



29th June, 2020

To
The General Manager,
Department of Corporate Relations,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400001.

Dear Sir,

Scrip Code: 532972

Sub: Outcome of Board Meeting dated 29th June, 2020 and Disclosure as per Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

We wish to inform you that at the meeting of the Board of Directors of the Company held today i.e. on Monday, 29th June, 2020, the Board of Directors of the Company have inter-alia considered, approved and took on record the audited financial results of the Company for the year ended 31st March, 2020 and audited financial results for the quarter ended on 31st March, 2020. The said audited financial results and statements were reviewed by the Audit Committee and thereafter approved by the Board of Directors.

In compliance with Regulations 33 & Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Financial Results as approved by our Board of Directors and Auditors report issued by M/s. Ravi Rajan & Co. Chartered Accountants, Statutory Auditors of the Company.

Pursuant to regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the declaration duly signed by our Chairman and Managing Director that the said audit report issued by the Statutory auditors on annual financial results for the year ended 31st March, 2020 were with unmodified opinion.

The Board Meeting commenced at 10:00 a.m. and concluded at 4.15 p.m.

This is for your information and records.

Thanking you.

For **Sankhya Infotech Limited**


(Sridhar Krishna)

Chairman and Managing Director

Encl: As above

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST, MARCH 2020

Rs. In Lakhs Except for EPS

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Audited	Un-Audited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
I	Revenue from Operations	3.70	61.87	3,367.00	159.97	16,404.73
II	Other Income	-	-	(322.49)	28.42	18.06
III	Total Revenue (I+II)	3.70	61.87	3,044.51	188.39	16,422.79
	Expenses					
	a) Staff Cost	(8.30)	2.11	2,214.87	3,255.49	9,420.28
	b) Other Expenses	49.61	13.70	1,428.88	2,659.70	4,917.18
	c) R&D Expenditure	-	-	202.17	402.18	802.08
	d) Depreciation & amortization expense	218.79	220.12	262.64	910.38	1,002.35
	e) Finance Cost	(3.64)	1.09	79.15	51.09	432.53
IV	Total Expenses	256.46	237.02	4,187.71	7,278.84	16,574.42
V	Profit Before Exceptional & Extraordinary Items & Tax (III-IV)	(252.76)	(175.15)	(1,143.20)	(7,090.45)	(151.63)
VI	Extra Ordinary Items		-	-	-	-
VII	Profit/(Loss) before Taxation	(252.76)	(175.15)	(1,143.20)	(7,090.45)	(151.63)
VIII	Income Tax Expense					
	- Taxation	-	-	-	-	-
	- Mat Tax Credit Entitlement	-	-	-	-	-
	- Deferred Tax	10.38	10.63	3.26	30.58	8.94
	- Income tax pertaining to previous years	-	-	-	-	-
IX	Profit / (Loss) after Taxation(VII-VIII)	(263.14)	(185.78)	(1,146.46)	(7,121.03)	(160.57)
X	Other Comprehensive Income					
	A. (i) Items that will not be reclassified to Profit & Loss Account					
	- Remeasurement of defined benefit plans	16.72	(0.02)	(2.81)	12.62	(0.98)
	- Less: Tax on remeasurement of defined benefit plans	1.92	0.01	(0.97)	(3.28)	0.32
	B. (i) Items that will be reclassified to Profit & Loss Account	-	-	-	-	-
	Tax related to items that will be reclassified to Profit & Loss Account	-	-	-	-	-
	Total Comprehensive Income for the period (IX+ X)	(248.34)	(185.80)	(1,150.24)	(7,111.69)	(161.23)
XI	Basic and diluted Earning per Share in Rs. (On a par value of Rs.10 per share)	(1.80)	(1.27)	(8.72)	(48.78)	(1.22)
XII	Paid-up equity share capital (Face value of Rs.10 per share)	1,459.71	1,459.71	1,314.52	1,459.71	1,314.52
XIII	Reserves	4,026.23	4,274.56	10,801.94	4,026.23	10,801.94

AUDITED- SEGMENT WISE REVENUE, RESULTS FOR THE QUARTER & YEAR ENDED 31ST, MARCH 2020

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Audited	Un-Audited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1	Segment Revenue					
	Defense	-	-	838.27	3.62	5,262.60
	Non Defense	3.70	61.87	2,528.73	156.35	11,142.13
	Total	3.70	61.87	3,367.00	159.97	16,404.73
	Less : Inter segment revenues	-	-	-	-	-
	Net Segment Revenue	3.70	61.87	3,367.00	159.97	16,404.73
2	Segment Results					
	Defense	-	-	(985.64)	(1,907.80)	70.22
	Non Defense	(214.87)	(176.24)	(236.71)	(5,199.49)	210.68
	Total	(214.87)	(176.24)	(1,222.35)	(7,107.29)	280.90
3	Segment Results before tax and interest	(214.87)	(176.24)	(1,222.35)	(7,107.29)	280.90
	Less : Interest Expenses	(3.64)	1.09	79.15	51.09	432.53
	Total Profit/(Loss) Before Tax	(218.51)	(175.15)	(1,143.20)	(7,056.20)	(151.63)

