SANKHYA INFOTECH LIMITED

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

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

Dear Sir,

SCRIP CODE: 532972

SUB: OUTCOME OF BOARD MEETING DATED 14TH AUGUST, 2021 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 (with suspended Powers) under the chairmanship of the Interim Resolution Professional (IRP) appointed by the Hon'ble NCLT vide order dated 28.07.2021, held today ie. on Saturday, 14™ August, 2021, the Interim Resolution Professional of the Company have inter-alia considered, approved and took on record the following:

1. The unaudited financial results of the Company for the quarter ended 30th June, 2021 were reviewed by the Audit Committee and thereafter approved by the suspended Board of Directors in concurrenec with the IRP. The Statutory Auditors have carried out a "Limited Review" of the unaudited Financial Results for the quarter ended 30th June, 2021.

In compliance with Regulations 33 & Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Un-audited Financial Results for the quarter 30th June, 2021 and Limited Review Report of the Statutory Auditors of the Company.

SANKHYA INFOTECH LIMITED

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The Board Meeting commenced at 11:00 AM. and concluded at 11:15 A.M.

This is for your information and records.

Thanking you,

For SANKHYA INFOTECH LIMITED



JAGADEES KUMAR MORRI
INTERIM RESOLUTION PROFESSIONAL
IBBI REGISTRATION NO. IBBI/IPA-001/IP-P00398/2017-2018/10716.

SANKHYA INFOTECH LIMITED, PLOT NO 1-112/63, WS COLONY, KONDAPUR, HYDERABAD - 500049

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED30th JUNE,2021

Rs. In Lakhs Except for EPS

Sl. No.	Particulars	Quarter Ended			Year Ended
		Un-Audited	Audited	Un-Audited	Audited
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
I	Revenue from Operations	-	-	-	-
II	Other Income	-	-	-	-
III	**Total Revenue (I+II)**	**-**	**-**	**-**	**-**
	Expenses				
	a) Staff Cost	-	0.01	-	0.01
	b) Other Expenses	7.72	10.36	6.81	25.24
	c) R& D Expenditure	-	-	-	-
	d) Depreciation & ammortization expense	172.14	191.97	191.97	767.87
	e) Finance Cost	1.66	1.73	1.10	5.60
IV	**Total Expenses**	**181.52**	**204.07**	**199.88**	**798.72**
V	**Loss Before Exceptional Items & Tax (III-IV)**	**(181.52)**	**(204.07)**	**(199.88)**	**(798.72)**
VI	**Exceptional Items**	-	-	-	-
VII	**Loss before Tax**	**(181.52)**	**(204.07)**	**(199.88)**	**(798.72)**
VIII	**Tax Expense**				
	Current Tax	-	-	-	-
	Deferred Tax	(20.39)	(18.99)	(9.70)	(48.09)
IX	**Profit / (Loss) after Taxation(VII-VIII)**	**(161.13)**	**(185.08)**	**(190.18)**	**(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	-	-	-	-
	Total Comprehensive Income for the period (IX+ X)	**(161.13)**	**(185.08)**	**(190.18)**	**(750.63)**
XI	**Basic and diluted Earning per Share in Rs.** (On a par value of Rs.10 per share)	**(1.10)**	**(1.27)**	**(1.30)**	**(5.14)**
XII	**Paid-up equity share capital (Face value of Rs.10 per share)**	1,459.71	1,459.71	1,459.71	1,459.71

Notes:

1. 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. These unaudited financial results have been prepared by the Management of the Company and certified by Mr. Sridhar Krishna, Managing Director and Chairman of the Company. 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 June 30, 2021 have been approved by the IRP on the basis and on relying on the aforesaid certifications, reprsentations and statements of the management of the Company.
2. 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.
3. The IRP 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.
4. Under the CIRP, the resoltion plan needs to be presented to and approved by the Committee of Creditors ("COC") and thereafter willneed to be approved by the NCLT to keep the company as as a going concern.
5. As per the Code, IRP is in the process of receiving the claims of the creditors of the Company and the last date for submission to the IRP is 16th August, 2021 Under the CIRP, the resoltion 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 as a going concern.
6. Previous Periods/Year figures have been regrouped /reclassified wherever necessary to confirm to classification of current Period.
7. 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.
8. The Company's results are posted on the website http://www.sankhya.net.
9. The figures for the previous period have been regrouped/ reclassified wherever necessary, to make them comparable.



Place: Hyderabad
Date: 14.08.2021

Mr. Jagdees Kumar Morri
IBBI/IPA-001/IP-P00398/2017-18/10716

Independent Auditor's 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.

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 June 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 Opinion**

The company continues to incur losses and has no contracts/orders to execute. The Overdraft of Rs. 23.88 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 June, 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 amortisation.

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. Rs. 25.89 crores. As informed and explained by the Management, the above loan from IDBI was reported NPA in Aug. 2014. Also, the company has not provided for the interest on since the FY 2019-20.

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").



7. Other Matter

The second of Covid 19 spread across the country since March, 2021 restricted our physical movement to company's office 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 (Tally) from a remote location. Further, required documents/information was sought on mails to vouch the authenticity of the transactions of the company.

For **Ravi Rajan & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number- 009073N/N500320)



Jayanth. A
(Partner)
Membership No. 231549
UDIN: 21231549AAAAEB9898

Place: Bangalore
Date: 14th August, 2021