

SANKHYA INFOTECH LIMITED

(The Company is under Corporate Insolvency Resolution Process vide NCLT order dated 28/07/2021 (Order received on 02/08/2021))

Date:- 13th November, 2021

To

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

Dear Sir/Madam,

Sub: Intimation under Regulation 29 of SEBI (LODR) Regulations, 2015, regarding consideration and approval of Unaudited Financial Results for the Second Quarter and Half Year ended September 30, 2021

SCRIP CODE: 532972

Pursuant to appointment of the Resolution Professional ('RP') by the Hon'ble National Company Law Tribunal (NCLT), Hyderabad, and in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016('Code'), and pursuant to Regulation 29 of SEBI (LODR) Regulations, 2015, please take notice that on Saturday, November 13, 2021, Mr. Jagadees Kumar Morri (IP Registration No. IBBI/IPA-001/IP-P00398/2017-2018/10716), Resolution Professional, has considered and approved the Unaudited Financial Results of the Company for the Quarter ended September 30, 2021 and the same have be duly authenticated and signed by him.

The Board Meeting commenced at 12:30 PM. and concluded at 1:00 P.M.

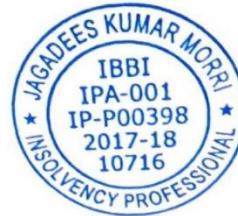
This is for your information and record.

Thanking you,

Yours faithfully
For **SANKHYA INFOTECH LIMITED**



JAGADEES KUMAR MORRI
RESOLUTION PROFESSIONAL
IBBI Registration No. IBBI/IPA-001/IP-P00398/2017-2018/10716
(Acting for and on behalf of the Company without any personal liability)



Encl: a/a



SANKHYA INFOTECH LIMITED
H.No-1-112/63, W.S.Colony, Kondapur, Hyderabad - 500049 Telangana. CIN: L72200TG1997PLC045396, Ph: +91, 9325733898
E-mail: comp.officer@sankhya.net, Website: http://www.sankhya.net

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30th, 2021

(Rs in Lakhs)

Sl. No.	Particulars	Quarter Ended			Half-year ended		Yearly Audited
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	
I	Revenue from Operations	-	-	-	-	-	-
II	Other Income	0.002	-	-	0.002	-	-
III	Total Income (I+II)	0.002	-	-	0.002	-	-
	Expenses						
	a) Staff Cost	-	-	-	-	-	0.01
	b) Other Expenses	5.56	7.72	4.01	13.28	10.82	25.24
	c) Depreciation & amortization expense	197.37	172.14	191.97	369.51	383.94	787.87
	d) Finance Cost	732.52	1.66	1.11	734.18	2.21	5.60
IV	Total Expenses	935.45	181.52	197.09	1116.97	396.97	798.72
V	Profit Before Exceptional & Extraordinary Items & Tax (III-IV)	(935.45)	(181.52)	(197.09)	(1,116.97)	(396.97)	(798.72)
VI	Extra Ordinary Items	-	-	-	-	-	-
VII	Profit/(Loss) before Taxation	(935.45)	(181.52)	(197.09)	(1,116.97)	(396.97)	(798.72)
VIII	Income Tax Expense						
	- Taxation	-	-	-	-	-	-
	- Deferred Tax	-27.15	-20.39	(9.70)	(47.54)	(19.40)	(48.09)
IX	Profit / (Loss) after Taxation (VII-VIII)	(908.30)	(161.13)	(187.39)	(1,069.43)	(377.57)	(750.63)
X	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to Profit & Loss Account						
	- Remeasurement of defined benefit plans	-	-	-	-	-	-
	- Less: Tax on remeasurement of defined benefit plans	-	-	-	-	-	-
	B. (i) Items that will be reclassified to Profit & Loss Account						
	Tax related to items that will be reclassified to Profit & Loss Account						
XI	Total Comprehensive Income for the period (IX+X)	(908.30)	(161.13)	(187.39)	(1,069.43)	(377.57)	(750.63)
XII	Comprising Profit & Other Comprehensive Income for the period						
XII	Basic and diluted Earning per Share in Rs.	(6.22)	(1.10)	(1.28)	(7.33)	(2.59)	(5.14)
	(On a par value of Rs.10 per share)						
XIII	Paid-up equity share capital	1,459.71	1,459.71	1,459.71	1,459.71	1,459.71	1,459.71
	(Face value of Rs.10 per Share)						

