

SBEC SYSTEMS

(INDIA) LIMITED

Sugar Bio-Energy & Control Systems

05.09.2024

To,

**The Manager
Listing Centre
The BSE Limited
P.J.Towers, Dalal Street
Mumbai - 400 001.**

SUB:- ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24

SCRIP CODE:- 517360

Dear Sir,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, please find attached herewith the Annual Report of the Company for the financial year 2023-24. The Annual Report is being sent by email only to those members whose email addresses are registered with the Company/RTA/Depository Participant. The requirements of sending physical copies of Annual Report have been dispensed vide "MCA" and "SEBI" Circular(s).

The Annual Report of 35th Annual General Meeting is also being uploaded on the Company's website i.e. www.sbcsystems.in.

Kindly take the same on record.

Thanking You,

Yours Faithfully

For SBEC Systems (India) Limited

**Priyanka Negi
Company Secretary & Compliance Officer**

Encl: As above

SBEC SYSTEMS (INDIA) LIMITED

CIN: L74210DL1987PLC029979

Regd Offc: 1400, Hemkunt Tower, 98, Nehru Place, New Delhi-110019

T.: 011-42504954, Email id: sbecsystems@rediffmail.com, Website: www.sbecsystems.in

NOTICE

Notice is hereby given that the 35th Annual General Meeting ('AGM') of the Members of **SBEC SYSTEMS (INDIA) LIMITED** will be held on Saturday, September 28, 2024 at 02:00 P.M. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:-

- a) The Audited Standalone financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors' thereon; and
- b) The Audited Consolidated financial statements of the Company for the financial year ended March 31, 2024 and the Auditors' Reports thereon.

2. To appoint Mr. Shiv Shankar Agarwal (DIN: 00004840), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shiv Shankar Agarwal (DIN: 00004840), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation.

3. To re-appoint the Statutory Auditors of the Company, and to fix their remuneration.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Board, M/s. Thakur Vaidyanath Aiyar & Co, Chartered Accountants, (FRN: 000038N) be and is hereby re-appointed as the Statutory Auditors of the Company, to hold office for a period of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the financial year 2028-2029, at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses as may be recommended by the Audit Committee and as mutually agreed between the Board of Directors and the Statutory Auditors."

SPECIAL BUSINESS

4. To approve alteration of Articles of Association.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions, if any, consent of the Members of the Company be and is hereby accorded to alter Clause 97 of the Articles of Association of the Company in the following manner:-

The existing Clause no. 97 of the Articles of Association of the Company be and is hereby deleted and the following new Clause no. 97 be and is hereby substituted in lieu of the deleted Clause.

97. The Directors shall be paid a sitting fee not exceeding Rs.1000/- (Rupees one thousand only) for attending each meeting of the Board of Directors or any Committee thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Re-appointment of Mr. Vijay Kumar Modi (DIN: 00004606) as Non-Executive Non-Independent Director of the Company.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the SEBI Listing Regulations') (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee, consent of the Members be and is hereby accorded for continuation of appointment of Mr. Vijay Kumar Modi (DIN: 00004606) as Director (designated as Non-Executive Non-Independent Director) of the Company and his next re-appointment shall be due in the Annual General Meeting to be held in the year 2028 and his office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, appointment of Mr. Vijay Kumar Modi (DIN: 00004606) be continued as a Non-Executive Non Independent Director of the Company, notwithstanding that on December 01, 2025 Mr. Vijay Kumar Modi attains the age of 75 years."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Appointment of Mr. Ajay Kumar Aggarwal (DIN: 00632288) as an Independent Director of the Company.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI Listing Regulations") (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Ajay Kumar Aggarwal (DIN: 00632288), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 14, 2024 and who holds office till the conclusion of this 35th AGM in terms of Section 161 of the Companies Act, 2013, be appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) years with effect from August 14, 2024.

RESOLVED FURTHER THAT any Director, Mr. Lakhmi Chand Sharma, Chief Financial Officer and Ms. Priyanka Negi, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

7. Appointment of Mr. Shyam Lal Agarwal (DIN: 00003517) as an Independent Director of the Company.

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI Listing Regulations") (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Shyam Lal Agarwal (DIN: 00003517), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 14, 2024 and who holds office till the conclusion of this 35th AGM in terms of Section 161 of the Companies Act, 2013, be appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) years with effect from August 14, 2024.

RESOLVED FURTHER THAT any Director, Mr. Lakhmi Chand Sharma, Chief Financial Officer and Ms. Priyanka Negi, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

8. To Approve Borrowing Limits of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force, consent of members be and is hereby accorded for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 150 Crores [including the money already borrowed by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorized to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

9. To approve powers of the Board U/s 180(1)(a) of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the "Act") and any other applicable provisions, if any of the Act, or any amendment or modifications thereof and pursuant to the provisions of the Articles of Association of the Company, consent of members be and is accorded to sell, lease or dispose of in any manner including but not limited to mortgaging, hypothecating, pledging or in any manner creating charge on all or any part of the present and future moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company of every nature and kind whatsoever (hereinafter referred to as the "Assets") and/or creating a floating charge on the Assets to or in favour of banks, financial institutions, investors, debenture trustees or any other lenders to secure the amount borrowed by the company or associate or group entity, from time to time, for the due re-payment of principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any such entity in respect of such borrowings provided that the aggregate indebtedness so secured by the assets do not at any time exceed the Rs. 150 Crores.

RESOLVED FURTHER THAT the Board of Directors be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of sale, lease, creation of security or any other dispositions, filing of necessary forms, returns, applications, submissions under the Act."

10. To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013.

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of the Section 186 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise the securities of any other body corporate (together referred to as “Loans/Investments”), as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the Loans/Investments along with the Loans/Investments, proposed to be given or made by the Company, from time to time, shall not exceed, at any time, Rs. 150 Crores (Rupees One Hundred Fifty Crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorized to take, from time to time, all decisions and steps in respect of the Loans/Investments including the timing, amount and other terms and conditions of such Loans/Investments and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

11. Approval for Material Related Party Transactions.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Section 188 to the extent applicable and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014, the Company’s policy on Related party transactions and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and recommendation of the Audit Committee & Board of Directors, consent of the shareholders of the Company be and is hereby accorded to enter/continue to enter into the material related party transactions (whether by way of individual transaction or transactions together) with entities falling within the definition of ‘Related Party’ under Regulation 2(1)(zb) of the SEBI (LODR) Regulations, 2015 for each financial year in the ordinary course of its business with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, giving and taking of ICD’s and creation of Charge in favour of Related Parties on such terms and conditions as may be mutually agreed upon between the Board of Directors of the company and the related parties, such that the maximum value of the related party transactions with such parties, in aggregate does not exceed the value specified under each category in the explanatory statement, provided that the related party transaction shall be carried out at in ordinary course of business and at arm’s length basis.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things; to finalize or vary the terms and conditions of the transactions with the aforesaid parties; and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and / or expedient for giving effect to this resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution for the purpose of giving effect to this Resolution.”

12. Approval for Reduction of Share Capital of the Company.

To consider and if thought fit, to give assent / dissent to the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 66 and other applicable provisions, if any, of the Companies Act, 2013 read with rules, circulars, notifications, if any made there under, (including any statutory modification, amendment or re-enactment thereof for the time being in force), and pursuant to the Article 48 of the Articles of Association of the Company and pursuant to the relevant provisions of the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 . based on the report of Audit Committee and Independent Directors and No Objection Letter dated July 24, 2024 issued by the office of BSE Limited and subject to the confirmation by the Hon’ble National Company Law Tribunal, (NCLT), Delhi Bench and subject to such other consents, approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such terms, conditions or modifications as may be prescribed or imposed by the Hon’ble NCLT or by any statutory or regulatory authorities, while granting such approvals, consents or permissions and which may be agreed to or accepted by the Board of Directors of the Company (herein after referred to as “the Board” which term shall deem to mean and include any Committee duly constituted/ to be constituted by the Board and/or any director or any other person nominated or authorized by it to exercise its powers including the powers conferred by this resolution) consent and approval of the members be and is hereby accorded for reducing 20.40% of the Subscribed, Issued and Paid up Equity Capital of the Company (ii) the subscribed, issued and paid-up Capital shall stand reduced or otherwise altered from Rs. 10,00,00,000 /-(Rupees Ten Crores only) divided into 1,00,00,000 (One Crores) equity shares of Rs. 10/- (Rupees Ten) each to Rs. 7,96,00,000/- (Seven Crores Ninety Six Lacs only) divided into 79,60,000 (Seventy Nine lakhs Sixty Thousand) equity shares of Rs.10/- (Rupees Ten) each held by SBEC Systems Limited, UK (hereinafter referred to as the “Dissolved Promoter”) without payment of any consideration.

RESOLVED FURTHER THAT upon the reduction of Capital being confirmed by the NCLT and becoming effective and operative, without any further act or deed by the equity shareholders (including but not limited to surrendering of share certificates), 20,40,000 (Twenty Lacs Forty Thousand) equity shares of Rs. 10/- (Rupees Ten) each of the Company held by the Dissolved Promoter shall stand cancelled and extinguished and rendered invalid.

RESOLVED FURTHER THAT upon the reduction of Capital being confirmed by the NCLT and becoming effective and operative and/or the receipt of such other approvals as may be required, share capital representing 20,40,000 (Twenty Lacs Forty Thousand) equity shares of the

Company i.e. Rs. 2,04,00,000/- (Rupees Two Crores Four Lacs only) shall be cancelled, with adjustments by way of debit to: (i) the paid-up equity share capital for Rs. 2,04,00,000/- and (ii) the securities premium account of the Company for Rs. 51,00,000/- (Rupees Fifty-One Lacs Only) and corresponding credit to reserve and surplus account in compliance with the generally accepted accounting principles in India.

RESOLVED FURTHER THAT the Board of Directors of the Company, and/or Mr. Lakhmi Chand Sharma, Chief Financial Officer of the Company and/or Ms. Priyanka Negi, Company Secretary of the Company be and are hereby severally authorized to take all necessary steps and do all such acts, deeds, matters and things, as they may in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its members in connection with and relating to the Capital Reduction, including any directions for settling any questions or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the Capital Reduction, or to any modification thereof, including but not limited to:

- a) Finalizing, amending and settling the draft scheme, application/petition, and assent to such alterations, conditions and modifications, if any or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;
- b) Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the BSE Limited, SEBI, the Registrar of Companies, the Regional Director or such authority as may be required in connection with the proposed reduction of Capital or its sanction thereof and to all such acts and deeds as may be deemed necessary in connection therewith and incidental thereto;
- c) Making such alterations and changes in the scheme, application to be made to NCLT as may be expedient or necessary or satisfying the conditions/requirement imposed by NCLT, SEBI and/or any other statutory/regulatory authorities, as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.
- d) To engage any Lawyer, counsel, consultant firms, advisors, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favor of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized, in their absolute discretion, to make the reduction and cancellation of the share capital on such terms and conditions as they may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate bodies while according their confirmation to the proposed reduction of share capital of the Company."

Place: New Delhi
Date: 14-08-2024

By order of the Board
For SBEC Systems (India) Limited
Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606

NOTES:

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In accordance with the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/ 2020 dated April 08, 2020, General Circular No. 17/ 2020 dated April 13, 2020 and General Circular No. 20/ 2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 28, 2023, permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 read with the MCA Circulars, SEBI Circular and pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Annual General Meeting (“AGM”) of the Company is scheduled to be held on Saturday, September 28, 2024, at 02:00 P.M. (IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM only through remote electronic voting process (“e-Voting”).
3. Pursuant to the provisions of the Companies Act, 2013 (“the Act”), a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Meeting will be held through VC/OAVM, in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The additional detail of Director retiring by rotation and appointments pursuant to Regulation 36(3) of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“the SEBI Listing Regulations”) and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as **Annexure-A** and forms part of this Notice.
5. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and the documents referred to in the Notice will be available for inspection by the shareholders during the AGM. The documents referred to in the Notice will also be available for inspection by the shareholders from the date of circulation of this Notice up to the date of AGM.
6. The Register of Members & Share Transfer Books of the Company will remain closed from September 22, 2024 to September 28, 2024 (both days inclusive).
7. The Securities and Exchange Board of India (the SEBI) has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 1st April, 2019. Accordingly, the Company and its Registrar and Transfer Agents (RTA) have stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization. Pursuant to SEBI circular dated 25th January, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website and on the website of the Company’s Registrar and Transfer Agents – Beetal Financial & Computer Services Pvt. Ltd. It may be noted that any service request can be processed only after the folio is KYC Compliant.

Further, SEBI vide its circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 introduced common and simplified norms for processing investor’s service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective 1st January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication is available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link <https://http://www.beetalfinancial.com/> or contact the Company’s RTA M/s Beetal Financial & Computer Services Pvt. Ltd at beetal@beetalfinancial.com or assistance in this regard.

As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with RTA or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at www.sbecosystems.in

8. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice. The deemed venue for the 35th AGM shall be the Registered Office of the Company.
9. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
11. In line with the MCA Circulars and the SEBI Circulars, Annual Report for the financial year 2023-24 along with the Notice of 35th Annual General Meeting inter alia, indicating the process and manner of e-voting, is being sent through electronic mode to the Members whose email addresses are available with the Company/ Depositories/Depository Participants. The aforesaid documents are also available on the Company' website at www.sbectsystems.in and on the websites of the BSE Limited at www.bseindia.com and CSDL at www.evotingindia.com The Members whose email addresses are not registered with the Company are requested to do so by following the instructions given in this Notice.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sbectsystems.in The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com).
13. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM, i.e. September 28, 2024.
14. In terms of the Listing Regulations, transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, has also mandated that listed companies shall, while processing investor service requests pertaining to issue of duplicate share certificate, claim from Unclaimed Suspense Account, renewal / exchange of share certificate, endorsement, sub-division / splitting / consolidation of share certificates, transmission, transposition etc. issue securities only in demat mode. In view of this as also to eliminate all risks associated with physical shares and to get inherent benefits of dematerialization, shareholders holding shares in physical form are advised to avail of the facility of dematerialisation.
15. SEBI vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number ("PAN") and Bank Account details for shareholders holding securities in physical form. Further SEBI vide its circular dated November 03, 2021 and December 14, 2021 has mandated shareholders holding securities in physical form to furnish PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFSC Code) and Specimen signature before they could avail any investor service. The relevant forms prescribed by SEBI for furnishing the above details are available on the website of the Company. The concerned shareholders are requested to register / update the above mentioned details by submitting the prescribed forms duly filled and signed by the registered holders, by submitting a physical copy thereof to the RTA, Beetal Financial & Computer Services (P) Ltd at Beetal House, 3rd Floor 99 Madangir, Behind Local Shopping Centre Near Dada Harsukhdas Mandir New Delhi – 110062.
16. Shareholders holding shares in dematerialised mode are requested to register / update their PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFSC Code) and Specimen signature with the relevant Depository Participant.
17. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Beetal Financial & Computer Services Pvt. Ltd.
18. Members desiring inspection of statutory registers during the AGM may send their request at least 7 (seven) days before in writing to the Company at sbectsystems@rediffmail.com and Members who wish to inspect the relevant documents referred to in the notice can send email to sbectsystems@rediffmail.com up to the date of the AGM.

Remote E-voting / AGM through VC / E-voting at the AGM

19. The facility of attending AGM through VC is being provided by Central Depository Services (India) Limited ('CDSL'). The facility of casting votes by a shareholder using 'remote e-voting' and 'e-voting during the AGM' ("e-voting") is also being provided by CDSL. The procedure for attending the AGM through VC and for e-voting is given in the Notes below.
20. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA/ Depositories as on the Cut-off Date, i.e. Friday, August 30, 2024 only shall be entitled to avail the facility of e-voting. A person who is not a shareholder as on the Cut-off Date, should treat the Notice for information purpose only. Voting rights of a shareholder shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the Cut-off date. Any person who becomes a shareholder of the Company after Friday, August 30, 2024 and holds shares on the Cut-off Date may exercise his voting rights through e-voting and attend the AGM by following the procedure given below.
21. The remote e-voting period will commence at 9:00 a.m. (IST) on Wednesday, September 25, 2024 and end at 5:00 p.m. (IST) on Friday, September 27, 2024. The e-voting module shall be disabled by CDSL for remote e-voting thereafter. During the remote e-voting period, shareholders of the Company, holding shares either in physical form or dematerialized form, as on the Cut-off date may cast their vote electronically.

22. Shareholders attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their vote at the AGM. The shareholders who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
23. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
24. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution/ Power of Attorney / Authority letter, etc. to the Company by email through registered email address at sbecsystems@rediffmail.com.
25. Members desiring any information as regards to accounts are requested to address their questions to the Company Secretary at least 7 days before the date of the meeting so that the required information is made available at the meeting.
26. Pursuant to SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, Shareholders in case of any grievance shall first take up his/her/their grievance with the RTA i.e., M/s Beetal Financial & Computer Services Pvt. Ltd. at beetalrta@gmail.com by lodging a complaint directly with them. If the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. After exhausting all available options for resolution of the grievance, if the shareholder is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution Portal. The detailed SEBI Circular is available on the website of the Company at www.sbecsystems.in.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

27. Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
 - (i) The voting period begins on <September 25, 2024 at 09:00 A.M. and ends on September 27, 2024 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 30, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant **<SBEC SYSTEMS (INDIA) LIMITED>** on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sbecsystems@rediffmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (sbecsystems@rediffmail.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (sbecsystems@rediffmail.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

VOTING THROUGH ELECTRONIC MEANS:

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (mandatory for all listed Companies), the Company is pleased to provide its Members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by the Central Depository Services (India) Limited (CDSL).
2. The Board of Directors has appointed M/s Soniya Gupta & Associates, Company Secretaries, 135 LGF, SS Plaza, Palam Dabri Road, Mahavir Enclave, New Delhi - 110045, as a Scrutinizer to process the e-voting and submit a report to the Chairman. The results of voting shall be declared within two (2) days of the 35th Annual General Meeting convened for the purpose. The results of voting so declared along with the Scrutinizer's Report shall be placed on the Company's Website (www.sbecosystems.in) CDSL Website and shall also be communicated to the Stock Exchanges (BSE).
3. Ms. Priyanka Negi, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this 35th Annual General Meeting including e-voting his mail ID is sbecosystems@rediffmail.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911

Place: New Delhi
Date: 14.08.2024

For SBEC Systems (India) Limited
Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 3:

M/s. K.K. Jain & Co., Chartered Accountants, (Registration number: 002465N), have resigned from the office of Statutory Auditors of the Company w.e.f November 03, 2023, due to some health issues resulting into a casual vacancy in the office of Statutory Auditors of the Company as per section 139(8) of the Companies Act, 2013.

In order to fill up such casual vacancy, the company has appointed M/s Thakur Vaidyanath Aiyar & Co, Chartered Accountants, (Firm Registration No. 000038N), to conduct the audit in the Board Meeting held on November 6, 2023 and the members approved the same through postal ballot on December 28, 2023.

Further, the company has proposed their appointment in the item number 3 of the notice, for the period of 5 (five) years from the conclusion of the ensuing AGM until the conclusion of the 40th AGM to be held in the financial year 2028-2029.

M/s Thakur Vaidyanath Aiyar & Co, have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141 of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

Pursuant to Regulation 36 of SEBI Listing Regulations, the following details are mentioned below for the information of Members

Proposed audit fee payable to auditors	The fees proposed to be paid to M/s Thakur Vaidyanath Aiyar & Co towards statutory audit is Rs. 65,000/- (Sixty Five Thousand Only) and for limited review report Rs. 4,000/- per quarter (Four Thousand Only) (excluding certifications, applicable taxes and out of pocket expenses) for the financial years 2024-25, with authority to Board to make changes as it may deem fit for the balance term.
Terms of appointment	M/s Thakur Vaidyanath Aiyar & Co. is proposed to be appointed as Statutory Auditors for one term of five years i.e., from the conclusion of 35th AGM till the conclusion of 40th AGM.
Material change in fee payable (in case of new Auditor)	NA
Basis of recommendation and auditor credentials	M/s Thakur Vaidyanath Aiyar & Co is one of reputed audit firms. Given the nature, size and spread of Company's operations, it is required to have competent audit firm. The recommendations made by the Audit Committee, and the Board of Directors of the Company, are in fulfilment of the eligible criteria as prescribed under the Companies Act, 2013 and the applicable rules made thereunder.
Brief Profile of Statutory Auditor	M/s. Thakur Vaidyanath Aiyar & Co., Chartered Accountants, is a Partnership Firm which was established on 1970, having Firm Registration No, 000038N. The Firm is a peer reviewed firm (Peer Review Certificate No.: 015049). The office of the firm is situated at 221-223, Deen Dayal Marg New Delhi-110002. The firm is registered with the Institute of Chartered Accountants of India ("ICAI") with Registration No. 000038N. The firm has over 53 years of experience. Currently there are 11 Partners and partners are supported by a professional team of comprising qualified Chartered Accountants, experienced associates, trainees and support personnel. Over the past five decades, the firm has carried out a variety of audit, investigation and consultancy assignments.

The Board of Directors recommends the ordinary resolution as set out at item no.3 of the Notice for the approval of the Members

None of the Directors, Key Managerial Personnel or their relatives are, financially or otherwise, concerned or interested in the said resolution.

ITEM NO. 4:

As per the provisions of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a company may pay a sitting fee to a director for attending meetings of the Board or committees thereof, such sum as may be decided by the Board of directors thereof which shall not exceed one lakh rupees per meeting of the Board or committee thereof, provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

Presently as per Clause 97 of Articles of Association of Company the Directors shall be paid a sitting fee not exceeding Rs.250/- (Rupees two hundred fifty) each for attending each meeting of the Board of Directors or any Committee thereof. Considering the increase in the

activities of the Company, it is proposed to authorize the Board of Directors to fix the sitting fees payable to Directors for attending each meeting of the Board or Committee thereof of an amount not exceeding Rs.1000/- (Rupees One Thousand only).

In terms of Section 14 of the Companies Act, 2013, alteration of the Articles of Association can be effective only by passing a Special resolution and accordingly the Board of Directors recommends alteration in the Articles of Association as stated in the proposed Special Resolution for approval of the shareholders. Accordingly, consent of the members is sought for passing Special resolution as set out at Item No. 4 of the Notice for alteration of Articles of Association of the Company

The specimen of the amended Articles of Association is available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sunday between 11.00 a.m. to 01.00 p.m. up to the date of Annual General Meeting of the Company.

ITEM NO. 5

As per Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with effect from April 01, 2024, the continuation of a director serving on the Board of the Company shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment.

Mr. Vijay Kumar Modi (DIN: 00004606) was appointed as a Non-Executive Non-Independent Director of the Company w.e.f. September 29, 2004 not liable to retire by rotation and presently he is the Chairman of the Board of the Company.

In accordance with the said regulations, it is necessary to approve continuation of his directorship on the Board of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on August 14, 2024 have recommended the continuation of directorship of Mr. Vijay Kumar Modi as a "Non-Executive Non-Independent Director" of the Company, considering his rich experience and expertise.

Also Mr. Vijay Kumar Modi will be attaining the age of 75 years on 01/12/2025, accordingly, to comply with the provisions of Regulations 17(1A) of the SEBI LODR Regulations, Company is also seeking approval of the Members through Special Resolution.

A brief justification for his continuation as Non-executive Non-Independent Director on the Board of the Company is as under:-

The Board is of the opinion that Mr. Vijay Kumar Modi rich and diverse experience and is a valuable asset to the Company which adds value and enriched point of view during Board discussions and decision making. He is also a person of integrity who possesses required expertise and his association as Non-Executive Non Independent Director and will be beneficial to the Company.

The Board recommends passing of the resolution set out in Item No.5 as a Special Resolution

The details of Mr. Vijay Kumar Modi as required under Secretarial Standard – 2 and Regulation 36 of the SEBI Listing Regulations, as applicable, are provided in '**Annexure A**' to the Notice.

Save and except Mr. Vijay Kumar Modi and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 6

In compliance with the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations"), the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Ajay Kumar Aggarwal (DIN: 00632288), as an Additional Non-Executive Independent Director on the Board of the Company w.e.f. August 14, 2024 to hold office up-to the date of the ensuing Annual General Meeting. Your directors have proposed the appointment of Mr. Ajay Kumar Aggarwal, as a Non-Executive Independent Director of the Company for 1st term of 5 years, w.e.f. August 14, 2024 and a resolution to that effect has been set out as Item No. 6 of this Notice.

Further, Mr. Ajay Kumar Aggarwal has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and has given a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 & Regulation 16(1)(b) of the SEBI (LODR) Regulations as amended from time to time, has not debarred from holding the office of Director by virtue of any

SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as an Independent Director of the Company and he has given his consent to act as a Director of the Company.

A brief profile of Mr. Ajay Kumar Aggarwal is mentioned hereunder:

Mr. Ajay Kumar Aggarwal aged 64 years is a Chartered Mechanical Engineer and a Fellow of the Institution of Engineers, having diverse background and more than 30 years of rich intensive entrepreneurial experience in general administration and management. He is a powerhouse of industry and policy knowledge. He has held Directorship in other Companies and is a member of various industry associations. He has been involved in the different businesses, and has deep understanding of business dynamics.

Except Mr. Ajay Kumar Aggarwal, being the appointee, none of the other Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise in the proposed resolution.

Disclosures under regulation 36(3) of the Listing Regulations are set out in the '**Annexure-A**' to the Explanatory Statement.

ITEM NO. 7

In compliance with the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations"), the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Shyam Lal Agarwal (DIN-00003517), as an Additional Non-Executive Independent Director on the Board of the Company w.e.f. August 14, 2024 to hold office up-to the date of the ensuing Annual General Meeting. Your directors have proposed the appointment of Mr. Shyam Lal Agarwal, as a Non-Executive Independent Director of the Company for 1st term of 5 years, w.e.f. August 14, 2024 and a resolution to that effect has been set out as Item No. 7 of this Notice.

Further, Mr. Shyam Lal Agarwal has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and has given a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 & Regulation 16(1) (b) of the SEBI (LODR) Regulations as amended from time to time, has not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as an Independent Director of the Company and he has given his consent to act as a Director of the Company.

A brief profile of Mr. Shyam Lal Agarwal is mentioned hereunder:

Mr. Shyam Lal Agarwal aged 78 years is a Chartered Accountant and a member of the ICAI, having diverse background and more than 50 years of rich intensive entrepreneurial experience in field of financial services and consulting. He has been involved in the different businesses, and has deep understanding of business dynamics.

Except Mr. Shyam Lal Agarwal, being the appointee, none of the other Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise in the proposed resolution.

Disclosures under regulation 36(3) of the Listing Regulations are set out in the '**Annexure-A**' to the Explanatory Statement.

ITEM NO. 8

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds, for this purpose, the Company may require finance from various banks or financial institution and or lending institutions or Bodies corporate or individuals or such other persons as may deem fit by Company together with money already borrowed by the Company (apart from temporary loans obtained from the Company from ordinary course of business) may exceed the aggregate of paid up capital and free reserves of the Company.

Hence it is proposed to increase the maximum borrowing limits up-to Rs. 150 Crores (One Hundred Fifty Crores Only). Pursuant to section 180(1)(c) of the Companies Act, 2013, Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any time except with the consent of the members by way of special resolution.