Notes:

- The above results have been reviewed and approved by the Audit Committee in its meeting and taken on record by the Board of Directors meeting held on 29TH June, 2020
- The Statutory Auditors have carried out an Audit for the Fourth Quarter Ended & Year Ended 31st March, 2020 as per regulation 33 of SEBI (LODR), 2015 and expressed an unqualified audit report.
- Audit covered to confirm compliance to both **Ind-AS** standards and '**Internal Financial Controls**' as per Sec 134 of the Companies Act 2013.
- Provision for employee benefits for the current period has been made as per the actuarial valuation certificate at the end of the year, in accordance with the revised Accounting Standard AS-15 (Employee Benefits).
- Previous Periods/Year figures have been regrouped /reclassified wherever necessary to confirm to classification of current Period.
- Details of number of investor complaints for the quarter ended 31st March, 2020
Beginning - 0 , Received - 0 , Disposed off - 0 , Pending - 0
- Figures for the Quarter Ended March 31st, 2020 are the balancing figures between the audited figures in respect of the full financial year.
- The Company's results are posted on the website <http://www.sankhya.net>.

Place: Hyderabad

Date: 29.06.2020

For Sankhya Infotech Limited

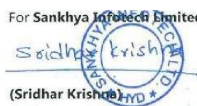

 (Sridhar Krishnamoorthy)
 Chairman and Managing Director
 (DIN: 00089548)

SANKHYA INFOTECH LIMITED
PLOT NO 1-112/63, WS COLONY, NEAR KIMS HOSPITAL, KONDAPUR, HYDERABAD - 500084
Statement of Assets & Liabilities as at 31st March, 2020

Particulars	Note No	As at March 31st , 2020	As at March 31st, 2019
		Rs in Lakhs	Rs in Lakhs
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	50.21	127.41
(b) Capital work-in-progress	3	671.05	671.05
(c) Other Intangible assets	3	7,500.14	8,333.54
(d) Financial Assets			
(i) Loans and advances	4	3.42	18.77
Total Non Current Assets		8,224.82	9,150.77
(2) Current assets			
(a) Financial Assets			
(i) Trade receivables	5	6.81	5,829.07
(ii) Cash and cash equivalents	6	1.39	80.34
(b) Other current assets	7	1,037.02	1,072.97
Total Current Assets		1,045.22	6,982.38
TOTAL ASSETS		9,270.04	16,133.15
II. EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	8	1,459.71	1,314.52
(b) Other Equity	9	2,566.52	9,487.43
Total Equity		4,026.23	10,801.95
(2) LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	-	172.42
(b) Provisions	11	21.00	41.75
(c) Deferred tax liabilities (Net)	12	482.97	449.11
(d) Other non-current liabilities	13	-	27.63
Total Non-Current Liabilities		503.97	690.91
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	3,006.19	2,887.62
(ii) Trade payables	15	582.75	623.49
(iii) Other financial liabilities (other than those specified in item (c))	16	238.73	217.80
(b) Provisions	17	287.17	292.72
(c) Other current liabilities	18	625.00	618.66
Total Current Liabilities		4,739.84	4,640.29
Total Current & Non Current Liabilities		5,243.81	5,331.20
TOTAL EQUITY & LIABILITIES		9,270.04	16,133.15