Notes:

- A Corporate insolvency resolution process ("CIRP") has been initiated against the Company by the National Company Law Tribunal Hyderabad Bench 1 vide Order No. CP(IB)No.235/7/HDB/2020, dated 28th July, 2021 under the provisions of Insolvency and Bankruptcy Code, 2016 ("Code"). Pursuant to the Order, the power of the Board of Directors stand suspended and are exercisable by Mr. Jagadees Kumar Morri, who has been appointed as Interim Resolution Professional ("IRP") by the National Company Law Tribunal Bench on the same date. Later COC decided to continue him as the RP. The Limited Review of the Financials for the Quarter and half year ended 30th Sept, 2021 has been carried out by the Statutory Auditors of the Company in terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The reviewed financial results have been taken on records by the members of the Board of Directors. These unaudited results of the Company for the Quarter ended Sep 30, 2021 have been approved by the RP during its Meeting held on 13.11.2021.
- These financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as amended from time to time and the other accounting principles generally accepted in India.
- The RP has approved these financial results only to the limited extent of discharging the power of the Company which has been conferred upon in terms of provisions of Section 17 of the Code covered to confirm compliance to both IND-AS standards and Internal Financial Controls as per Sec 134 of the Companies Act, 2013.
- Under the CIRP, the resolution plan needs to be presented to and approved by the Committee of Creditors ("COC") and thereafter will need to be approved by the NCLT to keep the company as a going concern of current Period.
- Previous Periods/Year figures have been regrouped /reclassified wherever necessary to confirm to classification of current Period.
- The Company has no revenue from operations, therefore there are no separate reportable segments in accordance with the requirements of Indian Accounting Standard 108 - 'Operating Segment Reporting' notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- The Company's results are posted on the website <http://www.sankhya.net>.
- The figures for the previous period have been regrouped/ reclassified wherever necessary, to make them comparable.

Mr. Jagadees Kumar Morri
Resolution Professional

IBBI/IPA-001/IP-P00398/2017-18/10716



Place: Hyderabad
Date: 13.11.2021

SANKHYA INFOTEC LIMITED
PLOT NO 1-112/63, WS COLONY, NEAR KIMS HOSPITAL, KONDAPUR, HYDERABAD - 500049
Un-audited Statement of Assets and Liabilities as at 30th Sep, 2021

Particulars	Note No	As at Sep 30th , 2021	As at Mar 31st, 2021
		Rs in Lakhs	Rs in Lakhs
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	0.31	32.34
(b) Capital work-in-progress	3	671.05	671.05
(c) Other Intangible assets	3	6,412.66	6,750.15
(d) Financial Assets			
(i) Loans and advances	4	3.42	3.42
		7,087.44	7,456.96
(2) Current assets			
(a) Financial Assets			
(i) Trade receivables	5	6.81	6.81
(ii) Cash and cash equivalents	6	0.14	1.36
(b) Other current assets	7	977.68	1,024.71
		984.63	1,032.88
TOTAL		8,072.07	8,489.84
II. EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	8	1,459.71	1,459.71
(b) Other Equity	9	746.46	1,815.89
Total Equity		2,206.17	3,275.60
(2) LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	-	-
(b) Provisions	11	21.00	21.00
(c) Deferred tax liabilities (Net)	12	387.35	434.89
(d) Other non-current liabilities	13	-	-
		408.35	455.89
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	3,006.19	3,006.19
(ii) Trade payables	15	545.68	591.61
(iii) Other financial liabilities (other than those specified in item (c))	16	990.17	245.93
(b) Provisions	17	287.17	287.39
(c) Other current liabilities	18	628.34	627.23
		5,457.55	4,758.35
Total Liabilities		5,865.90	5,214.24
TOTAL		8,072.07	8,489.84



