder Name	Share holding at the beginning of the year			Share holding at the end of the year			
		No. Of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Shakuntla Gupta	502000	5.86	0	502000	5.86	0	0
2	Sanjay Kumar Gupta	833700	9.373	0	833700	9.373	0	0
3	Sanjay Gupta	3362800	39.24	0	3362800	39.24	0	0
4	Sanco Entrprise Pvt Ltd	26700	0.31	0	26700	0.31	0	0
5	Mansi Gupta	10000	0.12	0	10000	0.12	0	0
6	Sidhant Gupta	30100	0.35	0	30100	0.35	0	0
7	Seema Jain	40000	0.47	0	40000	0.47	0	0
8	Om Prakash Gupta	120500	1.41	0	120500	1.41	0	0
9	Sadhna Singhal	140000	1.63	0	140000	1.63	0	0
10	Rita Gupta	156800	1.83	0	156800	1.83	0	0
11	Anil Kumar Sharma	247600	2.89	0	247600	2.89	0	0
12	Anurag Gupta	699800	8.17	0	699800	8.17	0	0
	Total	6170000	72.00		6170000	72.00	0	0

iii) Change in Promoters' Shareholding :

There is no subsequent change in Promoter's Shareholdings.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SI No	Shareholder Name	Share holding at the beginning of the year			Share holding at the end of the year			
		No. Of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Shri Parasram Holding Pvt. Ltd.	0	0	0	520000	6.07	0	6.07
2	Akash Taneja	120000	14.00	0	120000	1.4	0	0
3	Keynote Capitals Ltd.	120000	14.00	0	120000	1.4	0	0

4	Pawan Kumar Sarawgi	0	0	0	112000	1.31	0	1.13
5	Globe Capital Market Ltd.	0	0	0	96000	1.12	0	1.12
6	CPR Capital Services Ltd.	872000	10.18	0	72000	0.84	0	9.34
7	Satya Bhama Devi	0	0	0	56000	0.65	0	0.65
8	Kailash Kumar Sharma	48000	0.56	0	48000	0.56	0	0
9	Bhagwan Sahai Sharma	48000	0.56	0	48000	0.56	0	0
10	Vikram Bhatia	0	0	0	40000	0.47	0	0.47
	Total	1208000	14.10	0	1232000	14.38	0	

iv) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Sanjay Gupta	For Each of the Directors and KMP				
	At the beginning of the year	3362800	39.24%		
	Date wise Increase / Decrease in Shareholding during the year			NA	NA
	At the End of the year			3362800	39.24%

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2. Sidhant Gupta	For Each of the Directors and KMP				
	At the beginning of the year	30100	0.35		
	Date wise Increase / Decrease in Shareholding during the year specifying			NA	NA

	At the End of the year			30100	0.35
Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3. Rita Gupta	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	156800	1.834%		
	Date wise Increase / Decrease in Shareholding during the year			NA	NA
	At the End of the year			156800	1.834%

I. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments (Secured loan)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1496.41	517.45	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1496.41	517.45	0	0
Change in Indebtedness during the financial year				
• Addition	645.60	332.78	0	0
• Reduction	211.61	146.64	0	0
Net Change	433.99	186.14	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	1930.40	703.59	0	0
ii) Interest due but not paid	0	0	0	0

iii)Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1930.40	703.59	0	0

II. Remuneration of directors and Key Managerial Personneel

A. Remuneration to Managing Director

Sl. no.	Particulars of Remuneration	Sanjay Gupta	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	6,00,000 p.a	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	
2.	Stock Option	0	
3.	Sweat Equity	0	
4.	Commission - as % of profit -others, specify	0	
5.	Others, please specify	0	
	Total (A)	6,00,000p.a	
	Ceiling as per the Act		

B. Remuneration to whole time Director

Sl. no.	Particulars of Remuneration	Shakuntla Gupta	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961 (Remuneration upto December 2015,as she has given her resignation on 29 th December 2015	4,50,000/- (For 9 months. April 2014- December2014)	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	
2.	Stock Option	0	
3.	Sweat Equity	0	
4.	Commission - as % of profit	0	

	-others, specify		
5.	Others, please specify	0	
	Total (A)	4,50,000/-	
	Ceiling as per the Act		

Remuneration to whole time Director

Sl. no.	Particulars of Remuneration	Sidhant Gupta	
2.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,80,000p.a	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	
2.	Stock Option	0	
3.	Sweat Equity	0	
4.	Commission - as % of profit -others, specify	0	
5.	Others, please specify	0	
	Total (A)	4,80,000p.a	
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Saurabh Gupta	Deepak Gupta	Sanjeev Kumar Jain	
	3. Independent Directors Fee for attending board meeting / committee meetings Commission Others, please specify	NIL	NIL	NIL	NIL
	Total(1)	NIL	NIL	NIL	NIL

	4. Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	NIL	NIL	NIL
	Total(2)	NIL	NIL	NIL	NIL
	Total(B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL

A. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income tax Act, 1961	3,00,000p.a	4,20,000p.a	7,20,000/-
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others specify.	0	0	0
5.	Others, please specify	0	0	0
	Total	3,00,000p.a	4,20,000p.a	7,20,000p.a

III. Penalties / Punishment/ Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
C. Other officers in default					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

For the financial year ended 31.03.2015

To,

The Members,

Sanco Industries Limited

9/51 Bazar Gali

Vishwas Nagar

Delhi-110032

Date of Incorporation: **17.03.1989**

Authorized Share Capital: **140,000,000.00**

Paid up Share Capital: **85,700,000.00**

We have conducted the secretarial audit of the compliance of applicable statutory provisions to **Sanco Industries Limited** here in after referred to as ("**the company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Sanco Industries Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st Day of March, 2015** complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Sanco Industries Limited ("the Company")** for the financial year ended on **31st Day of March, 2015** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable to the company during the audit period)**
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s),

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting, however, Company does not pay any sitting fees to Independent Directors.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 07.07.2015
Place: Delhi

for SAS & Associates
Company Secretaries

Sd/-

Shazan Ali

M No.25996

CP No.9354

This report is to be read with our letter of even date, which is annexed as Annexure A and forms an integral part of this report.

Annexure- A

To,

The Members,

Sanco Industries Limited

9/51 Bazar Gali

Vishwas Nagar

Delhi-110032

Our report of even date is to be read along with this letter.

- i. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- iv. Wherever required, we have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
- v. The Compliance of provisions of corporate and other applicable laws, rules, regulations & standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- vi. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

Date: 07.07.2015
Place: Delhi

for SAS & Associates
Company Secretaries

Sd/-

Shazan Ali

M No.25996

CP No.9354

MANAGEMENT DISCUSSION AND ANALYSIS

a. Overview of our Business:

We are into the manufacturing of wide range of products such as Rigid PVC pipes, PVC casing & capping, PVC Insulated Domestic and industrial Wires & Cables. The products are used in various electrical, cable and construction industries. Since FY 2010 our company started the trading operations of PVC Raw Materials along with various metal products and LED lights.

b. Quality and ISO certification

Our Company is an ISO 9001:2008 certified Company and sells its varied range of products under various brand names such as "SATYAM", "MARSHALL", "SUPERPLAST" and "SANCO". We are among the first few companies in "North India" and in its category which got "IS-14927" certification for PVC Profiles for quality assurance since December'2004. We are also awarded by the Government of NCT Delhi, for its outstanding performance in 1997. The manufacturing facility of our Company is located in Himachal Pradesh.

c. Capacity Expansion

Our Company after getting listed with NSE "SME EMERGE" segment during the FY 2014 has embarked on proposed expansion of its Capacity. It can be defined as a measure of the extent to which the productive capacity of a business is being used.

The total capacity that is actually being achieved in a given period after the Expansion is:

Activities	Capacity After Expansion
PVC Insulated Wires and Cables	36000 KMPA
PVC Pipes/Profiles	6000 MTPA

d. Promoters experience & their Shareholding

Our promoters have been involved in the business for over two and a half decades. Our promoters & promoters group currently holds 72% shareholding of the company.

e. Factors that may affect Results of Operations

Except as otherwise and the following important factors could cause actual results to differ materially from the expectations include, among others:

- **General economic and business conditions**

As a company operating in India, we are affected by general economic and business conditions in the markets in which the Company operates and in the local, regional and national and international economies.

The Indian economy has grown steadily over the past several years. This improved performance was propelled by the growth in industrial activity and robust services sector. The overall economic growth will therefore impact the results of its operations. The growth prospects of the business of the Company and its ability to implement the strategies will be influenced by macroeconomic growth.

- **Our ability to successfully implement its strategy and its growth and expansion plans**

In the past, we have achieved impressive growth in revenues and profits. We would continue to pursue such development strategies which would not only enhance existing operations but also

focus on newer opportunities in diversified areas. Our Company's future prospects predominately depend upon our managerial capabilities and capacities to undertake such growth oriented projects. This could only be achieved once we have improvised operating systems, sound organizational structures in place, existence of standardized procedures and effective internal control mechanisms, continuous up gradation of the infrastructure and managerial capabilities to take the most appropriate managerial decisions at right time as per need of the hour. In the unlikely event of our failure to install such systems, procedures and control mechanisms in our Company due to our limited managerial abilities, we may not be able to pursue our strategic expansion cum diversification plans effectively. This could adversely affect execution of future plans, results of operations and financial conditions.

- **Factors affecting industrial activity**

Any change in the factors such as industrial policies, tariffs, excise duties, improper relationships with our customers, etc. which may affect the activities of the steel, inventory, fluctuations in commodity prices, oil & gas, pharmaceutical industry etc. may affect our results of operation.

- **Increasing competition in the industry**

We face competition from some of the domestic companies like AKG Industries, Dimple Plastics Pvt Ltd. (Setia Pipes) and Nav Shikha Polypack Pvt. Ltd. (Polypack Pipes).

- **Cyclical or seasonal fluctuations in the operating results**

Cyclical or seasonal fluctuations in the operating results of the company refer primarily to systematic variations in demand for products and services in a cyclical fashion at different within a recurring time period. The reason for seasonal variations is changes in the environment or other cultural factors cause people to have different types of requirements at different times of the seasonality time period may affect the enduring financial performance at large.

- **Changes in laws and regulations that apply to the industry**

Our business is subject to numerous laws, regulations and policies. Changes in the laws, regulations and policies, including the interpretation or enforcement thereof, that affect, or will affect, our business. In case of a failure to comply with these laws and regulations or to obtain or renew the necessary permits and approvals our business may be affected.

- **Changes in fiscal, economic or political conditions in India**

External factors such as potential terrorist attacks, acts of war or geopolitical and social turmoil in many parts of the world could constrain our ability to do business, increase the costs and negatively affect our financial performance.

- **Changes in the foreign exchange control regulations, interest rates and tax laws in India**

Changes in the laws, foreign exchange control regulation and policies, including the interpretation or enforcement thereof, that affect, or will affect, our business, including changes in accounting standards, tax laws and regulations, trade rules and customs regulations, and the outcome and expense of legal or regulatory proceedings, and any action we may take as a result could adversely affect our financial results.

f. Outlook

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. The company is committed to put continuous efforts for providing superior quality products with research and innovation using best practices, adopting sales and marketing strategies, investment in people development and expansion of manufacturing capacity. The company is confident of continuous good performance of growth by using better technologies and consistent efforts. Fundamental growth drivers of the Indian economy continue to exist. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The overall scenario for

economy is showing recovery trends and we believe it will help our industry to grow at a faster rate, and we at Sanco Industries Limited remains optimistic about our future.

g. Overview of Our Results of Operations

The following discussion of the financial condition and results of operations for the financial year ended March 31, 2015 & 2014.