The Board of Directors recommends the resolution set forth in item No. 8 for approval of members as a Special resolution.

None of the Directors, key managerial personnel of the Company or their relatives are in any way, concerned or interested financially, or otherwise in the resolution except to the extent of their shareholding, if any

ITEM NO. 9

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors have the powers to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings; also in order to facilitate securing the borrowings to be made by the Company in item no. 8, it would be necessary to create charge on the assets or whole of the undertaking of the Company.

Keeping in view the future plans of the Company and to fulfill long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held on August 14, 2024 has, subject to the approval of shareholders of the Company, proposed and approved for seeking the shareholder approval for setting up limit up to an aggregate limit of Rs.150 Crores.

The Board of Directors recommends the resolution set forth in item No. 9 for approval of members as a Special resolution.

None of the Directors, key managerial personnel of the Company or their relatives are in any way, concerned or interested financially, or otherwise in the resolution except to the extent of their shareholding, if any.

ITEM NO. 10

Pursuant to Section 186 of the Companies Act, 2013 a company can, give or make Loans/Investments, directly or indirectly, for a sum exceeding 60% of the aggregate of paid-up share capital, free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account, whichever is higher, only upon obtaining approval of the members of the Company by a Special Resolution.

There is no current loans and investments by the Company, it was thought expedient by the Board that as a measure of achieving greater financial flexibility and to enable optimal financial structuring and to keep sufficient safeguard, the said limits specified under Section 186 be increased to Rs. 150 Crores (Rupees One Hundred & Fifty Crores Only) with the approval of shareholders.

Accordingly, consent of the members by way of a Special Resolution as set out in Item No. 10, is sought, to authorize the Board to give or make Loans/Investment over and above the limits provided under Section 186 of the Act.

The Board of Directors recommends the resolution set forth in item No. 10 for approval of members as a Special resolution.

None of the Directors, key managerial personnel of the Company or their relatives are in any way, concerned or interested financially or otherwise in the resolution except to the extent of their shareholding, if any.

ITEM NO. 11

Pursuant to Regulation 23(4) of SEBI (LODR) Regulations, 2015 read with Company's policy on related party transactions, the material related party transactions with related parties, which either individually or taken together with previous transaction(s) during a financial year, exceed Rs. 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower, requires approval of the Members of the Company.

The Company, in order to further its business interests enters into various transactions with the related parties, the estimated value of transactions with following related parties, who are the related parties under Regulation 2(1) (zb) of the SEBI (LODR) Regulations, 2015, during the financial year 2024-25 are expected to exceed the materiality threshold.

Details of transactions with related parties pursuant to SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are given hereunder:

S.NO.	RELATED PARTY	JAYESH TRADEX PRIVATE LIMITED	G S PHARMBUTOR PRIVATE LIMITED	T C HEALTHCARE PRIVATE LIMITED
(i)	Nature of Relationship	Promoter is related to the Company	Director is related to the Company	Director is related to the Company
(ii)	Nature & material terms of the transaction	1) Lease Rent 2) Purchase of Stationery and other items 3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Lease Rent 2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Lease Rent 2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.
(iii)	Tenure of the Transaction	FY 24-25	FY 24-25	FY 24-25
(iv)	Value of Transaction	10.00 Crore	10.00 Crore	10.00 Crore
(v)	Details of Loan	NA	NA	NA
(vi)	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction	31.4%	31.4%	31.4%
(vii)	Justification as to why the related party transaction is in the interest of the Company	This transaction is beneficial to the Company.	This transaction is beneficial to the Company.	This transaction is beneficial to the Company.
(viii)	Details of valuation or other external party report, if such report has been relied upon	NA	NA	NA
(ix)	Any other	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.

S.NO.	RELATED PARTY	DAYAWATI MODI PUBLIC SCHOOL (A UNIT OF DAYA CHARITABLE TRUST)	KUMKUM MODI PUBLIC SCHOOL (A UNIT OF DAYA CHARITABLE TRUST)	MODI HOSPITAL (A UNIT OF DAYA CHARITABLE TRUST)
(i)	Nature of Relationship	Promoter is Trustee	Promoter is Trustee	Promoter is Trustee
(ii)	Nature & material terms of the transaction	1) Lease Rent 2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Lease Rent 2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Lease Rent 2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.
(iii)	Tenure of the Transaction	FY 24-25	FY 24-25	FY 24-25
(iv)	Value of Transaction	10.00 Crore	10.00 Crore	10.00 Crore
(v)	Details of Loan	NA	NA	NA

(vi)	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction	31.4%	31.4%	31.4%
(vii)	Justification as to why the related party transaction is in the interest of the Company	This transaction is beneficial to the Company.	This transaction is beneficial to the Company.	This transaction is beneficial to the Company.
(viii)	Details of valuation or other external party report, if such report has been relied upon	NA	NA	NA
(ix)	Any other	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.

S.NO.	RELATED PARTY	MODI INDUSTRIES LIMITED (MODI ARC ELECTRODES CO.)	MODI MOTORS PRIVATE LIMITED (MM Printers)	WIN MEDICARE PRIVATE LIMITED
(i)	Nature of Relationship	Promoter is related to the Company	Promoter is Director & Shareholder	Promoter is related to the Company
(ii)	Nature & material terms of the transaction	1) Lease Rent 2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Lease Rent 2) Printing of Annual Report 3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Lease Rent 2) Support Services 3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.
(iii)	Tenure of the Transaction	FY 24-25	FY 24-25	FY 24-25
(iv)	Value of Transaction	10.00 Crore	10.00 Crore	10.00 Crore
(v)	Details of Loan	NA	NA	NA
(vi)	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction	31.4%	31.4%	31.4%
(vii)	Justification as to why the related party transaction is in the interest of the Company	This transaction is beneficial for the Company.	This transaction is beneficial for the Company.	This transaction is beneficial for the Company.
(viii)	Details of valuation or other external party report, if such report has been relied upon	NA	NA	NA
(ix)	Any other	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.

S.NO.	RELATED PARTY	MODI-MUNDIPHARMA PRIVATE LIMITED	MODI-MUNDIPHARMA BEAUTY PRODUCTS PRIVATE LIMITED	SBEC SUGAR LIMITED
(i)	Nature of Relationship	Promoter is related to the Company	Promoter is related to the Company	Associate Company
(ii)	Nature & material terms of the transaction	1) Lease Rent 2) Support Services 3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Lease Rent 2) Support Services 3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	1) Royalty Income 2) Technical Consultancy 3) Lease Rent 4) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.
(iii)	Tenure of the Transaction	FY 24-25	FY 24-25	FY 24-25
(iv)	Value of Transaction	10.00 Crore	10.00 Crore	10.00 Crore
(v)	Details of Loan	NA	NA	NA
(vi)	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction	31.4%	31.4%	31.4%
(vii)	Justification as to why the related party transaction is in the interest of the Company	This transaction is beneficial to the Company.	This transaction is beneficial to the Company.	This transaction is beneficial to the Company.
(viii)	Details of valuation or other external party report, if such report has been relied upon	NA	NA	NA
(ix)	Any other	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.	The transaction with related parties is on 'arm's length' basis.

S.NO.	RELATED PARTY	BIHAR SPONGE IRON LIMITED
(i)	Nature of Relationship	Promoter is related to the Company
(ii)	Nature & material terms of the transaction	1) Lease Rent 2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.
(iii)	Tenure of the Transaction	FY 24-25
(iv)	Value of Transaction	10.00 Crore
(v)	Details of Loan	NA
	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction	31.4%
(vii)	Justification as to why the related party transaction is in the interest of the Company	This transaction is beneficial to the Company.
(viii)	Details of valuation or other external party report, if such report has been relied upon	NA
(ix)	Any other	The transaction with related parties is on 'arm's length' basis.

The above transactions were approved by the Audit Committee at its meeting held on August 14, 2024 and recommended by the Board of Directors to the unrelated members of the Company for their approval.

As per section 188 of the Companies Act, 2013, and Regulation 23 of the Listing Regulations, 2015, all entities/persons that are directly/indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approvals of Material Related Party Transactions is sought from members. Accordingly, all related parties of the Company, will not vote on this resolution.

Except Independent Director and their relative all the other Director or their relatives are interested in this resolution.

ITEM NO.12

BACKGROUND

The proposed Reduction of the Equity Share capital is being undertaken in accordance with the provisions of Section 66 read with section 52 of the Act and other applicable provisions of the Act, if any and the rules made thereunder ("the Rules"), National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 ("NCLT Rules"), and specifically the Rules, which permit a Company to undertake a reduction of share capital in any manner, read with the Listing Regulations and the SEBI Circulars as amended time to time.

RATIONALE OF THE SCHEME

- a) The Company has paid-up share Capital of Rs. 10,00,00,000/- (Rupees Ten crores only) consisting of 1,00,00,000 (One Crore) equity shares of Rs. 10/-(Rupees Ten) each in which one of the promoter shareholder namely SBEC Systems Limited (UK) (hereinafter referred to as the Dissolved Promoter) holds 20.40% of the total paid-up share Capital of the Company i.e Rs. 2,04,00,000/- (Two Crore Four Lakhs only) consisting of 20,40,000 (Twenty lacs Forty Thousand) equity shares of Rs. 10/- each.
- b) The name of the SBEC Systems Limited (UK) was struck off from the Register of Registrar of Companies on October 2, 2001 and stand dissolved by notice in the London Gazette dated October 9, 2001 and its legal existence is terminated.
- c) The Company came to know about the dissolution status of the SBEC Systems Limited (UK) in 2018, wherein the Company has approached them for the lock-in certificate required for the purpose of revocation of suspension in trading of securities of the Company.
- d) The Dissolved Promoter Company has not attended any AGM/EGM for the last 10 years in spite of giving regular notices as required under the Companies Act, 2013 at the address available with the Company. The Company is still showing it as a shareholder in its records whereas legal existence of SBEC Systems Limited (UK) has been terminated.
- e) To show the true and fair value of the accounts of the Company, considering the future prospects of growth and value addition to the shareholders, it is proposed to re-align the relationship between its capital and assets in accordance with the provisions of the Companies Act, the Board of Directors has examined and analyzed various options available with them and after detailed deliberations came to the conclusion that reduction of equity share capital in accordance with Section 66 of the Act read with National Company Law Tribunal (Procedure for Reduction of Share Capital of the Company) Rules 2016 and other applicable laws would be the most appropriate option in the present facts and circumstances of the case.
- f) Rationalization of capital structure would have advantage of reducing the number of equity shares represented by Dissolved Promoter.
- g) In light of above facts, Board of Directors has approved cancellation of 20,40,000 (Twenty lacs Forty Thousand) equity shares of Rs. 10/-each held by dissolved promoter SBEC Systems Limited (UK) without payment of any consideration.
- h) By virtue of Article 48 of Articles of Association of the Company, the Company is authorized to reduce its share capital in any manner and in accordance with the provisions of the Act.
- i) The Company is contemplating to rationalize its capital structure by reducing its equity shares by way of capital reduction.
- j) The Scheme does not provide any cash pay out to affect the Reduction of Capital, therefore the scheme will not adversely affect the liquidity and/or financial position of the Company.

EFFECTS AND BENEFITS OF THE PROPOSED REDUCTION:

The proposed Scheme of Capital Reduction of the Company also has the following benefits:

- a) Under this Scheme, if approved, the books of the Company would better represent its financial position which would help the Company position itself better in the market and undertake business activities efficiently. This would be value accretive to the Shareholders as well, as their holdings would yield better results.
- b) The adjustment would not have any impact on the shareholding pattern and the capital structure of the Company.
- c) The proposed Scheme would be for the overall benefit of the Company, its creditors, its Shareholders and all other stakeholders.

- d) The reduction of the Paid—up share capital of the Company by way of adjustment/set off of the Accumulated Losses against the paid-up share capital of the Company. It does not result in extinguishing of any liability or diminution of any liability.
- e) The reduction of capital in the manner proposed would enable the Company to have commensurate with its remaining business and assets.
- f) The Capital Reduction in pursuance to this Scheme does not in any manner alter, vary or affect the payment of any dues or outstanding amounts including all or any of the statutory dues payable or outstanding.
- g) The Scheme is only for reduction of Share Capital of the Company and it does not envisage transferor vesting of any properties and /or liabilities to or in favor of the Company.

IMPACT OF THE SCHEME ON THE PUBLIC SHAREHOLDERS

Upon Confirmation of the Scheme by the NCLT, there will be cancellation and extinguishment of 20,40,000 (Twenty Lakhs Forty thousand) fully paid-up equity shares of Rs. 10 (Rupees Ten) each of the Company held by SBEC Systems Limited (UK) for the sole benefit of the Company without payment of any consideration to SBEC Systems Limited (UK).

Upon this Scheme becoming effective, the Company shall, without any further application, act, instrument or deed, give effect to the Capital Reduction and the revised structure of the share capital of the Company shall be reflected in the books of accounts of the Company in the following manner as on the effective date.

CAPITAL STRUCTURE OF THE COMPANY (Pre and Post Reduction of Capital)

Particulars	Pre-Reduction	Particulars	Post-Reduction
Authorized Share Capital		Authorized Share Capital	
1,50,00,000 Equity Shares of Rs. 10/- each	15,00,00,000/-	1,50,00,000 Equity Shares of Rs. 10/- each	15,00,00,000/-
Total			
Issued, Subscribed and Paid-up Capital of the Company		Issued, Subscribed and Paid-up Capital of the Company	
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000/-	79,60,000 Equity Shares of Rs. 10/- each	7,96,00,000/-

SHAREHOLDING PATTERN OF THE COMPANY (Pre and Post Reduction of Capital)

Category	Prior to Reduction		Post Reduction	
	No. of shares	% of holding	No. of shares	% of holding
Promoter and Promoter's Group				
Mr. Umesh Kumar Modi	20,79,560	20.80%	20,79,560	20.80%
Ms. Meghna Modi	200	0.00%	200	0.00%
SBEC Systems Limited (UK)	20,40,000	20.40%	-	-
Longwell Investments Private Limited	5,50,000	5.50%	5,50,000	5.50%
Abhikum Leasing and Investments Private Limited	2,20,000	2.20%	2,20,000	2.20%
Kumabhi Investment Private Limited	2,10,000	2.10%	2,10,000	2.10%
Total (A)	50,99,760	51.00%	30,59,760	38.44%
Public Shareholding (B)	49,00,240	49.00%	49,00,240	61.56%
Grand Total (A+B)	1,00,00,000	100%	79,60,000	100%

Impact on the Net-Worth of the company (Pre-Post Reduction of Share Capital)

As on March 31, 2024

(Amount in Rs.)

S.No.	Particulars	Prior to Reduction	Increased by / (Reduced by)	Post Reduction
1.	Equity Share Capital	10,00,00,000	20,40,000	7,96,00,000
2.	Share Premium Reserve	1,92,61,774	51,00,000	1,41,61,774
3.	Capital redemption reserve	-	(2,55,00,000)	2,55,00,000
4.	Retained Earning	(12,34,37,783)	-	(12,34,37,783)
5.	Other Equity	(10,41,76,008)	-	(8,37,76,008)
4.	Net Worth	(41,76,008)	-	(41,76,008)

There is no detrimental impact on the shareholders of the Company, as upon confirmation of the scheme, there will only be the reduction in the shareholding of Promoter Category. The proposed reduction of Capital would help in improving the financial position of the Company. Further, the proposed capital reduction shall result in an increase in proportionate shareholding of other shareholders of the Company, including public shareholders. The Capital Reduction Scheme would not affect any legal or other proceedings by or against the Companies.

CAPITAL STRUCTURE OF THE COMPANY (Pre and Post Reduction of Capital)

S.No.	Name of Shareholder	Original Shares	IPO 25-01-94 (Shares)	SHARE AFTER IPO	RIGHT ISSUE 07-01-95	SHARE TRANSFER ON 02.06.2008	Post-Reduction
1.	Abhikum Leasing and Investments Pvt. Ltd.	-	1,10,000	1,10,000	1,10,000	-	2,20,000
2.	Kumabhi Investment Pvt. Ltd.	-	105,000	105,000	105,000	-	2,10,000
3.	Longwell Investments Pvt. Ltd.	-	275,000	275,000	275,000	-	5,50,000
4.	Umesh Kumar Modi	59,780	-	59,780	59,780	19,60,000	20,79,560
5.	Meghna Modi	100	-	100	100	-	200
6.	SBEC Systems Limited UK	40,000	9,80,000	10,20,000	10,20,000	-	20,40,000
7.	SBEC Systems Limited Channel Island	-	9,80,000	9,80,000	9,80,000	(19,60,000)	-
8.	Other (Public)	120	24,50,000	24,50,120	24,50,120	-	4,90,0240
	Total	1,00,0000	49,00,000	50,00,000	50,00,000	-	1,00,00,000

Details of Pre-Post Capital Reduction Assets and Liabilities of the Company as on March 31, 2024

Particulars	Pre- Capital Reduction	Post-Capital Reduction
ASSETS		
Non-Current Assets		
Property	1,83,616	1,83,616
Investments	14,23,11,340	14,23,11,340
Other Non-Current Assets	1,48,31,194	1,48,31,194
Financial Assets		
Trade Receivables	90,1,0872	90,10,872
Cash	3,94,067	3,94,067
Loans& Advances	9,21,551	9,21,551
Other Bank Balances	40,000	40,000
TOTAL	16,76,92,640	16,76,92,640
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	10,00,00,000	7,96,00,000
Other Equity		
Share Premium Reserve	1,92,61,774	1,41,61,774
Capital Redemption Reserve	0	2,55,00,000
Retained Earnings	-12,34,37,783	-12,34,37,783
Total Other Equity	-10,41,76,008	-8,37,76,008
Net Equity	-41,76,008	-41,76,008
Liabilities		
Non-Current Liabilities		
Borrowings	9,30,29,245	9,30,29,245
Provisions	3,15,773	3,15,773
Current Liabilities		
Borrowings	7,43,90,255	7,43,90,255
Trade Payable	4,07,027	4,07,027
Other Current liabilities	37,26,348	37,26,348
Total	16,76,92,640	16,76,92,640

Subject to the confirmation by the NCLT, Delhi Bench, the Company shall not be required to use the words "AND REDUCED" as part of its name and such use is dispensed with accordingly.

IMPACT OF THE SCHEME ON THE CREDITORS

The Capital Reduction will not cause any prejudice to the creditors of the Company. The creditors of the Company are in no way affected by the proposed Capital Reduction, as there is no reduction in the amount payable to any of the creditors. Further, the proposed Capital Reduction will not have any impact on the operations of the Company or the ability of the Company to honor its commitment or to pay its debts in the ordinary course of business.

EFFECTIVE DATE OF REDUCTION OF SHARE CAPITAL

After receipt of approval of the public shareholders, the Company will take steps to file the requisite application with the National Company Law Tribunal (NCLT), Delhi in accordance with the provisions of Section 66 and other applicable provisions of the Act and the NCLT Rules, seeking confirmation of the Reduction of Capital as per the Scheme. Pursuant to section 66(5) of the Act, this resolution will be effective on the date when the Registrar of Companies, Delhi registers the NCLT order approving the Reduction of Capital as per the Scheme and issues a certificate to that effect.

AUDITOR CERTIFICATE

M/s. Sarat Jain & Associates, Chartered Accountants, have issued a Certificate dated February 14, 2024 stating that the Accounting Treatment proposed by the Company for the Reduction of Capital as per the Scheme is in conformity with the Accounting Standards specified in the Act and the Generally Accepted Accounting Principles.

FAIRNESS OPINION

The requirement for valuation report as mentioned in Para 1(A)(4)(a) of Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI/HO/CFD/DIL 1 /CIR/P/2021/0000000665 dated November 23, 2021 as amended time to time is not applicable to the proposed Reduction of Capital as per the Scheme of the Company since there is only proportionate change in the shareholding pattern of the Listed Entity. Further, no consideration shall be paid by the Company to the Dissolved Promoter with respect to the proposed Capital Reduction, hence, no separate valuation of shares is necessary in determining the fair value of the said shares of the Company for the purposes of the proposed Capital Reduction and therefore, the need for a valuation report for the purpose of the proposed Capital Reduction is dispensed off.

PUBLIC SHAREHOLDING APPROVAL

The Company hereby undertakes and confirms adherence to Para 15 of the Draft Scheme condition regarding public shareholding approval in terms of Para A(10)(b) of SEBI Master Circular dated June 20, 23. The Draft Scheme is annexed herewith as **Annexure-C**.

GENERAL INFORMATION AND DISCLOSURES

Article 48 of the Articles of Association of the Company provides that the company may subject to the provisions of Section 66 and other applicable provisions, if any, of the Companies Act, 2013, by special resolution reduce its capital in any manner for the time being authorized by law.

After the Capital Reduction coming into effect, with the above reduction the subscribe, issued, paid-up capital of the Company comprising of 1,00,00,000 equity shares of 10/-each shall be reduced to 79,60,000 equity shares of Rs. 10/- each fully paid-up.

No new equity shares will be issued by the Company to which the shareholders of the Company may be entitled in terms of Capital Reduction. Consequently, the order of NCLT approving the scheme would not attract any stamp duty in this regard under the applicable provisions of the Indian Stamp Act, 1899.

The Bombay Stock Exchange (BSE) has issued No Observation Letter dated 24th July, 2024, on the proposed Scheme of Reduction of Equity Share Capital of the Company. Copies of the aforesaid Observation Letter is enclosed as **Annexure-B** to this notice. As per the Observation Letters, the BSE have given "No objection" and "no adverse objection" to the Scheme. The Draft Scheme is annexed herewith as **Annexure-C**.

The Board of Directors of the Company based on the recommendation of the Audit Committee, at their meeting held on August 14, 2024 has taken the note of the Observation Letter No. DSC/AMAL/JP/R37/3269/2024-25 dated July 24, 2024 issued by the office of the BSE Limited and the Scheme of Capital Reduction of Issued, Subscribed and Paid-up Equity Share Capital between the Company and its Shareholders as per the terms set out in the Resolution.

All documents referred to in the accompanying Special Resolution and Explanatory Statement annexed thereto are made available on the Company's website at: www.sbecosystems.in and would also be available for inspection to the members at the Registered Office of the Company between 10:00 A.M. (IST) and 1:00 P.M. (IST) on any working day, except Saturdays, Sundays and public holidays, till the last date for remote e-voting by the members.

No inquiry or investigation is pending against the Company under any provisions of Act.

Accordingly, the Board of Directors of the company recommends the resolution of Item No 12 for approval of members by way of a Special Resolution.

None of the directors and or Key Managerial Personnel of the company or their relatives are in any way concerned or interested in the said Resolution except to the extent of their holding in the equity share capital of the Company.

ANNEXURE A

INFORMATION ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT (PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATIONS & SECRETARIAL STANDARD - 2)

Item No. 2, 5, 6 & 7

Name of the Director	Shiv Shankar Agarwal	Vijay Kumar Modi	Ajay Kumar Agarwal	Shyam Lal Agarwal
DIN	00004840	0004606	00632288	00003517
Date of Birth/ Age	11/05/1941/ 83 years	01/12/1950/ 74 years	20/07/1960/ 64 years	30/11/1945/ 78 years
Qualification	Bachelor of Science & Bachelor of Laws	B.Sc - Chemical Engineer	Chartered Mechanical Engineer and a Fellow of the Institution of Engineers	Chartered Accountant
Expertise in specific field	Expertise in the areas of administration and management.	Expertise in the areas of operations, administration and management.	He has diverse background and more than 30 years of rich intensive entrepreneurial experience in general administration and management	Expertise in the areas Accountancy and Finance
Date of first appointment	21/05/2015	29/09/2004	14/08/2024	14/08/2024
No. of Shares Held	Nil	Nil	Nil	Nil
Terms and conditions of appointment or reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Appointed as a Executive Director of the Company and will be paid sitting fees for attending Board and Committee meetings.	Appointed as a Non-Independent Director of the Company and will be paid sitting fees for attending Board and Committee meetings.	Appointed as an Independent Director of the Company and will be paid sitting fees for attending Board and Committee meetings.	Appointed as an Independent Director of the Company and will be paid sitting fees for attending Board and Committee meetings.
Other Companies Directorship	<ol style="list-style-type: none"> SBEC Stockholding and Investment Ltd. Modi Hitech India Limited SBEC Bioenergy Ltd. Chandil Power Limited 	<ol style="list-style-type: none"> Modilac Private Limited SBEC Sugar Limited G.S.Nutrition Private Limited Multibox Private Limited Sbec Bioenergy Limited Sbec Stockholding And Investment Limited Umesh Modi Real Estate Private Limited G S Pharmbutor Private Limited 	<ol style="list-style-type: none"> SBEC Sugar Limited Bihar Sponge Iron Limited Madras Holdings Private Limited Bombay Holdings Private Limited Krishna Synthetics Limited 	

		9. Modi Diagnostics Private Limited 10. Bihar Sponge Iron Limited 11. Chandil Power Limited 12. ABR Finlease & Holding Private Limited		
Chairmanship /Membership of other Companies Committees	None	3/5	None	None
Relationship with other Directors, and Key Managerial Personnel of the company	None	None	None	None

*Directorships and Committee memberships in SBEC Systems (India) Ltd are not included in the aforesaid disclosure. Also directorships in Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees and Stakeholders' relationship Committees of only public Companies have been included in the aforesaid table.

DCS/AMAL/JP/R37/3269/2024-25

July 24, 2024

The Company Secretary,
SBEC SYSTEMS (INDIA) LTD
1400, Modi Tower, 98 Nehru
Place, New Delhi, Delhi, 110019

Dear Sir,

Sub: Observation letter regarding the Scheme for Reduction of Share Capital between SBEC Systems(India) Limited and its shareholders under Section 66 read with Section 52 And Other applicable sections of The Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016

We are in receipt of the Scheme for Reduction of Share Capital between SBEC Systems(India) Limited and its shareholders under Section 66 read with Section 52 and other applicable sections of The Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37, 94(2) of SEBI LODR Regulations 2015 (LODR Regulations); SEBI vide its letter dated July 24, 2024 has inter alia given the following comment(s) on the draft scheme of reduction:

- a. "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "The Company shall ensure compliance with SEBI circulars issued from time to time."
- d. "The entities involved in the Scheme shall duly comply with various provisions of the SEBI master Circular dated June 20, 2023 and also ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to shareholders."
- h. "The Companies are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the

company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013

- i. Details of (pre and post scheme) assets and liabilities
 - ii. Capital Buildup of company since inception, highlighting shareholding buildup of SBEC Systems (India) Ltd
 - iii. Rationale of the Scheme and its impact of the scheme on the public shareholders.”
- i. “Company is advised that new equity shares proposed to be issued as part of the “scheme” shall mandatorily be in demat form only.”
 - j. “Company shall ensure that the “scheme” shall be acted upon subject to the complying with the relevant clauses mentioned in the scheme document.”
 - k. “Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
 - l. “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”
 - m. “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
 - n. “It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

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In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any



contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the**

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

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Sabah Vaze
Senior Manager


Tanmayi Lele
Assistant Manager

SCHEME FOR REDUCTION OF SHARE CAPITAL

BETWEEN

SBEC SYSTEMS(INDIA) LIMITED

AND

ITS SHAREHOLDERS

**UNDER SECTION 66 READ WITH SECTION 52 AND OTHER APPLICABLE SECTIONS OF
THE COMPANIES ACT, 2013 AND NATIONAL COMPANY LAW TRIBUNAL (PROCEDURE
FOR REDUCTION OF SHARE CAPITAL OF COMPANY) RULES, 2016**

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INTRODUCTION

A. PREAMBLE

This Scheme (as defined hereinafter) is presented under the provisions of the Section 66 read with Section 52 and other relevant provisions of the Act (as defined hereinafter) read with rules (as defined hereinafter) for the selective reduction of equity share capital of the Company as specified in this scheme.

