

# SARC & ASSOCIATES

Chartered Accountants

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Limited review report on unaudited quarterly standalone financial results of Steel City Securities Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of  
Steel City Securities Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Steel City Securities Limited (the 'Company') for the quarter ended 30 June 2019.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is invited to the fact that the figures for the corresponding quarter ended 30 June 2018, including the reconciliation of profit/loss under Ind AS of the corresponding quarter with Profit/loss reported under previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

  
FOR SARC & ASSOCIATES  


A. CHANDRA SEKHAR  
PARTNER  
M.No. 206704

Place :- Visakhapatnam  
Date :- August 14, 2019.



# STEEL CITY SECURITIES LTD.

## STEEL CITY SECURITIES LIMITED

Regd Office: 49-52-5/4, Shanthipuram, Visakhapatnam, A P - 530016  
 Email: scsl@steelcitynettrade.com, ramu.n@steelcitynettrade.com, contact No.0891-2563581  
 Website: www.steelcitynettrade.com CIN:L67120AP1995PLC019521

Statement of Unaudited Standalone Financial Results for the Quarter Ended 30th June, 2019

(Rs. In Lakhs)

particulars	For the Quarter ended	
	30.06.2019 Unaudited	30.06.2018 Unaudited
I Revenue from Operations	1,211.64	1,470.36
II Other Income	44.10	48.25
III Total Income(I+II)	1,255.74	1,518.61
IV Expenses		
(a) Expenditure on Trading Operations	14.56	21.51
(b) Impairment of Financial Instruments	(0.40)	-
(c) Employee Benefit Expenses	238.57	222.69
(d) Finance Cost	20.24	1.09
(e) Depreciation and amortisation expense	22.47	23.11
(f) Other expenses	701.50	939.51
Total Expenses	996.96	1,207.91
V Profit before exceptional Items and tax (III-IV)	258.78	310.71
VI Exceptional Items	-	-
VII Profit before tax (V-VI)	258.78	310.71
VIII Tax Expense		
(a) Current Tax	77.42	90.76
(b) Deferred Tax	(1.98)	(1.33)
Total tax expenses	75.44	89.43
IX Profit/(Loss) for the period (VII-VIII)	183.34	221.27
X Other comprehensive Income, net of income tax		
(a) (i) Items that will not be reclassified to profit or loss	-	-
(ii) Income tax relating to Items that will not be clasifed to profit or loss	-	-
(b) (i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to Items that will be clasifed to profit or loss	-	-
Total other comprehensive Income, net of income tax	-	-
XI Total Comprehensive Income/(Loss) for the period (IX+X)	183.34	221.27
XII paid-up equity(face value of the share-10/-each) share capital	1,510.71	1,510.71
XIII Earnings per share(of Rs.10/-each) (not annualised)		
(a) basic	1.21	1.46
(b) Diluted	1.21	1.46

Notes:

- The unaudited financial results have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its meeting held on 14 August 2019.
- The Statutory Auditors have carried out a review of the standalone financial results as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and have issued an unmodified opinion thereon. The standalone financial results and reconciliation for the quarter ended 30 June 2018 were not subjected to limited review by the statutory auditors.
- The above financial results have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India and SEBI circular dated 5 July 2016. The financial results for the quarter ended 30 June 2018 have been presented after incorporating the applicable Ind AS adjustments.







## STEEL CITY SECURITIES LTD.

- 5 The Ministry of Corporate Affairs (MCA), vide its notification dated 11 October 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016. These Financial results have been prepared in accordance with the same.
- 6 The reconciliation of net profit reported in accordance with the Accounting Standard framework (referred to as 'Previous GAAP') to profit for the period and total comprehensive income in accordance with Ind AS is given below :

Particulars	For the quarter ended 30 June 2018 (₹ in lakhs)
Net profit as per Previous GAAP	221.27
Ind AS adjustments:	
Re-measurement of financial instruments	-
Recognition of share based payment expense	-
Re-measurement of defined benefit plan	-
Deferred tax impact on above	-
Total Ind AS adjustments	-
Profit for the period as per Ind AS	221.27
Other comprehensive income, net of income tax	-
Total comprehensive income as per Ind AS	221.27