The Audited Financial Statements are prepared in accordance with the Indian Accounting Standards

(` In Lac)

Particulars	For the Financial year	
	31st March, 2015	31st March, 2014
Income		
Revenue from operations	10541.48	6622.68
Other income	29.39	11.76
Total Income	10570.87	6634.44
Expenses		
Cost of raw material and components consumed	3220.94	2496.60
Purchase of Stock in Trade	6412.51	3223.32
Changed in inventories of finished goods and traded goods	(418.90)	(157.83)
Employee Benefits Expenses	162.83	166.68
Depreciation and Amortization Expenses	88.38	69.90
Finance Costs	477.88	377.43
Other Expenses	363.58	256.10
Total Expenditure	10307.22	6432.20
Profit Before Tax	274.06	202.24
Less: Tax Expense		
Current tax expense	54.82	67.65
Deferred tax (credit)/ charge	(17.38)	(5.59)
Total Tax Expense	37.44	62.06
Profit After Taxation	236.62	140.18

Comparison of FY 2015 with FY 2014:

Total Income

Total Income for FY 2015 was `10570.87 lacs as compared to `6634.44 lacs in FY 2014 showing an increase of 59.33%. The increase in income was mainly due to favorable market conditions for PVC Conduit Pipes and PVC Insulated Wires which enabled us to procure more orders from existing and new customers.

Expenditure:

Cost of Raw Materials consumed increased to 9214.55 lacs in FY 2015 against 5562.09 lacs in FY 2014. The increase of 65.66% in materials consumed was in line with the increase in the production of PVC Conduit Pipes and PVC Wires and trading of metal products.

Our employee benefits expenses decreased to `162.83 lacs in FY 2015 against `166.68 lacs in FY 2013, showing a decrease of 2.30%.

Other expenses increased to 363.58 lacs in FY 2015 as compared to `256.10 lacs in FY 2014. The increase of around 41.96% due to heavy advertisement cost bear by the company this year.

Depreciation

Depreciation on fixed assets increased to 88.38 lacs in FY 2015 from 69.90 lacs in FY 2014. This increase of 26.43% was primarily due to change in method to calculate depreciation as per companies act, 2013 as well as additions of fixed assets.

Finance costs

Finance costs increased to 477.88 lacs in FY 2014 against 377.43 lacs in FY 2013. An increase of 26.61% was primarily due to increase in various short & long term borrowings availed by the Company.

Profit after Tax

PAT increased to 236.62 lacs in FY 2015 from 140.18 lacs in FY 2014. And increase of 68.79% in PAT during FY 2015 was majorly due to increase in turnover of the company.

MANAGING DIRECTOR AND CFO CERTIFICATION

To,
The Board of Directors,
Sanco Industries Ltd.

We, Sanjay Gupta, Managing Director and Vipul Singhal, Chief Financial Officer of Sanco Industries Ltd., to the best of our knowledge and belief hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the year 31st March 2015 and that to the best to our knowledge and belief:
- (i) These statements does not contain any materially untrue statement or omit any material fact or contains statement/statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct;
- C. We accept responsibility for the establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to the financial reporting and we have disclosed to the auditors and Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- D. We have indicated whatever applicable, to the auditor and to the audit committee.
- (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Sanjay Gupta
(Managing Director)

Sd/-
Vipul Singhal
(Chief Financial Officer)

Date: 29th May, 2015

Place: Delhi

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company aims at achieving transparency, accountability and equity across all facets of operation and in all interactions with stakeholders, while fulfilling the role of a responsible corporate representative committed to sound corporate practices. The Company adheres to good corporate practices which constantly undergo changes and betterment, keeping its core goal in mind — maximizing stakeholder value. Adherence to the business ethics and commitment to Corporate Social Responsibility will help the Company achieve excellence. The Company believes that all its operations and actions must ultimately enhance overall benefits over a sustained period of time.

BOARD OF DIRECTORS

The Company has 3 Executive Directors and the number of Independent Directors is 50% of the total number of Directors. As on 31st March, 2015, the Company has 6 Directors on its Board, of which 3 Directors are independent. The number of Non- Executive Directors (NEDs) is 50% of the total number of Directors. The Company is in compliance with the Clause 52 of the SME listing Agreement pertaining to compositions of directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM (Yes/No)	No. of Directorships in other public Limited Cos.	No. of Chairmanship/ Memberships of Committees in other Public Ltd. Cos. *	
					Chairmanship	Membership
Mr. Sanjay Gupta	Non Independent Executive Chairman	17	Yes	1	Nil	Nil
Mrs. Shakuntla Gupta	Non Independent Executive Director	12	Yes	-	Nil	Nil

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM (Yes/No)	No. of Directorships in other public Limited Cos.	No. of Chairmanship/ Memberships of Committees in other Public Ltd. Cos. *	
					Chairmanship	Membership
Mr. Sidhant Gupta	Non Independent Executive Director	17	No	1	Nil	Nil
Mr. Deepak Gupta	Independent Non-Executive Director	17	Yes	-	Nil	Nil
Mrs. Rita Gupta	Non Independent Executive Director	5	Yes	-	Nil	Nil
CA Saurabh Gupta	Independent Non-Executive Director	17	Yes	-	Nil	Nil
CA Sanjeev Kr. Jain	Independent Non-Executive Director	17	Yes	-	Nil	Nil

Notes:-

1. During the Financial Year 2014-15, Seventeen Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 24th April 2014, 1st May 2014, 2nd June 2014, 19th June 2014, 4th July 2014, 24th July, 2014, 13th August 2014, 10th September 2014, 26th September, 2014, 20th October, 2014, 14th November 2014, 19th December 2014, 29th December 2014, 8th January, 2015, 16th February 2015, 27th February, 2015, and 9th March, 2015.
2. *Only three Committees, namely, Audit Committee and Shareholders'/Investors' Grievance Committee, Nomination and Remuneration Committee have been considered.
3. The information as required under Clause 52 is being made available to the Board.
4. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

CODE OF CONDUCT

The Company has framed Code of Conduct which is applicable to all Directors and members of Senior Management. Pursuant to this Code all the Directors & Senior Management have affirmed compliance with this Code for the year ended March 31, 2015. A declaration of compliance of this Code signed by Managing Director is annexed to this report.

COMMITTEES OF THE BOARD

Currently there are three committees of the Board: Audit Committee, Nomination and Remuneration Committee & Stakeholders Relationship Committee. The terms of reference of the Committee(s) detailing their scope of work are determined by the Board from time to time. The Board periodically reviews the minutes of the meetings of Audit Committee & Shareholders Grievance/Transfer Committee. Composition, terms of reference, number of meetings and related attendance etc., of these committees are detailed.

AUDIT COMMITTEE

The Audit Committee of the company has been dealing with matters prescribed by the Board of Directors on a case to case basis. In general, the primary role/objective of the Audit Committee is to review the financial statements of the Company, strengthen internal controls & look into all

transactions having monetary implications on the functioning of the Company. The nomenclature, constitution and terms of reference of the Committee are as per the provisions of the Section 177 of the Companies Act, 2013 and Clause 52 of the Listing Agreement of the Stock Exchange.

As on March 31, 2015, the Committee had three Directors. Out of that two Directors are Non-Executive and Independent Directors in accordance with the prescribed guidelines. Mr. Saurabh Gupta is the Chairman of the Committee. The other members are Mr. Deepak Gupta and Mr. Sanjay Gupta, Managing Director of the Company. The members of the Committee have adequate knowledge in the field of finance, accounting, and law. The Scope of the functioning of the Audit Committee is to review, from time to time, the internal control procedures, the accounting policies of the Company and such other functions, as may be recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013, which inter-alia include review of:

17. The recommendation for appointment, remuneration and terms of appointment of auditors of the company.
18. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
19. Examination of the financial statement and the auditor's report thereon;
20. Approval or any subsequent modification of transactions of the company with related parties;
21. Scrutiny of inter-corporate loans and investments;
22. Valuation of undertakings or assets of the company, wherever it is necessary;
23. Evaluation of internal financial controls and risk management systems;
24. Monitoring the end use of funds raised through public offers and related matters.
25. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
26. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control system.
27. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority to the official heading the department, reporting structure coverage and frequency of internal audit.
28. Discussion with internal auditors any significant findings and follow-up thereon.
29. Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
30. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
31. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
32. To review the functioning of the Vigil Mechanism. The Chairperson of Audit Committee will act as the chairperson of the vigil mechanism.

The CFO of the Company is permanent invitees to the meetings of the Committee. The Company Secretary acts as Secretary to the Committee. During the year, 5 (Five) meetings of the Audit Committee were held on 21st April, 2014, 19th June, 2014, 24th July, 2014, 14th November, 2014, 9th March, 2015 in due compliance with the stipulated provisions. The attendance record of members of the Audit Committee is given as under:

NAME OF THE MEMBER	CATEGORY	NO. OF MEETINGS ATTENDED
CA Saurabh Gupta	Chairman	5
Mr. Deepak Gupta	Member	5
Mr. Sanjay Gupta	Member	5

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall be deemed to be "Nomination and Remuneration Committee" within the meaning of Clause 52 of the Listing Agreement, Section 178 of the Companies Act, 2013 and for all other purposes as may be required under any / all Acts, Rules, Regulations, Circulars etc, for the time being or as amended from time to time.

The CFO of the Company is permanent invitees to the meetings of the Committee. The Company Secretary acts as Secretary to the Committee. During the year, 2 (Two) meetings of the Nomination and Remuneration Committee were held on 19th June, 2014, 27th February, 2015, in due compliance with the stipulated provisions. The attendance record of members of the Committee is given as under:

NAME OF THE MEMBER	CATEGORY	NO. OF MEETINGS ATTENDED
CA Sanjeev Kr. Jain	Chairman	2
Mr. Deepak Gupta	Member	2
CA Saurabh Gupta	Member	2

The Committee has been constituted to recommend/review the remuneration package of the Whole Time Directors apart from deciding other matters. The remuneration policy is directed towards rewarding performance based on review of achievements which are being reviewed periodically which is in consonance with the existing industry practices. This committee meets as and when required. Ms. Preeti Gupta, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders relationship Committee to specifically consider and resolve the grievances of security holders of the Company. The Stakeholders Relationship Committee consists of the following directors:

NAME OF THE MEMBER	CATEGORY	NO. OF MEETINGS ATTENDED
Mr. Deepak Gupta	Chairman	3
CA Sanjeev Kr. Jain	Member	3
Mr. Sanjay Gupta	Member	3

The CFO of the Company is permanent invitees to the meetings of the Committee. The Company Secretary acts as Secretary to the Committee. During the year, 3 (Three) meetings of the Nomination

and Remuneration Committee were held on 8th July, 2014, 17th October, 2014, and 5th January 2015 in due compliance with the stipulated provisions. The attendance record of members of the Committee is given as above.

The terms of reference of the Committee include the following:

11. It shall have the authority to investigate into any matter in relation to transfer of securities or referred to it by the Board and for this purpose, shall have full access to information contained in the records of our Company and external professional advice, if necessary.
12. To investigate any activity within its terms of reference.
13. To seek any information from any employee.
14. To seek information from share transfer agents.
15. To obtain outside legal or other professional advice.
16. To secure attendance of outsiders with relevant expertise, if it consider necessary.
17. To approve issue of duplicate share certificates and to oversee and review all matters connected with the transfer, transmission and issue of securities.
18. To approve share transfer / transmission securities periodically, whether by circular resolution or otherwise.
19. To look into redressing of shareholders' complaint like transfer of shares, non-receipt of balance sheet, non receipt of declared dividends etc.
20. To oversee the performance of the Registrar and transfer Agents an recommended measures or overall improvement in the quality of investors services.