B. BACKGROUND AND RATIONALE TO THE SCHEME

The background and reasons /rationale, commercial justification of the proposed scheme are as follows:

- a) The Company has paid-up share Capital of Rs. 10,00,00,000/- (Rupees Ten crores only) consisting of 1,00,00,000 (One Crore) equity shares of Rs. 10/-(Rupees Ten) each in which one of the promoter shareholder namely SBEC Systems Limited (UK) holds 20.40% of the total paid-up share Capital of the Company i.e Rs. 2,04,00,000/- (Two Crore Four Lakhs only) consisting of 20,40,000 (Twenty lacs Forty Thousand) equity shares of Rs. 10/-each.
- b) The name of the SBEC Systems Limited (UK) was struck off from the Register of Registrar of Companies on October 2, 2001 and stand dissolved by notice in the London Gazette dated October 9, 2001 and its legal existence is terminated.
- c) The Company came to know about the dissolution status of the SBEC Systems Limited (UK) in 2018, wherein the Company has approached them for the lock-in certificate required for the purpose of revocation of suspension in trading of securities of the Company.

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- d) The Dissolved Promoter Company has not attended any AGM/EGM for the last 10 years in spite of giving regular notices as required under the Companies Act, 2013 at the address available with the Company. The Company is still showing it as a shareholder in its records whereas legal existence of SBEC Systems Limited (UK) has been terminated.
- e) To show the true and fair value of the accounts of the Company, considering the future prospects of growth and value addition to the shareholders, it is proposed to re-align the relationship between its capital and assets in accordance with the provisions of the Companies Act, the Board of Directors has examined and analyzed various options available with them and after detailed deliberations came to the conclusion that reduction of equity share capital in accordance with Section 66 of the Act read with National Company Law Tribunal (Procedure for Reduction of Share Capital of the Company) Rules 2016 and other applicable laws would be the most appropriate option in the present facts and circumstances of the case.
- f) The proposed reduction of the equity share capital of the Company is being undertaken in accordance with the provisions of Section 66 read with section 52 of the Act and the rules made thereunder and specifically the Rules, which permit a Company to undertake a reduction of share capital in any manner, read with the Listing Regulations (as defined hereinafter) and the SEBI Circular (as defined hereinafter)
- g) In light of above facts, the draft scheme is being produced before Board of Directors for approving cancellation of 20,40,000 (Twenty lacs Forty Thousand) equity shares of Rs. 10/-each held by dissolved promoter SBEC Systems Limited (UK) without payment of any consideration.

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- h) The proposed reduction of equity share capital of the company would not have any adverse effect on the creditors of the company or the Company's ability to fulfil its commitments or meet its obligations in the ordinary course of business as there is no payout resulting from the proposed capital reduction. Further, the proposed capital reduction shall result in an increase in proportionate shareholding of other shareholders of the Company, including public shareholders.

C. PARTS OF THE SCHEME

The Scheme is divided into following parts: -

- a) PART-A deals with the Definitions, Interpretations, Capital Structure
- b) PART-B deals with the Selective Reduction of Equity share capital of the Company without consideration.
- c) PART-C deals with general Terms and conditions applicable to the Scheme.

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PART-A

DEFINITIONS AND DETAILS OF THE COMPANY

1. DEFINITIONS

For the purposes of this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings mentioned herein below:

- (a) **“Act”** means the Companies Act, 2013 and the rules, regulations, circulars and notifications issued thereunder, including without limitation the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, each as amended from time to time;
- (b) **“Board”** or **“Board of Directors”** means the board of directors of the Company including any duly constituted committee(s) thereof;
- (c) **“Capital Reduction”** means the selective reduction of 20,40,000 (Twenty lacs Forty Thousand) fully paid-up equity shares of face value Rs 10/- (Rupees Ten) each of the Company held by SBEC Systems Limited (UK), without payment of any consideration.
- (d) **“Company”** means SBEC Systems (India) Limited, a company incorporated under the Companies Act, 1956, having its registered office at 1400, Hemkunt Tower, 98, Nehru Place, New Delhi-110019
- (e) **“Dissolved Promoter”** means SBEC Systems Limited (UK) as per the London gazette notice dated October 9, 2001.
- (f) **“Effective Date”** means the date on which the certified copy of the order passed by the NCLT sanctioning the Scheme and minute of reduction is filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana;

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- (g) **"Ind AS"** means the Indian Accounting Standards prescribed under Section 133 of the Act;
- (h) **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- (i) **"RoC"** means the Registrar of Companies, National Capital Territory of Delhi and Haryana;
- (j) **"Rules"** means National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, as amended from time to time;
- (k) **"SEBI Circular"** means the SEBI Circular CFD/DIL3/CIR/201721 dated March 10, 2017, as amended from time to time, read with the SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-Rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time;
- (l) **"Scheme"** means this scheme of arrangement between the Company and its shareholders, pursuant to the provisions of Section 66 read with Section 52 and other applicable provisions of the Act, and rules made thereunder;
- (m) **"SEBI"** means the Securities and Exchange Board of India;
- (n) **"Stock Exchanges"** means the stock exchanges where the equity shares of the Company are listed and are admitted to trading, viz, BSE Limited
- (o) **"Tribunal" or "NCLT"** means the National Company Law Tribunal, Delhi bench. All terms and words not defined in the Scheme shall, unless repugnant or contrary to

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the context or meaning thereof, have the same meaning ascribed to them under the Act, Securities and Exchange Board of India Act, 1992, Listing Regulations and other applicable laws, rules, regulations, bye laws, as the case may be or, any statutory modifications or re-enactment thereof from time to time.

2. DETAILS OF THE COMPANY

2.1 Incorporation of the Company

- a. The Company was originally incorporated as Private Limited Company on December 15, 1987, in Delhi under the provisions of the Companies Act, 1956, under the name 'SBEC Systems (India) Private Limited'. Subsequently, the Company has passed the special resolution on September 30, 1992 for conversion of Private Limited Company to Public Limited Company and received the fresh certificate of incorporation consequent upon change of name on January 8, 1993.
- b. The Registered Office of the Company is currently situated at 1400, Hemkunt Tower, 98, Nehru Place-110019.
- c. The Corporate Identity No. of the Company is L74210DL1987PLC029979
- d. The shares of the Company are currently listed on one Stock Exchange i.e the BSE Limited.
- e. The Company is, inter alia, engaged in the business of rendering scientific, technical, engineering, professional, commercial and all other types of skilled services and deal in designs, plans and specifications of all type of contracts turnkey or otherwise, assignments, process and undertake fabrication, erection, commissioning of projects and providing high-tech equipment to sugar and power industries.

2.2 Objects of the Company

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The Memorandum of Association of the Company sets out inter alia the following objects: -

- a. To render scientific, technical, engineering, professional, commercial and all other types of skilled services such as placement of Know-how technology to and for the benefit of any individual, firm, trust, association, society, company, corporation, body corporate, organization, institution, public or local authority, government and government departments in India or abroad whether as advisers, consultants, trainers, developers or otherwise.
- b. To draw, create, make, undertake or in any other way deal in designs, plans and specifications of all types of contracts turnkey or otherwise, assignments, processes, and undertake fabrication, erection, commissioning of projects or expansion or renovation schemes or schemes for energy conservation or process optimization or generation of energy from surpluses of all types and of other services relation thereto including the import of technologies or employment of experts from any part of the world in execution of the aforesaid.
- c. To undertake, aid, promote or coordinate studies, collection of data, arrange collaboration, technical know-how and scientific information, extend technical assistance and services, prepare project reports, data acquisition and control systems, specific purpose studies, market research and studies, to make agreement and arrangement , to provide management personnel or production techniques, assist in finding market for manufactured goods of Indian and foreign origin , advise and to carry out research and product development and to develop indigenous technologies and processes, experimenting , testing and investigating on their behalf.
- d. To carry on the business of Industrial and Management consultants and for that purposes to undertake complete management of units under agreed terms and conditions, to survey analyse and propose solutions to specific industrial and

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management problems, to prepare and implement studies, proposal schemes, plans, lay-outs to arrange for personnel recruitment and training in India and abroad for special industrial applications or requirements, to propose, represent and follow up with the authorities whether government or otherwise on behalf of any person, firm, body corporate or association.

2.3 Capital Reduction and Articles of Association of Company

Article 48 of the Articles of Association of the Company authorizes the Company by special resolution to reduce its share capital in any manner. Article 48 of the Articles of Association of the Company is set out hereunder: -

“The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules,

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any securities premium account; and/or
- (d) any other reserve in the nature of share capital “

2.4 Share Capital

The Share Capital structure of the Company as on March 31, 2023 is as under: -

Share Capital	Amount (INR '000)
Authorised Share Capital 15,000,000 Equity Shares of Rs. 10/- each	1,50,000
Total	1,50,000
Issued, Subscribed & Paid up Capital 10,000,000 Equity Shares of Rs. 10/- each	1,00,000
Total	1,00,000

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2.5 Financials

The Key aspects with respect to the financial performance of the Company for the financial year ended March 31, 2023:

Particulars	Financial year ended March 31, 2023 (Rs. In '000)
Total current assets	10,894
Total Current Liability	90,356
Profit/(Loss) for the year	11,061

3. PROMOTERS AND DIRECTORS

3.1 The name of the promoters of the Company as on March 31, 2023 along with their addresses as set forth below

S. No.	Name of Shareholder	Address
1.	Meghna Modi	36, Amrita Shergill Marg, Delhi-110003
2.	Abhikum Leasing And Investments Pvt Ltd	184A, Garud Apartments Pocket-Iv, Mayur Vihar, Phase-I, New Delhi-110091.
3.	Kumabhi Investment Private Limited	184A, Garud Apartments Pocket-Iv, Mayur Vihar, Phase-I, New Delhi-110091.
4.	Longwell Investment Private Limited	Modi Bhawan, Modi Nagar, U.P.-201204
5.	Umesh Kumar Modi	Apartment 14, 5th Floor Enternace B, Yestrebetz Street, District Borovo,

Priyanka Modi



		Bulgaria.
6.	SBEC SYSTEMS LIMITED (UK)	Struck off from the Register of Registrar of Companies on October 2, 2001 and stand dissolved by notice in the London Gazette dated October 9, 2001 and its legal existence is terminated

3.2 The name of the directors of the Company along with their addresses are set forth below as on date

S. No.	Name of Director	Address
1.	Vijay Kumar Modi	A-57 Sector-31, Noida Gautam Buddha, Nagar Up-201301
2.	Shiv Shankar Agarwal	2539, Sector D - II, Vasant Kunj, New Delhi-110070
3.	Jagdish Chander Chawla	L-21, Sarita Vihar, New Delhi, South Delhi-110076
4.	Ritu Sikka	B-4/151, Safdarjung Enclave, New Delhi-110029
5.	Asha Agarwal	45, 3rd Floor NRI Complex, GK-4 New Delhi-11001
6.	Salil Seth	C-30, New Multan Nagar, Shakur Basti Depot, Ew Delhi-110019

4. OTHER DISCLOSURES

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- 4.1 No investigations or proceedings have been initiated and are pending against the Company under the Act.
- 4.2 The Company has not accepted any deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, the Company is not in arrears with respect to repayment of any deposits or interest thereon, as on the date of filing of this Scheme.
- 4.3 The Scheme will not have any adverse effect on any directors, key managerial personnel, promoters, non-promoter members, creditors and employees of the Company. The Company does not have any debenture holders. The Scheme will be in the best interest of all the stakeholders of the Company.
- 4.4. The benefits of the Scheme to the Company and its respective members, creditors and employees, as perceived by the Board, are mentioned in Part B of the introduction of this Scheme (Selective Reduction of Share Capital of the Company).

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PART B**SELECTIVE REDUCTION OF SHARE CAPITAL OF THE COMPANY****5. BACKGROUND AND REDUCTION OF SHARE CAPITAL OF THE COMPANY**

The objective of the scheme is to undertake the Capital Reduction or otherwise alter issued, subscribed and paid-up share capital of the Company. As an integral part of the Scheme, upon the Scheme becoming effective after securing necessary approvals and permissions, without any further act, instrument or deed, the issued, subscribed and paid-up equity share capital of the Company shall be reduced by Rs. 2,04,00,000/- (Rupees Two Crores Four Lakhs only) comprising of 20,40,000 (Twenty Lacs Forty Thousand) equity shares of Rs.10/- (Rupees Ten) each) .

6. RE-ORGANISATION OF PAID-UP SHARE CAPITAL AND ITS IMPACT ON THE COMPANY

6.1 Upon the Scheme becoming effective, 20,40,000 (Twenty Lacs Forty Thousand) fully paid-up equity shares of the Company of Rs/10/- (Rupees Ten) each of the Company held by SBEC Systems Limited (UK) (hereinafter referred as to Dissolved Promoter) shall be cancelled and extinguished and consequently, the paid-up equity share capital of the Company as on the Effective Date shall become Rs. 7,96,00,000/- (Rupees Seven Crores Ninety-Six Lacs only) divided into 79,60,000 (Seventy-Nine lacs Sixty Thousand) equity shares of Rs.10/- (Rupees Ten) each. Further, upon the Scheme becoming effective, the Company shall ensure compliance with applicable provisions of the Listing Regulations, including Regulation 31A of the Listing Regulations in relation to the de-classification of Dissolved Promoter as a part of the Promoter Group of the Company.

6.2 The share capital of the Company before and after the Capital Reduction in terms of this scheme shall be as under:


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Particulars	As on date of approval of the scheme		Post Capital reduction in terms of this scheme	
	Number of equity shares	Amount (INR)	Number of equity shares	Amount (INR)
Authorised equity share capital	1,50,00,000	15,00,00,000	1,50,00,000	15,00,00,000
Paid-up equity share capital	1,00,00,000	10,00,00,000	79,60,000	7,96,00,000

6.3 The Capital Reduction and the consequent cancellation of the equity share capital as hereinabove, shall be effected as per the provisions of Section 66 read with Section 52 of the Act and other applicable provisions of the Act, rules (including the Rules) and regulations made thereunder upon the Scheme becoming effective.

6.4 The Capital Reduction does not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital.

6.5 The Capital Reduction will not cause any prejudice to the creditors of the Company as there will not be any reduction in the amount payable to the respective creditors. Further, in the absence of any payments to Dissolved Promoter pursuant to the Capital Reduction, it does not alter, vary or affect the rights of the creditors in any manner whatsoever. The liabilities with respect to payments due to the creditors will be discharged by the Company in accordance with the terms of their agreements with the Company, if any, or in the ordinary course of business, as the case may be.

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6.6 The Capital Reduction will not have any adverse impact on the employees and workers of the Company in any manner, and their service shall be continuous, and they will continue to enjoy the same benefits as they used to before the Capital Reduction.

6.7 The Scheme does not in any manner alter, vary or affect the payment of any dues or outstanding amounts, including all or any of the statutory dues payable or outstanding.

6.8 The Scheme does not envisage transfer or vesting of any of the properties and / or liabilities of the Company to any person or entity.

6.9 The Scheme is merely a Capital Reduction and does not involve any conveyance or transfer of any property of the Company and does not involve any issuance of shares. Consequently, the order of NCLT approving the Scheme will not attract any stamp duty.

7. COMPLIANCE

7.1 The consent of the members of the Company for the Capital Reduction and this Scheme shall be obtained through a special resolution under the provisions of Section 66 of the Act and any other applicable provisions.

7.2 The Scheme, if sanctioned, shall be fully in compliance with the Securities and Exchange Board of India Act, 1992, Listing Regulations and SEBI Circular. Upon the Scheme becoming effective, the Company shall ensure compliance with applicable provisions of the Listing Regulations, including Regulation 31A of the Listing Regulations in relation to the de-classification of SBEC Systems Limited (UK) as a part of the Promoter Group of the Company.

8. ACCOUNTING TREATMENT

Out of 20,40,000 number of equity shares 10,20,000/- number of equity shares were issued as right issue in the year 1994 at a premium of Rs 5/- per share.

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Upon the Scheme becoming effective, share capital representing 20,40,000 (Twenty Lacs Forty Thousand) equity shares of the Company held by Dissolved Promoter i.e Rs. 2,04,00,000/- (Rupees Two crores Four Lacs only) shall be cancelled, with adjustments by way of debit to: (i) the paid-up equity share capital for Rupees 2,04,00,000 and (ii) the securities premium account of the Company for Rs. 51,00,000 (Rupees Fifty-One Lacs Only) and corresponding credit to reserve and surplus account in compliance with the generally accepted accounting principles in India.

9. MISCELLANEOUS

Notwithstanding the reduction of the capital of the Company in pursuance of this Scheme, the Company shall not be required to add the words "And Reduced" to its name as the last words thereof.

10. MINUTE

The Form of Minute proposed to be registered under Section 66(5) of the Act and Rule 6(2) of the Rules is as follows:

"The issued, subscribed and paid-up capital of SBEC Systems (India) Limited is henceforth Rs.7,96,00,000/- (Rupees Seven Crores Ninety-Six Lakhs only) divided into 79,60,000 (Seventy-Nine Lakhs Sixty Thousand) equity shares of Rs. 10/- (Rupees Ten) each reduced from Rs.10,00,00,000/- (Rupees Ten Crores) comprising of 1,00,00,000 (One Crore) equity shares of Rs. 10 (Rupees Ten) each."

11. LEGAL PROCEEDINGS

The Scheme will not affect any legal or other proceedings by or against the Company, pending or arising, but the proceedings may be continued, prosecuted and enforced by or against the Company in the same manner and to the same extent as it would be or might

Priyanka Nishi
SBEC SYSTEMS (INDIA) LTD.
NEW DELHI

have been continued, prosecuted and enforced by or against the Company prior to the Scheme.

12. **CONDUCT OF BUSINESS BY COMPANY**

The Scheme does not involve any financial outlay / outgo, and therefore, will not affect the ability or liquidity of the Company to meet its obligations / commitments in the normal course of business. Further, this Scheme will also not in any way adversely affect the ordinary operations of the Company during the course, or after the approval, of the Scheme.

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PART C

GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

13. APPLICATION TO THE TRIBUNAL

The Company shall make applications / petitions under Section 66 and other applicable provisions of the Act to the NCLT for the sanction of this Scheme, minute of reduction and all matters ancillary or incidental thereto.

14. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

4.1 The Company will be at liberty to apply to the NCLT from time to time for necessary directions in matters relating to this Scheme or any terms thereof, in terms of the Act.

14.2 Subject to the provisions of the SEBI Circular, the Company through its Board, may assent to any modifications/ amendments to the respective section of this Scheme and/ or to any conditions or limitations, including such modifications/ amendments and/ or conditions or limitations that the Tribunal, the SEBI, the Stock Exchanges and/ or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Company, through its authorized representatives, be and is hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions that may arise in relation to the meaning or interpretation of the respective sections of this Scheme or implementation thereof or in any manner whatsoever connected therewith, whether by reason of any directive or order of the Tribunal or any other authority or otherwise, howsoever arising out of, under or by virtue of this Scheme and/ or any matters concerned or connected therewith and to do and execute all acts, deeds, matters and things necessary for giving effect to this Scheme.

15. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

(a) the Scheme being approved by the members of the Company through special resolution and provided that the votes cast by the public shareholders in favour of the Scheme are

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more than the number of votes cast by the public shareholders against it through E-voting in terms of the SEBI Circular;

(b) the Scheme being approved by the creditors of the Company as prescribed under the Act and/or as may be directed by NCLT and/ or any other appropriate authority as may be applicable;

(c) the Company obtaining the observation letter / no-objection letter from - The BSE Limited for the implementation of the Scheme;

(d) the Scheme being sanctioned by the Tribunal under Section 66 and any other applicable provision of the Act;

(e) certified copy of the order of the Tribunal sanctioning this Scheme and the minute of reduction being filed with the RoC by the Company; and

(f) the requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

16. EFFECT OF NON-RECEIPT OF APPROVALS

16.1 In the event of any of the sanctions and approvals referred to in Para 15 above not being obtained and / or the Capital Reduction not being sanctioned by the Tribunal or such other appropriate authority, if any, this Capital Reduction shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Capital Reduction or as may otherwise arise in law and agreed between the relevant parties.

16.2 The Board shall be entitled to revoke, cancel and declare the Scheme or any part thereof to be of no effect and/ or to withdraw the Scheme or any part thereof and respective applications/ petitions filed with the Tribunal for any reason including if the Board is of view that the coming into effect of the Scheme or of any part thereof, in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an

adverse implication on the Company or in case any condition or alteration imposed by the Tribunal or any other authority or entity is not on terms acceptable to them.

17 COSTS, CHARGES AND EXPENSES

The Company shall bear all the costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto.

18. MISCELLANEOUS

18.1 Notwithstanding the Capital Reduction, the listing benefits of the Company on all the Stock Exchange(s) shall continue, and the Company will comply with the applicable provisions of the listing agreement with the Stock Exchange(s) for listing and trading of shares of the Company.

18.2 The designated stock exchange for interaction with SEBI in terms of the SEBI Circular shall be BSE Limited.

XXXXXXXXXX

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COMPANIES HOUSE

If you need to contact us regarding this notice, please quote reference

THE DIRECTORS
SBEC SYSTEMS LIMITED
54 OAKS ROAD
SHIRLEY
CROYDON
SURREY CR0 5HL

DEF6/ 02010040

Date: 19 JUNE 2001

COMPANIES ACT 1985 (Section 652)

The REGISTRAR OF COMPANIES gives NOTICE
that, unless cause is shown to the contrary,
at the expiration of 3 months from the
above date the name of

SBEC SYSTEMS LIMITED

will be struck off the register and
the company will be dissolved.



FILE COPY

COMPANIES HOUSE
CARDIFF
CF14 3UZ
Tel: Cardiff 029 20 380830
Fax 029 20 380900
Dx 33050 CARDIFF



N.B. Upon dissolution all property and rights vested in, or held on trust for the company are deemed to be bona vacantia, and accordingly will belong to the crown.

002010040

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DISSOLVED

02010040 SBEC SYSTEMS LIMITED

This Company was struck off the Register under Section 652(5) of the Companies Act 1985 on 2 OCTOBER 2001 and dissolved by notice in the London Gazette dated 9 OCTOBER 2001

S. M. Edwards

Mrs. S.M. Edwards
for Registrar

DEF 1 SENT	09/03/00
DEF 2 SENT	08/02/01
DEF 3 SENT	13/03/01
FIRST GAZ	19/06/01



[Handwritten signature]

02010040

SBEC

35th Annual Report - 2024

SBEC SYSTEMS (INDIA) LIMITED
(Sugar, Bio-Energy & Control Systems)

BOARD OF DIRECTORS

Mr. Vijay K Modi - Chairman
 Mr. Shiv Shankar Agarwal - Executive Director & CEO
 Ms. Ritu Sikka
 Mr. Jagdish Chander Chawla
 Mr. Salil Seth
 Ms. Asha Agarwal

CHIEF FINANCIAL OFFICER

Mr. Lakhmi Chand Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Priyanka Negi

AUDITORS

M/s Thakur Vaidyanath Aiyar & Co.
 Chartered Accountants
 221-223, Deen Dayal Mard
 New Delhi-110002

BANKERS

SVC Co-Operative Bank Ltd.
 HDFC Bank Ltd.

REGISTERED OFFICE

1400, Hemkunt Tower
 98, Nehru Place,
 New Delhi-110 019

SHARE TRANSFER AGENT

M/s Beetal Financial & Computer Services (P) Ltd.
 Beetal House, 3rd Floor, 99 Madangir,
 Behind Local Shopping Centre,
 New Delhi-110062

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DIRECTORS' REPORT

To,

**The Shareholders,
SBEC Systems (India) Limited**

Dear Members,

Your Directors take pleasure in presenting the 35th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2024.

FINANCIAL RESULT

The Company's financial performance (Standalone & Consolidated) for the financial year ended March 31, 2024 along-with that of the previous financial year ended March 31, 2023 are summarized below: (Rs. in 000)

PARTICULARS	Standalone		Consolidated	
	PERIOD ENDED 31.03.2024	PERIOD ENDED 31.03.2023	PERIOD ENDED 31.03.2024	PERIOD ENDED 31.03.2023
Revenue & Other Income	31,906	31,535	31,906	31,535
TOTAL EXPENDITURE	18,035	21,141	18,035	21,141
Operating Profit/(Loss) Before Tax	13,871	10,394	13,871	10,394
Profit/(Loss) After Tax	13,291	11,061	13,291	11,061

FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIR

During the year under review, the total income stood at Rs. 31,906 Thousand. The net profit of the Company stood at Rs. 13,291 Thousand as compared to net profit of Rs. 11,061 Thousand during the previous year.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by the Company in accordance with applicable provisions of the Companies Act, 2013, Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The audited consolidated financial statements together with Auditors' Report form part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remarks.

DIVIDEND & RESERVES

In order to conserve the resources for future growth of the Company, the Board of Directors has not declared any dividend for the year under review.

The Company has not transferred any amount to the reserves for the year ended March 31, 2024.

SHARE CAPITAL

The paid up equity capital as on March 31, 2024 was Rs.1,00,000 Thousand. During the year under review, the Company has not issued any class of shares nor granted stock options.

REDUCTION OF SHARE CAPITAL

The Board of Directors of the Company in their meeting dated 26 June, 2023 has approved the selective reduction of Capital of the Company from Rs. 10,00,00,000/- (Rupees Ten Crores only) consisting of 1,00,00,000 (One Crore) equity share of Rs. 10/- (Rupees Ten only) to Rs. 7,96,00,000/- (Rupees Seven Crores Ninety Six Lacs) consisting of 79,60,000 (Seventy Nine Lacs Sixty Thousand equity shares of Rs. 10/- (Rupees Ten) each by cancelling and extinguishing in aggregate 20.40% of the total issued, subscribed and paid-up equity share capital of the Company, comprising 20,40,000 (Twenty Lacs Forty Thousand) equity shares of Rs. 10/- (Rupees Ten) each held by the SBEC Systems Limited, UK without any consideration.

The Company had applied to BSE Ltd for their No-Objection for selective reduction of Capital of the Company and on 24th July, 2024, BSE Ltd has issued observation letter with 'no adverse observations'.

ASSOCIATE/SUBSIDIARY/JOINT VENTURE COMPANY

As on March 31, 2024, the Company has one Associate Company i.e. SBEC Sugar Limited. Investment in the Associate is dealt with in accordance with Indian Accounting Standard (Ind-AS) 28, the consolidation of accounts of the Company with its associate are combined by using "Equity Method".

Further, a statement containing the salient features of the financial statements of the Associate company are incorporated in AOC-1 and appended as Annexure-A to the Board's Report.

