

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

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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.





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- 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 |