Details pertaining to the numbers of complaints received and resolved and the status thereof during the financial year ended 31st March 2015 are given as follows:

Detail of complaints received/resolved during the year

❖ No. of Complaints received during the year	:	Nil
❖ No. of Complaints not resolved to the satisfaction of Shareholders	:	Nil
❖ No. of Pending Complaints	:	Nil
❖ No. of Pending share transfer as on 31.03.2015	:	Nil

GENERAL BODY MEETING

(I) Annual General Meeting (AGM) Detail

The last three Annual General Meeting were held at 9/51, Bazar Gali, Vishwas Nagar, Delhi, the Registered Office of the company. The other detail is as follows:

YEARS	DAY	DATE	TIME	SPECIAL RESOLUTION PASSED
2012	Friday	07.09.2012	11.30 A. M.	NIL
2013	Monday	29.07.2013	11.30 A. M.	NIL
2014	Monday	25.08.2014	11.30 A. M.	2

(II) Extra Ordinary General Meeting Detail

During the period no Extra Ordinary General Meeting was held.

(III) Postal Ballot

During the year One Postal Ballot was held to pass the following Resolutions:

- Re-Appointment Of Mr. Sanjeev Kumar Jain As An Independent Director for 5 years as per Companies Act, 2013
- Re-Appointment of Mr. Deepak Gupta as an Independent Director for 5 years as per Companies Act, 2013.
- Re-Appointment of Mr. Saurabh Gupta as an Independent Director for 5 years as per Companies Act, 2013.

- Creation of Charges/Mortgages In Respect Of Borrowings as per Section 180 (1) (a) of Companies Act, 2013.
- Adoption of New Set of Articles of Association as per Companies Act, 2013.
- To Amend Main Objects of the Memorandum of Association by adding Clause III (A) (6) and III (A) (7).
- Deletion Of The Other Objects Clause Of The Memorandum Of Association as required by Companies Act 2013
- Amendment of the Liability Clause of Memorandum of Association as required by Companies Act, 2013.
- To Replace “Ancillary or Incidental to the Attainment of the Main Objects” Clause Of The Memorandum Of Association Of The Company with “Matters which are necessary for furtherance of the objects specified in clause III (A)”.
- Appointment of Mrs. Rita Gupta as Whole-Time Director.

The Results of Postal Ballot was hereby declared on 7th April, 2015.

DISCLOSURES

(i) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.**

The Board of Directors receives the required disclosures, from time to time, relating to financial and commercial transactions from the key managerial personnel of the company and have been disclosed under the Related Party Transactions as per Accounting Standards 18 “Related Party Disclosures” issued by ICAI to the Notes to Accounts of the Annual Report for the year ended March 31, 2015. There have been no materially significant related party transactions which may have a potential conflict with the interests of the Company.

(ii) **Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to Capital Markets, during the last three years.**

During the last three years, there have been no instances of non compliance by the Company, no penalties or strictures were imposed on the Company by any Stock Exchange, Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter relating to the Capital Markets.

(iii) **Whistle Blower Policy and affirmation that no Personnel have been denied access to the audit committee.**

The Company promotes ethical behavior in all its business activities and has put in place mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or the Chairman of Audit Committee. The reports received from any employee will be reviewed by the Audit Committee. The Directors and Management Personnel are obligated to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practices. Any employee, if he/she so desires, have free access to meet Senior Level Management and report any matter of concern. No employee of the Company is denied access to the Audit Committee to make any representation. During the year, no Personnel had approached the Audit Committee.]

(iv) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of clause 52 of SME Listing Agreement.**

The Company has fully complied with mandatory requirements as stipulated under clause 52 of SME Listing Agreement with the National Stock Exchange SME Emerge and has also adopted the following non-mandatory requirements as prescribed in Annexure 1D to the clause 52 of the Listing Agreement.

(i) Nominations and Remuneration Committee

The Company has set up a Nominations and Remuneration Committee to approve specific aspects of the remuneration of Directors and Senior Management Personnel.

MEANS OF COMMUNICATION

(I) Half Yearly/ Annual Results

Half Yearly and Annual Results published at company's website www.sancopipes.com as well as at www.nseindia.com/emerge.

(II) News Releases

Official News, Releases are displayed on the Company website

(III) Website

The Company's website www.sancopipes.com contains a separate dedicated section to Investors, where the shareholders information and Financial Results are available.

GENERAL SHAREHOLDER INFORMATION

(I) Annual General Meeting

Day, Date and Time	: Wednesday, September 30, 2015 at 12.30 P. M.
Venue	: " Sancos " D-9, Aditya Mega Mall, CBD Ground, Shahdara Delhi-110032.
Period of Book Closure	: September 29, 2015 10:00 A.M. to September 30, 2015 6:00 P.M.
Dividend Payout Date	: N. A.

(II) Listing on Stock Exchange

The company's shares are listed with NSE Emerge stock exchange. The details regarding the Stock Exchange and Stock code are as under:

<i>Name of the Stock Exchange along with its Address</i>	<i>Symbol</i>
National Stock Exchange Limited SME EMERGE Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051.	SANCO

(III) Market Price Data

The High, Low Share Price of the Company on the National Stock Exchange Emerge (NSEemerge), Number of Shares traded and Net Turnover, during the period from April, 2014 to March, 2015 are as under:

Month	Share Prices		Volume	Net turnover (In Lacs)
	High	Low		
April 2014	18.50	16.55	192000	34.6
May 2014	18.30	18.00	24000	4.34
June 2014	22.85	18.05	256000	50.82
July 2014	26.90	18.00	592000	121.32
August 2014	29.70	21	504000	137.86
September 2014	19.35	18.05	24000	4.47
October 2014	20.85	16	72000	13.25
November 2014	18.90	15.40	1112000	189.63
December 2014	21.30	19.55	288000	57.86
January 2015	21.30	19.40	32000	6.52
February 2015	21.05	19.40	56000	11.19
March 2015	22	17.80	56000	11.53

*Source: www.nseindia.com/merge

(IV) Distribution of Shareholding and Shareholding Pattern

The Distribution of shareholding and shareholding pattern of the shares as on 31.03.2015 are as follows:

Category	No. of Shareholders	No. of Shares	No. of Shares in Demat form	% of Shareholding
Promoters/ Promoters Group	12	6170000	6170000	72%
Non Promoter Institutions (Bank/Mutual Fund/ State Govt./FIs/FILs	NIL	NIL	NIL	NIL
Other Public Non Institutions (Individual/Body Corporate/ NRIs)	104	2400000	2400000	28%

(V) Dematerialization of Shares and Liquidity RTA

The Company has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility. As on 31.03 2015, 8570000 Equity Shares aggregating to 100% of the total Equity Capital is held in dematerialized form, of which 21.38% (1832000 Equity Shares) of total equity capital is held in NSDL & 78.62% (6738000 Equity Shares) of total equity capital is held in CDSL as on 31.03. 2015.

Security Code No of the company with NSDL and CDSL (ISIN) – INE 782L01012.

(VI) Registrar and Share Transfer Agent

The company has appointed Beetal Financial & Computer Services (P) Ltd. as the Registrar and Share Transfer Agent of the company. The Correspondence address of the agent is as follows:

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor
99 Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi – 110 062
Email – beetal@beetalfinancial.com

(VII) Plant Location

WORKS (Existing)

Village Satiwala,
Tehsil Paonta Sahib,
Himachal Pradesh - 173025

(VIII) Correspondence Address

The Investor's may send their correspondence to the Registrar and Share Transfer agent or directly to the company at the following Address:

D-161, Surajmal Vihar (Near Karkardooma Court)
New Delhi –110092.
Email: ipo@sancopipes.com

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
The Board of Directors,
Sanco Industries Ltd.

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 52 of the Listing Agreement to further strengthen Corporate Governance practices in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them.

Place: Delhi

Date: 29th May, 2015

Sd/-

Sanjay Gupta

(Managing Director)

INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF
SANCO INDUSTRIES LIMITED

1) REPORT ON THE STANDALONE FINANCIAL STATEMENTS:

We have audited the accompanying Standalone Financial Statements of **SANCO INDUSTRIES LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the Significant Accounting Policies and other explanatory information.

2) MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standard specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selections and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3) AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls, An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

4) OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- I) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- II) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- III) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5) REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

I) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

II) As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid Standalone Financial Statement comply with the Accounting Standards -specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014 **except Accounting Standard 15 – 'Employees Benefit Expenses' (Refer to Note No. 33);**
- e. On the basis of written representations received from the directors, as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act;

III) With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and as confirmed by the management of the company:-

- i) The Company has disclosed the impact of pending litigations as at 31st March, 2015 on its financial position in its Financial Statements- **Refer Note 20 to the Financial Statements;**
- ii) The company does not have any long –term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For V.P. ADITYA & COMPANY
Chartered Accountants
(FRN: 000542C)

Sd/-
(CA S.B.SINGH)

Partner

Membership No. 070859

Place: Delhi

Dated: 29.05.2015

The Annexure referred to in paragraph 5(l) of our Independent Auditors' Report to the members of SANCO INDUSTRIES LIMITED on the standalone Financial Statements for the year ended 31st March, 2015.

Based on test checks and other generally accepted auditing procedures carried on by us and according to the information and explanations given to us, we report that:-

i) In respect of its Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its major fixed assets other than Furniture Fixtures and Office Equipments.
- b) All the assets have not been physically verified by the Management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on verification of certain assets done during the year.

ii) In respect of its Inventories:

- a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii) The Company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").
- iv) There are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods which needs more strengthening. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- v) The company has not accepted any deposits from the public, therefore, the provisions the Companies (Auditor's Report) Order, 2015, are not applicable to the company.
- vi) We have broadly reviewed the books of account maintained by the Company, pursuant to the Companies (Cost Records and Audit) Amendment Rules, 2014 made by the Central Government for maintenance of cost records under section 148 of the Companies Act, 2013 and we are of the opinion that prima-facie the prescribed accounts and records have been maintained.
- vii) According to the information and explanations given to us, in respect of statutory and other dues:
- a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues applicable to it.

According to the information and explanations given to us , no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income Tax , Sales Tax, Wealth Tax,

Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material Statutory Dues were in arrear as at 31st March,2015 for a period more than six months from the date they become payable.

- b) There are no dues of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty and other material statutory dues which have not been deposited on account of any dispute.
- c) According to the information and explanations given to us there are no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
- viii) The company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and during the immediately preceding financial year
- ix) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks and there are no debenture holders.
- x) The company has not given any guarantee for loans taken by others, from banks or financial institutions.
- xi) The Company had not taken any Term Loan during the year.
- xii) No material fraud on or by the Company has been noticed or reported during the course of our audit.