There is no subsidiary company within the meaning of Section 2(87) of the Companies Act, 2013 ("Act").

MATERIAL CHANGES AND COMMITMENTS

During the Financial Year, Company has altered the object clause of the Articles of Association as per the provision of Companies Act, 2013 at the 34th Annual General Meeting of the Company.

Also the Board of Directors in their meeting held on 26 June, 2023, has approved the Scheme of Reduction of Equity share Capital and had made an application to BSE (Stock Exchange) for obtaining No Observation Letter, and BSE on 24th July, 2024, has issued the "No Observation letter" and in the ensuing Annual General Meeting of the Company the same will be placed for members' approval.

No other material changes occurred in between the end of Financial Year 2023-24 and the date of this report.

DIRECTORS

In terms of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 Mr. Shiv Shankar Agarwal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for the re-appointment. The Board recommends the re-appointment of Mr. Shiv Shankar Agarwal for the consideration of the Members of the Company at the forthcoming AGM.

The Board of Directors, on the basis of the recommendations made by the Nomination and Remuneration Committee, approved the appointment of Mr. Ajay Kumar Aggarwal (DIN: 00632288) and Mr. Shyam Lal Agarwal (DIN: 00003517) as an Additional Director (Non- Executive Independent) of the Company, effective from August 14, 2024. Appropriate resolution for his appointment as Non-Executive Independent Director is being placed for the approval of the Members of the Company at the ensuing AGM. The Board recommends their appointment as Non-Executive Independent Director of the Company. The brief resume of the Director and other related information has been detailed in the Notice convening the 35th AGM of the Company.

In keeping with Regulation 17(1)(A) and 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, basis the recommendation made by the Nomination and Remuneration Committee, approved continuation of directorship of Mr. Vijay Kumar Modi (DIN 00004606). Mr. Vijay Kumar Modi was appointed as an Non- Executive Director effective March 23, 2018 and the said appointment was approved by the Members of the Company at the Annual General Meeting held on August 31, 2018. Appropriate resolution for continuation of her term as a Non-Executive Director, as required to be passed pursuant to aforesaid Regulation, is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the 35th AGM of the Company.

All the Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the provisions contained in Section 134 (5) of the Companies Act, 2013, your Directors to the best of their knowledge and belief and according to information and explanations obtained from the management, confirm that:-

- so as to give a true and fair view of the state of affairs of the Company as at in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the financial year ended March 31, 2024;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the Annual Accounts on a going concern basis;
- The Directors have laid down proper internal financial controls to be followed by the Company and such controls are adequate and operating effectively and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

KEY MANAGERIAL PERSONNEL (KMP)

During the financial year ended 31.03.2024, following persons are Whole Time Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act, 2013.

S.No.	Name	Designation
1.	Mr. Shiv Shanker Agarwal	Chief Executive Officer
2.	Mr. Luv Gupta*	Chief Financial Officer
3.	Ms. Priyanka Negi	Company Secretary
4.	Mr. Lakhmi Chand Sharma**	Chief Financial Officer

* Mr. Luv Gupta resigned from the post of Chief Financial Officer of the Company w.e.f.30th April, 2023.

** Mr. Lakhmi Chand Sharma appointed as Chief Financial Officer of the Company w.e.f. 01st May, 2023.

BOARD MEETING

The Board met six times during the financial year 2023-24, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD

Presently the Company has the following mandatory Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

The details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in the "Report on Corporate Governance" forming part of this Annual Report.

POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION AND OTHER DETAILS

The Board on the recommendation of the Nomination & Remuneration Committee has already framed a policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, Independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013. The policy is available on the website of the Company www.sbcsystems.in.

BOARD EVALUATION:

As required under Section 134(3)(p) of the Companies Act, 2013 read with Regulation 17 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board of Directors had already approved the evaluation criteria for evaluating the performance of the Board of Directors, its Committees, namely, Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee, the Directors individually and the performance of Independent Directors.

The manner in which the evaluation was carried out and the process adopted has been mentioned in the Corporate Governance Report.

BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us to retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website www.sbcsystems.in. More detail on diversity is available in the corporate governance report that forms part of this Annual Report.

STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS

As required under Section 149 (7) of the Companies Act, 2013, all the Independent Directors have given declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

STATUTORY AUDITORS

M/s. K.K. Jain & Co., Chartered Accountants, (Registration number: 002465N), have resigned from the office of Statutory Auditors of the Company w.e.f November 03, 2023, due to some health issues resulting into a casual vacancy in the office of Statutory Auditors of the Company as per section 139(8) of the Companies Act, 2013.

To fill up the casual vacancy M/s Thakur Vaidyanath Aiyar & Co, Chartered Accountants, (Firm Registration No. 000038N), was appointed in the Board Meeting held on 06th November, 2023 and the members approved the same through postal ballot with requisite majority on 28th December, 2023.

As the term of M/s Thakur Vaidyanath Aiyar & Co. the Statutory Auditors of the Company expires at the conclusion of this ensuing AGM, the Board of Directors of the Company at their meeting held on 14th April, 2024, based on the recommendation of the Audit Committee, has recommended to the Members the appointment of M/s Thakur Vaidyanath Aiyar & Co. , (Firm Registration No. 000038N) as Statutory Auditors of the Company, for a term of 5 (five) consecutive years from the conclusion of 35th AGM till the conclusion of the 40th AGM. Accordingly, an Ordinary Resolution, proposing appointment of M/s Thakur Vaidyanath Aiyar & Co., as the Statutory Auditors of the Company for a term of five consecutive years pursuant to Section 139 of the Act, forms part of the Notice of the 35th AGM of the Company. The Company has received the written consent and a certificate that M/s Thakur Vaidyanath Aiyar & Co. satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

STATUTORY AUDITORS REPORT

The Auditors' Report for 2023-24 does not contain any qualifications, reservations, adverse remarks or disclaimers by Statutory Auditors of the Company in the Audit Report.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Soniya Gupta & Associates, Company Secretaries as the Secretarial Auditor to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is given in Annexure-B to this Report.

The observations in secretarial audit report are self-explanatory and therefore do not call for any further explanation.

APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

No application has been made under the Insolvency and Bankruptcy Code against the Company; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

RISK MANAGEMENT POLICY

As required under Section 134(n) of the Companies Act, 2013, the Company has laid down the policy on risk management stating therein the objectives and purpose of the said policy.

The Risk Management Policy of the Company can be viewed on the Company's website www.sbecosystems.in .

INTERNAL FINANCIAL CONTROLS

The Company has adequate Internal Financial Controls with proper checks to ensure that transactions are properly authorised, recorded and reported apart from safeguarding its assets. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis. The internal auditors of the Company reviews the controls across the key processes and submits reports periodically to the Management and significant observations are also presented to the Audit Committee for review. Follow up mechanism is in place to monitor the implementation of the various recommendations.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES.

Section 135 of the Companies Act, 2013 provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the Company to be Rs. 500 crore or more; or (b) turnover of the company to be Rs. 1,000 crore or more; or (c) net profit of the company to be Rs.5 crore or more. As the Company does not fall under any of the threshold limits given above, the provisions of Section 135 are not applicable to the Company.

DEPOSITS

During the financial year, Company has not accepted any deposit from public within the meaning of section 73 and 76 of the Companies Act, 2013 and Rules made thereunder.

CORPORATE GOVERNANCE

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a detailed Corporate Governance Report along with a certificate from M/s Soniya Gupta & Associates, Company Secretaries in practice and Management Discussion and Analysis Report forms part of this Annual Report.

The declaration by the Chief Executive Officer and Chief Financial Officer addressed to the Members of the Company pursuant to Clause D of Schedule V Read with Regulation 34(3) and Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct by the Members of the Board and by the Members of the Senior Management Personnel of the Company is also attached to the Corporate Governance report.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has a vigil mechanism and a whistle blower policy. The same has been posted on the Company's website and the details of the same are given in the Corporate Governance Report.

RELATED PARTY TRANSACTIONS

In compliance with the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions (RPTs) and manner of

dealing with RPTs. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations. The updated Policy can be accessed on the Company's website www.sbcsystems.in.

All transactions with related parties during FY 2023-24 were reviewed and approved by the Audit Committee and were at Arm's Length Price (ALP) and in the Ordinary Course of Business (OCB). Prior omnibus approval was obtained for all RPTs which were of repetitive nature and entered in the OCB and on an ALP basis. The transactions entered into pursuant to the omnibus approval so granted were reviewed by Audit Committee on quarterly basis.

Pursuant to the third proviso of Section 188(1) of the Act, the compliance with the provisions of Section 188(1) is not applicable, where all RPTs are carried out in the OCB and under ALP basis. Accordingly, the disclosure of RPTs as required under Section 134(3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in form AOC-2 is not applicable to the Company for FY 2023- 24. However, the Company had material RPTs during FY 2023-24 under SEBI Listing Regulations. Hence, the same have been disclosed in form AOC-2 enclosed as Annexure C.

Details of RPTs entered into by the Company, in terms of Ind AS-24 are disclosed in notes to the financial statements forming part of this Integrated Report. There was no other material RPTs entered into by the Company with its Promoters, Directors, KMPs or other designated persons during FY 2023-24, except those reported in the financial statements.

None of your Directors or KMPs had any pecuniary relationships or transactions with the Company during FY 2023-24.

Approval of Members is being sought for the material RPTs for FY 2024-25 at the ensuing AGM.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in Annexure-D to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2023-24, the Company has not made any investment nor given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board's Report for the year ended March 31, 2024 are given in Annexure –E to this Report.

COST RECORDS AND AUDIT

During the period under review the provisions relating to maintaining of cost record and conduct of Cost Audit are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with 134(3) of the Act, Annual Return (in e-form MGT-7) for the financial year ended March 31, 2024 is available on the Company's website at: www.sbcsystems.in

SECRETARIAL STANDARD

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government as required under Section 118(10) of the Companies Act, 2013.

LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company are listed with BSE Limited, and Company is transferred from group "P" to group "XT" and shares are to be traded under Trade to Trade w.e.f July 06, 2022 as per the Notice of BSE.

The annual fees for the Bombay Stock Exchange have been paid promptly for the year 2024-25.

SEXUAL HARASSMENT

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the provision related to constitution of internal complaint committee is not applicable on the Company.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the year there were no differences in the valuation of the Company, as there was no one time settlement in the FY 2023-24.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals that could impact the going concern status of the Company and its future operations.

PERSONNEL RELATIONS

Your directors hereby place on record their appreciation for the services rendered by the executives, staff and workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the employees and the management continued to remain cordial.

APPRECIATION

Your directors thank the various Central and State Government Authorities and Agencies for the continued help and cooperation extended by them. The Directors gratefully acknowledge all stakeholders of the Company viz., customers, members, dealers, vendors and banks for their excellent support during the year. The Directors also place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued cooperation to the Company.

Place: New Delhi

Date: 14.08.2024

For & behalf of the Board of
SBEC Systems (India) Limited

Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606

ANNEXURE-A TO THE BOARD'S REPORT**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(In Rs. 000)

(except no. of shares)

Name of Associates	SBEC SUGAR LIMITED
1. Latest audited balance sheet date	March 31,2024
2. Date on which the Associate was associated or acquired	1996-1997
3. Shares of Associate held by the Company on the year end;	
No. of Shares	1,42,30,884
Amount of investment in associate (In Rs.)	Rs. 1,42,308.84
Extend of holding %	29.86%
4. Description of how there is significant influence	There is significant influence due to (%) of share Capital.
5. Reason why the associate/joint venture is not consolidated	Not Applicable
6. Net Worth attributable to shareholding as per latest audited balance sheet	(1,45,993.30)
7. Profit/Loss for the year	
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	(28,840.76)

For & behalf of the Board of
SBEC Systems (India) Limited
Sd/-

Vijay Kumar Modi
Chairman & Director
DIN: 00004606

Place: New Delhi

Date: 14.08.2024

ANNEXURE-B TO THE BOARD'S REPORT**Form No. MR-3****SECRETARIAL AUDIT REPORT****For The Financial Year Ended On 31st March, 2023**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of
SBEC SYSTEMS (INDIA) LIMITED
1400, Hemkunt Tower 98, Nehru Place

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBEC SYSTEMS (INDIA) LIMITED** having CIN: L74210DL1987PLC029979 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby re-port that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2024 according to the provisions of:

- The Companies Act, 2013 (the Act) and the Rules made thereunder;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The Management has identified and confirmed the following laws as specifically applicable to the Company:

- a) The Payment of Gratuity Act, 1972
- b) The Employees Provident Fund & Miscellaneous Provisions Act, 1952.
- c) The Payment of Bonus Act, 1965, and rules made there-under,
- d) The Insolvency and Bankruptcy Code, 2016
- e) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Ltd. (Stock Exchange),

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

1. **The Securities and Exchange Board of India on September 17, 2018 had issued directions to the Promoter group of the Company (namely Shri Umesh Kumar Modi, Kumkum Modi, Jayesh Modi, Longwell Investments Private Limited, A to Z Holdings Pvt. Ltd., Moderate Leasing and Capital Services Limited and SBEC Systems (India) Limited), severally or jointly to make a public announcement to acquire the shares of Target Company (i.e. SBEC SUGAR LIMITED) in accordance with the provisions of the Takeover Regulations, 2011, within a period of 45 days from the date of the above mentioned order. The shareholding/ voting rights of the promoter group had increased from 54.46% (2,59,51,083 Shares) as on June 30, 2014 to 63.86% (3,04,32,117 shares) as on September 30, 2014. In addition to the aforesaid acquisition, one of the lending promoters i.e. Moderate Leasing and Capital Services limited had also acquired 1.31% of SBEC Sugar Limited during March 18, 2015 to March 23, 2015, which increased the shareholding of promoter group to 65.17%. As per the said impugned order, the promoter group have violated the provisions of Regulation 3(2) of the Takeover Regulations, 2011 by acquiring shares in excess of the prescribed limit without making an announcement for open offer.**

Against the said impugned SEBI order, M/S SBEC Systems (India) Limited had filed appeal no. 1 (No. 443/2018) before the Securities Appellate Tribunal, Mumbai.

Whereas the promoter group namely (Shri Umesh Kumar Modi, Kumkum Modi, Jayesh Modi, Longwell Investments Private Limited, A to Z Holdings Pvt. Ltd., Moderate Leasing and Capital Services Limited) had filed appeal no. 2 (No. 444/2018) before the Securities Appellate Tribunal, Mumbai.

The Hon'ble Securities Appellate Tribunal upon hearing the said Appeal vide its order dated January 29, 2020 has allowed the Appeal No. 1 (Appeal No.443 of 2018) and partly allowed Appeal No. 2 (Appeal No.444 of 2018), whereby, the directions issued by SEBI for open offer vide order dated September 17, 2018 qua promoters namely SBEC System (India) Limited, Shri. Umesh Kumar Modi, Smt. Kumkum Modi, Shri. Jayesh Modi and Longwell Investment Private Limited has been set aside, however, the directions issued by SEBI for Open Offer vide order dated September 17, 2018 issued qua the promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) has been modified in terms of Regulation 32(1)(b) and they had been directed to sell the shares acquired in violation of the SAST Regulation and to transfer the proceeds of the same to the Investor Protection Fund established under the SEBI (Investor Protection and Education Fund), 2009 within a period of 6 (Six) months from the date of the order i.e. from January 29, 2020.

The promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) could not comply with the order dated January 29, 2020, therefore, the said promoters approached the Hon'ble Securities Appellate Tribunal vide Misc. Application no. 209 / 2020 seeking an extension of 6 (six) months for compliance of the order dated January 29, 2020 inter-alia on the grounds of operations of the said promoters being shut due to the pandemic COVID – 19. The said Misc. Application was listed before Hon'ble Securities Appellate Tribunal on July 29, 2020 and dismissed vide order dated July 29, 2020.

In the meantime, the Securities Exchange Board of India filed a Civil Appeal bearing nos. 2995 – 2996 / 2020 before the Hon'ble Supreme Court of India on July 29, 2020 against the order dated January 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

Furthermore, the promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. have also filed a Civil Appeal bearing no. 3002 / 2020 before the Hon'ble Supreme Court of India on August 11, 2020 against the order dated July 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

It is important to point out that both the Civil Appeals before the Hon'ble Supreme Court of India have been connected and the pleadings therein are complete. The said Civil Appeals were last listed before the Hon'ble Supreme Court of India on October 13, 2022 and the matter is still pending for final hearing.

2. **The Shareholding of promoters and the promoter's group are dematerialized only to the extent of 60% shares as on 31.03.2024.**

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that,

1. The Company has one Associate Company i.e. SBEC Sugar Limited.
2. M/s. K.K. Jain & Co., Chartered Accountants, (ICAI FRN: 002465N) vide their letter dated 3rd November, 2023 have resigned as Statutory Auditors of the Company, thereby resulting into a casual vacancy in the office of Statutory Auditors of the Company. The company has appointed M/s Thakur, Vaidyanath Aiyar & Co. s, Chartered Accountants as Statutory Auditors of the Company to fill the casual vacancy caused by resignation of M/s K. K. Jain & Co., Chartered Accountants by passing shareholder's Ordinary resolution through postal ballot with requisite majority on 28th December, 2023.
3. The Board of Directors of the Company in their meeting dated 26th June, 2023 has approved the selective reduction of Capital of the Company from Rs. 10,00,00,000/-(Rupees Ten Crores only) consisting of 1,00,00,000 (One Crore) equity share of Rs. 10/- (Rupees Ten only) to Rs. 7,96,00,000/-(Rupees Seven Crores Ninety-Six Lacs) consisting of 79,60,000 (Seventy-Nine Lacs Sixty Thousand equity shares of Rs. 10/- (Rupees Ten) each by cancelling and extinguishing in aggregate 20.40% of the total issued, subscribed and paid-up equity share capital of the Company, comprising 20,40,000 (Twenty Lacs Forty Thousand) equity shares of Rs. 10/- (Rupees Ten) each held by the SBEC Systems Limited, UK without any consideration subject to the approval of the shareholders and prescribed authorities.

For Soniya Gupta & Associates

Sd/-
(Soniya Gupta)
Proprietor
M. No. 7493
CP. No. 8136
PRFCN: 1548/2021
UDIN: F007493F000955583

Dated: 14.08.2024
Place: New Delhi

{This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.}

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT

To,

The Members of
SBEC SYSTEMS (INDIA) LIMITED
1400, Hemkunt Tower 98, Nehru Place
New Delhi 110019

Our report of even date is to be read alongwith this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Soniya Gupta & Associates

Sd/-
(Soniya Gupta)
Proprietor
M. No. 7493
CP. No. 8136
PRFCN: 1548/2021

Dated: 14.08.2024
Place: New Delhi

ANNEXURE- C TO THE BOARD'S REPORT**Form No. AOC-2****[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

The Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis– There were no contracts or arrangements or transactions entered into by the Company, which were not at arm's length basis.
2. Details of material contracts or arrangements or transactions at arm's length basis–
 - (a) Name(s) of the related party : SBEC Sugar Limited
 - (b) Nature of relationship : Associate Company
 - (c) Nature of contracts/arrangements/transactions : Royalty Income
 - (d) Duration of the contracts/arrangements/transactions: NA
 - (e) Salient terms of the contracts or arrangements or transactions including the value, if any: Ongoing, repetitive, in ordinary course of business and on arm's length basis
 - (f) Date(s) of approval by the Board, if any:
 - (g) Amount paid as advances, if any: NA

Detail of related party transaction are mentioned in the note no. 30 of the Audited financial statement.

**For & behalf of the Board of
SBEC Systems (India) Limited**

**Place: New Delhi
Date: 14.08.2024**

**Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606**

ANNEXURE- D TO THE BOARD'S REPORT**Information to be given under Section 134 read with Rule 8(3) of the Companies (Accounts) Rules, 2014****(A) CONSERVATION OF ENERGY**

i)	The steps taken or impact on conservation of energy	N.A.
ii)	The steps taken by the Company for utilizing alternate sources of energy	N.A.
iii)	The Capital investment on energy conservation equipment	N.A

(B) TECHNOLOGY ABSORPTION

i)	The efforts made towards technology absorption	N.A.
ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -	N.A
	(a) The details of technology imported	None
	(b) The year of import	N.A.
	(c) Whether the technology been fully absorbed	N.A.
	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A
	(e) The expenditure incurred on Research and Development	N.A

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(In Rs. '000')

	2023-24	2022-23
The foreign exchange earned in terms of actual inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows.		
Foreign Exchange earned	NIL	NIL
Foreign Exchange outgo	NIL	NIL

For & behalf of the Board of
SBEC Systems (India) Limited

Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606

Place: New Delhi
Date: 14.08.2024

ANNEXURE- E TO THE BOARD'S REPORT**STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.****(1) Information as per Section 197(12) read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:**

- (a) The median remuneration of employees of the Company during the financial year was Rs. 6,76,034 (12 months). The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the financial year 2023-24 are as under:

Directors	Designation	Remuneration Of Directors In Financial Period 2023-24 (Rs.)	Ratio Of Remuneration To Median Remuneration Of Employees
Mr. Vijay Kumar Modi*	Non-Executive Non Independent Director	-	-
Mr. Shiv Shankar Agarwal#	Executive Director	-	-
Ms. Ritu Sikka*	Non- Executive &Independent Director	-	-
Mr. Jagdish Chander Chawla*	Non- Executive &Independent Director	-	-
Mr. Salil Seth*	Non- Executive &Independent Director	-	-
Ms. Asha Agarwal*	Non- Executive &Independent Director	-	-

*All the Non-Executive Directors of the Company were not paid any remuneration and no sitting fee was paid to the Board/Committee of Directors. Therefore, the said ratio of remuneration of each director to median remuneration of the employees of the company is not applicable.

Mr. Shiv Shankar Agarwal was appointed as Executive Director but he is not drawing any remuneration from the Company.

- (b) The percentage increase in Remuneration of each Director, Whole Time Director, Chief Financial Officer and Company Secretary in the financial year:

Directors	Designation	% Increase in Remuneration
Mr. Vijay Kumar Modi*	Non-Executive Director	N.A.
Mr. Shiv Shankar Agarwal#	Executive Director	N.A.
Ms. Ritu Sikka*	Non- Executive &Independent Director	N.A.
Mr. Jagdish Chander Chawla*	Non- Executive &Independent Director	N.A.
Mr. Salil Seth*	Non- Executive &Independent Director	N.A.
Ms. Asha Agarwal*	Non- Executive &Independent Director	N.A.

*All the non-executive Directors of the Company were not paid any remuneration and no sitting fee was paid to the Board/Committee of Directors. Therefore, the said ratio of remuneration of each director to median remuneration of the employees of the company is not applicable.

Mr. Shiv Shankar Agarwal was an Executive Director but he is not drawing any remuneration from the Company.

Key Managerial Personnel's (KMPs)

Key Managerial Personnel's	Designation	Remuneration of KMP In Financial Period 2023-24 (Rs.)	% Increase In
Mr. Shiv Shankar Agarwal	Chief Executive Officer	Remuneration	-
Mr. Luv Gupta*	Chief Financial Officer	61,875/-	-
Mr. Lakhmi Chand Sharma*	Chief Financial Officer	10,12,000/-	-
Ms. Priyanka Negi	Company Secretary	6,76,034/-	6%

* Mr. Luv Gupta resigned from the post of Chief Financial Officer of the Company w.e.f.30th April, 2023 and Mr. Lakhmi Chand Sharma appointed as Chief Financial Officer of the Company w.e.f. 01st May, 2023.

- (c) The percentage increase in the Median Remuneration of Employees in the financial period was 6%.
- (d) The number of Permanent Employees on the Rolls of the Company:
The number of Permanent Employees on the Rolls of Company as on 31st March, 2024 was 2.
- (e) Average percentage increase already made in the salaries of employees other than managerial personnel in the last financial period and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:
The average increase in salaries of employees in 2023-24 was 6%.
- (f) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:
The Company affirms that the Remuneration paid during the period were as per the Remuneration Policy of the Company.

(2) Information as per Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) and 5 (3) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (a) Name of employee employed throughout the financial year and was in receipt of remuneration Rs.1,02,00,000/- or more: NIL
- (b) Name of employee employed for a part of the financial year and was in receipt of remuneration not less than Rs.8,50,000/- per month: NIL
- (c) Details of Top Ten Employees in terms of remuneration drawn: Details of Two Employees is mention below the Company have only two employees.

Name/Age	Designation of Employees	Remuneration (Rs.)	Qualification/ Experience (Years)	Date of Commencement of Employment	Previous Employment
*Mr. Luv Gupta/36	Chief Financial Officer	61,875/-	M.Com/10	01.06.2018	SBEC Sugar limited
*Mr. Lakhmi Chand Sharma/66	Chief Financial Officer	10,12,000/-	M.Com/36	01.05.2023	SBEC Sugar limited
Ms. Priyanka Negi/33	Company Secretary	6,76,034/-	Company Secretary /9	01.08.2018	Modi Steel, Modinagar

* Mr. Luv Gupta resigned from the post of Chief Financial Officer of the Company w.e.f.30th April, 2023 and Mr. Lakhmi Chand Sharma appointed as Chief Financial Officer of the Company w.e.f. 01st May, 2023.

Notes:

- The nature of employment of all employees above is whole time in nature and terminable with 1 months' notice on either side.
- The above mentioned employees are not relatives (in terms of the Companies Act, 2013) of any Director of the Company.

**For & behalf of the Board of
SBEC Systems (India) Limited**

**Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606**

**Place: New Delhi
Date: 14.08.2024**

THE MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY STRUCTURE AND DEVELOPMENT

Your Company is in the business of supplying equipment and consultancy services to the industries. The management is confident to revive its business activities in near future depending upon more favorable conditions prevailing in the market barring unforeseen circumstances.

INTERNAL CONTROLS AND SYSTEMS

The Company has an appropriate internal control system for its various functions with the ultimate objective of improving efficiency in its operations, better financial management and compliance with regulations and applicable laws. The Company has appointed an Internal Auditor. All operating parameters are well defined and monitored periodically. The detailed internal audit reports are discussed at length at various levels and thereafter the said reports are also placed before the Audit Committee for review and discussion.

INTERNAL CONTROLS AND SYSTEMS

(In Rs.000)

Particulars	2023-24	2022-23	2021-22
Revenue and Other Income	31,906	31,535	29,683
EBITDA**	24,032	21,367	21,280

** Earning before interest, tax, depreciation and amortization.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company's Human Resources Philosophy is to establish and build a strong performance and competence driven culture with greater sense of accountability and responsibility. The effort to rationalize and streamline the workforce is a continuous Process. The industrial relations scenario remained harmonious throughout the year.

DISCLOSURE RELATING TO SENIOR MANAGEMENT

During the year under review there was no material financial or commercial Transaction where Senior Management Personnel has personal interest that may have potential conflict with the interest of the company at large. The Company has received necessary declarations from the Senior Management Personnel.

DETAILS OF SIGNIFICANT CHANGES

Details of significant changes as required under SEBI (LODR) Regulations, 2015 are as under:

SI. NO.	Particulars	As on 31.03.2024	As on 31.03.2023
1.	Debtors Turnover	3.72	5.74
2.	Inventory Turnover	-	-
3.	Interest Coverage Ratio*	0.13	0.12
4.	Current Ratio	0.13	0.12
5.	Debt Equity Ratio	40.11	9.74
6.	Operating Profit Margin (%)	-	-
7.	Net Profit Ratio	0.42	0.35
8.	Return on net worth*	-	-

Note* Company's Net Worth was eroded in the past years, so Return on Net Worth is not applicable to Company.