Place: Visakhapatnam  
Dated: August 14 2019

for and on behalf of Board of Directors of

  
(K SATYANARYANA)  
EXECUTIVE CHAIRMAN

  
(SATISH KUMAR ARYA)  
MANAGING DIRECTOR



For SARC & ASSOCIATES

  
A. CHANDRA SEKHAH  
PARTNER  
M.No. 206704





# STEEL CITY SECURITIES LTD.

## Unaudited Standalone Segment wise Revenue, Results, Assets and Liabilities for period ended 30th June, 2019

Sl No.	Particulars	For the quarter ended	
		30.06.2019	30.06.2018
		Unaudited	Unaudited
1	Segment Revenue		
	(a) Stock Broking & DP Operations	535.21	599.18
	(b) E-Governance Operations	720.53	919.43
	Total	1,255.74	1,518.61
	Less: Inter Segment Revenue	-	-
	Total Income from Operations	1,255.74	1,518.61
2	Segment Results(Profit/(Loss) before tax and finance cost from each segment		
	(a) Stock Broking & DP Operations	81.44	106.26
	(b) E-Governance Operations	197.58	205.54
	Total	279.02	311.80
	Less: (i) Finance Cost	20.24	1.09
	(ii) Other unallocable expenditure net off unallocable Income	-	-
	Total Profit Before Tax	258.78	310.71
3	Segment Assets		
	(a) Stock Broking & DP Operations	10,616.84	11,070.97
	(b) E-Governance Operations	1,531.51	1,991.14
	Total Assets	12,148.35	13,062.11
4	Segment Liabilities		
	(a) Stock Broking & DP Operations	3,544.92	4,320.46
	(b) E-Governance Operations	1,426.37	1,878.80
	Total Liabilities	4,971.28	6,199.26
4	Capital Employed		
	(a) Stock Broking & DP Operations	7,071.93	6,750.51
	(b) E-Governance Operations	105.14	112.34
	Total Capital Employed	7,177.07	6,862.85





# SARC & ASSOCIATES

## Chartered Accountants

Limited review report on unaudited quarterly consolidated financial results of Steel City Securities Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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### To the Board of Directors of Steel City Securities Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Steel City Securities Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit and total comprehensive profit of its associate and joint ventures for the quarter ended 30 June 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations). Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2018, including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under previous GAAP, as reported in these financial results have been approved by the Parent's Board of Directors but have not been subjected to review or audit.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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. 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
  - a. Steel City Commodities Private Limited (Subsidiary)
  - b. Steel City Financial Services Private Limited (Associate)



**SARC & ASSOCIATES**  
**Chartered Accountants**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of one subsidiary included in the Statement, whose interim financial results reflect total revenues of Rs.43.92 lakhs, total net profit after tax: of Rs.3.36lakhs and total comprehensive income of Rs.3.36 lakhs for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

For SARC & ASSOCIATES

A. CHANDRA SEKHAR

DATE



Place :- Visakhapatnam  
Date :- August 14, 2019





# STEEL CITY SECURITIES LTD.

## STEEL CITY SECURITIES LIMITED

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 Email: scsl@steelcitynettrade.com, ramu.n@steelcitynettrade.com, contact No.0891-2563581  
 Website: www.steelcitynettrade.com CIN:L67120AP1995PLC019521

### Statement of Unaudited Consolidated Financial Results for the Quarter Ended 30th June, 2019

(Rs. In Lakhs)

particulars	For the Quarter ended	
	30.06.2019 Unaudited	30.06.2018 Unaudited
I Revenue from Operations	1,249.67	1,509.68
II Other Income	49.99	71.55
III Total Income(I+II)	1,299.66	1,581.24
IV Expenses		
(a) Expenditure on Trading Operations	17.60	23.42
(b) Impairment of Financial Instruments	2.67	-
(c) Employee Benefit Expenses	248.08	232.90
(d) Finance Cost	20.70	1.77
(e) Depreciation and amortisation expense	23.24	23.11
(f) Other expenses	723.20	986.22
Total Expenses	1,035.49	1,267.42
V Profit before exceptional items and tax (III-IV)	264.17	313.82
VI Exceptional Items	-	-
VII Profit before tax (V-VI)	264.17	313.82
VIII Tax Expense		
(a) Current Tax	79.44	94.35
(b) Deferred Tax	(1.97)	(1.38)
Total tax expenses	77.47	92.97
IX Profit after Tax (VII-VIII)	186.71	220.85
X Share in profit/(loss) of associate	2.89	1.59
XI Profit/(Loss) for the period (IX+X)	189.60	222.44
XII Other comprehensive Income, net of income tax		
(a) (i) Items that will not be reclassified to profit or loss	-	-
(ii) Income tax relating to Items that will not be clasifed to profit or loss	-	-
(b) (i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to Items that will be clasifed to profit or loss	-	-
Total other comprehensive Income, net of income tax	-	-
XIII Total Comprehensive Income/(Loss) for the period (IX+X)	189.60	222.44
XIV Profit attributable to:		
Owners of the company	189.60	222.24
Non-controlling interest	-	(0.19)
Profit for the period	189.60	222.44
XV Total comprehensive income attributable to:		
Owners of the company	189.60	222.24
Non-controlling interest	-	(0.19)
Total comprehensive income for the period	189.60	222.44
XVI paid-up equity(face value of the share-10/-each) share capital	1,510.71	1,510.71
XVII Earnings per share(of Rs.10/-each) (not annualised)		
(a) basic	1.24	1.46
(b) Diluted	1.24	1.46