For V.P. ADITYA & COMPANY
Chartered Accountants
(FRN: 000542C)

Sd/-
(CA S.B.SINGH)
Partner

Place: Delhi
Dated: 29.05.2015

Membership No. 070859

SANCO INDUSTRIES LIMITED



SANCO INDUSTRIES LIMITED BALANCE SHEET AS AT 31/03/2015

in Lac

Particulars	Note No	31/03/2015	31/03/2014	
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	1	857.00	857.00	
Reserves and Surplus	2	1,804.32	1,434.51	
			2,661.32	2,291.51
Non-Current Liabilities				
Long-Term Borrowings	3	261.75	340.30	
Deferred Tax Liabilities (Net)	4	0.00	4.12	
Long-Term Provisions	5	7.48	18.24	
			269.23	362.66
Current Liabilities				
Short-Term Borrowings	6	2,246.44	1,445.94	
Trade Payables	7	1,549.60	958.78	
Other Current Liabilities	8	215.70	291.22	
Short-Term Provisions	9	54.82	41.65	
			4,066.56	2,737.59
Total			6,997.11	5,391.76
Assets				
Non-Current Assets				
Fixed Assets				
Tangible Assets	10	673.83	279.74	
Intangible Assets		0.00	0.03	
Capital Work-in-Progress		0.00	30.37	
			673.83	310.14
Non-Current Investments	11	431.99	422.47	
Deferred Tax Assets (Net)	12	13.27	0.00	
Long Term Loans and Advances	13	0.50	0.50	
Other Non-Current Assets	14	122.59	139.03	
			568.35	562.00
Current Assets				
Inventories	15	1,313.99	1,052.06	
Trade Receivables	16	3,672.23	2,944.53	
Cash and Cash Equivalents	17	99.96	149.57	
Short-Term Loans and Advances	18	654.52	361.03	
Other Current Assets	19	14.23	12.43	
			5,754.93	4,519.62
Total			6,997.11	5,391.76

Notes on Financial Statements and Significant Accounting Policies 1-46

For and on behalf of the Board

Sd/- Sanjay Gupta
Sd/- Sidhant Gupta
Sd/- Preeti Gupta
Managing Director Director Company Secretary

Sd/- Vipul Singhal
Chief Finance Officer

Auditors' Report
As per our report of even date
For V.P. Aditya & Co.
Chartered Accountants
FRN No.: 000542C

Sd/- CA Saurabh Gupta
(Non Executive Independent Director)
Place : DELHI

Sd/- (CA S.B. Singh)
Partner
M.No.: 070859

Dated : 29.05.2015

SANCO INDUSTRIES LIMITED			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31/03/2015			
			` in Lac
Particulars	Note No	2014-15	2013-14
INCOME			
Revenue from Operations	21	10,541.48	6,622.68
Other Income	22	29.39	11.76
Total Revenue		10,570.87	6,634.44
EXPENSES			
Cost of Materials Consumed	23	3,220.94	2,496.60
Purchase of Stock-in-Trade	24	6,412.51	3,223.32
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	-418.90	-157.83
Employee Benefits Expense	26	162.83	166.68
Financial Costs	27	477.88	377.44
Depreciation and Amortization Expense	28	88.38	69.90
Other Expenses	29	363.58	256.10
Total Expenses		10,307.22	6,432.21
Profit before Exceptional and Extraordinary Items and Tax.		263.65	202.23
Exceptional Items	30	10.41	0.00
Profit before Tax		274.06	202.23
Tax Expense:	31	37.44	62.06
Profit for the year from Continuing Operations		236.62	140.17
Earning Per Equity Share:	36		
Basic/Diluted		2.76	1.64
Notes on Financial Statements and Significant Accounting Policies	1-46		
For and on behalf of the Board			
Sd/- Sanjay Gupta Managing Director	Sd/- Sidhant Gupta Director	Sd/- Preeti Gupta Company	Sd/- Vipul Singhal Chief Finance
Sd/- CA Saurabh Gupta (Non Executive Independent Director) Place : DELHI Dated : 29.05.2015			Auditors' Report As per our report of even date For V.P.Aditya & Co. Chartered Accountants FRN No.: 000542C Sd/- (CA S.B.Singh) Partner M.No.: 070859

SANCO INDUSTRIES LIMITED



SANCO INDUSTRIES LTD			
CASH FLOW STATEMENT AS AT AND FOR THE YEAR ENDED MARCH 31, 2015			
	-	<u>Figures as at the end of Current Reporting Period 31/03/2015</u>	<u>Figures as at the end of Current Reporting Period 31/03/2014</u>
A	CASH FLOW FROM OPERATING ACTIVITIES	Amount(Rs.)	Amount(Rs.)
	Net Profit Before Tax	274.06	202.23
	Adjustments for:		
	Depreciation	88.38	69.90
	Loss/(Profit) on sale of Assets	(2.77)	12.26
	Provision for Gratuity & Leave Encashment	(10.41)	5.94
	Interest & Finance Charges	477.88	377.44
	TOTAL	553.08	465.54
	Operating Profit before Working Capital Changes	827.14	667.77
	Adjustments for:		
	Decrease/(Increase) in Receivables	(727.70)	(79.36)
	Decrease/(Increase) in Inventories	(261.93)	(471.08)
	Decrease/(Increase) in other current Assets	(295.29)	(200.77)
	Increase/(Decrease) in Other Current Liabilities	(75.52)	111.92
	Increase/(Decrease) in Payables	590.82	(256.17)
	Changes in Working Capital	(769.61)	(895.46)
	Cash generated from operations	57.53	(227.69)
	Income Tax paid	41.66	107.31
	Net Cash flow from Operating activities	15.87	(335.00)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(337.05)	(120.63)
	Capital Work in Progress	30.37	97.36
	Sale of Fixed Assets	15.25	14.31
	Investments	(9.87)	-
	Other Non Current Assets	-	(4.24)
	Net Cash used in Investing activities	(301.30)	(13.20)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Short Term Borrowings	800.50	389.84
	Repayment of Long Term Loan	(78.55)	-
	Issue of shares	-	432.00
	IPO Expenses	(8.25)	(30.52)
	Interest paid	(477.88)	(377.44)
	Net Cash used in financing activities	235.82	413.88
	Net increase in cash & Cash Equivalents	(49.61)	65.68
	Cash and Cash equivalents as at 01.04.14	149.57	83.89
	Cash and Cash equivalents as at 31.03.15	99.96	149.57

For and on behalf of the Board

Auditors' Report
As per our report of even date
For V.P.Aditya & Co.
Chartered Accountants
FRN No.: 000542C

Sd/-
Sanjay Gupta
Managing Director

Sd/-
Sidhant Gupta
Director

Sd/-
Preeti Gupta
Company Secretary

Sd/-
Vipul Singhal
Chief Finance
Officer

Sd/-
(CA S.B. Singh)
Partner
M.No.: 070859

Sd/-
CA Saurabh Gupta
(Non Executive Independent Director)
Place : DELHI
Dated : 29.05.2015

SANCO INDUSTRIES LIMITED			
NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31/03/2015			
` in Lac			
Note No.	Particulars	31/03/2015	31/03/2014
1	Share Capital		
	Equity Share Capital		
	Authorised Share Capital		
	14000000 (14000000) Equity Shares of Rs. 10/- each	1400.00	1,400.00
	Issued, Subscribed & Paid Up		
	85,70,000 (85,70,000) Equity Shares of Rs. 10/- each	857.00	857.00
	Total	857.00	857.00
	Reconciliation of the number of shares outstanding is set out below :	No. of Shares	No. of Shares
	Equity Shares at the beginning of the year	8,570,000	6,170,000
	Add: Shares issued during the year	0	2,400,000
	Equity Shares at the end of the year	8,570,000	8,570,000
	Details of shares held by each shareholder holding more than 5% shares:		
	Name of the Shareholder	No. of Shares (% of Holding)	No. of Shares (% of Holding)
	Mr. Sanjay Gupta	833700 (9.73%)	833700 (9.73%)
M/s Sanjay Gupta HUF	3362800(39.24%)	3362800(39.24%)	
Ms. Shakuntla Gupta	502000 (5.86%)	502000 (5.86%)	
Mr. Anurag Gupta	699800 (8.17%)	699800 (8.17%)	
M/s Shri Parasram Holiday Private Limited	520000 (6.07%)	0	
M/s CPR Capital Services Limited	0	872000 (10.18%)	
2	Reserves and Surplus		
	Securities Premium Reserve		
	Opening balance	226.00	34.00
	Add: Additions during the year	0.00	192.00
	Closing balance	226.00	226.00
	General Reserve		
	Opening balance	0.00	0.00
	Add: Additions during the year (Depreciation Written Back)	133.19	0.00
	Closing balance	133.19	0.00
	Surplus in Statement of Profit and Loss		
Opening Balance	1208.51	1,068.34	
Add: Profit for the Year	236.62	140.17	
Closing balance	1,445.13	1,208.51	
Total	1,804.32	1,434.51	

NON CURRENT LIABILITIES :

3	Long-Term Borrowings				
	(A) Secured				
	Term Loans				
	From Banks				
	Term Loan	25.24	54.72		
	Vehicle Loans	11.44	10.10		
	From Others	63.04	41.65		
	From LIC	101.81	98.40		
	Sub Total		201.53	204.87	
	3.1.i	From SIDBI Rs. 25.24 Lacs (Rs. 54.72 Lacs) Secured against Hypothecation of Plant & Machinery			
3.1.ii	Vehicle Loan Rs. 11.44 Lacs (Rs. 10.10 Lacs) Secured against Hypothecation of Cars/ Vehicles				
3.2	From Others Rs. 63.04 Lacs (Rs. 41.65 Lacs) Secured against personal property of third party				
3.3	From LIC Rs. 101.81 Lacs (Rs. 98.40 Lacs) Secured against Key Management Personal Policy				
3.4	Maturity Profile - Refer Note No. 44				
(B) Unsecured					
From Banks:		0.00	13.73		
From Others:		60.22	121.70		
Sub Total		60.22	135.43		
Total		261.75	340.30		
4	Deferred Tax Liabilities (Net):				
	Deferred Tax Liabilities :				
	Depreciation	0.00	-5.59		
	Last year balance	4.12	9.71		
Less : Deduction during the year		4.12	0.00		
Total		0.00	4.12		
5	Long-Term Provisions				
	Provision for Employee Benefits				
Gratuity & Leave Encashment		7.48	18.24		
Total		7.48	18.24		
CURRENT LIABILITIES :					
6	Short-Term Borrowings				
	Secured				
	From Banks				
	Overdraft Account	0.00	813.01		
	Cash Credit Account	1364.97	0.00		
	From Others	151.49	150.00		
	Sub Total		1,516.46	963.01	
	Unsecured				
	From Banks				
	Loan From Axis Bank Ltd.(Under Channel Financing Scheme)	301.57	0.00		
	Loan From Aditya Birla Finance Pvt. Ltd.(Under Channel Financing Scheme)	238.08	295.24		
	Book Overdrafts	0.90	1.56		
	From Others				
	Loan From NSIC (Under Raw Material Assistance Scheme) (Against Bank Guarantee)	189.43	186.12		
	Sub Total		729.98	482.92	
Total		2,246.44	1,445.94		

Central Bank of India (Overdraft) (Rs.813.01 Lac) Secured against hypothecation of Stock-in-Trade and Book Debts	Rs.00
Union Bank of India (Cash Credit) (Rs.00) Secured against hypothecation of Stock-in-Trade and Book Debts	Rs.1364.97 Lacs
Aditya Birla Finance Pvt.Ltd. (Rs.150 Lac) (Under Channel Financing Scheme) Secured against mortgage of residential flats in the name of Directors	Rs.151.49 Lac

7	TRADE PAYABLES		
	Trade Payables	1549.60	958.78
	Total	1,549.60	958.78

7.1 Based on the information available with the Company regarding the status of suppliers as defined under MSMED Act, 2006, there was no principal amount overdue and no interest was payable to the Micro, Small and Medium Enterprises on 31st March, 2015 as per the terms of Contract.