DISCLOSURE OF ACCOUNTING TREATMENT.

During the year under review there was no change in the Accounting treatment. The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS).

CAUTIONARY STATEMENT

The above Management Discussion and Analysis Report contain "forward looking statements" within the meaning of applicable laws, and regulations and are futuristic in nature. All statements that address expectations or projections of the future, including, but not limited to statements about the Company's strategy for growth, market position, expenditures and financial results are forward looking statements. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. Investors are requested to make their own independent judgments before taking any investment decisions and the Company assumes no responsibility.

For & behalf of the Board of
SBEC Systems (India) Limited

Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606

Place: New Delhi
Date: 14.08.2024

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At SBEC Systems (India) Limited, a member of Umesh Modi Group of Companies, firmly believes in effective Corporate Governance practices and follow all the applicable laws in true and letter spirit. Corporate Governance is an ethically driven process that constitutes the strong foundation on which successful commercial enterprise is built and enhancing the organization wealth generating capacity. The company's has also a strong believes of fair, transparent and ethical governance practices.

2. BOARD OF DIRECTORS

a. Composition of Board:

As on March 31, 2024, the Company has 6 Directors. The Board of Directors at present consists of 3 Independent Directors, other than the Chief Executive Officer; all other members of the Board are Non-Executive Directors. The Chairman of the Board is a Non-Executive Director. The Composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

As required under Section 149(1) of the Companies Act, 2013 and Regulation 17(1) of SEBI (LODR) Regulations, 2015, Ms. Ritu Sikka and Ms. Asha Agarwal are woman directors on the Board of Directors of the Company.

All Independent Directors possess the requisite qualifications and are very experienced in their own fields. None of the Directors is a member of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. All the Directors have given necessary disclosures as required as per Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The name and categories of Directors on the Board; their attendance at the Board meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships (including SBEC Systems (India) Limited) held by them in Public Companies as on March 31, 2024 are given below. Other Directorships do not include alternate directorships, Section 8 Companies, Private Companies and foreign Companies. Chairmanships/Memberships in Committees include only Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies.

S. No.	Name of the Directors	Category of Director	No. of Board Meetings Attended		No of Directorship in listed entities including this listed entity (as on March 31, 2024)	Number of membership/ Chairmanship in committee including this listed entity Board as on March 31, 2024 {As per Regulation 26(1) of Listing Regulation}		Attendance at Last AGM
			Held	Attended		Member	Chairman	
1	Mr. Vijay Kumar Modi	Chairman and Non-Executive Director	6	5	7	6	4	Present
2	Mr. Shiv Shankar Agarwal	Executive Director	6	6	1	4	0	Present
3	Ms. Ritu Sikka	Non-Executive Director	6	4	1	0	0	Not Present
4	Mr. Jagdish Chander Chawla	Non – Executive Independent Director	6	6	1	5	2	Present
5	Mr. Salil Seth	Non – Executive Independent Director	6	4	2	0	0	Not Present
6	Ms. Asha Agarwal	Non – Executive Independent Director	6	6	2	2	NIL	Not Present

b. Name of other listed entities where Directors of the company are Directors and the category of Directorship:-

Sr. No.	Name of Director	Name of listed company	Category of Directorship
1	Mr. Vijay Kumar Modi	SBEC Sugar Limited Bihar Sponge Iron Limited	Non-Executive Independent Director Non-Executive Independent Director
2	Mr. Shiv Shankar Agarwal	-	-
3	Ms. Asha Agarwal	Bihar Sponge Iron Limited	Non-Executive Independent Director
4	Ms. Ritu Sikka	-	-
5	Mr. Jagdish Chander Chawla	-	-
6	Mr. Salil Seth	Bihar Sponge Iron Limited	Non-Executive Independent Director

c. Board Meetings

The Board meets at least once in a quarter to review the financial results and other items on the agenda. The Agenda of Board Meeting is circulated to all the Directors well in advance and contains all relevant information which is distributed to the Directors in advance.

The Board met six times during the financial year 2023-24. The Board of Directors met on May 29, 2023, June 26, 2023, August 11, 2023, September 07, 2023, November 06, 2023, and February 12, 2024. The intervening gap between the two Board Meetings did not exceed 120 days. Necessary quorum was present for all meetings.

None of the Non-Executive Directors have any material pecuniary relationship or transaction with the Company.

In the opinion of the Board, the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

d. Disclosures of relationships between Directors inter-se

None of the Directors is related to each other on the Board of the Company and to the Key Managerial Personnel of the Company.

e. Familiarization programmes for Independent Directors

At the time of appointment, the Independent Director is explained in detail the compliances required from him under the Companies Act and SEBI (LODR) Regulations, 2015 and other relevant regulations and his affirmations taken.

By way of an introduction to the Company, the Chairman/CEO interacts with the newly appointed Director and explains the functioning of various divisions/ departments, the Company's market share, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his role as a Director of the Company. The details of the familiarization program of the Independent Directors are given on the website of the Company www.sbectsystems.in.

f. Skills/Expertise/Competence of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

1. Knowledge on Company's businesses (Manufacturing sugar form sucrose from sugar cane) policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
2. Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
3. Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision Making.
4. Financial and Management skills.
5. Technical / Professional skills and specialized knowledge in relation to Company's business.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Name of Director	Areas of Skills, Expertise and Competencies				
	Knowledge on Company's business, policies & Culture	Behavioural Skills	Business Strategy, Sales & Marketing etc.,	Financial and Management Skills	Technical/ Professional skills
Mr. Vijay Kumar Modi, Chairman & Director	YES	YES	YES	YES	YES
Mr. Shiv Shankar Agarwal, CEO & Director	YES	YES	YES	YES	YES
Mr. Jagdish Chander Chawla, Director	YES	YES	YES	YES	YES
Mr. Salil Seth, Director	YES	YES	YES	YES	YES
Ms. Ritu Sikka, Director	YES	YES	YES	YES	YES
Ms. Asha Agarwal, Director	YES	YES	YES	YES	YES

g. Information supplied to the Board

The Company provides the information to the Board and Board Committees as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations, 2015 to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers of the respective meetings or by way of presentations and discussions during the meeting.

h. Formal annual evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually and the Committees viz., Audit, Nomination & Remuneration and Stakeholders Relationship Committee.

A structured questionnaire was prepared after taking into consideration the inputs received from the Directors covering various aspects such as attendance, quality contributions to Board deliberations, providing perspectives and feedback going beyond the information provided by the management, commitment to shareholder and other stakeholders interests etc.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interests of the Company and its minority shareholders etc. The performance evaluation of Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at their meeting held separately.

i. Senior Management

The Particulars of Senior Management of the company as on March 31, 2024 are hereunder:

S. No.	Name	Designation
1.	Mr. Shiv Shankar Agarwal	Chief Executive Officer
2.	Mr. Lakhmi Chand Sharma*	Chief Financial Officer
3.	Ms. Priyanka Negi	Company Secretary

* Mr. Luv Gupta resigned from the post of Chief Financial Officer of the Company w.e.f. April 30, 2023 and Mr. Lakhmi Chand Sharma appointed as Chief Financial Officer of the Company w.e.f. May 01, 2023.

3. AUDIT COMMITTEE

The powers, role and terms of reference of the Committee are in consonance with the requirements specified under Regulation 18(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

As on March 31, 2024, the Audit Committee comprise of three Directors out of which two Directors are Non-Executive and Independent and one is Executive Director. All the Committee members have sound knowledge of finance and accounting.

Mr. Jagdish Chander Chawla, Chairman of the Audit Committee was present at the Annual General meeting of the Company held on September 29, 2023 to answer queries from the shareholders.

The Company Secretary acts as the Secretary of the Committee. The Head of Finance, Internal Auditors and Statutory Auditors attend the meetings of the Committee on the invitation of the Company.

During the financial year ended March 31, 2024, the Audit Committee met six times on May 29, 2023, June 26, 2023, August 11, 2023, September 07, 2023, November 06, 2023, and February 12, 2024 and the maximum gap between the two Audit Committee Meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

The Composition of the Audit Committee and their attendance at the Committee meetings held during the period are as under:

Name of the Director	Designation	Category	Number of meetings during the year 2023-24	
			held	attended
Mr. Jagdish Chander Chawla	Chairman/Member	Independent Director	6	6
Mr. Shiv Shankar Agarwal	Member	Executive Director	6	6
Ms. Asha Agarwal	Member	Independent Director	6	6

4. NOMINATION AND REMUNERATION COMMITTEE

The Company has a Board Committee namely 'Nomination and Remuneration Committee as required under section 178 of the companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

The terms of reference of the Committee are in accordance with Schedule II Part D of the Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Chairman of the Nomination and Remuneration Committee attend the last Annual General Meeting. The Company Secretary acts as the Secretary of the Committee.

During the period ended March 31, 2024, 2 (Two) meeting of the Committee was held on May 29, 2023, and August 11, 2023.

The Composition of the Nomination & Remuneration Committee and their attendance at the Committee meetings held during the period is as under:

Name of the Director	Designation	Category	Number of meetings during the year 2023-24	
			held	attended
Mr. Jagdish Chander Chawla	Chairman/Member	Independent Director	2	2
Mr. Vijay Kumar Modi	Member	Non-Executive Director	2	2
Ms. Asha Agarwal	Member	Independent Director	2	2

Performance Evaluation of Independent Directors

The criteria as well as process for evaluation of the Independent Directors are given below:

Criteria

- Fulfillment of functions
- Participation in the Board in terms of adequacy (time & content)
- Contribution at meetings
- Guidance / support to the management outside the Board / the Committee meetings
- Independent views and judgment

Process

- The Chairperson of the Board to discuss self and peer evaluation on a One-on-One basis with each Director.
- The Chairperson to consolidate the comments and give the feedback to individual Directors.

5. Stakeholders Relationship Committee

The Company has a Board Committee namely 'Stakeholders Relationship Committee' as required under the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 to look into various issues relating to shareholders including the redressal of shareholders complaints, share transfers/ transmission/issue of duplicate shares etc.

The Stakeholders Relationship Committee functions under the Chairmanship of Mr. V.K. Modi, a Non-Executive Director. The other members of the Committee are Mr. S.S. Agarwal, Mr. Jagdish Chander Chawla and Ms. Asha Agarwal. The Company Secretary of the Company acts as the Compliance Officer of the Committee.

During the financial year ended March 31, 2024, the Stakeholders' Relationship Committee met 1 time on May 29, 2023.

The composition of the Committee and their attendance at the Committee meetings held is are under:

Name of the Director	Designation	Category	Number of meetings during the year 2022-23	
			held	attended
Mr. Vijay Kumar Modi	Chairman	Non-Executive Director	1	1
Mr. Jagdish Chander Chawla	Member	Independent Director	1	1
Mr. Shiv Shankar Agarwal	Member	Executive Director	1	1
Ms. Asha Agarwal	Member	Independent Director	1	1

The details of the complaint received and redressed during the financial year 2022-23 are given below:

Particulars	Status
Complaints as on April 1, 2023	0
Received during the year	4
Resolved during the year	4
Complaints as on March 31, 2024	0

Name, Designation and address of Grievance Redressal Officer:

Ms. Priyanka Negi
Company Secretary & Compliance Officer
 SBEC Systems (India) Limited
 1400, Modi Tower
 98, Nehru Place
 New Delhi - 110019
 Email: sbecsystems@rediffmail.com

6. Remuneration of Directors

The Company has adopted a Remuneration Policy for executive and non-executive directors and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration as approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders and such other authorities as the case may be. The remuneration policy of the Company is also placed on the website: www.sbecsystems.in.

(i) Remuneration/Sitting fee to Directors:

The Company does not pay any remuneration or sitting fees to the Directors.

The Company does not provide any fixed component and performance linked incentives to its Directors.

The Company does not have any service contracts with its Directors and no policy regarding notice period & severance fees.

The Company does not have any Employees Stock Option Scheme.

7. GENERAL BODY MEETINGS:

(a) Annual General Meetings

Location and time of the last three Annual General Meetings:-

Financial year	Date	Time	Special Resolution Passed (Yes/No)	Venue
2022-23	September 29, 2023	02.30 p.m.	Yes	In compliance with the applicable provisions of the Act, and the Listing Regulations read with the MCA Circulars and SEBI Circular, the 34th AGM of the Company was convened through Video Conferencing / Other Audio Visual Means.
2021-22	September 29, 2022	11.00 a.m.	Yes	In compliance with the applicable provisions of the Act, and the Listing Regulations read with the MCA Circulars and SEBI Circular, the 33rd AGM of the Company was convened through Video Conferencing / Other Audio Visual Means.
2020-21	September 17, 2021	11.00 a.m.	NO	In compliance with the applicable provisions of the Act, and the Listing Regulations read with the MCA Circulars and SEBI Circular, the 32nd AGM of the Company was convened through Video Conferencing / Other Audio Visual Means.

(b) Extraordinary General Meetings

No Extraordinary General Meeting of the Members was held during the year 2023-24.

(c) Postal Ballot

Details of resolutions passed through postal ballot during FY 2023-24:

The Company sought the approval of its shareholders on following matter through an Ordinary Resolution by postal ballot by utilizing a remote e-voting process only. The notice of this postal ballot, dated November 06, 2023, was circulated on November 28, 2023. Remote e-voting began on November 29, 2023, and concluded on December 28, 2023. On the final day of remote e-voting, i.e. December 28, 2023, the resolutions were passed with the necessary majority, and the outcomes were declared on December 29, 2023:-

- (1) Appointment of M/s. Thakur, Vaidyanath Aiyar & Co. as statutory auditors of the Company to fill up casual vacancy caused by resignation of M/s. K.K. Jain & Co., Chartered Accountants.

Procedure for postal ballot:

The aforementioned Postal Ballot was conducted solely through the remote e-voting process in accordance with provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

Ms. Soniya Gupta (FCS 7493, COP No. 8136) proprietor of M/s. Soniya Gupta & Associates, Practicing Company Secretaries acted as the Scrutiniser to scrutinise the conduct of the postal ballot process and the remote e-voting in a fair and transparent manner.

Details of the special resolution proposed to be conducted through postal ballot:

There are no special resolutions proposed to be conducted through a postal ballot regarding any of the matters to be discussed at the forthcoming AGM.

8. MEANS OF COMMUNICATION

(a) Quarterly results

The Company's quarterly financial results, after their approval by the Board of Directors, are promptly issued to all the Stock Exchanges with whom the Company has listing arrangements. These financial results in the prescribed format as per the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in leading local language and national newspapers in compliance with Regulation 47 (1) (b) of the said Regulations. These results are not sent individually to the shareholders. The results are normally being published in "The Financial Express" in English and in the regional language newspaper "Hari Bhoomi" in Hindi.

(b) Website

As per the requirements of Regulation 46 of the Listing Regulations, the Company has in place a website viz. www.sbectsystems.in. The quarterly financial results, shareholding pattern, corporate governance report, the details on the Board of Directors, Senior Management Personnel, the composition of the Board of Directors / Committee of Directors, the various policies adopted by the Company viz. Vigil Mechanism, Related Party Transactions Policy, Nomination & Remuneration Policy, Policy on disclosure of material events, Policy on preservation of documents, Archival Policy, Policy on Board diversity, Familiarization Policy, Succession Plan are published in the Company's website. The Company makes use of its website for publishing official news release.

9. General Shareholder Information:

(a) 35th Annual General Meeting

Date & Time: September 28, 2024 at 02.00 p.m.

Mode: Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)

(b) Financial Year of the Company: 1st April, 2023 to 31st March 2024

(c) Particulars of Dividend payment: No dividend is declared during the year.

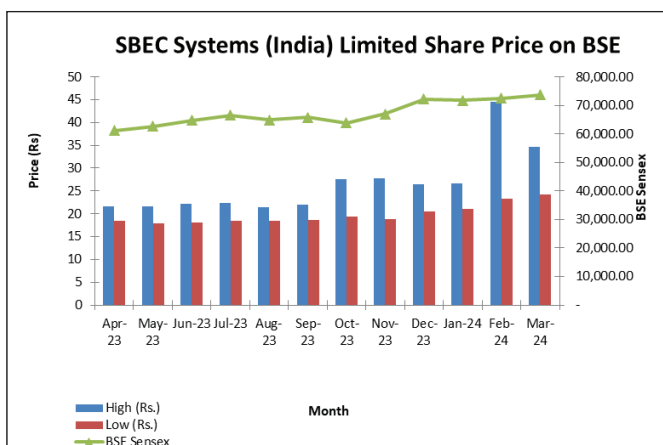
(d) Date of Book Closure: 22.09.2024 to 28.09.2024

(e) Name and Address of Stock Exchange at which listed entity's securities are listed:

Name & Address of Stock Exchange	Stock Code
The BSE Limited 25th Floor, P.J. Towers, Dalal Street Fort, Mumbai-400001	517360

(f) Market Price Data:

Month	High Price	Low Price	Close Price	Volume
Apr-23	21.58	18.50	19.50	31,839
May-23	21.58	17.89	19.09	42,372
Jun-23	22.20	18.15	20.00	57,239
Jul-23	22.38	18.40	19.34	41,010
Aug-23	21.40	18.38	20.20	54,580
Sep-23	21.95	18.70	19.43	40,103
Oct-23	27.48	19.46	22.53	30,019
Nov-23	27.79	18.85	26.50	65,854
Dec-23	26.45	20.50	21.42	17,284
Jan-24	26.60	21.00	25.95	66,731
Feb-24	44.58	23.29	36.42	1,17,736
Mar-24	34.60	24.31	28.00	68,236

**(g) Registrar and Share Transfer Agent:**

The physical transfer of Equity Shares and Electronic Connectivity for the Depository mode for CDSL is being provided M/s Beetal Financial & Computer Services Pvt., Registrar & Transfer Agents of the Company whose address is given below:

M/s Beetal Financial & Computer Services (P) Ltd.

Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
New Delhi-110062
Ph.No-011-2996181-83
e-mail:beetalrta@gmail.com

(h) Share transfer system:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.

Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

Members holding shares in physical form are requested to consider converting their holdings to dematerialized form at the earliest and avail the benefits of dealing in shares in demat form.

(i) Distribution of shareholding as on March 31,2023:

No of Shares	Number of Shareholders	Number of Shares	% of total Shares
Upto 5000	19137	3014445	30.15
5001 - 10000	738	583214	5.83
10001 – 20000	272	397417	3.97
20001- 30000	63	155035	1.55
30001 – 40000	23	82489	0.82
40001 – 50000	16	72199	0.72
50001 – 100000	12	88755	0.89
100001 and above	19	5606446	56.07
Total	20,280	1,00,00,000	100.00

(j) Shareholding Pattern as on March 31, 2024:

Sl No.	Category of Shareholder	Total No. of Shares	% of Shareholding
A	PROMOTER AND PROMOTER GROUP	50,99,760	51.00
	Sub Total (A)	50,99,760	51.00
B	PUBLIC SHAREHOLDING		
I	INSTITUTIONS		
	A FDI	-	-
II	NON-INSTITUTIONS		
	A Bodies Corporate	2,45,007	2.45
	B Individuals	45,75,656	45.76
	C NRI/ OCB	1109	0.01
	D HUF	76,250	0.76
	E Clearing Member	0	0
	F Unclaimed/Suspense/Escrow A/c	2218	0.02
	Sub-Total [B=(BI + BII)]	49,00,240	49.00
	Total (A+B)	1,00,00,000	100.00

(k) Dematerialization of shares and liquidity:

The Company's shares have been mandated for compulsory trading in demat form. Valid demat requests received by the Company's Registrar are confirmed within the statutory period.

International Securities Identification Number (ISIN) allotted for the Company by NSDL and CDSL is (INE689V01018). In case a member wants his/her shares to be dematerialized, he/she may send the shares along with the request through his depository participant (DP) to the RTA, Beetal Financial Services Limited.

The Company's Registrars promptly intimate the DPs in the event of any deficiency and shareholders are also kept abreast. Pending demat requests in the records of the Depositories, if any, are continually reviewed and appropriate actions are initiated. As on March 31, 2024, 39.93% of the shares were in demat mode.

(l) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has no outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

(m) Commodity price risk or foreign exchange risk and hedging activities:

The Company is not involved in commodity price market and hedging activities hence there is no risk for commodity price, foreign exchange and hedging activities.

(n) Plant Locations: The Company does not have any plants**(o) Address for Correspondence:**

SBEC Systems (India) Limited
1400, Modi Tower,
98, Nehru Place,
New Delhi-110019

(p) Investor's Correspondence may be addressed to

All the queries of investors regarding the Company's shares may be sent at the following address: Mr. Bhawendra Jha, M/s Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3rd Floor, 99, Madangir, Near Dada Harsukhdas Mandir, Behind Local Shopping Complex New Delhi-110062 Ph. No. 011-29961281-83 Fax: 011-29961284 Email: beetal@beetalfinancial.com.

(q) Detail of credit ratings

The Company has not obtained any rating from any credit rating agency.

10. Other Disclosures**(i) Related Party Transactions**

During the year, there were no material related party transactions that may have potential conflicts with the interests of the Company at large. Transactions with related parties are disclosed in Notes to Accounts. Disclosures from Senior Management that there had been no material financial and commercial transactions that had a potential conflict with the interest of the Company at large were placed before the Board.

The Company has formulated a policy on Related Party Transactions in terms of Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee accorded its omnibus approval for the said related party transactions. The said policy has been uploaded on the Company's website viz. www.sbectsystems.in. The transactions with the related parties are being placed before the Audit Committee and the Board on quarterly basis for it to review the same in terms of Regulation 23(3)(d) of the said Regulations.

(ii) Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with applicable Indian Accounting Standards (Ind AS) and relevant presentational requirements of the Companies Act, 2013, as applicable.

(iii) Insider Trading

As required under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of practices and procedures for fair disclosures of unpublished price sensitive information, to inter alia, prevent insider trading in the shares of the Company

(iv) Details of Non-compliance**(a)** The Company had received a show cause notice from Securities and Exchange Board of India ("SEBI") under section 11 and 11 B of the Securities and Exchange Board of India Act, 1992 on 17th September, 2018 in the matter of the SBEC Sugar Limited as our Company is a part of the promoter group of SBEC Sugar Limited.

As per the said impugned order, the Promoter Group have violated the provisions of Regulation 3(2) of the Takeover Regulations, 2011 by acquiring shares in excess of the prescribed limit without making an public announcement under the Takeover Regulations. Although SBEC Systems (India) Ltd., did not acquire even a single share nor acted as persons acting in concert with the other promoters regarding above mentioned acquisition/ adjustment of loan against the Target Company's shares.

Against the said impugned SEBI order, the Company had filed appeal No.1 (No.443/2018) before the Securities Appellate Tribunal, Mumbai. Whereas, the Promoter Group namely (Shri. Umesh Kumar Modi, Smt. Kumkum Modi, Shri Jayesh Modi, Longwell Investments Pvt. Ltd, A to Z Holdings Pvt. Ltd. and Moderate Leasing and Capital Services Limited) had filed appeal No.2 (No.444/2018) before the Securities Appellate Tribunal, Mumbai

The Securities Appellate Tribunal vide its order dated 29.01.2020, has allowed the Appeal No.1 (No.443/2018) filled by M/s. SBEC Systems (India) Limited and also set aside the directions issued by the SEBI qua open offer.

Further, the Securities Appellate Tribunal has partly allowed Appeal No.2 (No.444/2018), whereby, the directions issued by SEBI for open offer qua Appellant nos. 1-4 i.e. Shri. Umesh Kumar Modi, Smt. Kumkum Modi, Shri. Jayesh Modi and M/s. Longwell Investment Private Limited has been set aside and the directions for Open Offer issued qua the Appellants no. 5 & 6 i.e. A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) has been modified in terms of Regulation 32(1)(b) and they have been directed to sell the shares acquired in violation of the SAST Regulation and to transfer the proceeds of the same to the Investor Protection Fund established under the SEBI (Investor Protection and Education Fund), 2009 within a period of 6 (Six) months from the date of the order i.e. from 29.01.2020.

The promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) could not comply with the order dated January 29, 2020, therefore, the said promoters approached the Hon'ble Securities Appellate Tribunal vide Misc. Application no.

2019 / 2020 seeking an extension of 6 (six) months for compliance of the order dated January 29, 2020 inter-alia on the grounds of operations of the said promoters being shut due to the pandemic COVID - 19. The said Misc. Application was listed before Hon'ble Securities Appellate Tribunal on July 29, 2020 and dismissed vide order dated July 29, 2020.

In the meantime, the Securities Exchange Board of India filed a Civil Appeal bearing nos. 2995-2996 / 2020 before the Hon'ble Supreme Court of India on July 29, 2020 against the order dated January 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

Furthermore, the promoters namely A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. have also filed a Civil Appeal bearing no. 3002 / 2020 before the Hon'ble Supreme Court of India on August 11, 2020 against the order dated July 29, 2020 passed by Hon'ble Securities Appellate Tribunal.

It is important to point out that both the Civil Appeals before the Hon'ble Supreme Court of India have been connected and the pleadings therein are complete. The said Civil Appeal was listed before the Hon'ble Supreme Court of India on October 13, 2022 and the matter is still pending for final hearing.

No penalty or fine is imposed on your Company individually other than being mentioned above.

(v) Vigil Mechanism

In compliance of Section 177(9) & (10) of the Companies Act, 2013 and in terms of Regulation 22 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has established a Whistle Blower Policy and the same has been uploaded in the Company's website www.sbectsystems.in. The said policy has also been made available at the Office of the Company to enable the employees to report concerns, if any, directly to the Chairman of the Board and to the Chairman of the Audit Committee. All the employees are given direct access to the Audit Committee Chairman to report their concerns, if any. No person has been denied access to the Chairman of the Audit Committee. The employees are also apprised of the availability of the whistle blower policy at the time of their induction into the Company. There were no occasions during the year under review where any concerns were reported under the said policy.

(vi) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations. The status of compliance with the non-mandatory requirements of this clause has been detailed herein:

Adoption of Non-mandatory requirement:

The Company has fairly complied with the non-mandatory requirements specified in Part E of Schedule II of the SEBI Listing Regulations.

(vii) Details of Utilization of fund through preferential allotment

No funds were raised through preferential allotment or qualified institutions placements during the year.

(viii) Compliance certificate from company secretary in practice

A Certificate from Soniya Gupta & Associates, Company Secretaries, a company secretary in practice confirming that none of the directors of company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been received. The certificate is enclosed with this section as **Annexure-A**.

(ix) Recommendations of any Committee

None of recommendations of any Committee of the Board which are mandatorily required was rejected by the Board during the year.

(x) Fees for all services paid by the listed entity to the statutory auditor

M/s. Thakur, Vaidyanath Aiyar & Co.* – Rs. 64,900 (Sixty Four Thousand Nine Hundred Only) (including tax)

M/s. K.K. Jain & Co.*, - Rs. 5,900 (Five Thousand Nine Hundred Only) (including tax)

*M/s. K.K. Jain & Co., Chartered Accountants resigned from the office of Statutory Auditors of the Company w.e.f November 03, 2023, and M/s Thakur Vaidyanath Aiyar & Co., Chartered Accountants appointed as Statutory Auditors of the Company w.e.f. December 28, 2023.

