



K.G. SHARMA & CO.

CHARTERED ACCOUNTANTS

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**To ArunavaSikdar
Resolution Professional
Sanco Industries Limited (undergoing CIRP)**

Independent Auditor's Limited Review Report on

**Interim Standalone Financials Results of M/s Sanco Industries Limited
(under CIRP)**

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **M/s Sanco Industries Limited (under CIRP)** ("the Company") for the quarter ended December 31st, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulation").

The company is under Corporate Insolvency Resolution Process initiated by the National Company Law Tribunal, Delhi ("NCLT") vide order dated 29.07.2022, the power of the Board of Directors of the company stood suspended and such powers are vested with the Resolution Professional to manage the affairs of the company. However, the Company's Board of Directors remains responsible for the matters with respect to the preparation of these financial statement. The Financial Statements been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rule issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We have conducted our review of the financial statement in accordance with the Standard of Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. These standards required that we plan and perform the review to obtain reasonable assurance about whether the financial results are free of material misstatements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matter that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above we observed the following:

- 1. The Company is undergoing the Corporate Insolvency Resolution Process ("CIRP") in terms of provisions of Insolvency & Bankruptcy Code, 2016("IBC/the Code") vide order of the Hon'ble National Company Law Tribunal, New Delhi, dated 29.07.22. As the CIR Process is going on, the financial statements have been prepared based on going concern assumption.*



2. Further, under the CIRP, eight resolution plans were received by the RP, which were presented to the CoC for its consideration and approval. Out of all the resolution plans, the resolution plan submitted by Ms. Priti Jain had been approved by the members of the CoC with 100% voting in the 12th meeting of the Committee of creditors held on 28.04.2023. Voting on the resolution plan completed on 01.06.2023. The successful Resolution Applicant, Ms. Priti Jain, submitted Performance Security of 10% value of the Total Plan Value i.e. Rs. 78.00 Lakhs. The RP had received a sum of Rs. 53.00 Lakhs on behalf of Ms. Priti Jain on 03.06.2023 and balance amount of Rs 25.00 Lakhs of EMD paid by the RA earlier adjusted with Performance Security, thereby making the total value of Performance Security to Rs. 78.00 Lakh.
3. The Application for approval of Resolution Plan was filed by the RP before Hon'ble NCLT on 16.06.2023 and is pending for the approval.
4. Further, all the observations outlined in the Independent Auditor's Report for the FY 22-23 remain valid and applicable to the current review.

Based on our review conducted as stated above nothing has come to our attention (except mentioned above) that causes us to believe that the accompanying statement, prepared in accordance with the aforesaid Indian Accounting Standards and accounting principles generally accepted in India, has not disclosed the information required to be disclosed in term of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K G Sharma & Co.
Chartered Accountants
FRN: 005240N



CA Sanjeev Jain
(Partner)
M No. 089416
Date: 09th February 2024
Place: Delhi
UDIN: 24089416BKVCZ5462

Sanco Industries Limited
 Unaudited Standalone Statement of Cash Flows
 for the period ended 31st December, 2023
 (INR in lakhs, except for per share data and if otherwise stated)

Particulars	Half Year Ended	Half Year Ended
	31st December 2023	31st December 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax	(43.73)	(1,913.06)
Depreciation and Amortization (Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property	13.02	17.08
Interest (Income) / Expense	(2.78)	0.10
Operating Cash Generated Before Working Capital Changes	(33.49)	(1,916.08)
Change in Working Capital		
(Increase) / Decrease in Trade Receivable		
(Increase) / Decrease in Other Financial Assets		
(Increase) / Decrease in Other Non-Current Assets		
(Increase) / Decrease in Inventories		
(Increase) / Decrease in Other Current Assets	(0.26)	
Increase / (Decrease) in Assets		(1,245.96)
Increase / (Decrease) in Non-Current Liabilities		
Increase / (Decrease) in Trade Payables		
Increase / (Decrease) in Other Financial Liabilities	(97.00)	
Increase / (Decrease) in Liabilities		648.17
Increase / (Decrease) in Other Current Liabilities	(17.24)	
	(114.50)	(1,894.13)
Net Cash Flow From / (Used in) Operating Activities	-147.99	-21.95
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of PPE, Intangible Assets and Investment Property		
Proceeds of PPE, Intangible Assets and Investment Property		3.90
Interest Income Received / (Paid)	2.78	0.10
Net Cash Flow From / (Used in) Investing Activities	2.78	4.00
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of share capital		
Proceeds / (Repayment) of Long Term Borrowings		(82.23)
Proceeds / (Repayment) of Short Term Borrowings		(2.00)
Interest Paid		
Net Cash Flow From / (Used in) Financing Activities		(84.23)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	145.21	(102.18)
Cash and Cash Equivalents at the beginning of the Period	(4,565.92)	(4,191.75)
Cash and Cash Equivalents at the end of the Period	(4,711.13)	(4,493.93)
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	0.19	0.19
Balance with Banks		
On Current accounts	0.76	16.51
On Deposits accounts	79.40	
Bank Overdraft	(4,791.41)	(4,510.61)
Cash and cash Equivalent	(4,711.13)	(4,493.93)