8	Other Current Liabilities		
	Current maturities of long term debt	125.80	227.64
	Other payables		
	Advances from customers	37.80	36.62
	Duties & Taxes Payable	17.63	1.36
	Expenses Payable	34.47	25.60
	Total	215.70	291.22

9	Short-Term Provisions		
	Provision - Others:		
	Provision for Income Tax	54.82	41.65
	Total	54.82	41.65

SANCO INDUSTRIES LIMITED



Note No. 10 FIXED ASSETS

**SANCO INDUSTRIES LTD.
NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31/03/2015**

in Lac

DESCRIPTION	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK		
	As at 01.04.2014	Additions	Deductions Adjustments	As at 31.03.2015	As at 01.04.2014	For the Year	Deductions/ Adjustments	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets										
Freehold Land	6.61	-	-	6.61	-	-	-	-	6.61	6.61
Leasehold Land	7.54	-	-	7.54	-	-	-	-	7.54	7.54
Buildings	108.10	47.37	-	155.47	57.47	4.29	30.24	31.52	123.95	50.64
Plant & Machinery	298.59	280.25	0.77	578.07	118.35	53.74	84.45	87.64	490.43	180.24
Furniture, Fixtures and Office Equipments	11.39	2.77	-	14.16	7.65	1.03	1.48	7.20	6.96	3.74
Vehicles	80.74	6.66	23.89	63.51	49.77	4.63	29.23	25.17	38.34	30.97
	512.97	337.05	24.66	825.36	233.24	63.69	145.40	151.53	673.83	279.74
Intangible Assets										
Computer Software	0.09	-	0.09	-	0.06	-	0.06	-	-	0.03
Grand Total	513.06	337.05	24.75	825.36	233.30	63.69	145.46	151.53	673.83	279.77
Previous year's figures	594.45	90.24	171.63	513.06	232.50	48.51	47.71	233.30		279.77
Capital Work-in-Progress	30.37	-	-	30.37						30.37
									673.83	310.14

NON CURRENT ASSETS :

11	Non-Current Investments (As per Annexure 1)		
	Trade Investments		
	Unquoted Equity Shares	308.88	350.00
	Other Non-Current Investments	123.11	72.47
	Total	431.99	422.47
	Aggregate market value of quoted investments	0.00	0.00
	Aggregate amount of unquoted investments	308.88	350.00
12	Deferred Tax Asset (Net):		
	Difference between book depreciation and Depreciation under Income Tax Act	13.27	0.00
	Total	13.27	0.00
13	Long Term Loans and Advances (Unsecured considered good)		
	Security Deposits	0.50	0.50
	Total	0.50	0.50
14	Other Non-Current Assets		
	Preliminary & Pre operative Expenses :		
	Opening Balance	85.56	106.95
	Add: Addition during the year	8.25	0.00
	Less: Written off during the year	24.69	21.39
		69.12	85.56
	Opening Balance	52.48	78.48
	Less: Written off during the year	0.00	26.00
	TOTAL	52.48	52.48
	Others :		
Margin Money Deposit with banks	0.99	0.99	
	Total	122.59	139.03

CURRENT ASSETS :

15	Inventories		
	Raw materials	410.91	567.88
	Finished goods	281.55	448.49
	Stock in trade	621.53	35.69
	Total	1,313.99	1,052.06

16	Trade Receivables (Unsecured Considered Good)		
	Trade Receivables outstanding for a period exceeding six months	468.27	552.13
	Other Trade Receivables	3,203.96	2,392.41
	Total	3,672.23	2,944.53

17	Cash and Cash Equivalents		
	Cash in hand	14.63	6.28
	Balances with banks		
	(i) In current accounts	9.63	11.87
	(ii) In ESCROW account	0.00	0.10
	(iii) In Fixed deposit accounts	75.70	131.32
	Total	99.96	149.57

17.1 Fixed Deposits with banks includes deposits of Rs. 9.90 Lacs (Rs. 5.30 Lacs) with maturity more than 12 months and Rs. 75.70 Lacs (Rs. 131.32 Lacs) tied up against overdraft/ other commitments.

18	Short Term Loans and Advances: (Unsecured Considered good)		
	Security deposits	4.55	5.21
	Balances with government authorities		
	Vat/CST Receivable	27.43	0.00
	Income Tax A.Y. 05-06	0.00	1.00
	Tax Deducted at Source	1.89	0.48
	Advances to Suppliers	588.79	168.68
	Advances for Fixed Assets	0.00	181.50
Other advances	31.86	4.16	
	Total	654.52	361.03

19	Other current assets		
	Accruals		
	Interest accrued on investments	0.77	4.71
	Prepaid Expenses	2.47	1.08
	Other current assets	10.99	6.64
	Total	14.23	12.43

20	Contingent Liabilities and Commitments (to the extent not provided for)		
	Contingent liabilities		
	Guarantees (Bank Guarantee given to NSIC)	200.00	200.00
	Commitments		
Estimated amount of contracts unexecuted on capital account	0.00	227.97	
	Total	200.00	427.97

21	Revenue from Operations		
	Sale of products :		
	Finished Goods	4,606.81	3,325.99
	Goods Traded	5,934.67	3,296.69
	Net Revenue From Operation	10,541.48	6,622.68

22	Other Income		
	Interest income		
	(i) From Banks (on Fixed Deposits)	10.62	1.84
	(ii) From Others	0.00	9.34
	Other non-operating income	3.61	0.00
	Miscellaneous income	2.28	0.58
	Net gain on foreign currency transactions/translations	12.88	0.00
	Total	29.39	11.76

22.1 TDS Deducted by The Bank on Interest on Fixed Deposit 1.40 0.48

EXPENSES :

23	Cost of Materials Consumed		
	Opening Stock	567.88	254.63
	Add: Purchases	3,063.97	2,809.85
		3,631.85	3,064.48
	Less: Closing stock	410.91	567.88
	Total	3,220.94	2,496.60

23.1 Particulars of Material Consumed

Name of Material

PVC Resin	2,225.14	1,794.09
Others	995.80	702.51

24	Purchase of Stock in Trade/Goods Traded		
	Purchases	6,412.51	3,223.32
	Total	6,412.51	3,223.32

25	Changes in inventories of Finished Goods and Stock-in-Trade		
	Inventories at the end of the year:		
	Finished goods	281.55	448.49
	Stock-in-trade	621.53	35.69
		903.08	484.18
	Inventories at the beginning of the year:		
Finished goods	448.49	302.95	
Stock-in-trade	35.69	23.40	
	484.18	326.35	
	Net (-Increase) / (+Decrease)	-418.90	-157.83

26	Employee Benefit Expenses		
	Salaries and wages	114.78	93.53
	Directors' Remuneration	14.05	15.00
	Contribution to provident and other funds	10.55	9.45
	Gratuity and Leave Encashment	0.00	5.94
	KeyMan Insurance	16.57	31.60
	Staff welfare expenses	6.88	11.16
	Total	162.83	166.68

27	Finance Costs		
	Interest Expenses		
	Interest to Bank	196.39	139.77
	Interest to others	224.77	187.71
	Other Borrowing Costs	56.72	49.96
	Total	477.88	377.44

28	Depreciation and Amortization Expense :	-	
	Depreciation	63.69	48.51
	Preliminary and Pre-operative Expense written off	24.69	21.39
	Total	88.38	69.90

29	Other Expenses			
	MANUFACTURING EXPENSE :			
	Custom & Import Duty	0.00	23.68	
	Freight & Forwarding Charges	54.43	51.31	
	Power & Electricity	88.37	82.73	
	Machinery Maintenance	4.09	8.94	
	Water Charges	0.03	0.03	
		Sub Total	146.92	166.68
	ADMINISTRATIVE AND OTHER EXPENSES :			
	Rates & Taxes	24.72	4.72	
	Running & Maintenance	10.15	3.04	
	Miscellaneous Expenses	17.51	10.94	

	Sub Total	81.07	57.51
SELLING & DISTRIBUTION EXPENSE :			
	Sale Commission & Incentives	6.11	0.08
	Travelling Expenses	14.87	3.81
	Truck Running Expenses	26.69	16.97
	Publicity & Advertisement	53.69	0.24
	Discount Allowed	34.17	10.82
	Balances written off (Net)	0.07	0.00
	Sub Total	135.59	31.91
	Grand Total	363.58	256.10

30	Exceptional items		
	Excess Provision Written Back	10.41	0.00
	Total	10.41	0.00

31	Tax expense:		
	Current tax	54.82	67.65
	Deferred tax	-17.38	-5.60
	Total	37.44	62.06

32A	<u>PAYMENTS TO THE AUDITORS</u>		
	AUDIT FEES (Including Service Tax)	1.12	0.56
	FOR OTHER WORK	0.13	0.00
	TOTAL	1.25	0.56
32B	VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF RAW MATERIALS	132.25	163.02
	CAPITAL GOODS	1.50	0.00
	TOTAL	133.75	163.02
32C	THE AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDEND	NIL	NIL
32D	EXPENDITURE IN FOREIGN CURRENCIES	NIL	NIL
32E	EARNING IN FOREIGN CURRENCIES	NIL	NIL
32F	VALUE OF RAW MATERIALS CONSUMED		
	RAW MATERIALS		
	(i) IMPORTED VALUE	0.00	0.00
	% OF TOTAL CONSUMPTION	0.00	0.00
	(ii) INDIGENOUS VALUE	3,063.97	2,809.85
	% OF TOTAL CONSUMPTION	100%	100%
	TOTAL	3063.97	2,809.85

33 Disclosures in terms of AS-15 'Employees Benefit Expenses' are as under: The disclosures as required are not being made in view of Accounting Policy No. IIIH.

34 Disclosures in terms of AS-17 'Segment Reporting' are as under :
Primary Segment Reporting : (by business segment)

Manufacturing Goods :

Trading Goods:

PVC PIPES, WIRE & CABLE,
COPPER WIRE

PVC RESIN, COPPER WIRE AND
OTHERS

INFORMATION ABOUT BUSINESS SEGMENTS:

	Manufacturing	Trading	Total
REVENUE			
GROSS SALES	4606.81	5934.67	10541.48
OTHER INCOME	16.56	12.83	29.39
TOTAL REVENUE	4623.37	5947.50	10570.87
RESULTS			
SEGMENT RESULT (PBIT)	577.91	117.31	695.22
INTEREST	277.37	143.79	421.16
PROFIT BEFORE TAX	300.54	-26.48	274.06
PROVISION FOR CURRENT TAX	37.44	0.00	37.44
PROFIT AFTER TAX	263.10	-26.48	236.62
OTHER INFORMATION			
SEGMENT ASSETS	4038.32	2526.80	6565.12
SEGMENT LIABILITIES	2565.24	1770.55	4335.79
DEPRECIATION	151.53	0.00	151.53

Secondary Segment Reporting (by geographic segment) - Business Segment & Geographical segments are same.

35 Disclosures in terms of AS-18 'Related Party Transactions' are as under :

List of Related Parties	Relationship
Shri Sanjay Gupta	Director
Ms. Shakuntla Gupta	Director
Shri Sidhant Gupta	Director
Ms. Rita Gupta	Director
Superlink Polyfab Ltd.	Subsidiary Company
Sanjita Polymat Ltd. (Hong kong)	100% Subsidiary Company
Sanco Enterprises Pvt. Ltd.	Enterprise significantly influenced by Key Management Personal

(Related parties relationship is as identified by the Company and relied upon by the Auditors).