(xi) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- a. number of complaints filed during the financial year 2023-24: Nil
- b. number of complaints disposed of during the financial year 2023-24: Nil
- c. number of complaints pending as on end of the financial year 2023-24: Nil

(xii) Loans and advances

The Company has not taken or given any loans and advances to firms/Companies/ Body Corporates in which directors are interested or deemed to be interested by name and account.

The Company has complied with all the requirements of the corporate governance report as specified in sub-para (2) to (10) of Part C of Schedule V of the Listing Regulations.

(xiii) Adoption of discretionary requirements specified in Part E of Schedule II of SEBI Listing Regulations-

- a) The Board: The Chairman of the Company is Non-Executive;
- b) Shareholder Rights: The Company has not adopted the practice of sending out half-yearly declarations of financial performance to shareholders. Instead, quarterly results, as approved by the Board, are disseminated to the Stock Exchanges and updated on the Company's website.
- c) Modified opinion(s) in audit report: There are no modified opinions in the audit reports.
- d) Posts of Chairperson and the Managing Director or the Chief Executive Officer:
 - i. Mr. Vijay Kumar Modi - Chairman, Non-Executive Director
 - ii. Mr. Shiv Shankar Agarwal - Director/Chief Executive officer
- e) Reporting of Internal Auditor: The Internal Auditor of the Company submits his Internal Audit report to the Audit Committee on quarterly basis.

(xiv) The Company does not have any subsidiary as on 31st March, 2024.

(xv) Disclosure with respect to demat suspense account/unclaimed suspense account:

The details of unclaimed equity shares lying in the Company's unclaimed shares suspense account as required under SEBI (LODR) Regulations, is as under;

As on March 31, 2023		Shareholders Who approached & to whom shares were transferred during the year		As on March 31, 2024	
No. of Holders	No. of Shares	No. of Holders	No. of Shares	No. of Holders	No. of Shares
1	1000	2	200	6	2118

That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares

(xvi) Disclosure of certain types of agreements binding on listed entities:

The Company has not executed or entered any such type of agreements which shall be binding on the company.

(xvii) The Company has fully complied with the applicable requirements specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations.

11. CODE OF CONDUCT

The Company has adopted the code of conduct for all Board members and Senior Management as required under Regulation 17 of the Listing Regulations. The Code is posted on the Company's website: www.sbcecsystems.in. All Board members and Senior Management personnel have affirmed compliance with the Code on an annual basis and a declaration to this effect signed by Mr. S.S. Agarwal, Chief Executive Officer forms part of this Report.

Declaration

I, S.S. Agarwal, Chief Executive Officer of SBEC Systems (India) Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors under Schedule V sub-clause (D) Regulation 34 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for the year ended March 31, 2024.

Place: New Delhi
Date: 29.05.2024

sd/-
S.S. Agarwal
Director & Chief Executive Officer

12. CEO/CFO CERTIFICATION

A certificate duly signed by CEO and CFO relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 was placed before the Board and was taken on record.

To,
The Board of Directors
SBEC Systems (India) Limited
1400, Modi Tower, 98,
Nehru Place, New Delhi-110019

We, Shiv Shankar Agarwal, Director and Chief Executive Officer of the Company, and Lakhmi Chand Sharma, Chief Financial officer of the Company, to the best of our knowledge and belief, hereby certify that:

- (a) We have reviewed the financial statements as on March 31, 2024 and the cash flow statement for the year along with all its schedule, and notes to the accounts for the period ended March 31, 2024 and based on our knowledge and information, confirms that::
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;;
- (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations..
- (b) Based on our knowledge and information, there are no transactions entered into by the company during the year are fraudulent, illegal or violation of the company's code of conduct..
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps have been taken to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee::
- (i) Significant change in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements; and
- (ii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 29.05.2024
Place: New Delhi

sd/-
Shiv Shankar Agarwal
Director & Chief Executive Officer

sd/-
Lakhmi Chand Sharma
Chief Financial Officer

Place: New Delhi
Date: 14.08.2024

For & behalf of the Board of
SBEC Systems (India) Limited
Sd/-
Vijay Kumar Modi
Chairman & Director
DIN: 00004606

“ANNEXURE-A TO THE CORPORATE GOVERNANCE”**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS****(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

**The Members of
SBEC SYSTEMS (INDIA) LIMITED**
1400, Hemkunt Tower 98, Nehru Place
New Delhi 110019

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SBEC SYSTEMS (INDIA) LIMITED having CIN: L74210DL1987PLC029979 and having registered office at 1400, Hemkunt Tower 98, Nehru Place, New Delhi 110019 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Soniya Gupta & Associates
Company Secretaries****Sd/-
Soniya Gupta
Prop.****M. No. 7493
COP No. 8136****PRFCN: 1548/2021****UDIN: F007493F000955616****Dated: 14/08/2024****Place: New Delhi****Corporate Governance Compliance Certificate**

To,

**The Members of
SBEC SYSTEMS (INDIA) LIMITED**
1400, Hemkunt Tower 98, Nehru Place
New Delhi 110019

I have examined the compliance of the conditions of Corporate Governance by **SBEC SYSTEMS (INDIA) LIMITED** ('the Company') for the year ended on March 31, 2024, as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, as adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the:

- a) All the mandatory conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Soniya Gupta & Associates
Company Secretaries****Sd/-
Soniya Gupta
Prop.****M. No. 7493
COP No. 8136****PRFCN: 1548/2021****UDIN: F007493F000955627****Dated: 14/08/2024****Place: New Delhi**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SBEC SYSTEMS (INDIA) LIMITED**

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS standalone financial statements of M/s. SBEC SYSTEMS (INDIA) LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 & its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis of Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) 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 Standalone Financial Statements 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 Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matters

We draw attention to Note No. 28 to the financial statement regarding preparation of accounts on going concern basis on the basis of business plan given thereunder even though the net worth of the company has been fully eroded.

Our opinion is not modified in respect of the aforesaid matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income/ loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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 judgements 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is 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 management 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 Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are 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 these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the stand alone financial statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) evaluating the results of our work and to evaluate the effective of an identified misstatement in the standalone financial statement.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the company for the year ended March 31, 2023 included in the standalone financial statements, were audited by the predecessor auditor who expressed a modified opinion on those statements on May 29,2023. Opening balances and carried forward balances pertaining to figures of earlier years have been considered by us on the basis of our predecessor's certification.

Report on Other Legal and Regulatory Requirements

The financial statements of the company for the year ended March 31, 2023 included in the standalone financial statements, were audited by the predecessor auditor who expressed a modified opinion on those statements on May 29,2023. Opening balances and carried forward balances pertaining to figures of earlier years have been considered by us on the basis of our predecessor's certification.

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we gave in the Annexure "A" statement on the matter specified in paragraph 3 and 4 of the Order , to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Standalone Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the Directors as on 31 March, 2024 taken on record by the Board of directors, none of the Directors is disqualified as on 31 March, 2023 from being appointed as a Director in terms of Section 164(2) of the Act.(DIR 8 & MBP 1 is pending for a director – Shri Salil Seth)
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Companies Act read with – Schedule V of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year under audit as such compliance of provisions of section 197 of the Companies Act 2013 does not arise.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The company does not have any pending litigations which would impact its financial statements as at March 31, 2024.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2024.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 35(k) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 35(l) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") provide any guarantee security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clause (a) and (b) above contain any material misstatement.
- v. The company has not declared or paid any dividend during the year.
- vi. Based on a test cheque examination the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1st 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is not applicable for the financial year end 31st March 2024.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Sd/-
M.P Thakur
Partner
M. No.: 052473

Place: New Delhi
Date: 29.05.2024

UDIN: 24052473BKDHEN9719

Annexure 'A' to Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Financial Statements for the year ended March 31, 2024)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the company and the nature of its business.
- (c) According to the information and explanation given to us and the records examined by us and based on the title deed / conveyance deed of all Immovable properties (other than the properties where the company is lessee, and the lease agreements are duly executed in favour of the lessee), we report that, the title deeds, comprising all the movable property of land and buildings which are freehold /leasehold, are held in the name of company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of examination of the records of the company, the company does not hold any Benami Property during the year and no proceedings has been initiated against the company for holding any Benami Property under the Benami Transaction (Prohibition) Act, 1988 and rules made thereunder (refer Note 35 (e)).
- (ii) (a) According to the information and explanation given to us and the records examined by us, the company has not held any inventory during the current financial year or at the end of previous financial year. As such, reporting under clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, at any point of time of the year, the company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate from banks and financial institutions on the basis of current assets at any point of time of the year. Accordingly, clause (ii)(b) of the Order is not applicable.
- (iii) As per the records and information provided, the company has neither granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 nor there was any loan outstanding at the beginning of the year.

- In view of the above (a),(b),(c),(d),(e) & (f) of Paragraph (iii), reporting does not arise.
- (iv) According to information and explanation provided to us and on the basis of the records examined by us, the Company has complied with the provisions of sections 186 of the Act, in respect of investment made in current/earlier year. Apart from this the company has not given any loans, provided any guarantee or securities under section 185 & 186 of the Act during current/previous years.
- (v) In our opinion and according to information and explanation given to us, the company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts and records, the company is regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amount is payable in respect thereof which were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no statutory dues including of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value-added tax cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any disputes.
- (viii) As per the information and explanation provided by the management and on the basis of books of accounts and records, the company does not have any transactions not recorded in the books or amount that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, which were previously unrecorded in the books of accounts of the company (refer note 34 (a)).
- (ix) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any bank or financial institution or lenders during the year.
- (b) According to the information and explanation given to us and on the basis of records examined by us, the Company has not been declared willful defaulter by any bank or financial institution or Lender.
- (c) According to the information and explanation given to us and on the basis of records examined by us, the term loan was applied for the purpose for which such loan was obtained and the same was not diverted.
- (d) According to the information and explanation given to us and on the basis of records examined by us, the Company has not raised any fund on short-term basis, as such utilisation for long-term purpose does not apply.
- (e) The Company has not taken any term loan during the year to meet the obligations of its subsidiaries, associates or joint ventures. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities held in subsidiaries, associates or joint ventures and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanation provided by the management and based upon the audit procedures performed, we report that no fraud by the company or fraud on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) According to the information and explanation provided by the management and based upon the audit procedures performed, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanation provided by the management and based upon the audit procedures performed, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, where applicable, and the requisite details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports issued to the Company during the year.
- (xv) According to the information and explanation provided by the management and based on the examination of Books of Accounts and records, in our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order are not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and hence provisions of this clause is not applicable.

(c) & (d) Clause are not applicable to the company.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) Since the company's net worth, turnover or net profit during immediately preceding financial year remained below the prescribed threshold limit under section 135(1) of the Companies Act, 2013, accordingly, mandatorily incurring the expenditure on corporate social responsibility is not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the company. Accordingly, no comment has been included in respect of said clause under this report.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Sd/-
M.P Thakur
Partner

M. No.: 052473

UDIN: UDIN: 24052473BKDHEN9719

Place: New Delhi
Date: 29.05.2024

Annexure “B” to the Independent Auditors’ Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1(f) of ‘Report on Other Legal and Regulatory Requirements’ section**

We have audited the internal financial control with reference to financial statement of SBEC SYSTEMS (INDIA) LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements, criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria, established by the Company considering the essential components of internal control stated in the Guidance Note of Audit of Internal Financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Sd/-
M.P Thakur
Partner

M. No.: 052473

UDIN: 24052473BKDHEN9719

Place: New Delhi
Date: 29.05.2024

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(in Rs.000)

Particulars	Note No.	As at 31st March,2024	As at 31st March, 2023
A ASSETS			
1 Non-current assets			
(a) Property,Plant and Equipment	3	184	28
(b) Financial Assets			
- Investments	4	1,42,311	1,42,309
(c) Other non-current assets	5	14,831	2,570
		1,57,326	1,44,907
2 Current assets			
(a) Financial Assets			
(i) Trade Receivables	6	9,011	8,097
(ii) Cash and cash equivalents	7	394	1,339
(iii) Bank balances other than (ii) above	8	40	40
(b) Other Financial Assets	9	870	1,417
(c) Other Current Assets	10	52	-
Total Current Assets		10,367	10,893
TOTAL		1,67,693	1,55,800
B EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	11	1,00,000	1,00,000
(b) Other Equity	12	(1,04,174)	(1,17,465)
		(4,174)	(17,465)
2 Non-current liabilities			
(a) Financial Liabilities			
Borrowings	13	93,029	82,616
(b) provisions	14	316	294
		93,345	82,910
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	74,390	87,448
(ii) Trade Payable	16	407	373
(c) Other current liabilities	17	3,725	2,534
Total Current liabilities		78,522	90,355
TOTAL		1,67,693	1,55,800

See accompanying notes to the financial statements

1-38

As per our report of even date attached.

For Thakur, Vaidyanath Aiyar & Co

Chartered Accountants
Firm Reg.No.000038N

Sd/-

M.P Thakur

Partner
Membership No.052473

Place: New Delhi

Date : 29.05.2024

Sd/-
S.S.Agarwal
Director & CEO
DIN-00004840Sd/-
J.C. Chawla
Director
DIN-05316202Sd/-
Priyanka Negi
Company Secretary
M.No 36819Sd/-
Vijay K.Modi
Director
DIN-00004606Sd/-
Lakhmi Chand Sharma
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(in Rs.000)

Sr No	Particulars	Note No.	Year Ended 31.03.2024	Year ended 31.03. 2023
I	Revenue from Sales and services	18	31,847	31,519
II	Other income	19	59	16
III	Total revenue (I+II)		31,906	31,535
IV	Expenses:			
	Employee benefits expense	20	1,899	1,491
	Finance costs	21	10,161	10,973
	Depreciation and amortisation expense	22	-	-
	Other Expenses	23	5,975	8,677
	Total expenses (IV)		18,035	21,141
V	Profit / (Loss) before exceptional items and tax (III-IV)		13,871	10,394
VI	Exceptional Items (Income)/Expenses		-	-
VII	Profit / (Loss) after exceptional items and before tax (V-VI)		13,871	10,394
VIII	Tax expense:			
	- Current Tax	24	2,315	1,735
	- Tax for Earlier Years		-	168
	- MAT Credit of earlier year adjusted		(1,735)	(2,570)
	- Deferred Tax		-	-
	Total		580	(667)
IX	Profit / (Loss) for the year (VII-VIII)		13,291	11,061
X	Other Comprehensive Income		-	-
XI	Profit / (Loss) for the year (IX+X)		13,291	11,061
XII	Earning per equity shares:	25		
	(face value of Rs.10/- each)			
	(i) Basic (in Rs.)		1.33	1.11
	(ii) Diluted (in Rs.)		1.33	1.11

See accompanying notes to the financial statements

1-38

As per our report of even date attached.

For Thakur, Vaidyanath Aiyar & Co

Chartered Accountants
Firm Reg.No.000038NSd/-
M.P Thakur
Partner
Membership No.052473Sd/-
S.S.Agarwal
Director & CEO
DIN-00004840Sd/-
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M.No 36819Sd/-
Vijay K.Modi
Director
DIN-00004606

Sd/-
Lakhmi Chand Sharma
Chief Financial Officer

Place: New Delhi

Date : 29.05.2024

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(in Rs.000)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before tax	13,871	10,394
Adjustments for :		
Depreciation	-	-
Interest Expense	10,161	10,973
Interest Income	(57)	(16)
Foreign Exchange fluctuation	1,179	6,572
	<u>11,283</u>	<u>17,529</u>
Operating profit/(Loss) before working capital changes	25,154	27,923
Change in working Capital :		
(Increase) /Decrease in Trade Receivables /Long /Short Term Loans and Advances	(966)	(5,201)
(Increase)/Decrease in Inventories	-	-
Increase /(Decrease) in Trade Payable and Provisions	47	704
	<u>(919)</u>	<u>(4,497)</u>
Cash (used in) / Generated from operations	24,235	23,426
Income Tax/ TDS Paid/ (net of Refund)	1,768	2,754
Net Cash (used) in / generation from operating activities	22,467	20,672
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	57	16
Purchase of fixed assets /Capital Advances	(10,683)	-
Purchase of Share of SVC Bank Ltd (Investment)	(2)	-
Proceeds from Sales of fixed assets	-	-
Net Cash (used) in/flow from investing activities	(10,628)	16
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	-
Proceeds from borrowings-Term Loan	9,234	-
Repayment of borrowings -Short Term Loan	(13,058)	(8,970)
Interest paid	(8,960)	(11,040)
Net Cash Flows from/used in financing Activities	(12,784)	(20,010)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(945)	678
Cash and Cash equivalents at beginning of period	1,339	661
Cash and Cash equivalents at end of the period	394	1,339

See accompanying notes to the financial statements

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*Figures in bracket indicate cash outflow.

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7)-Statement of Cash Flow, as specified under section 133 of the Company Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 (as amended).

As per our report of even date attached.**For Thakur, Vaidyanath Aiyar & Co**Chartered Accountants
Firm Reg.No.000038NSd/-
S.S.Agarwal
Director & CEO
DIN-00004840Sd/-
J.C. Chawla
Director
DIN-05316202Sd/-
Vijay K.Modi
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M.P Thakur
Partner
Membership No.052473Sd/-
Priyanka Negi
Company Secretary
M.No 36819Sd/-
Lakhmi Chand Sharma
Chief Financial OfficerPlace: New Delhi
Date : 29.05.2024

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH,2024**EQUITY SHARE CAPITAL**

(in Rs.000')

Opening Balance as at April 1,2022	Changes in equity Share Capital due to prior period errors	Restated balance as at April 1,2022	Changes in equity Share Capital during the year	Balance as at March 31,2023
1,00,000	-	1,00,000	-	1,00,000

Current Reporting Period

Opening Balance as at April 1,2023	Changes in equity Share Capital due to prior period errors	Restated balance as at April 1,2023	Changes in equity Share Capital during the year	Balance as at March 31,2024
1,00,000	-	1,00,000	-	1,00,000

OTHER EQUITY**Previous Reporting Period**

	Share Premium Reserve	Retained Earning	Other Comprehensive Income	Total
Balance as at 01.04.2022	19,262	(2,21,495)	-	(2,02,233)
Add:Adjustment in opening for Prior period errors (refer note 36)	-	73,707	-	73,707
Restated balance at the beginning of the reporting period	19,262	(1,47,788)	-	(1,28,526)
Addition during the year	-	-	-	-
Profit/(Loss)for the Year	-	11,061	-	11,061
Balance as at 31.03.2023	19,262	(1,36,727)	-	(1,17,465)
Restated balance at the beginning of the current reporting Period				
Balance as at 01.04.2023	19,262	(1,36,727)	-	(1,17,465)
Addition during the year	-	-	-	-
Profit/(Loss)for the Year	-	13,291	-	13,291
Balance as at 31.03.2024	19,262	(1,23,436)	-	(1,04,174)

See accompanying notes to the financial statements

1-38

*As per our report of even date attached.***For Thakur, Vaidyanath Aiyar & Co**Chartered Accountants
Firm Reg.No.000038N

Sd/-

M.P ThakurPartner
Membership No.052473

Place: New Delhi

Date : 29.05.2024

Sd/-

S.S.Agarwal
Director & CEO
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Sd/-

Priyanka Negi
Company Secretary
M.No 36819

Sd/-

Vijay K.Modi
Director
DIN-00004606

Sd/-

Lakhmi Chand Sharma
Chief Financial Officer

ACCOUNTING POLICIES OF THE FINANCIAL INFORMATION**Notes to Standalone Financial Statements for the year ended 31st March,2024****NOTE NO: 1 Corporate Information**

SBEC Systems (India) Limited (“the Company”) is a public limited company incorporated in India under the provisions of the Companies Act, 1956 on December 15,1987 and is listed on Bombay Stock Exchange Ltd. (BSE). The Registered Office of the Company is located at 1400, Hemkunt Tower, 98, Nehru Place, New Delhi-110019.

The company is an engineering and consultancy company primarily engaged in rendering of scientific, technical, engineering, professional, commercial and all other types of skilled services dealing in designs, plans and specifications of all type of contracts turnkey or otherwise, assignments, process and undertake fabrication, erection, commissioning of projects and providing high-tech equipment to sugar and power industries and to carry on or manage and supervise the control of business of transmitting, supply, generating, distributing and dealing in electricity of all forms of energy and power generated by any source from steam, hydro or tidal or water, wind, solar & hydrocarbon etc.

The Company does not have any subsidiary; however, it has an associate company i.e. SBEC Sugar Limited. Information on related party relationships of the company is provided in Note No 30.

The financial statements of the company for the year ended 31st March, 2024 were approved by the Board of Directors on 29th May 2024.

NOTE NO: 2 Material Accounting Policies**a) Basis of preparation**

These Standalone financial statements have been prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”, under the Companies (Indian accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the Act) as amended thereafter and other relevant provisions of The Act.

The Standalone financial statements have been prepared on an accrual basis and presented on going concern basis and under the historical cost convention on accrual basis except for certain financial assets and liabilities which are measured at fair value or amortized cost at the end of each financial year.

The Standalone financial statement are presented in also Indian Rupees (INR) which is the company’s functional currency of the primary economic environment in which the company operates and all figures are rounded off to the nearest thousand except when otherwise indicated.

b) Current and non current classification

All assets and liabilities have been classified as current and non-current as per the company’s normal operating cycle and other criteria as set out in Schedule III to the Companies Act, 2013.

c) Use of Accounting judgments, estimates and assumptions:

In preparation of financial statements in conformity with recognition and measurement principle of IND AS requires management to make judgment, estimates and assumptions. These judgments, estimates and assumptions affect the reported accounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as on the date of financial statements and the reported amount of revenues and expenses during the period. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Information about significant areas of estimates uncertainty and critical judgment in applying accounting policies that have the most significant effects to the carrying amounts of assets and liabilities within the next financial year are:

d) Revenue Recognition

- (a) Revenue (other than those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognizes revenue from contracts with customers based on a Five-Step Model as set out in Ind AS 115 i.e.:

Step 1: Identification of contract(s) with customers that creates enforceable rights and sets out the criteria that must be met.

Step 2: Identification of the separate performance obligations in the contract with customer to transfer goods or services to the customer.

Step 3: Determination of transaction price for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocation of transaction price to the separate performance obligations in a contract that has more than one performance obligations that depicts the amount of consideration to which the company expects to be entitled to in exchange for satisfying each performance obligation.

Step 5: Recognition of revenue when (or as) each performance obligation is satisfied.

Revenue from contract is recognized (net of goods & services tax) at a point in time when performance obligation in contract is fulfilled in accordance with the terms and conditions with the respective customers.

Revenue is recognized on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Where significant uncertainty exists with regard to realization of revenue at the time of accrual, the underlying revenue is not recognized to that extent. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment net of goods and service tax, wherever applicable.

- b) Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the effective interest rate. Interest on Income Tax refund is accounted for on receipt basis.
- c) Dividend income is recognized at the time when right to receive payment is established by the reporting enterprise.

e) Property, plant & equipment

Property, plant & equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses. The cost comprises purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use.

An item of Property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

In respect of new projects, all expenses including interest on specific borrowings incurred up to the date of commencement of commercial production are capitalized. In respect of substantial expansion of business, at the existing locations, only direct costs are capitalized together with the interest on the funds relating to them up to the date of commercial production.

f) Intangible Asset

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

g) Depreciation and Amortisation

(a) Depreciation on Property, Plant & Equipments (PPE) is provided on Written Down Value (WDV) method over the useful lives as specified under Schedule II of the Companies Act, 2013. The estimated useful lives and residual values of PPE are reviewed at the end of each financial year.

Depreciation on the Property, Plant & Equipment (PPE) added/ disposed off/ discarded during the year is provided from/ upto the date when added/ disposed off/ discarded.

(b) Intangible assets are amortised on straight line basis over the estimated economic life of the assets.

h) Impairment of non- financial asset

The company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or cash generating unit's (CGU) fair value less cost of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount as impairment loss and is recognized in the statement of profit and loss.

i) Inventories

Stores, Spare Parts and Components are valued at cost. For this purpose, cost is ascertained on FIFO basis.

Goods/spares purchased for resale to customers are valued at lower of cost or net realizable value. Provision for obsolescence is made on the stocks, wherever required.

j) Foreign Currency Transactions

The company has determined Indian Rupee (INR) as transaction currency. Accordingly, transactions in foreign currency are recorded at exchange rates prevailing on the date of transaction. Monetary foreign currency assets & liabilities remaining unsettled at the balance sheet date are translated at exchange rate prevailing on that date. Gain/loss arising on account of realization/settlement of foreign currency transactions and on translation of foreign currency assets and liabilities are recognized in the Statement of Profit & loss.

k) Employee Benefits

Employee benefits have been recognized in following ways:

Short term Employee Benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits

(a) **Defined Contribution Plan- Provident Fund and Family Pension**

The Company contributes to a recognized Provident Fund and Family Pension fund which is a defined contribution scheme. The contribution is accounted for on an accrual basis and recognized in the Statement of profit and loss. The eligible employees of the company are entitled to receive post-employment benefits in respect of provident fund and family pension fund. The contributions made to state managed retirement benefit schemes dealt with as payments to defined contribution schemes where the company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

(b) **Defined Benefit Plan-Gratuity**

The company's Gratuity benefit scheme is defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs are deducted.

The calculation of the Company's obligation is performed annually by a using discount rate of 7.23% under the projected unit credit method by the company instead of through qualified actuary since such liability is vested in a single employee. The gratuity liability is unfunded.

The Company recognizes actuarial gains or losses arising on defined benefit plan immediately in OCI as prescribed by Ind AS-19.

l) Borrowing Cost

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial time to get ready for its intended use. All other borrowing cost are charged to the Statement of Profit and Loss as incurred.

m) Fair Value Measurement

The Company measures financial instruments and specific investments other than subsidiary, joint venture and associates, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as below, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For this purpose, fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Where there is not feasible, a degree of judgement required in establishing the fair value, judgment includes consideration of inputs such as liquidity risk, credit risk and volatility.

n) Financial Instruments

Classification

A financial instrument is any contract that give rise to a financial asset of one entity and financial liability or equity instruments of another entity.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities.

Subsequent measurement

Non-derivative financial Instruments

(i) Financial assets carried at amortized cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, loans and other financial assets.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flow represents SPPI.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss.

(iii) Financial assets at fair value through profit or loss (FVTPL):

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity Instruments

All equity investments (except investments in subsidiaries, joint ventures and associates) in scope of Ind AS 109 are measured at fair value.

Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, other than investment in Subsidiary, Associates and Joint Ventures,

the company makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment, however such amount is transferred to Retained earnings.

Investments in subsidiaries, joint ventures and associates

Investment in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment losses where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiary, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the standalone Statement of profit and loss.

Derecognition

The Company derecognizes a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

Financial Liabilities:

The Company's financial liabilities include borrowings, trade and other payables.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

o) Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provision and liabilities are recognized in the period when it became probable that there will be a future outflow of funds resulting from past event or operation that can be reasonably estimated. The timing of recognition requires application of judgments to existing fact and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flow at pre-tax rate that reflects current market assessment of the time value money and the risk specific to the liability.