SANKHYA INFOTEC LIMITED			
PLOT NO 1-112/63, WS COLONY, NEAR KIMS HOSPITAL, KONDAPUR, HYDERABAD - 500049			
Un-audited Statement of Cash Flow Statement as at 30th Sep, 2021			(Rs.In Lakhs)
Particulars	As at Sep 30th , 2021	As at Sep 30th , 2020	As at Mar, 31st 2021
A. CASH FROM OPERATING ACTIVITIES			
Net Profit/(Loss) Before Tax	(1,116.97)	(396.97)	(798.72)
Adjustment for:			
Depreciation & Amortization Expense	369.51	383.94	767.87
Interest Expenses	734.17	2.21	5.60
Change in operating assets and liabilities	(13.29)	(10.82)	(25.25)
Adjustment for:			
Increase/(Decrease) in Trade Payables	(48.14)	1.93	8.85
Increase/(Decrease) in Other Current Liabilities	1.11	(0.71)	2.23
Increase/(Decrease) in short term provisions	(0.22)	9.57	0.23
Increase/(Decrease) in Other Current Assets	47.04	0.41	12.30
Increase/(Decrease) in Other Current Financial Liability	12.28	1.80	7.20
Cash Generated from operations	(1.22)	2.18	5.56
Net of taxes	-	-	-
Net Cash from /(Used) In Operating Activities	(1.22)	2.18	5.56
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets	-	-	-
Net Cash from/(Used) In Investing Activities	-	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest Paid	0.00	(2.21)	(5.60)
Net Cash from/(Used) In Financing Activities	0.00	(2.21)	(5.60)
Net Increase In Cash and Cash Equivalents (A+B+C)	(1.22)	(0.03)	(0.04)
Opening Cash and Cash Equivalents	(2,386.26)	(2,386.23)	(2,386.23)
Closing Cash and Cash Equivalents	(2,387.48)	(2,386.26)	(2,386.27)



Independent Auditor's Limited Review Report on the Quarterly Unaudited Standalone Financial Results of SANKHYA INFOTECH LIMITED pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Limited Review Report to Interim Resolution Profession of Sankhya Infotech Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results and Notes to the statement of unaudited standalone financial results of **Sankhya Infotech Limited, "the company"** for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirement of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review 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 matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. **Basis for Qualified Conclusion**

The company continues to incur losses and has no contracts/orders to execute. The Overdraft of Rs. 33.21 crores from the Bank continues to be Non-Performing Asset. Also, as informed and explained by the Management, the Company's financial arrangement in the form of Unsecured Loan from different persons stands expired and remain outstanding on 30th September, 2021. The Company has been unable to conclude re-negotiations or obtain replacement financing against the outstanding Overdraft facility and Unsecured Loans.

Corporate insolvency resolution process (CIRP) under the provisions of Insolvency and Bankruptcy Code, 2016 has also been initiated by an order of NCLT-HYDERABAD, vide orders CP(IB)No.235/7/HDB/2020, dated 28th July, 2021. (Refer Note 1 of the unaudited standalone financial results)

These situations indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this fact and management continues to prepare the financial statements on a going concern basis.

5. Qualified Conclusion

Based on our review conducted and procedure performed as stated in paragraph 3 above, except effect as stated in basis of Qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Standalone Financial Results read with notes thereon, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

1. The Company has significant intangible assets used for Simulation and training solutions and Consultancy services. The Company has no operating revenue and customer base resulting in no use of the said Intangible Assets. These are the sufficient indicators that the carrying value of the intangibles assets exceeds its recoverable amount. However, Management has not performed the impairment testing on the Intangible assets and same are carried at cost less amortization.

2. The Company has Capital Work in Progress of Rs. 6.71 crores and there is no further expenditure incurred on the same since last several years. There are sufficient internal and external indicators for impairment. However, Management is of the view to carry at cost only.

3. The company has defaulted in repayment of Overdraft to the tune of Rs. 33.21 crores. As informed and explained by the Management, the above loan from IDBI was reported NPA in Aug. 2014.



4. As referred in Note 1 of the unaudited standalone financial results, Corporate insolvency resolution process ("CIRP") has been initiated against the Company by the National Company Law Tribunal Hyderabad Bench 1 vide Order No. CP(IB)No.235/7/HDB/2020, dated 28th July, 2021 under the provisions of Insolvency and Bankruptcy Code, 2016 ("Code").

For **Ravi Rajan & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number- 009073N/N500320)



Jayanth. A

(Partner)

Membership No. 231549

UDIN: 21231549AAAAEP9223

Place: Bangalore

Date: 13th November, 2021