Transactions with the Related Parties during the year

LOAN TAKEN/PAID FROM RELATED PARTIES DURING THE CURRENT YEAR:	Loan Taken	LoanPaid
	NIL	NIL
DIRECTORS' REMUNERATION:		
SANJAY GUPTA	6.00	6.00
SHAKUNTLA GUPTA	4.00	6.00
SIDHANT GUPTA	4.05	3.00
TOTAL	14.05	15.00
RENT PAID TO RELATED PARTIES:		
SHAKUNTLA GUPTA	4.50	4.50
RITA GUPTA	1.50	1.50
TOTAL	6.00	6.00

Details of Loans given, Investments made and Guarantee given covered under section 186(4) of the Companies Act, 2013

Loan given to Related Parties.	NIL	NIL
Investment made in Subsidiaries.	Refer NOTE NO. 11	NIL
Corporate Guarantees given by the Company in respect of Loans as at 31st March,2015	NIL	NIL

36 Disclosures in terms of AS-20 'Earning Per Share' are as under :

Basic EPS :

Weighted average number of shares issued (A)		8,570,000	8,570,000
Profit for the year after tax (B)		236.62	140.17
Basic EPS (B/A)		2.76	1.64

Diluted EPS :

Weighted average number of shares issued (C)		8,570,000	8,570,000
Diluted EPS (B/C)		2.76	1.64

37 The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to the fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary informations relating to the subsidiaries has been included in the Consolidated Financial Statements.

38 The useful life of Fixed Assets have been revised in accordance with schedule II of the Companies Act 2013. The depreciation for the year is lower by Rs.0.83 lacs due to change in useful life of Fixed Assets. The Assets whose useful life is already exhausted as on 01.04.2014 depreciation amounting to Rs.133.19 lacs have been adjusted to General Reserve.

39 There was no default of repayment of Principal and interest on Long Term Borrowing and Short Term Borrowings.

40A In the absence of confirmation from the parties the debit & credit balances in respect of Sundry Debtors, Security Deposits and Advances received from Customers & Sundry Creditors have been taken as reflected in the books. Balance appearing under the heads Current Assets, Loans and Advances and Current Liabilities are subject to confirmation.

40B In the opinion of the Board of Directors of the company, the current assets, loans and advances have the value at least equal to the figures stated in the Balance Sheet on realization in the ordinary course of business and provision for all determinable/known liabilities have been made in the accounts when reliable estimates can be made of the amount of obligation.

41 Unhedged Foreign Currency Exposure

Export Debtors :	NIL	NIL
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42 Adjustment of Tax Deducted at Source and MAT Credit from Provision for Current Tax will be made after preparing the Income Tax Return.

43 Stores & Spares consumption has been grouped under Material consumption.

44. MATURITY PROFILE *

	2016-17	2017-18	2018-19	2019-20
Vehicle Loans	2.67	2.78	2.91	2.65
From Others (Secured)	48.36	10.40	12.10	0.00
From Others (Unsecured)	23.43	26.31	0.00	0.00

- Excluding interest payable.

45. Previous year Figures have been reworked, regrouped, re-arranged and reclassified wherever considered necessary to make them comparable with current year's figures. Figures in brackets where ever given are for the previous year.

46. SIGNIFICANT ACCOUNTING POLICIES

I. Corporate Information: Sanco Industries Limited (the 'Company') is engaged in manufacturing & Trading of PVC Resin, PVC Compound, PVC Pipe & Profiles and Wire & Cables, Chemicals etc. Registered office of the Company is in the state of Delhi. The Company has manufacturing facilities in the State of Himachal Pradesh. The products of the Company are mainly sold in India.

II. Summary of Significant Accounting Policies

IIA. Basis of Accounting and Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the applicable mandatory Accounting Standards.

Accrual method of accounting is followed with regard to Income & Expenses except ROC Fees on Payment basis.

IIB. Fixed Assets:

Tangible Fixed Assets:

Fixed assets are stated at cost (Including other expenses related to acquisition and installation and other directly attributable cost of bringing the assets to their working condition for intended use) less accumulated depreciation till the end of the Financial Year.

Intangible Fixed Assets:

Internally generated intangible asset arising from development activity are recognized only on demonstration of its technical feasibility, the intention and ability of the company to complete, use or sell it. The intangible assets are recorded at cost and are carried at cost less accumulated amortization.

Capital Work in Progress:

Capital work in progress includes cost of equipments and other expenses incidental to its acquisition which are not ready for use.

IIC Depreciation:

Depreciation on Fixed Assets is provided at the Straight Line Method rates prescribed in Schedule II to the companies Act, 2013.

IID Investments:

Long term investments are carried at cost after providing for any diminution in value, if such diminution is of a permanent nature.

Current investments are carried at lower of cost and market value.

IIE Inventories:

Inventories are valued as follows:

Raw Materials, components, stores and spares: At cost, cost is determined on FIFO basis.

Finished goods : Lower of cost and net realizable value.

IIF Revenue Recognition

Sale of Goods:

Revenue from sales of goods is recognized when risk and rewards in respect of the ownership of the goods are transferred to the customers.

Interest:

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

IIG Borrowing Cost:

Borrowing cost includes Interest, ancillary costs incurred in connection with the arrangements of borrowings and exchange difference arising from foreign currency borrowings to the extent they are regarded as adjustment to the Interest Cost.

Interest and other financing costs relating to borrowed funds attributable to the construction or acquisition of fixed assets have been capitalized to the extent if they relate to the period up to which the asset was ready to use (As per AS-16). All other borrowing costs are charged to the statement of Profit & Loss.

IIH Employee Benefits:

The Company's contribution to Provident Fund is charged to Profit & Loss account. Contribution to Gratuity Fund and Provision for Leave Encashment are made on the estimated basis and charged to Profit & Loss Account. As the management has decided to make such payment out of own funds based on the assumption that such benefits are payable to its employees at the end of the each accounting year.

III Taxes on Income:

Provision for Income Tax comprises of current tax, deferred tax charge or release. Current Tax provisions are made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions as per Income Tax Act, 1961. The provision for the tax is adjusted for Minimum Alternate Tax (MAT) paid in earlier years.

Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

IIJ Segment Accounting and reporting:

Segment accounting and reporting which is done in accordance with the accounting policies of the company and the guidelines prescribed by Accounting Standard 17, Segment Reporting, as specified in the Companies (Accounting Standards) Rules, 2006 is as follows:

- i) Segment revenue includes sales and other income directly identifiable with/ allocable to the segment including inter-segment revenue.
- ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.
- iii) Segment assets and liabilities include those directly identifiable with respective segments.

IIK Foreign currency transactions:

- a) The reporting currency of the Company is Indian Rupee.
- b) Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rates prevailing at the date of the transaction.
- c) Foreign Exchange differences on settlement/conversion are included in the statement of Profit and loss in the period in which they arise.

d) Basis of conversion of Foreign Currency in each of subsidiary companies.

III. Cash and Cash Equivalent:

Cash and Cash equivalents for the purpose of cash flow comprise of cash at bank and cash in hand and short term investments/ bank deposits.

IIII. Provisions, contingent liabilities and contingent assets:

- a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
- i) the company has a present obligation as a result of a past event.
 - ii) a probable outflow of resources is expected to settle the obligation and
 - iii) the amount of the obligation can be reliably estimated.
- b) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and updated/ recognized as appropriate.

For V.P. Aditya & Co.
Chartered Accountants
(FRN.000542C)

FOR SANCO INDUSTRIES LIMITED.

Sd/-
(CA S.B.Singh)
Partner
M.NO.070859

Sd/-
Sanjay Gupta
Managing Director

Sd/-
Sidhant Gupta
Director

Sd/-
Preeti Gupta
Company
Secretary

Sd/-
Vipul Singhal
Chief Finance
Officer

Sd/-
CA Saurabh Gupta
(Non Executive Independent Director)

Dated: 29/05/2015

Place: Delhi

1. Annexure to Note No.11 (Non-Current Investments)

Name of the Bodies Corporate	Face Value Rs./USD	31 st March, 2015			31 st March, 2014		
		No. of Shares	Book Value (Rs. in Lac)	Market Value (Rs.)	No. of Shares	Book Value (Rs. in Lac)	Market Value (Rs.)
Investment in Equity Instruments							
Unquoted Investments							
a)Subsidiary Company							
Superlink Polyfeb Ltd.	Rs.10/Share	4152596	302.76	N/A	2625000	150.00	N/A
Sanjita Polymet Ltd.	USD 1/Share	10000	6.12	N/A	NIL	NIL	N/A
b)Other							
UKB Electronics (P) Ltd.	Rs.10/Share	NIL	NIL	N/A	200000	200.00	N/A
Sub Total		4162596	308.88		2825000	350.00	
Grand Total		4162596	308.88		2825000	350.00	

Independent Auditors' Report

To the Members of Sanco Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying **consolidated financial statements** of SANCO INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position and consolidated financial performance of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Group has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Board of Directors of the Group, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph

below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and consolidated profit of the Group for the year ended on that date.

Other Matters

- a) (i) The financial statements of the Indian subsidiary which reflect total assets of `1312.51 lacs as at 31st March, 2015 and total revenues of `6.04 lacs for the year ended on that date, have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Indian subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditors.
(ii) These consolidated financial statements have been prepared without considering the standalone financial statements of Sanjita Polymet Ltd. (a wholly owned foreign subsidiary) in view of exemption granted by the sub-section (3) of Section 129 of "the Act" and related rules vide notification dated 16 January 2015.
(iii) Consolidated Cash Flow Statements AS-3, Segment Reporting AS-17, Related Party Disclosure AS-18 and Earning Per Share AS-20 have not been prepared as these are not applicable in the case of Indian Subsidiary Company.
- b) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the audited financial statements .

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) order 2015, (The order) issued by the Central Government of India in terms of Sub section (11) of section 143 of the Act, based on the comments in Auditors reports of the Holding Company and the Indian subsidiary company we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said order to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the auditors of Indian Subsidiary;
 - (c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss dealt with by this Report are in agreement with the relevant records maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Accounting Standard 15 – 'Employees Benefit Expenses' **(Refer to Note No. 41)** so far as it relates to Holding Company.

- (e) On the basis of the written representations received from the directors of the Group as on 31st March, 2015 and taken on record by the Board of Directors of the Group, none of the directors of the holding company is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – **Refer Note "19" to the consolidated financial statements.** ;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For V.P. ADITYA & COMPANY
Chartered Accountants
(FRN: 000542C)

Sd/-
(CA S.B. SINGH)
Partner

Membership No. 070859

Place: Delhi
Dated: 29.05.2015

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Consolidated Financial Statements for the year ended 31st March, 2015,

We report that:

Our reporting on the CARO includes only of holding company and one Indian subsidiary company in respect of the consolidated financial statements.

1. In respect of its Fixed Assets:
 - a. The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets other than furniture and fixtures and office equipments. However, in some cases identification number and location of the assets is yet to be updated;
 - b. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Group and the nature of its assets. No material discrepancies were noticed on such verification of certain assets done during the year.
2. In respect of its Inventories:
 - a. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals;
 - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Group and the nature of its business;
 - c. The Group has maintained proper records of its inventories and discrepancies noticed on verification between physical stocks and the book records were not material.
3. The Group has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 "the Act".
4. There are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods which needs more strengthening. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Group.
5. The Group has not accepted any deposits from the public; therefore, the provisions of the Companies (Auditor's Report) Order, 2015, are not applicable to the Group.
6. We have broadly reviewed the books of account maintained by the Holding Company, pursuant to the rules made by the Central Government, for maintenance of cost records under sub section (1) of section 148 of " the Act", and we are of the opinion that prima-facie the prescribed accounts and records have been maintained. The provision of Section 148(1) of "the Act" are not applicable in case of Indian subsidiary company.
7. According to the information and explanations given to us, in respect of statutory and other dues:
 - a. The Group is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material Statutory dues were in arrear as at 31st March, 2015 for a period more than six months from the date they became payable.
 - b. There are no dues of Income Tax, Wealth Tax, Service Tax, Custom Duty, Sales Tax, Excise Duty and other material Statutory Dues which have not been deposited on account of any dispute;
 - c. According to the information and explanations given to us, there are no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of **the Companies Act, 1956 (1 of 1956)** and Rules made there under.