In the normal course of business, contingent liabilities are arising from litigation and other claims against the company. Potential liabilities that are possible to be quantified reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

The company does not recognize the contingent asset since whose existence will only be confirmed by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the entity.

p) Taxation

Income tax expense comprises of both current and deferred taxes are recognized in the Statement of Profit and Loss.

Current tax

Current Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to the items recognized directly in equity, in which case it is recognized in equity or other comprehensive income (OCI). Current tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, in accordance with the Income Tax Act, 1961. The tax rates and the tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred Tax

Deferred Tax assets and liabilities are recognized on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow for all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

q) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise Cash at bank, Cash on hand and demand deposits with bank with an original maturity of three months or less from the date of acquisition.

r) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s) Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The Company has not issued any potential equity shares, and accordingly, the Basic Earnings Per Share and Diluted Earnings Per Share are the same.

t) Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit/ loss before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

u) Recent Pronouncements ,Standards ,Interpretation and Amendments adopted by the company

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

Changes in Ind AS notified during the financial year 2023-24 , if any, effective from the financial year 2024-25 and applicable to the company shall be taken care off by the company from 01/04/2024 onwards.

Notes to Standalone Financial Statement for the Period ended 31st March, 2024**NOTE 3: PROPERTY, PLANT AND EQUIPMENT**

(in Rs.000)

Particulars	Plant & Machinery	Furniture, Fixtures & Fittings	Office Equipment	Total
Gross carrying amount				
Balance as at 1st April,2023	-	633	64	697
Additions *	156	-	-	156
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2024	156	633	64	853
Accumulated Depreciation				
Balance as at 1st April,2023	-	608	61	669
Additions	-	-	-	-
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2024	-	608	61	669
Net Carrying amount As at 31.03.2023		25	3	28
As at 31.03.2024	156	25	3	184

*The Free hold land has been purchased in earlier years and the same is registered in the name of the company in the office of the Sub Registrar,Baraut,Baghpat and the same has been capitalised during the year.The aforesaid land has been leased out to SBEC Sugar Ltd, an associate company vide lease agreement dated 26-10-1999 for a period of 99 years with effect from 01.01.1999 as per the terms & conditions contained in the said agreement.

Gross carrying amount				
As at 31.03.2023	18	633	64	714
Balance as at 1st April,2022	-	633	64	697
Additions	-	-	-	-
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2023	-	633	64	697
Accumulated Depreciation				
Balance as at 1st April,2022	-	608	61	669
Additions	-	-	-	-
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2023	-	608	61	669
Net Carrying amount as at 1st April,2022	-	25	3	28
Net Carrying amount as at 1st April,2023	-	25	3	28

NOTE 4: NON-CURRENT INVESTMENT

Particulars	As at 31.03.2024	As at 31.03.2023
(A) Investment in Associates		
(Quoted, carried at Cost less Impairment loss,if any)		
Investment		
"1,42,30,884 (P.Y. 1,42,30,884) Equity Shares of SBEC Sugar Limited of Rs. 10- each fully paid up (refer note 36 for adjustment/restatement for prior period errors)"	1,42,309	1,42,309
Subtotal	1,42,309	1,42,309
(B) Other Investment		
(Unquoted, carried at cost)		
100 (P.Y. Nil) Equity Shares of The Shamrao Vithal Co-op Bank Limited of Rs.25/- each fully paid up	2	-
Subtotal	2	-
Aggregate value of quoted investment at face Value	1,42,309	1,42,309
Aggregate carrying value of quoted investment	1,42,309	1,42,309
Aggregate amount of impairment in value of investment	-	-
Aggregate carrying value of unquoted investment	2	-

(In Rs. 000)

Particulars	As at 31.03.2024	As at 31.03.2023
NOTE 5: OTHERS NON-CURRENT ASSETS		
Capital Advances	10,527	-
MAT Credit Entitlement	4,304	2,570
Total	14,831	2,570
NOTE 6 : TRADE RECEIVABLES		
Trade Receivables considered Good - Secured :	-	-
Trade Receivables considered Good - Unsecured :	9,011	8,097
Less : Allowance for bad and doubtful debts	-	-
Total*	9,011	8,097

*Receivable from related party being associate company

Trade Receivable Ageing Schedule**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months- 1year	1-2 years	2-3 years	More than 3year	
(i) Undisputed Trade receivables-Considered Good	9,011	-	-	-	-	9,011
(ii) Undisputed Trade receivables-Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables-Considered Good	-	-	-	-	-	-
(iv) Disputed Trade receivables-Considered doubtful	-	-	-	-	-	-
Total	9,011	-	-	-	-	9,011

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months- 1year	1-2 years	2-3 years	More than 3year	
(i) Undisputed Trade receivables-Considered Good	8,097	-	-	-	-	8,097
(ii) Undisputed Trade receivables-Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables-Considered Good	-	-	-	-	-	-
(iv) Disputed Trade receivables-Considered doubtful	-	-	-	-	-	-
Total	8,097	-	-	-	-	8,097

NOTE 7 : CASH & BANK BALANCES

Cash and Cash Equivalents		
Balance with Scheduled Banks in -		
-- Current Accounts	393	1,338
Cash in hand	1	1
TOTAL	394	1,339

NOTE 8 : OTHER BANK BALANCES

Other bank balances		
Fixed deposit with banks	40	40
(Fixed Deposit has been pledged with Sales Tax Authority)		
TOTAL	40	40

* Fixed Deposit Matured But Pledged with Sales Tax Authority

NOTE 9 : INCOME TAX ASSETS

Income tax assets(net of provision)	870	1,417
TOTAL	870	1,417

NOTE 10: OTHER CURRENT ASSETS

"Other advances (Includes prepaid expenses etc.)	52	-
TOTAL	52	-

NOTE 11: SHARE CAPITAL

(in Rs.000)

	As at 31.03.2024	As at 31.03.2023
AUTHORISED CAPITAL		
15,000,000 Equity Shares of Rs.10/- each.	1,50,000	1,50,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
10,000,000 Equity Shares of Rs.10/- each fully paid-up (Previous year -10,000,000)	1,00,000	1,00,000
TOTAL	1,00,000	1,00,000

a. Reconciliation of number of shares (nos.)		
Outstanding at the beginning of the year	1,00,00,000	1,00,00,000
Outstanding at the end of the year	1,00,00,000	1,00,00,000

b. (1) The company has only one class of issued shares i.e. Equity shares having par value of Rs. 10 per share . Each holder of equity shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend . In the event of liquidation the entity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts, in proportion to their shareholding.

(2) No member shall exercise any voting rights in respect of any share on which any calls payable , or in respect of which the company has exercise its right of lien.

c. Detail of shareholders holding more than 5 percent of equity shares :

Name of shareholders	As at 31 st March, 2024		As at 31 st March, 2023	
	No.Shares	% of holding	No.Shares	% of holding
Mr. Umesh Kumar Modi	2079560	20.79%	2079560	20.79%
SBEC Systems Limited (UK)	2040000	20.40%	2040000	20.40%
Longwell Investments Pvt. Ltd.	550000	5.50%	550000	5.50%

d. Promoter Holding

Name of shareholders	As at 31 st March, 2024		As at 31 st March, 2023	
	No.Shares	% of holding	No.Shares	% of holding
Mr. Umesh Kumar Modi	2079560	20.79%	2079560	20.79%
Ms. Meghna Modi	200	0.00%	200	0.00%
SBEC Systems Limited (UK)	2040000	20.40%	2040000	20.40%
Longwell Investments Pvt. Ltd.	550000	5.50%	550000	5.50%
Abhikum Leasing and Investments Pvt. Ltd,	220000	2.20%	220000	2.20%
Kumabhi Investment Pvt. Ltd.	210000	2.10%	210000	2.10%

e. None of shares have been reserved for issue under options and contracts/commitments for sale of shares/disinvestment as at the balance sheet date.

f. None of the securities are convertible into shares at the end of the reporting period.

g. No calls are unpaid by any director or officer of the company during the year.

NOTE 12 : OTHER EQUITY

Share Premium Reserve		
Opening balance	19,262	19,262
Add: Addition during the year	-	-
Closing Balance	19,262	19,262
Retained Earnings		
Opening balance of surplus / (deficit)	(1,36,727)	(1,47,788)
(refer note 36 for restated balance at the beginning of current reporting period)		
Add : Net Profit(loss) for the year	13,291	11,061
Balance at the end of the year	(1,23,436)	(1,36,727)
TOTAL	(1,04,174)	(1,17,465)

NOTE 13 : BORROWINGS

(in Rs.000)

	As at 31.03.2024	As at 31.03.2023
Term Loans - Secured	9,234	-
-From Banks*		
Unsecured Loans		
Foreign Currency Loan From Overseas	83,795	82,616
From a Corporate Body (Refer Note No.26)		
Total	93,029	82,616

***Terms & Conditions of Secured Loan**Secured Loan

- (a) Term loan of Rs. 27000 thousands has been sanctioned by SVC Co- operative Bank Ltd. Nehru Place New delhi (Registered office Mumbai) vide sanction letter dated 02-02-2024 and amount of Rs. 9,234 thousand has been disbursed on 30-03-2024. The loan carry interest @ PLR 10.70 (i.e. present 10.00%) per annum.
- (b) Security - (i) Secured by creating charge by way of hypothecation on the solar plant generation unit to be set up on rooftop of Modi Industries Ltd- Electrode division,Modinagar,UP (ii) personel guarantees of Shri Umesh Kumar Modi, Promoter.
- (c) Loan in repayable after a monotorium period of 4 months from the disbursement in 84 equal monthly installment of Principal amount alongwith the interest due thereon. Since the loan has not been fully disbursed as such disclosure with regards to repayment of long term borrowings falling due within 12 months and more than 12 months is not applicable.

Unsecured Loan

- d) Unsecured Loan in foreign currency USD 10,04,944 has been taken from Occident Orient Company Limited in terms of the agreement dt 14.12.2005 entered between the company and the said body corporate(UK).No provision for the interest has been made since the FY 2009-10 to 2023-24 amount unascertained.

NOTE 14 : PROVISIONS**Provision for Employee Benefits :**

For Gratuity	316	294
Total	316	294

NOTE 15 : BORROWINGS**Unsecured**

Loans repayable on demand	74,390	87,448
From a body corporate		
Total	74,390	87,448

The interest on above unsecured Loans Payable @12% per annum on the outstanding amount**NOTE - 16 : TRADE PAYABLE**

(i) MSME	90	53
(ii)Other Liabilities	317	320
(iii) Disputed dues - MSME	-	-
(iv) Disputed dues - Others	-	-
TOTAL	407	373

a) Disclosure as required by Micro,Small and Medium Enterprises Development Act ,2006

A (I) Principal amount remaining unpaid	90	53
(II) Interest amount remaining unpaid	-	-
B Interest paid by Company in terms of Section of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amount of the payment made to the supplier appointed day	-	-
C Interest due an dpayable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
D Interest accrued and remaining unpaid	-	-
E Interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises.	-	-

b) Ageing for trade payable Schedule:

As at March,31,2024

(in Rs.000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1year	1-2year	2-3year	More than 3year	
(i) MSME	90	-	-	-	90
(ii) Disputed dues - MSME	-	-	-	-	-
(iii)Others	317	-	-	-	317
(iv) Disputed dues - Others	-	-	-	-	-
Total	407	-	-	-	407
As at March,31,2023					
(i) MSME	53	-	-	-	53
(ii) Disputed dues - MSME	-	-	-	-	-
(iii)Others	320	-	7	-	320
(iv) Disputed dues - Others	-	-	-	-	-
Total	373	-	7	-	373

NOTE 17 : OTHER CURRENT LIABILITIES

	As at 31.03.2024	As at 31.03.2023
Employee dues	150	123
Statutory dues payable	1,555	1,591
Interest payable on Unsecured Loan	2,020	820
TOTAL	3,725	2,534

NOTE 18 : SALES AND SERVICES

	Year ended 31.03.2024	Year ended 31.03.2023
Services		
Technical Fee	37,579	37,192
Less:Goods & Services Tax	5,732	5,673
	31,847	31,519

NOTE 19 : OTHER INCOME

Interest on income tax refund	57	16
User Charges	2	
TOTAL	59	16

NOTE 20 : EMPLOYEE BENEFIT EXPENSES

Salary, Wages, Bonus & other allowances	1,831	1,361
Company's Contribution To Provident & Other Funds	46	85
Gratuity	22	45
TOTAL	1,899	1,491

NOTE 21: FINANCE COST

Interest on Loans	9,883	10,972
Interest - Others	0	1
Other borrowing cost	278	0
TOTAL	10,161	10,973

NOTE 22: DEPRECIATION & AMORTIZATION EXPENSES

Depreciation & Amortization	-	-
TOTAL	-	-

NOTE 23 : OTHER EXPENSES

(in Rs.000)

	As at 31.03.2024	As at 31.03.2023
Legal & Professional Charges	2,378	819
Secretarial & AGM Expenses	1,092	768
Telephone, Postage & Telegram	20	20
Disply Expenses	373	-
Travelling & Conveyance	127	77
Printing & Stationery	12	6
Insurance Charges	14	64
Filing Fee	11	13
Gift & Presentation	325	62
Auditor's Remuneration		
-As Audit Fee	50	50
-Certification and Company Law	5	8
Misc. Expenses	25	0
Vehicle Running Expenses	364	218
Foreign Exchange fluctuation	1,179	6,572
Total	5,975	8,677

NOTE - 24 : INCOME TAXES

Income Tax Expenses:

-Current Tax (MAT)	2,315	1,735
-Tax for Earlier Years	-	168
-MAT Credit of earlier year adjusted	(1,735)	(2,570)
	580	(667)

NOTE 25: EARNING PER SHARE(EPS)

EPS has been computed in accordance with Ind AS-33 :

Profit /(Loss) after tax for the year	13,291	11,061
Weighted Average number of equity shares of Rs. 10/- each fully paid up	1,00,00,000	1,00,00,000
Basic & Diluted Earnings per share (in Rupees)	1.33	1.11

NOTE NO.: 26 Contingent liabilities not provided for in respect of:-

Particulars	Current Year	Previous Year
Interest on Foreign Currency Loan	Rs.23,552	Rs.23,181

In terms of agreement dated 14th December 2005 entered with Occident Orient Company Limited , subject to approval of the Reserve Bank of India (RBI), interest of USD 2,81,974/- (Previous Year USD 2,81,974/-) for earlier years upto the FY 2008-09 is payable by the company on Foreign Currency Loan of USD 10,04,944. Pending approval of RBI, this liability is being shown as contingent liability.

NOTE NO.: 27 Capital and other commitments (to the extent applicable):

Estimates amount of contract remaining to be executed on capital account and not provided for (net of advances) Rs.15,123 Thousands (P.Y. Rs. Nil).

NOTE NO.: 28 The accounts of the company for the year ended 31.03.24 have been prepared on going concern basis even though the net worth of the company has been fully eroded. The management is confident to revive the business on the ground mentioned below:

During the financial year 2023-24, the company has commenced construction of new project by setting up Solar Power Generation and Distribution Unit at an estimated cost of Rs. 27,500 thousand including promoter's contribution for which financial tie-up has already been arranged & partially received from a bank till 31st March 2024. A sum of Rs 10,527 thousand has already been incurred till 31st March 2024. The project is likely to be completed / in operation before the end of next financial year. The company has also identified the potential consumers for the sale of power generated from solar plant. It is expected that net worth of the company would likely to be positive within next 3-4 years.

NOTE NO.: 29 Segment Reporting

The Company operates in a single business and geographical segment and the requirements of Ind AS-108 on Segment Reporting are not relevant upto the FY 2023-24.

NOTE NO.: 30 Related Parties Disclosures

Pursuant to compliance of Ind AS-24 on "Related Party Disclosures", the related parties were as under:

- a) **Enterprises Where Control Exists**
SBEC Sugar Limited – reporting enterprise has substantial control
- b) **Enterprises that directly or indirectly controlled or are under common control with the reporting enterprises.**
SBEC System limited (United Kingdom)

c) **Key Managerial Personnel**

Mr. Luv Gupta - Chief Financial Officer (up to 30.04.23)
 Mr. Lakhmi Chand Sharma - Chief Financial Officer (w.e.f 01.05.23)
 Mrs. Priyanka Negi - Company Secretary

d) **Individual owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise :**

Mr. Umesh Kumar Modi

e) **Relative of individual owning substantial interest and their Enterprises :**

Mrs. Kumkum Modi, Mr. Abhishek Modi, Ms. Meghna Modi, Ms. Himani Modi, Mr. Jayesh Modi, Mrs Shreepriya Modi, Modi Arts Pvt Ltd., Modi Goods and Retail Services Pvt Ltd., Jai Abhishek Investments Pvt Ltd., Modi Diagnostics Pvt Ltd., Modi –Mundipharma Beauty Products Pvt. Ltd., Modi Senator (India) Pvt Ltd., First Move Management Services Pvt Ltd., Beauty Products Lanka Pvt Ltd., Umesh Modi Corp Pvt Ltd., Modi-Mundipharma Healthcare Pvt. Ltd.(formerly known as Modi Omega Pharma (India) Pvt Ltd.), Modi Illva India Pvt Ltd., A to Z Holding Pvt Ltd., Longwell Investment Pvt Ltd., SBEC Sugar Limited*, Bihar Sponge Iron Ltd., Modi Mundipharma Pvt Ltd.* , Modiline Travel Service Pvt Ltd., Modi Industries Ltd., Modi Hitech India Ltd., Win Medicare Pvt Ltd*, H.M.Tubes & Containers Pvt Ltd., Modi Motors Pvt Ltd., M.G.Mobile India Pvt Ltd., Bangladesh Beauty Products Pvt. Ltd, SBEC Bio Energy Ltd*, Meghna AutoWorks Pvt. Ltd., Mundipharma (Bangladesh) Pvt. Ltd., Jayesh Tradex Pvt. Ltd*, Mundipharma Trading Bangladesh Pvt. Ltd., SBEC Stockholding & Investment Ltd., Abhikum Leasing & Investments Pvt. Ltd., ABC Holding Pvt. Ltd., Kumabhi Investments Pvt. Ltd., Meghkum Leasing & Investment Pvt. Ltd., Technicast Engineers Ltd., M First Trading Pvt. Ltd.

* Indicates that during the period, there is transaction with these relatives and enterprises.

f) **Transactions carried out with related parties referred in 1 above, in the ordinary course of business**

(In Rs. 000')

S.No	Nature of Transactions		Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(e) above
1.	Income (from associate)					
	Professional and Technical services	CY PY	31,847 31,519	-	-	-
	User Charges	CY PY	2 -			
2.	Expense					
	(a) Secretarial Exp/Printing & Stationery etc.	CY PY	-	-	-	227 50
	(b) Remuneration to KMPz	CY PY	-	-	1,750 1,380	-
3.	Year end Balance					
	(a) Trade and Other Receivables	CY PY	9,011 8,097	-	-	-
	(b) Outstanding Payable	CY PY	-	-	121 95	10 25
	(c) Equity Share Capital held in Associate (SBEC Sugar Ltd)	CY PY	1,42,309 1,42,309	-	-	-

NOTE NO.: 31 **Deferred Taxation**

The Company has no deferred tax liability. There are deferred tax assets on account of unabsorbed depreciation and carried forward business losses, which as a matter of prudence have not been recognised.

NOTE NO.: 32 **Employee Benefits**

The company has adopted Ind AS- 19 'Employee Benefits'.

Contributions to Defined Benefit /Contribution Plan, recognized as expense for the year are as under:

a) **Defined Contribution Plan**

	2023-24	2022-23	2023-24	2022-23	2019-20
	Year	Year	Year	Year	Year
Employer's contribution to provident fund	46	85	78	59	61

b) **Defined Benefit Plan**

The employees' gratuity fund scheme is a Defined Benefit Plan (DBP). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

1. **Reconciliation of opening and closing balances of DBP-Gratuity**

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
DBP at the beginning of the year	294	249	198	168	126
Interest Cost	-	-	-	-	-
Current Service Cost	22	45	51	30	42
Benefits Paid/written back	Nil	Nil	Nil	Nil	Nil
Actuarial (gain)/loss	Nil	Nil	Nil	Nil	Nil
DBP at the beginning of the year	316	294	246	198	168

2. Reconciliation of opening and closing balances of Fair Value of Plan Assets- Gratuity Liabilities

(In Rs 000)

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Fair value of plan assets as at the beginning of the year	-	-	-	-	-
Expected return	-	-	-	-	-
Actuarial (gain / loss)	-	-	-	-	-
Contribution by employer	-	-	-	-	-
Benefits paid	-	-	-	-	-
Settlement cost	-	-	-	-	-
Fair value of plan assets as at the end of the year	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-

3. Reconciliation of amount recognized in Balance Sheet

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Fair Value of Plan Assets	Nil	Nil	Nil	Nil	Nil
Present value of obligation	316	294	249	198	168
Net asset/(liability) recognized in the Balance Sheet	316	294	249	198	168

4. Expense Recognized during the period in Profit & Loss A/c.

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Interest Cost	Nil	Nil	Nil	Nil	Nil
Current Service Cost	22	45	51	30	42
Expected Return on Plan Assets	Nil	Nil	Nil	Nil	Nil
Net Actuarial (Gain) / Loss recognized during the year	Nil	Nil	Nil	Nil	Nil
Expenses recognized in the statement of Profit & Loss	22	45	51	30	42

5. Actual Return on Plan Assets

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Expected return on Plan Assets	Nil	Nil	Nil	Nil	Nil
Actuarial (Gain) / Loss recognised during the year	Nil	Nil	Nil	Nil	Nil
Actual return on plan assets	Nil	Nil	Nil	Nil	Nil

6. Principal Actuarial Assumptions

	Gratuity For The Year Ending 31.03.23	Gratuity For The Year Ending 31.03.22	Gratuity For The Year Ending 31.03.21	Gratuity For The Year Ending 31.03.20	Gratuity For The Year Ending 31.03.19
Discount Rate	7.23%	7.38%	7.23%	8%	8%
Future Salary Increased	5%	5%	5%	5%	5%
Expected rate of return on plan assets	-	-	-	-	-
Withdrawal Rates					
Up to 30 Years	3.00%	3.00%	3.00%	3.00%	3.00%
Up to 44 Years	2.00%	2.00%	2.00%	2.00%	2.00%
Above 44 Years	1.00%	1.00%	1.00%	1.00%	1.00%

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

NOTE 33: Financial Instruments**Financial Instruments by category:**

The accounting classification of each category of financial instruments ,their carrying value and fair value are as follows:

As on 31st March,2024

(In Rs.000')

Particulars	Note	FVTPL	FVTPL	Amortised cost	Total carrying cost
Assets:					
Investment in associates and others	4	-	-	1,42,311	1,42,311
Trade receivables	6	-	-	9,011	9,011
Cash and Cash Equivalents	7	-	-	394	394
Other Bank Balances	8	-	-	40,000	40,000
Other Financial Asset	9	-	-	870	870
Total		-	-	1,92,586	1,92,586

					(In Rs.000')
Liabilities:					
Long Term Borrowings	13	-	-	93,029	93,029
Short Term Borrowings	15	-	-	74,390	74,390
Trade Payables	16	-	-	407	407
Other Financial Liabilities	17	-	-	3,725	3,725
Total		-	-	1,71,551	1,71,551

As on 31st March,2023

Particulars	Note	FVTPL	FVTPL	Cost or Amortised cost	Total carrying cost
Assets:					
Investment in associates and others	4	-	-	1,42,311	1,42,311
Trade receivables	6	-	-	8,097	8,097
Cash and Cash Equivalents	7	-	-	1,339	1,339
Other Bank Balances	8	-	-	40	40
Other Financial Assets	9	-	-	1,417	1,417
Total		-	-	10,893	10,893
Liabilities:					
Long Term Borrowings	13	-	-	82,616	82,616
Short Term Borrowings	15	-	-	87,448	87,448
Trade Payables	16	-	-	373	373
Other Financial Liabilities	17	-	-	2,534	2,534
Total		-	-	1,72,971	1,72,971

Management has assessed that Cash and cash equivalents, Other balances with banks, Loans, Trade receivables, Other financial assets, Borrowings, Trade payables and Other financial liabilities carried at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

Abbreviations : FVTPL - Fair Value Through Profit or Loss.

Abbreviations : FVTPL - Fair Value Through Profit or Loss.

NOTE 34: Additional information pursuant to provisions of Part II (Division II) of Schedule III of the Companies Act,2013 (to the extent applicable)

(a) Undisclosed Income

The company has no such transaction which is not reported in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of Income Tax, 1961).

(b) Corporate Social Responsibility

The company is not covered under any of the three conditions for the applicability of the provisions of corporate social responsibility as mentioned in the section 135 of the Companies Act 2013 and hence the disclosure requirements with respect to corporate social responsibility is not applicable to the company.

(c) Crypto Currency or Virtual Currency

The company has not traded or invested in Cryptocurrency or virtual currency during the current financial year.

(d) Other disclosure

(In Rs.000')

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Stock, Purchases and Sales of Goods Traded in	-	-
Expenditure in Foreign Currency(cash basis)	-	-
Interest payment	-	-
Earning in Foreign Exchange	-	-
CIF Value of imports	-	-

NOTE 35: Additional Regulatory Information (to the extent applicable)

- All the title deeds of immovable properties are held in the name of company as at the balance sheet date.
- No item of property plant and equipment (including the right of use of assets) are both have been revalued during the current / earlier financial year as such the disclosure with respect to revaluation if any done based on the valuation by registered valuer as defined under the rule 2 of the Companies (Registered Valuer and Valuation) Rules, 2017 is not applicable.
- The company does not have any Intangible asset as such revaluation of the same does not arise.
- No loans or advances in the nature of loans are granted to the promoters, directors, kmps and the related parties (as defined under Companies Act,2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- The company does not hold any benami property ,where any such proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

- f) The company has not borrowed funds from bank and financial institution on the basis of security of current assets during the current/previous year.
- g) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- h) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- i) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- j) The company has only one associate and it has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act read with the Companies (Restriction on Number of Layers) Rules, 2017.
- k) Utilization of borrowed Funds and Share premium
The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall lend or invest in party identified by or on behalf of company (Ultimate beneficiaries).
- l) The company has not received any fund from any party(s) (funding party) in the current year with the understanding that the company shall whether directly or indirectly lend or invest in other person or entities identified by or on behalf of company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- m) Disclosure of Ratios

S.No	Nature of Transactions		Numerator	Denominator	As at March31, 2024	As at March31, 2023	Variance > 25 %
1.	Current Ratio = Current Assets/ Current Liabilities	CY PY	10,367 10,893	78,522 90,355	0.13	0.12	10%
2.	Debt-Equity ratio = Total Debt/Total Equity	CY PY	1,67,420 1,70,065	(4,174) (17,464)	-40.11	-9.74	312%
3.	Debt Service Coverage Ratio = Earnings available for debt service/ Debt Service	CY PY	23,452 22,034	1,77,580 1,81,037	0.13	0.12	9%
4.	Return on Equity Ratio = Net Profit after Tax/Average Equity	CY PY	13,291 11,060	(10,819) (22,997)	-1.23	-0.48	155%
5.	Trade Receivable Turnover ratio= Net Credit Sales/Average Accounts receivable	CY PY	31,847 31,519	8,554 5,489	3.72	5.74	-35%
6.	Trade payables turnover ratio= Other Expenses* /Average trade payables	CY PY	4,796 2,105	389 360	12.30	5.85	110%
7.	Net Capital turnover ratio = Net Sales/Average Working Capital	CY PY	31,847 31,519	(73,808) 87,016	-0.43	-0.36	19%
8.	Net Profit ratio = Net Profit/Net Sales	CY PY	13,291 11,061	31,847 31,519	0.42	0.35	19%
9.	Return on capital employed = Profit before interest (finance cost) and taxes /Capital Employed	CY PY	24,032 21,366	1,63,245 1,52,601	0.15	0.14	5%
10.	Return on Investment = Profit After Tax/Capital Employed (Debt +Equity)	CY PY	13,291 11,061	1,63,245 1,52,601	0.08	0.07	12%

* Other expenses exclude Foreign Fluctuation Reserve of CY Rs. 1179 thousands (PY Rs. 6572 Thousands)

Reasons for Variation

- S. No. 2: Debt equity ratio has been increased due to higher profit in current year as compared to previous year.
- S. No. 4: Return on equity ratio in current year has increased due to effect of increase in net profit for the year as compared with previous year.
- S. No. 5: Trade receivable turnover ratio has reduced in current year due to increase in trade receivable at the end of the current year
- S. No. 6: Total expense (net of FC fluctuation) has increased in current year by Rs.26.90 thousand as compared with previous year, hence the trade payable Turnover Ratio has increased by 110%.