For Sankhya Infotech Limited

 (Sridhar Krishnamoorthy)
 Chairman and Managing Director

SANKHYA INFOTECH LIMITED PLOT NO 1-112/63, WS COLONY, NEAR KIMS HOSPITAL, KONDAPUR, HYDERABAD - 500084 Statement of Cash Flow for the year ended 31st March, 2020 (Rs.In Lakhs)		
Particulars	As at March 31st , 2020	As at March 31st, 2019
A. CASH FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax	(7,090.45)	(151.63)
Adjustment for:		
Depreciation & Amortization Expense	910.38	1002.35
Interest Expenses	51.09	432.53
Interest Income	-	(1.73)
Employee Benefits Exp. (Acturial Gain/ Loss on Gratuity)	(12.62)	(0.98)
Change in operating assets and liabilities	(6,141.60)	1,280.54
Adjustment for:		
Decrease/(Increase) in Trade Receivables	5,822.26	741.81
Increase/(Decrease) in Short term Borrowings	118.57	300.00
Increase/(Decrease) in Trade Payables	(40.74)	44.47
Increase/(Decrease) in Other Current Liabilities	6.34	14.29
Increase/decrease in short term provisions	(23.76)	(3.36)
Increase/(Decrease) in Other Current Assets	35.94	214.96
Increase/(Decrease) in Other Current Financial Liability	20.93	8.40
Increase/(Decrease) in Deferred Tax	24.60	-
Increase/(Decrease) in Advance From Customer	-	14.51
Cash Generated from operations	(177.46)	2,615.62
Net of taxes	2.55	-
Net Cash from/(Used) in Operating Activities A	(180.01)	2,615.62
B. CASH FLOW FROM INVESTING ACTIVITIES		
Consideration on Sale of Fixed Assets	0.21	(2,176.70)
Decrease/(Increase) in Long Term Loans & Advances	15.35	(1.66)
Interest Received	-	1.73
Net Cash from/(Used) in Investing Activities B	15.56	(2,176.63)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Long term borrowings	(172.42)	48.48
Increase/(Decrease) in Other Long term Liabilities	(27.63)	2.97
Interest Paid	(51.09)	(432.53)
Issue of Equity Share Capital and diff of OCI	194.91	-
Security Premium on issue of Equity share Capital	567.27	-
Share Warrant application	(425.55)	-
Net Cash from/(Used) in Financing Activities C	85.49	(381.08)
Net increase in Cash and Cash Equivalents (A+B+C)	(78.96)	57.92
Opening Cash and Cash Equivalents	(2,307.27)	(2,365.19)
Closing Cash and Cash Equivalents	(2,386.23)	(2,307.27)
Note: As per IND AS 7 - Cash flow statement, the CC limits (demand liability) is considered as essential cash management and hence the same is classified as Cash & Cash equivalents.		
<div style="text-align: right;"> For Sankhya Infotech Limited  (Sridhar Krishnamoorthy) Chairman and Managing Director </div>		



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL RESULTS

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF M/s. Sankhya Infotech Limited

We have audited the accompanying Statement of Financial Results of **Sankhya Infotech Ltd (hereinafter referred as "Company")** for the quarter and year ended **31st March 2020** (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net loss and total comprehensive income and other financial information of the Company for the quarter ended 31st March, 2020 as well as the year to date results for the period from 1st April, 2019 to 31st March, 2020.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter



Covid 19 spread across the country since March, 2020 restricted our physical movement to company's offices at different locations and thereby required us to use alternative audit procedure from remote location. We were provided the access to the books of accounts via electronic medium (SAP module) from a remote location. Further, required documents/information was sought on mails to vouch the authenticity of the transactions of the company.

Material Uncertainty Related to Going Concern

We draw attention to the Financial statements for FY 2019-20, which indicates that the Company incurred a Net Loss of Rs. 7111.69 lakhs during the year ended March 31, 2020 and, as of that date, the Company's current liabilities exceeded its total assets by Rs. 3694.62 lakhs. The events or conditions as set out below, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

1. Substantial increase in the losses.
2. Continuous cancellation of contracts and no orders to execute.
3. No business operations in the Subsidiary Companies and closure of the companies.
4. All employees left the company.
5. Negative Working Capital
6. Overdue Working Capital Loans from IDBI Bank Ltd.

Emphasis of matter:

Owing to the continued cancelled contracts, the revenue for the quarter ended **31st March 2020** and the year to date results for the period **1st April 2019 to 31st March 2020** has been insignificant.

IDBI bank has initiated proceedings under NCLT. However as on date, application has not been admitted by NCLT against the company.

We did not review the interim financial statements of the branch included in the audited interim financial statements, whose results reflect total assets and total revenue of Rs. NIL for quarter ended **31st March 2020** and the year to date results for the period **1st April 2019 to 31st March 2020**, as considered in the respective unaudited interim financial statements. It is informed to us by the company that it has closed all its overseas operations as at 30th September, 2019.

Since all the subsidiaries of the Company are closed no consolidated results are published.

Our conclusion on the Statement is not modified in respect of the above matters.

Management's Responsibilities for the Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; 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 Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

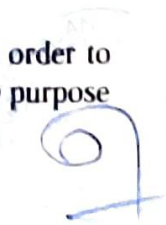
In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **RAVI RAJAN & CO. LLP**

Chartered Accountants

(Firm's Registration No. 009073N/500320)

Jayanth. A
Partner

(Membership No.231549)

UDIN - 20231549AABACK260

Place: New Delhi,

Date: 29th June, 2020.



To
The General Manager,
Department of Corporate Relations,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400001.

29th June, 2020

Dear Sir,

Sub: Declaration with respect to audit report with unmodified opinion for the financial year ended 31st March, 2020.

Ref: SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm and declare that the Statutory Auditors of the Company i.e. M/s. Ravi Rajan & Co., Chartered Accountants, have submitted the auditor's report on Financial Results of the Company for the year ended 31st March, 2020 and for the fourth quarter ended on 31st March, 2020 with unmodified opinion.

This is for your information and records.

For Sankhya Infotech Limited

Sridhar Krishna

(Sridhar Krishna)
Chairman and Managing Director

DIN: 00089548