8. The Group does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Group has not defaulted in repayment of dues to banks and there are no debenture holders.
10. The Group has not given any guarantee for loans taken by others, from banks or financial institutions.
11. The Group had not taken any Term Loan during the year.
12. According to the information and explanations given to us, no material fraud on or by the Group has been noticed or reported during the course of our audit.

For V.P. ADITYA & COMPANY
Chartered Accountants
(FRN: 000542C)

Sd/-
(CA S.B. SINGH)
Partner

Membership No. 070859

Place: Delhi
Dated: 29.05.2015

SANCO INDUSTRIES LIMITED			
CONSOLIDATED BALANCE SHEET AS AT 31/03/2015			
` in Lacs			
Particulars	Note No	31/03/2015	
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	857.00	
Reserves and Surplus	2	1,933.73	
			2,790.73
Minority Interest			
		415.22	415.22
Non-Current Liabilities			
Long-term borrowings	3	261.75	
Deferred tax liabilities (Net)	4	2.02	
Long-term provisions	5	7.48	
			271.25
Current Liabilities			
Short-term borrowings	6	2,246.44	
Trade payables	7	1,549.60	
Other current liabilities	8	677.97	
Short-term provisions	9	55.65	
			4,529.66
Total			8,006.86
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	673.83	
			673.83
Non-current investments	11	129.23	
Deferred tax assets (net)	12	13.27	
Long term loans and advances	13	13.04	
Other non-current assets	14	165.97	
			321.51
Current assets			
Inventories	15	1,313.99	
Trade receivables	16	3,823.67	
Cash and cash equivalents	17	170.88	
Short-term loans and advances	18	654.52	
Other current assets	19	1,048.46	
			7011.52
Total			8,006.86
Significant Accounting Policies Notes on Financial Statements	1-46		

For and on behalf of the Board

Auditors' Report
As per our report of even date
For V.P.Aditya & Co.
Chartered Accountants
FRN No.: 000542C

Sd/-
Sanjay Gupta
Managing Director

Sd/-
Sidhant Gupta
Director

Sd/-
Preeti Gupta
Company Secretary

Sd/-
Vipul Singhal
Chief Finance
Officer

Sd/-
CA Saurabh Gupta
(Non Executive Independent Director)
Place : DELHI
Dated : 29.05.2015

(CA S.B. Singh)
Partner
M.No.: 070859

SANCO INDUSTRIES LIMITED			
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31/03/2015			
			in Lacs
			2014-15
	Particulars	Note No	
	INCOME		
I.	Revenue from operations	21	10,541.48
II.	Other Income	22	35.43
III.	Total Revenue		10,576.91
IV.	EXPENSES		
	a) Cost of materials consumed	23	3,220.94
	b) Purchase of Stock-in-Trade	24	6,412.51
	c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	-418.90
	d) Employee benefits expense	26	162.83
	e) Financial costs	27	477.90
	f) Depreciation and amortization expense	28	88.38
	g) Other expenses	29	365.23
	Total Expenses		10,308.89
V.	Profit before exceptional and extraordinary items and tax		268.02
VI.	Exceptional Items	30	10.41
VII.	Profit before extraordinary items and tax		278.43
VIII.	Profit before tax		278.43
IX.	Tax expense:	31	38.27
X.	Profit/(Loss) for the year from continuing operations		240.16
XI.	Less: Share of profit transfer to Minority Interest		3.45
XII.	Profit/(Loss) for the period		236.71
XIII.	Earning per equity share:	32	0.28
	Basic		0.28
	Diluted		
Significant Accounting Policies Notes on Financial Statements		1-46	

For and on behalf of the Board

Auditors' Report
As per our report of even date
For V.P.Aditya & Co.
Chartered Accountants
FRN No.: 000542C

Sd/-
Sanjay Gupta
Managing Director

Sd/-
Sidhant Gupta
Director

Sd/-
Preeti Gupta
Company Secretary

Sd/-
Vipul Singhal
Chief Finance
Officer

Sd/-
CA Saurabh Gupta
(Non Executive Independent Director)
Place : DELHI
Dated : 29.05.2015

(CA S.B. Singh)
Partner
M.No.: 070859

SANCO INDUSTRIES LIMITED
Notes on Consolidated Financial Statements for the year ended 31/03/2015

Note No.	Particulars	` in Lacs 31/03/2015
1	Share Capital	
	Equity Share Capital	
	Authorised Share Capital	
	14000000 (14000000) Equity Shares of Rs. 10/- each	1400.00
	Issued, Subscribed & Paid Up	
	85,70,000 (85,70,000) Equity Shares of Rs. 10/- each	857.00
	Total	857.00
	Reconciliation of the number of shares outstanding is set out below :	No. of Shares
	Equity Shares at the beginning of the year	85,70,000
	Add: Shares issued during the year	0
	Equity Shares at the end of the year	85,70,000
	Details of shares held by each shareholder holding more than 5% shares:	
	Name of the Shareholder	No. of Shares (% of Holding)
	Mr. Sanjay Gupta	833700 (9.73%)
	M/s Sanjay Gupta HUF	3362800 (39.24%)
Ms. Shakuntla Gupta	502000 (5.86%)	
Mr. Anurag Gupta	699800 (8.17%)	
M/s Shri Parasram Holiday Private Limited	520000 (6.07%)	
M/s CPR Capital Services Limited	0	
2	Reserves and Surplus	
	Capital Reserve	
	Opening balance	0
	Add: Additions during the year	129.32
	Closing balance	129.32
	Securities Premium Reserve	
	Opening balance	226.00
	Add: Additions during the year	0.00
	Closing balance	226.00
	General Reserve	
	Opening balance	0.00
	Add: Additions during the year (Depreciation Written Back)	133.19
	Closing balance	133.19
	Surplus in Statement of Profit and Loss	
	Opening Balance	1208.51
Add: Profit for the Year	236.71	
Closing balance	1,445.22	
Total	1,933.73	

NON CURRENT LIABILITIES :

3	Long-Term Borrowings	
	(A) Secured	
	Term Loans	
	From Banks	
	Term Loan	25.24
	Vehicle Loans	11.44
	From Others	63.04
	From LIC	101.81
	Sub Total	201.53
	3.1.i From SIDBI Rs. 25.24 Lacs (Rs. 54.72 Lacs) Secured against Hypothecation of Plant & Machinery	
3.1.i Vehicle Loan Rs. 11.44 Lacs (Rs. 10.10 Lacs) i Secured against Hypothecation of Cars/ Vehicles		
3.2 From Others Rs. 63.04 Lacs (Rs. 41.65 Lacs)		

	Secured against personal property of third party	
3.3	From LIC Rs. 101.81 Lacs (Rs. 98.40 Lacs)	
3.4	Secured against Key Management Personal Policy Maturity Profile - Refer Note No. 42	
	(B) Unsecured	
	From Banks:	0.00
	From Others:	60.22
	Sub Total	60.22
	Total	261.75

4	Deferred Tax Liabilities (Net):	
	Deferred Tax Liabilities :	
	Depreciation	0.00
	Last year balance	6.14
	Less : Deduction during the year	4.12
	Total	2.02

5	Long-Term Provisions	
	Provision for Employee Benefits	
	Gratuity & Leave Encashment	7.48
	Total	7.48

CURRENT LIABILITIES :

6	Short-Term Borrowings	
	Secured	
	From Banks	
	Overdraft Account	0.00
	Cash Credit Account	1364.97
	From Others	151.49
	Sub Total	1,516.46
	Unsecured	
	From Banks	
	Loan From Axis Bank Ltd.(Under Channel Financing Scheme)	301.57
	Loan From Aditya Birla Finance Pvt. Ltd.(Under Channel Financing Scheme)	238.08
	Book Overdrafts	0.90
	From Others	
	Loan From NSIC (Under Raw Material Assistance Scheme) (Against Bank Guarantee)	189.43
	Sub Total	729.98
	Total	2,246.44

Central Bank of India (Overdraft) Lacs)	Rs.00	(Rs.813.01
Secured against hypothecation of Stock-in-Trade and Book Debts Union Bank of India (Cash Credit)	Rs.1364.97 Lacs	(Rs.00)
Secured against hypothecation of Stock-in-Trade and Book Debts Aditya Birla Finance Pvt.Ltd. Lacs) (Under Channel Financing Scheme)	Rs.151.49 Lacs	(Rs.150
Secured against mortgage of residential flats in the name of Directors		

7	TRADE PAYABLES	
	Trade Payables	1549.60
	Total	1,549.60

7.1 Based on the information available with the Company regarding the status of suppliers as defined under MSMED Act, 2006, there was no principal amount overdue and no interest was payable to the Micro, Small and Medium Enterprises on 31st March, 2015 as per the terms of Contract.

8	Other Current Liabilities	
	Current maturities of long term debt	125.80
	Other payables	
	Advances from customers	499.80
	Duties & Taxes Payable	17.63
	Expenses Payable	34.73
	Total	677.96

9	Short-Term Provisions	
	Provision - Others:	
	Provision for Income Tax	55.65
	Total	55.65

SANCO INDUSTRIES LIMITED



Notes on Financial statements for the year ended 31/03/2015

Note No. 10 FIXED ASSETS

in Lacs

DESCRIPTION	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK	
	As at 01.04.2014	Additions	Deductions Adjustments	As at 31.03.2015	As at 01.04.2014	For the Year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets										
Freehold Land	6.61	-	-	6.61	-	-	-	-	6.61	6.61
Leasehold Land	7.54	-	-	7.54	-	-	-	-	7.54	7.54
Factory Buildings	108.10	47.37	-	155.47	57.47	4.29	30.24	31.52	123.95	50.64
Plant & Machinery	298.59	280.25	0.77	578.07	118.35	53.74	84.45	87.64	490.43	180.24
Furniture, Fixtures and Office Equipments	11.39	2.77	-	14.16	7.65	1.03	1.48	7.20	6.96	3.74
Vehicles	80.74	6.66	23.89	63.51	49.77	4.63	29.23	25.17	38.34	30.97
	512.97	337.05	24.66	825.36	233.24	63.69	145.40	151.53	673.83	279.74
Intangible Assets										
Computer Software	0.09	-	0.09	-	0.06	-	0.06	-	-	0.03
Grand Total	513.06	337.05	24.75	825.36	233.30	63.69	145.46	151.53	673.83	279.77
Previous year's figures	594.45	90.25	171.63	513.07	232.50	48.51	47.71	233.30	-	279.77
Capital Work-in-Progress										30.37
									673.83	310.14

NON CURRENT ASSETS :

11	Non-Current Investments (As per Annexure 1)	
	Other Non-Current Investments	129.23
	Total	129.23
12	Deferred Tax Asset (Net):	
	Difference between book depreciation and Depreciation under Income Tax Act	13.27
	Total	13.27
13	Long Term Loans and Advances	
	(Unsecured considered good) Security Deposits	13.04
	Total	13.04
14	Other Non-Current Assets	
	Preliminary & Pre operative Expenses :	
	Opening Balance	85.56
	Add: Addition during the year	8.25
	Less:Written off during the year	24.69
		69.12
	MAT Credit Entitlement	
	Opening Balance	95.86
	Less:Written off during the year	0.00
	TOTAL	95.86
Others :		
Margin Money Deposit with banks	0.99	
	Total	165.97

CURRENT ASSETS :

15	Inventories	
	Raw materials	410.91
	Finished goods	281.55
	Stock in trade	621.53
	Total	1,313.99
16	Trade Receivables (Unsecured Considered Good)	
	Trade Receivables outstanding for a period exceeding six months	619.71
	Other Trade Receivables	3,203.96
	Total	3,823.67
17	Cash and Cash Equivalents	
	Cash in hand	44.43
	Balances with banks	
	(i) In current accounts	50.75
	(ii) In ESCROW account	0.00
	(iii) In Fixed deposit accounts	75.70
	Total	170.88

17.1 Fixed Deposits with banks includes deposits of Rs. 9.90 Lacs (Rs. 5.30 Lacs) with maturity more than 12 months and Rs. 75.70 Lacs (Rs. 131.32 Lacs) tied up against overdraft/ other commitments.