- 1 Consolidated financial results cover the operations of Steel City Securities Limited, its subsidiary in Steel City Commodities Private Limited and its associate in Steel City Financial Services Private Limited
- 2 The unaudited consolidated financial results have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its Meeting held on 7 August 2019.
- 3 The statutory auditors have carried out a review of the consolidated financial results as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and have issued an unmodified opinion thereon. The consolidated financial results and reconciliation for the quarter ended 30 June 2018 were not subjected to limited review by the statutory auditors.
- 4 The above financial results have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India and SEBI circular dated 5 July 2016. The financial results for the quarter ended 30 June 2018 have been presented after incorporating the applicable Ind AS adjustments.





## STEEL CITY SECURITIES LTD.

- 5 The Ministry of Corporate Affairs (MCA), vide its notification dated 11 October 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016. These Financial results have been prepared in accordance with the same.
- 6 The reconciliation of net profit reported in accordance with the Accounting Standard framework (referred to as 'Previous GAAP') to profit for the period and total comprehensive income in accordance with Ind AS is given below :

Particulars	For the quarter ended 30 June 2018 (` in lakhs)
Net profit as per Previous GAAP	222.24
Ind AS adjustments:	
Re-measurement of financial instruments	-
Recognition of share based payment expense	-
Re-measurement of defined benefit plan	-
Deferred tax impact on above	-
Total Ind AS adjustments	-
Profit for the period as per Ind AS	222.24
Other comprehensive income, net of income tax	-
Total comprehensive income as per Ind AS	222.24

Place: Visakhapatnam  
Dated: August 14 2019

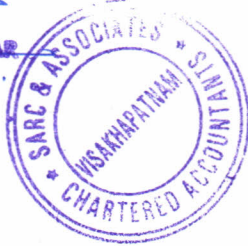
for and on behalf of Board of Directors of

  
(K SATYANARYANA)  
EXECUTIVE CHAIRMAN

  
(SATISH KUMAR ARYA)  
MANAGING DIRECTOR

For SARC & ASSOCIATES

  
A. CHANDRA SEKHAR  
PARTNER  
M.No. 206704







Unaudited Consolidated Segment wise Revenue, Results, Assets and Liabilities for period ended 30th June, 2019

SI No.	Particulars	For the quarter ended	
		30.06.2019	30.06.2018
		Unaudited	Unaudited
1	Segment Revenue		
	(a) Stock Broking & DP Operations	579.13	661.81
	(b) E-Governance Operations	720.53	919.43
	Total	1,299.66	1,581.23
	Less: Inter Segment Revenue	-	-
	Total Income from Operations	1,299.66	1,581.23
2	Segment Results(Profit/(Loss)) before tax and finance cost from each segment		
	(a) Stock Broking & DP Operations	66.59	110.04
	(b) E-Governance Operations	197.58	205.54
	Total	284.87	315.58
	Less: (i) Finance Cost	20.70	1.77
	(ii) Other unallocable expenditure net off unallocable Income	-	-
	Total Profit Before Tax	264.17	313.82
3	Segment Assets		
	(a) Stock Broking & DP Operations	12,421.23	12,832.99
	(b) E-Governance Operations	1,531.51	1,991.14
	Total Assets	13,952.74	14,824.13
4	Segment Liabilities		
	(a) Stock Broking & DP Operations	4,015.50	4,745.44
	(b) E-Governance Operations	1,426.37	1,878.80
	Total Liabilities	5,441.87	6,624.24
4	Capital Employed		
	(a) Stock Broking & DP Operations	8,405.73	8,087.55
	(b) E-Governance Operations	105.14	112.34
	Total Capital Employed	8,510.87	8,199.89