For and on behalf of the Board


 Arunava Sikder
 Resolution Professional



Place: Delhi
 Date: 09 February 2024



Sanco Industries Limited
Unaudited Standalone Statement of Profit and Loss
As at 31st December 2023
(INR in lakhs, except for per share data and if otherwise stated)

Particulars	Quarter Ended			Period Ended		Year Ended (Audited)
	31st December 2023	30th September 2023	30th June 2023	31st December 2023	31st March 2023	
Income						
Revenue from Operations	-	1.28	1.50	-	125.65	125.65
Other Income	-	1.28	1.50	2.78	(99.00)	1.36
Total Income	-	2.56	3.00	2.78	25.75	127.01
Expenses						
Cost of Materials Consumed	-	-	-	-	1,511.26	1,663.35
Purchase of stock-in-trade	-	-	-	-	-	236.05
Change in Inventories of Finished Goods, Stock in trade and WIP	-	-	-	-	386.14	5.97
Employee benefits expenses	0.87	0.87	0.87	2.61	5.33	0.21
Finance cost	-	-	-	-	-	22.15
Depreciation and Amortization expense	4.34	4.34	4.34	13.02	17.08	157.95
Other Business Expenses	11.23	12.31	7.34	30.88	37.00	157.95
Total Expenses	16.43	17.52	12.55	46.51	1,958.81	2,085.68
Profit Before Tax	(16.43)	(16.24)	(11.05)	(43.73)	(1,933.06)	(1,958.67)
Current Tax	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
Profit for the period	(16.43)	(16.24)	(11.05)	(43.73)	(1,933.06)	(1,958.67)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income for the year	(16.43)	(16.24)	(11.05)	(43.73)	(1,933.06)	(1,958.67)
Earnings per equity share (Computed on the basis of profit for the year):						
(a) Basic EPS ordinary activities after tax for the period, for the year to date	(0.12)	(0.12)	(0.08)	(0.33)	(14.78)	(14.97)
(b) Diluted EPS ordinary activities after tax for the period, for the year to date	(0.12)	(0.12)	(0.08)	(0.33)	(14.78)	(14.97)

For and on behalf of the Board



Arunava Sikdar
Arunava Sikdar
 Resolution Professional

Place: Delhi
 Date: 09 February 2024

Sanco Industries Limited
 Unaudited Standalone Balance Sheet
 As at 31st December 2023
 (INR in lakhs, except for per share data and if otherwise stated)

Particulars	As at 31st December' 2023	As at 31st March' 2023 (Audited)
I ASSETS		
(1) Non-Current Assets		
a) Property, Plant and Equipment	105.40	118.44
b) Capital Work-in-Progress	2.99	2.99
c) Financial Assets		
Investments	338.50	338.50
Trade receivables	4,838.85	4,838.85
Other Financial Assets	796.32	796.32
d) Deferred Tax Assets (Net)	8.67	8.67
Total Non-Current Assets	6,090.73	6,103.77
(2) Current assets		
a) Inventories	54.23	54.23
b) Financial Assets		
Trade receivables		
Cash and cash equivalents	80.36	179.64
Other financial assets	11.97	11.97
d) Other Current Assets	9.50	9.24
Total Current Assets	156.06	255.08
TOTAL ASSETS	6,246.79	6,358.85
II EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	1,308.20	1,308.20
b) Other Equity	-1,851.36	(1,807.60)
Total Equity	(543.16)	(499.40)
Liabilities		
Non-Current Liabilities		
a) Financial Liabilities		
Borrowings	793.85	793.85
b) Other Non-Current Liabilities	-	-
Total Non-Current Liabilities	793.85	793.85
Current Liabilities		
a) Financial Liabilities		
Borrowings	4,791.48	4,745.54
Trade payables		
- Micro enterprises and small enterprises		-
- Other than micro enterprises and small enterprises	777.63	777.63
Other Financial Liabilities	81.15	178.15
c) Other current Liabilities	345.84	363.08
Total Current Liabilities	5,996.10	6,064.40
TOTAL EQUITY AND LIABILITIES	6,246.79	6,358.85

For and on behalf of the Board


 Arunava Sikdar
 Resolution Professional



Place: Delhi
 Date: 09 February 2024