18	Short Term Loans and Advances: (Unsecured Considered good)	
	Security deposits	4.55
	Balances with government authorities	
	Vat/CST Receivable	27.43
	Income Tax A.Y. 05-06	0.00
	Tax Deducted at Source	1.89
	Advances to Suppliers	588.79
	Advances for Fixed Assets	0.00
	Other advances	31.86
		Total

19	Other current assets	
	Accruals	
	Interest accrued on investments	0.77
	Prepaid Expenses	2.47
	Other current assets	1,045.22
	Total	1,048.46
20	Contingent Liabilities and Commitments (to the extent not provided for)	
	Contingent liabilities	
	Guarantees (Bank Guarantee given to NSIC)	200.00
	Commitments	
	Estimated amount of contracts unexecuted on capital account	0.00
	Total	200.00
21	Revenue from Operations	
	Sale of products :	
	Finished Goods	4,606.81
	Goods Traded	5,934.67
	Net Revenue From Operation	10,541.48
22	Other Income	
	Interest income	
	(i) From Banks (on Fixed Deposits)	10.66
	(ii) From Others	0.00
	Other non-operating income	8.61
	Miscellaneous income	3.28
	Net gain on foreign currency transactions/translations	12.88
	Total	35.43
22.1	TDS Deducted by The Bank on Interest on Fixed Deposit	1.40
	EXPENSES :	
23	Cost of Materials Consumed	
	Opening Stock	567.88
	Add: Purchases	3,063.97
		3,631.85
	Less: Closing stock	410.91
	Total	3,220.94
23.1	Particulars of Material Consumed	
	Name of Material	
	PVC Resin	2,225.14
	Others	995.80
24	Purchase of Stock in Trade/Goods Traded	
	Purchases	6,412.51
	Total	6,412.51
25	Changes in inventories of Finished Goods and Stock-in-Trade	
	Inventories at the end of the year:	
	Finished goods	281.55
	Stock-in-trade	621.53
		903.08
	Inventories at the beginning of the year:	
	Finished goods	448.49
	Stock-in-trade	35.69
		484.18
		Net (+Increase) / (-Decrease)
26	Employee Benefit Expenses	
	Salaries and wages	114.78
	Directors' Remuneration	14.05
	Contribution to provident and other funds	10.55
	Gratuity and Leave Encashment	0.00
	KeyMan Insurance	16.57
	Staff welfare expenses	6.88
	Total	162.83
27	Finance Costs	

	Interest Expenses		
	Interest to Bank		196.39
	Interest to others		224.77
	Other Borrowing Costs		56.74
		Total	477.90
28	Depreciation and Amortization Expense :	-	
	Depreciation		63.69
	Preliminary and Pre-operative Expense written off		24.69
		Total	88.38
29	Other Expenses		
	MANUFACTURING EXPENSE :		
	Custom & Import Duty		0.00
	Freight & Forwarding Charges		54.43
	Power & Electricity		88.37
	Machinery Maintenance		4.09
	Water Charges		0.03
		Sub Total	146.92
	ADMINISTRATIVE AND OTHER EXPENSES :		
	Rates & Taxes		24.72
	Running & Maintenance		10.15
	Fees & Subscription		14.60
	Rent Paid		7.02
	Insurance		2.96
	Loss on Sale of Fixed Assets		0.00
	Conveyance Expenses		5.58
	Director's Sitting Fees		0.18
	Miscellaneous Expenses		17.51
		Sub Total	82.72
	SELLING & DISTRIBUTION EXPENSE :		
	Sale Commission & Incentives		6.11
	Travelling Expenses		14.87
	Truck Running Expenses		26.69
	Publicity & Advertisement		53.69
	Discount Allowed		34.17
	Balances written off (Net)		0.07
		Sub Total	135.59
		Grand Total	365.23
30	Exceptional items		
	Excess Provision Written Back		10.41
		Total	10.41
31	Tax expense:		
	Current tax		55.65
	Deferred tax		-17.38
		Total	38.27
32A	PAYMENTS TO THE AUDITORS	-	
	AUDIT FEES (Including Service Tax)		1.25
	FOR OTHER WORK		0.13

	TOTAL	1.38
32B	VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF RAW MATERIALS CAPITAL GOODS	132.25 1.50
	TOTAL	133.75
32C	THE AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDEND	NIL
32D	EXPENDITURE IN FOREIGN CURRENCIES	NIL
32E	EARNING IN FOREIGN CURRENCIES	NIL
32F	VALUE OF RAW MATERIALS CONSUMED RAW MATERIALS (i) IMPORTED VALUE % OF TOTAL CONSUMPTION (ii) INDIGENOUS VALUE % OF TOTAL CONSUMPTION	0.00 0.00 3,063.97 100%
	TOTAL	3063.97

- 33** The useful life of Fixed Assets have been revised in accordance with schedule II of the Companies Act 2013. The depreciation for the year is lower by Rs.0.83 lacs due to change in useful life of Fixed Assets. The Assets whose useful life is already exhausted as on 01.04.2014 depreciation amounting to Rs.133.19 lacs have been adjusted to General Reserve.
- 34** There was no default of repayment of Principal and interest on Long Term Borrowing and Short Term Borrowings.
- 35** In the absence of confirmation from the parties the debit & credit balances in respect of Sundry Debtors, Security Deposits and Advances received from Customers & Sundry Creditors have been taken as reflected in the books. Balance appearing under the heads Current Assets, Loans and Advances and Current Liabilities are subject to confirmation.
- 36** In the opinion of the Board of Directors of the company, the current assets, loans and advances have the value at least equal to the figures stated in the Balance Sheet on realization in the ordinary course of business and provision for all determinable/known liabilities have been made in the accounts when reliable estimates can be made of the amount of obligation.
- 37** Adjustment of Tax Deducted at Source and MAT Credit from Provision for Current Tax will be made after preparing the Income Tax Return.
- 38** Stores & Spares consumption has been grouped under Material consumption.
- 39.** The Consolidated financial statements are being presented for the first time. Consequently, the previous year figures have not been presented.
- 40.** Consolidation of financial statements of M/s. Superlink Polyfeb Limited has been done on the presumption that profits has been uniformly generated throughout the year.
- 41.** Consolidated Cash Flow Statements AS-3, Segment Reporting AS-17, Related Party Disclosure AS-18 and Earning Per Share AS-20 have not been prepared as these are not applicable in the case of Subsidiary Company.

42. MATURITY PROFILE *

	2016-17	2017-18	2018-19	2019-20
Vehicle Loans	2.67	2.78	2.91	2.65
From Others	23.43	26.31		0

Excluding interest payable.

- 43.** Enterprises consolidated as subsidiary in accordance with Accounting Standard 21-Consolidated [81]

Financial Statements:

Name of the Enterprise	Country of Incorporation	Proportion of ownership interest
Superlink Ployfeb Limited	India	51%

44. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary:

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated Net Assets	Amount (₹ in Lac)	As % of Consolidated Profit or Loss	Amount (₹ in Lac)
PARENT				
Sanco Industries Ltd.	94.44	2661.32	89.66	236.62
INDIAN SUBSIDIARY				
Superlink Polyfeb Limited	15.34	432.17	0.69	1.81
FOREIGN SUBSIDIARY				
Minority Interest in all subsidiary	14.73	415.22	0.66	1.73

45. Salient features of financial statements of subsidiary as per Companies Act , 2013

S. No	Name of the Subsidiary co.	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Laibilities	Investments	Turnover / Total Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Superlink Polyfeb Ltd.	INR (in Lacs)	814.02	33.37	1312.51	1312.51	-	6.04	4.37	0.83	3.54	-	51

46. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

A. Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act,2013.

B. Principles of consolidation

The consolidated financial statements relate to Sanco Industries Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements".
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- d) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- e) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

C. Investments

Investments other than in subsidiaries have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

D. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements of Sanco Industries Ltd.

For V.P. Aditya & Co.
Chartered Accountants
(FRN.000542C)

FOR SANCO INDUSTRIES LIMITED.

Sd/-

(CA S.B.Singh)
Partner
M.NO.070859

Sd/-

Sanjay Gupta
Managing Director
DIN:00726005

Sd/-

Sidhant Gupta
Director
DIN:02676750

Sd/-

Preeti Gupta
Company
Secretary

Sd/-

Vipul Singhal
Chief Finance
Officer

PLACE: DELHI
DATED: 29/05/2015

Sd/-

CA Saurabh Gupta
(Non Executive Independent Director)
DIN:03093901

1. Annexure to Note No.11 (Non-Current Investments)

Name of the Bodies Corporate	Face Value	31 st March, 2015		
	Rs./USD	No. of Shares	Book Value (Rs. in Lac)	Market Value (Rs.)
A. Investment in Equity Instruments				
Unquoted Investments				
a)Subsidiary Company				
Sanjita Polymet Ltd.	USD 1/Share	10000	6.12	N/A
B. Others				
LIC of India (Policies under Employer-Employee Scheme)	N/A	N/A	123.11	N/A
Total		10000	129.23	



Attendance Slip
25th ANNUAL GENERAL MEETING – 30.09.2015

REGISTERED FOLIO NO./DP ID NO. /CLIENT ID NO.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Numbers of Shares held

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I certify that I am a member/proxy for the members of the Company.

I hereby record my presence at the 25th Annual General Meeting of the Company at 12:30 P.M. at "**Sancos**" D-9, Aditya Mega Mall, CBD Ground, Shahdara, Delhi-110032 as on Wednesday, 30th September, 2015.

.....
Signature of Member/Proxy

.....
Name of Member/Proxy
(In BLOCK letters)

Note:

1. Please complete the folio /DP Id –Client ID and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF MEETING HALL.

PROXY FORM
25th ANNUAL GENERAL MEETING – 30.09.2015

1. Name of Member:
2. Registered Address:
3. E-mail Id:
4. Folio/DP ID Client ID No.

I/we being the member(s) of theshares of above named company hereby appoint:

1. Name.....Address:.....
Email Id.....Signature.....or failing him:

2. Name.....Address:.....
Email Id.....Signature.....or failing him:

as my proxy to attend and vote (on a poll) for me/our behalf at the 25th Annual General Meeting of the Company to be held on Wednesday, 30th September, 2015 at 12:30 P.M. at “**Sancos**” D-9, Aditya Mega Mall, CBD Ground, Shahdara, Delhi-110032 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional	
		For	Against
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the period ended on March 31 st , 2015		
2	Re-appointment of Mr. Sidhant Gupta, who retires from office by rotation, and being eligible, offers himself for re-appointment.		
3	Appointment of M/s V.J.M. & Associates. Chartered Accountant, as Auditors and fixing their remuneration.		
4	Declaration of dividend		

Signed this.....day of2015

Signature of Shareholder.....

Signature of Proxy Holder (s).....

Affix revenue
stamp of not less
than Rs. 0.15

Notes:

1. This form, in order to be effective, should be duly stamped, completed. Signed and deposited at the registered office of the Company, not less than 48 hours before the Meeting.
2. It is optional to indicate your preference. If you leave the for or against column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she may deem appropriate.