NOTE NO: 36 Restatement in Financial Statement

Provision for diminution/impairment carried out in earlier years in respect of Investment in equity shares held by the company in its associates (i.e SBEC Sugar Ltd) has been reversed to comply with the requirements in accordance with IND AS 8 'Accounting Policies, Changes in Accounting Estimates & Errors' by restatement of Rs. 73,707 thousand in the opening balance of earliest comparative period presented (i.e. 1.04.2022) of 'Retained Earning' under the head 'Other Equity' by giving corresponding effect with the same amount under Investment in Associates since the investments in equity shares of the associate is not intended to be sold, transferred or otherwise disposed off and the quoted market price of such equity shares is higher than the face value during/at the end of the last three financial years continuously and the associate has also earned profit during the recent financial year. In view of this, figures for previous period/year have been restated.

The details showing adjustment/restatement due to Prior period error in accordance with IND AS 8 are as under:

(In Rs.000')

Nature of Transactions	As at March31, 2024	As at March31, 2023	As at March31, 2023
Investment in Equity Instruments			
1,42,30,884 (P.Y. 1,42,30,884) Equity Shares of SBEC Sugar Limited of Rs. 10- each fully paid up	1,42,309	1,42,309	1,42,309
Less : Provision for Diminution	-	-	(73,707)
Sub total	1,42,309	1,42,309	68,602
Add: Adjustment / Restatement for Prior Period Errors	-	-	73,707
Total	1,42,309	1,42,309	1,42,309
Retained Earnings			
Opening balance of surplus / (deficit)	(1,36,727)	(1,47,788)	(2,34,487)
Add : Net Profit(loss) for the year	13,291	11,061	12,992
	(1,23,436)	(1,36,727)	(2,21,495)
Add : Reversal in the value of diminution in the value of investment in associate (refer no 4)	-	-	73,707
Restated Balance at the end of the year	(1,23,436)	(1,36,727)	(1,47,788)

(also refer SOCE, Investments note no 4 & Other equity note no 12)

NOTE NO.: 37 In the opinion of the board of directors current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known expected liability have been made.

NOTE NO.: 38 The figures of the previous year have been re classified according to current year classification whenever required.

As per our report of even date attached,

For Thakur, Vaidyanath Aiyar & Co
Chartered Accountants
Firm Reg.No.000038N

Sd/-
S.S.Agarwal
Director & CEO
DIN-00004840

Sd/-
J.C. Chawla
Director
DIN-05316202

Sd/-
Vijay K.Modi
Director
DIN-00004606

Sd/-
M.P Thakur
Partner
Membership No.052473

Sd/-
Priyanka Negi
Company Secretary
M.No 36819

Sd/-
Lakhmi Chand Sharma
Chief Financial Officer

Place: New Delhi
Date : 29.05.2024

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SBEC SYSTEMS (INDIA) LIMITED**

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Ind AS consolidated financial statements of M/s. SBEC SYSTEMS (INDIA) LIMITED (hereinafter referred to as "the Parent Company") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such associate company as audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Parent Company and its associate as at March 31, 2024, of its consolidated profit (including Other Comprehensive Income), Consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements 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 Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of other auditors referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

Emphasis of Matters

We draw attention to Note No. 28 to the financial statement regarding preparation of accounts on going concern basis on the basis of business plan given thereunder even though the net worth of the company has been fully eroded.

Our opinion is not modified in respect of the aforesaid matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income/ loss, consolidated statement of changes in equity and consolidated cash flows of the Parent and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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 judgements 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, management is responsible for assessing the Parent's and its associate'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Parent and of its associate are responsible for overseeing the financial reporting process of the Parent and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are 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 these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Parent's and its associate's ability 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 consolidated financial statements 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Parent and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent and its associate 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements include the parent's share of total comprehensive profit of Rs. NIL for the year ended 31 March, 2024, as considered in the consolidated financial statements, in respect of one Associate, whose financial statements/financial information have not been audited by us. That financial statements/ financial information have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of that Associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid Associate, is based solely on the reports of the other auditor.

The consolidated financial statements of the company for the year ended March 31, 2023 included in the consolidated financial statements, were audited by the predecessor auditor who expressed a modified opinion on those statements on May 29, 2023. Opening balances and carried forward balances pertaining to figures of earlier years have been considered by us on the basis of our predecessor's certification.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms section 143(11) of the Act, we report that the CARO report of the associate – SBEC Sugar Ltd (CIN:L15421UP1991PLC019160) included in the consolidated financial statements has not been issued by its auditor till the date of Parent auditor's report.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
 1. As required by section 143(3) of the act based on our audit and on the consideration of reports of the Other auditors on separate financial statements of such subsidiaries and the associate company as were audited by other auditors, as noted in "Other Matters" paragraph, we report, to the extent applicable that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Change in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of parent Company and taken on record by the Board of Directors and the reports of the statutory auditors of associate Company incorporated in India, none of the directors of the Group companies and its associate Company incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Companies Act read with – Schedule V of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the parent and its associate has not paid any remuneration to its directors during the year under audit as such compliance of provisions of section 197 of the Companies Act 2013 does not arise.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Parent company does not have any pending litigations which would impact its financial statements as at March 31, 2024. However, the pending litigation existing at the year end in the associate company would not have any adverse impact on the financial position of the company other than those disclosed in note 26.
 - ii. The Parent and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its associate.
 - iv.
 - (a) The respective Management of Parent and its associate has represented that, to the best of its knowledge and belief, other than as disclosed in the note 35(k) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective Management of Parent and its associate has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 35(l) to the consolidated financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") provide any guarantee security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clause (a) and (b) above contain any material misstatement.
 - v. The Parent and its associate has not declared or paid any dividend during the year.
 - vi. Based on a test check examination the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1st 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is not applicable for the financial year end 31st March 2024.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accounts
FRN: 000038N

Sd/-
M.P Thakur
Partner

M. No.: 052473

UDIN: 24052473BKDHE08191

Place: New Delhi
Date: 29.05.2024

Annexure 'A' to Independent Auditors' Report

(Referred to in paragraph (2)(f) under the head 'Report on Other Legal and Regulatory Requirements' of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section

Opinion

In conjunction with our audit of the consolidated financial statements of SBEC SYSTEMS (INDIA) LIMITED as of and for the year ended March 31, 2024. We have audited the internal financial controls with reference to the consolidated financial statement of SBEC SYSTEMS (INDIA) LIMITED (hereinafter referred to as "the Parent Company") and its associate company.

In our opinion, the Parent Company and its associate company in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on "the internal control with reference to consolidated financial statements criteria established by the such Companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit on Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors of the subsidiary Company and associate Company, which are Company incorporated in India, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143 (3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiary company and the associated company, which is company incorporated in India, is based on the corresponding report of the auditor of such Company incorporated in India. Our opinion is not qualified in respect of this matter.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accounts
FRN: 000038N

Sd/-
M.P Thakur
Partner

M. No.: 052473

UDIN: 24052473BKDHE08191

Place: New Delhi

Date: 29.05.2024

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(in Rs. 000)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	184	28
(b) Financial Assets			
- Investments	4	2	-
(c) Other non-current assets	5	14,831	2,570
		15,017	2,598
2 Current assets			
(a) Financial Assets	6	9,011	8,097
(i) Trade Receivables	7	394	1,339
(ii) Cash and cash equivalents	8	40	40
(iii) Bank balances other than (ii) above	9	870	1,417
(b) Current tax Assets(net)	10	52	-
(c) Other Current Assets		10,367	10,893
Total Current Assets		10,894	4,163
TOTAL		25,384	13,491
B EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	11	1,00,000	1,00,000
(b) Other Equity	12	(2,46,483)	(2,59,774)
		(1,46,483)	(1,59,774)
2 Non-current liabilities			
(a) Financial Liabilities			
- Long Term Borrowings	13	93,029	82,616
(b) provisions	14	316	294
		93,345	82,910
3 Current liabilities			
(a) Financial Liabilities			
- Short Term Borrowings	15	74,390	87,448
(b) Trade Payable	16		
- Dues to Micro and Small Enterprises		90	53
- Dues to Other than Micro and Small Enterprises		317	320
(c) Other current liabilities	17	3,725	2,534
Total Current liabilities		78,522	90,355
TOTAL		25,384	13,491

See accompanying notes to the financial statements

1-38

As per our report of even date attached.

For Thakur, Vaidyanath Aiyar & Co

Chartered Accountants
Firm Reg.No.000038NSd/-
M.P Thakur
Partner
Membership No.052473Sd/-
S.S.Agarwal
Director & CEO
DIN-00004840Sd/-
J.C. Chawla
Director
DIN-05316202Sd/-
Priyanka Negi
Company Secretary
M.No 36819Sd/-
Vijay K.Modi
Director
DIN-00004606Sd/-
Lakhmi Chand Sharma
Chief Financial Officer

Place: New Delhi

Date : 29.05.2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(in Rs.000)

Sr No	Particulars	Note No.	Year Ended 31.03.2024	Year ended 31.03.2023
I	Revenue from Sales and services	18	31,847	31,519
II	Other income	19	59	16
III	Total revenue (I+II)		31,906	31,535
IV	Expenses:			
	Employee benefits expense	20	1,899	1,491
	Finance costs	21	10,161	10,973
	Depreciation and amortisation expense	22	-	-
	Other Expenses	23	5,975	8,677
	Total expenses (IV)		18,035	21,141
V	Profit / (Loss) before exceptional items and tax (III-IV)		13,871	10,394
VI	Exceptional Items (Income)/Expenses		-	-
VII	Profit / (Loss) after exceptional items and before tax (V-VI)		13,871	10,394
VIII	Share of Profit / (Loss) of Associates		-	-
IX	Tax expense:			
	- Current Tax (MAT)	24	2,315	1,735
	- MAT Credit of earlier year written back		-	168
	- Current Tax (MAT)		(1,735)	(2,570)
	- Deferred Tax		-	-
	Total		580	(667)
X	Profit / (Loss) for the year (VII-VIII-IX)		13,291	11,061
XI	Other Comprehensive Income		-	-
XII	Profit / (Loss) for the year (X+XI)		13,291	11,061
XIII	Earning per equity shares:	25		
	(i) Basic		1.33	1.11
	(ii) Diluted		1.33	1.11

See accompanying notes to the financial statements

1-38

*As per our report of even date attached.***For Thakur, Vaidyanath Aiyar & Co**Chartered Accountants
Firm Reg.No.000038N

Sd/-

M.P ThakurPartner
Membership No.052473

Place: New Delhi

Date : 29.05.2024

Sd/-

S.S.Agarwal
Director & CEO
DIN-00004840

Sd/-

J.C. Chawla
Director
DIN-05316202

Sd/-

Vijay K.Modi
Director
DIN-00004606

Sd/-

Priyanka Negi
Company Secretary
M.No 36819

Sd/-

Lakhmi Chand Sharma
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(in Rs.000)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before tax	13,871	10,394
Adjustments for :		
Depreciation	-	-
Interest Expense	10,161	10,973
Interest Income	(57)	(16)
Foreign Exchange fluctuation	1,179	6,572
Share of Profit/Loss of Associates	-	-
	11,283	17,529
Operating profit/(Loss) before working capital changes	25,154	27,923
Change in working Capital:		
(Increase) /Decrease in Trade Receivables /Long /Short Term Loans and Advances	(966)	(5,201)
(Increase)/Decrease in Inventories	-	-
Increase /(Decrease) in Trade Payable and Provisions	47	704
	(919)	(4,497)
Cash (used in) / Generated from operations	24,235	23,426
Income Tax/ TDS Paid/ (net of Refund)	1,768	2,754
Net Cash (used) in / generation from operating activities	22,467	20,672
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	57	16
Purchase of fixed assets /Capital Advances	(10,683)	-
Purchase of Share of SVC Bank Ltd (Investment)	(2)	-
Proceeds from Sales of fixed assets	-	-
Net Cash (used) in/flow from investing activities	(10,628)	16
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	-
Proceeds from borrowings-Term Loan	9,234	-
Repayment of borrowings -Short Term Loan	(13,058)	(8,970)
Interest paid	(8,960)	(11,040)
Net Cash Flows from/used in financing Activities	(12,784)	(20,010)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(945)	678
Cash and Cash equivalents at beginning of period	1,339	661
Cash and Cash equivalents at end of the period	394	1,339

- a) *Figures in bracket indicate cash outflow.
- b) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7)-Statement of Cash Flow, as specified under section 133 of the Company Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 (as amended).

As per our report of even date attached.

For Thakur, Vaidyanath Aiyar & Co
Chartered Accountants
Firm Reg.No.000038N

Sd/-
M.P Thakur
Partner
Membership No.052473

Place: New Delhi
Date : 29.05.2024

Sd/-
S.S.Agarwal
Director & CEO
DIN-00004840

Sd/-
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Vijay K.Modi
Director
DIN-00004606

Sd/-
Priyanka Negi
Company Secretary
M.No 36819

Sd/-
Lakhmi Chand Sharma
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**Consolidated Statement of Changes in Equity for the year ended 31st March, 2024****A EQUITY SHARE CAPITAL (In Rs.000')**

Previous Reporting Period				
Opening Balance as at April 1,2022	Changes in equity Share Capital due to prior period errors	Restated balance as at April 1,2022	Changes in equity Share Capital during the year	Balance as at March 31,2023
1,00,000	-	1,00,000	-	1,00,000
Current Reporting Period				
Opening Balance as at April 1,2023	Changes in equity Share Capital due to prior period errors	Restated balance as at April 1,2023	Changes in equity Share Capital during the year	Balance as at March 31,2024
1,00,000	-	1,00,000	-	1,00,000

OTHER EQUITY (in Rs.000')

Previous Reporting Period				
	Share Premium Reserve	Retained Earning	Other Comprehensive Income	Total
Balance as at 1.0 4.2022	19,262	(2,90,097)	-	(2,70,835)
Add: Adjustment in opening for Prior period errors (refer note 36)	-	-	-	-
Restated balance at the beginning of the reporting period	19,262	(2,90,096)	-	(2,70,834)
Addition during the year	-	-	-	-
Profit/(Loss) for the Year	-	11,061	-	11,061
Balance as at 31.03.2023	19,262	(2,79,036)	-	(2,59,774)
Current Reporting Period				
	Share Premium Reserve	Retained Earning	Other Comprehensive Income	Total
Balance as at 31.03.2023	19,262	(2,79,036)	-	(2,59,774)
Addition during the year	-	-	-	-
Profit/(Loss) for the Year	-	13,291	-	13,291
Balance as at 31.03.2024	19,262	(2,65,745)	-	(2,46,483)

See the accompanying notes to the financial statements

1-38

As per our report of even date attached.

For Thakur, Vaidyanath Aiyar & Co

Chartered Accountants
Firm Reg.No.000038NSd/-
S.S.Agarwal
Director & CEO
DIN-00004840Sd/-
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M.P Thakur
Partner
Membership No.052473Sd/-
Priyanka Negi
Company Secretary
M.No 36819Sd/-
Lakhmi Chand Sharma
Chief Financial Officer

Place: New Delhi

Date : 29.05.2024

ACCOUNTING POLICIES OF THE CONSOLIDATION FINANCIAL INFORMATION**NOTE NO: 1 Corporate Information**

SBEC Systems (India) Limited ("the Company") is a public limited company incorporated in India under the provisions of the Companies Act, 1956 on December 15, 1987 and is listed on Bombay Stock Exchange Ltd. (BSE). The Registered Office of the Company is located at 1400, Hemkunt Tower, 98, Nehru Place, New Delhi-110019.

The company is an engineering and consultancy company primarily engaged in rendering of scientific, technical, engineering, professional, commercial and all other types of skilled services dealing in designs, plans and specifications of all type of contracts turnkey or otherwise, assignments, process and undertake fabrication, erection, commissioning of projects and providing high-tech equipment to sugar and power industries and to carry on or manage and supervise the control of business of transmitting, supply, generating, distributing and dealing in electricity of all forms of energy and power generated by any source from steam, hydro or tidal or water, wind, solar & hydrocarbon etc.

The Company does not have any subsidiary; however, it has an associate company i.e. SBEC Sugar Limited. Information on related party relationships of the company is provided in Note No 30.

The Consolidated Financial statement comprise the financial statements of the parent and its associate company.

The financial statements of the company for the year ended 31st March, 2024 were approved by the Board of Directors on 29th May 2024.

Note 2. Material Accounting Policies**a) Basis of preparation**

These Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS", under the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the Act) as amended thereafter and other relevant provisions of The Act.

The Consolidated financial statements have been prepared on an accrual basis and presented on going concern basis and under the historical cost convention on accrual basis except for certain financial assets and liabilities which are measured at fair value or amortized cost at the end of each financial year.

The Consolidated financial statement are presented in also Indian Rupees (INR) which is the company's functional currency of the primary economic environment in which the company operates and all figures are rounded off to the nearest thousand except when otherwise indicated.

b) Basis of consolidation

Associates are those entities over which the company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control those policies. Significant influence is presumed to exist when the company holds 20 percent or more of the voting power of the investee. If accounting policies of associates differ from those adopted by the Group, the accounting policies of associates are aligned with those of the Group. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting as described below:-

Equity method of accounting (equity accounted investees)

An interest in an associate is accounted for using the equity method from the date the investee becomes an associate and are recognized initially at cost. The carrying value of investment in associates includes goodwill identified on date of acquisition, net of any accumulated impairment losses. The consolidated financial statements include the parent's share of profits or losses, other comprehensive income and equity movements of equity accounted investments, from the date that significant influence commences until the date that significant influence ceases.

When the parent's share of losses exceeds its interest in an equity accounted investment, the carrying amount of that interest (including any long-term interests in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the parent has incurred constructive or legal obligations or has made payments on behalf of the investee.

When the parent transacts with an associate company, unrealized profits and losses are eliminated to the extent of interest in its associate. Dividends are recognized when the right to receive payment is established

c) Current and non current classification

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria as set out in Schedule III to the Companies Act, 2013.

d) Use of Accounting judgments, estimates and assumptions:

In preparation of financial statements in conformity with recognition and measurement principle of IND AS requires management to make judgment, estimates and assumptions. These judgments, estimates and assumptions affect the reported accounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as on the date of financial statements and the reported amount of revenues and expenses during the period. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Information about significant areas of estimates uncertainty and critical judgment in applying accounting policies that have the most significant effects to the carrying amounts of assets and liabilities within the next financial year are:

(i) Revenue Recognition:

(a) Revenue (other than those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognizes revenue from contracts with customers based on a Five-Step Model as set out in Ind AS 115 i.e.:

Step 1: Identification of contract(s) with customers that creates enforceable rights and sets out the criteria that must be met.

Step 2: Identification of the separate performance obligations in the contract with customer to transfer goods or services to the customer.

Step 3: Determination of transaction price for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocation of transaction price to the separate performance obligations in a contract that has more than one performance obligations that depicts the amount of consideration to which the company expects to be entitled to in exchange for satisfying each performance obligation.

Step 5: Recognition of revenue when (or as) each performance obligation is satisfied.

Revenue from contract is recognized (net of goods & services tax) at a point in time when performance obligation in contract is fulfilled in accordance with the terms and conditions with the respective customers.

Revenue is recognized on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Where significant uncertainty exists with regard to realization of revenue at the time of accrual, the underlying revenue is not recognized to that extent. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment net of goods and service tax, wherever applicable.

(b) Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the effective interest rate. Interest on Income Tax refund is accounted for on receipt basis.

(c) Dividend income is recognized at the time when right to receive payment is established by the reporting enterprise.

(ii) Property, plant & equipment

Property, plant & equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses. The cost comprises purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use.

An item of Property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

In respect of new projects, all expenses including interest on specific borrowings incurred up to the date of commencement of commercial production are capitalized. In respect of substantial expansion of business, at the existing locations, only direct costs are capitalized together with the interest on the funds relatable to them up to the date of commercial production.

(iii) Intangible Asset

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

(iv) Depreciation and Amortisation

a) Depreciation on Property, Plant & Equipments (PPE) is provided on Written Down Value (WDV) method over the useful lives as specified under Schedule II of the Companies Act, 2013. The estimated useful lives and residual values of PPE are reviewed at the end of each financial year.

Depreciation on the Property, Plant & Equipment (PPE) added/ disposed off/ discarded during the year is provided from/ upto the date when added/ disposed off/ discarded.

(b) Intangible assets are amortised on straight line basis over the estimated economic life of the assets.

(v) Impairment of non-financial asset

The company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or cash generating unit's (CGU) fair value less cost of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount as impairment loss and is recognized in the statement of profit and loss

(vi) Inventories

Stores, Spare Parts and Components are valued at cost. For this purpose, cost is ascertained on FIFO basis.

Goods/spares purchased for resale to customers are valued at lower of cost or net realizable value. Provision for obsolescence is made on the stocks, wherever required.

(vii) Foreign Currency Transactions

The company has determined Indian Rupee (INR) as transaction currency. Accordingly, transactions in foreign currency are recorded at exchange rates prevailing on the date of transaction. Monetary foreign currency assets & liabilities remaining unsettled at the balance sheet date are translated at exchange rate prevailing on that date. Gain/loss arising on account of realization/settlement of foreign currency transactions and on translation of foreign currency assets and liabilities are recognized in the Statement of Profit & loss.

(viii) Employee Benefits

Employee benefits have been recognized in following ways:

Short term Employee Benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits**(a) Defined Contribution Plan- Provident Fund and Family Pension**

The Company contributes to a recognized Provident Fund and Family Pension fund which is a defined contribution scheme. The contribution is accounted for on an accrual basis and recognized in the Statement of profit and loss. The eligible employees of the company are entitled to receive post-employment benefits in respect of provident fund and family pension fund. The contributions made to state managed retirement benefit schemes dealt with as payments to defined contribution schemes where the company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined Benefit Plan-Gratuity

The company's Gratuity benefit scheme is defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs are deducted.

The calculation of the Company's obligation is performed annually by a using discount rate of 7.23% under the projected unit credit method by the company instead of through qualified actuary since such liability is vested in a single employee. The gratuity liability is unfunded.

The Company recognizes actuarial gains or losses arising on defined benefit plan immediately in OCI as prescribed by Ind AS-19.

(ix) Borrowing Cost

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial time to get ready for its intended use. All other borrowing cost are charged to the Statement of Profit and Loss as incurred.

(x) Fair Value Measurement

The Company measures financial instruments and specific investments other than subsidiary, joint venture and associates, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as below, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For this purpose, fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Where there is not feasible, a degree of judgement required in establishing the fair value, judgment includes consideration of inputs such as liquidity risk, credit

risk and volatility.

(xi) **Financial Instruments**

Classification

A financial instrument is any contract that give rise to a financial asset of one entity and financial liability or equity instruments of another entity. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities.

Subsequent measurement

Non-derivative financial Instruments

(i) Financial assets carried at amortized cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, loans and other financial assets.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flow represents SPPI. Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss.

(iii) Financial assets at fair value through profit or loss (FVTPL):

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity Instruments

All equity investments (except investments in subsidiaries, joint ventures and associates) in scope of Ind AS 109 are measured at fair value.

Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, other than investment in Subsidiary, Associates and Joint Ventures, the company makes an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment, however such amount is transferred to Retained earnings.

Derecognition

The Company derecognizes a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

Financial Liabilities:

The Company's financial liabilities include borrowings, trade and other payables.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

(xii) **Accounting for Provisions, Contingent Liabilities and Contingent Assets**

Provision and liabilities are recognized in the period when it became probable that there will be a future outflow of funds resulting from past event or operation that can be reasonably estimated. The timing of recognition requires application of judgments to existing fact and circumstances which may be subject to change.

The amounts are determined by discounting the expected future cash flow at pre-tax rate that reflects current market assessment of the time value money and the risk specific to the liability.

In the normal course of business, contingent liabilities are arising from litigation and other claims against the company. Potential liabilities that are possible to be quantified reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

The company does not recognize the contingent asset since whose existence will only be confirmed by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the entity.

(xiii) **Taxation**

Income tax expense comprises of both current and deferred taxes are recognized in the Statement of Profit and Loss.

Current tax

Current Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to the items recognized directly in equity, in which case it is recognized in equity or other comprehensive income (OCI). Current tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, in accordance with the Income Tax Act, 1961. The tax rates and the tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred Tax

Deferred Tax assets and liabilities are recognized on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow for all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(xiv) **Cash and Cash Equivalents (for purposes of Cash Flow Statement)**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise Cash at bank, Cash on hand and demand deposits with bank with an original maturity of three months or less from the date of acquisition.

(xv) **Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(xvi) **Earnings Per Share**

Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The Company has not issued any potential equity shares, and accordingly, the Basic Earnings Per Share and Diluted Earnings Per Share are the same.

(xvii) **Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit/ loss before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

(xix) **Recent Pronouncements, Standards, Interpretation and Amendments adopted by the company**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

Changes in Ind AS notified during the financial year 2023-24, if any, effective from the financial year 2024-25 and applicable to the company shall be taken care off by the company from 01/04/2024 onwards.

Notes to Consolidated Financial Statement for the Period ended 31st March, 2024**NOTE 3: PROPERTY, PLANT AND EQUIPMENT**

(in Rs.000)

Particulars	Plant & Machinery	Furniture, Fixtures & Fittings	Office Equipment	Total
As at 31.03.2024				
Gross carrying amount				
Balance as at 1st April,2023	-	633	64	697
Additions *	156	-	-	156
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2024	156	633	64	853
Accumulated Depreciation				
Balance as at 1st April,2023	-	608	61	669
Additions	-	-	-	-
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2024	-	608	61	669
Net Carrying amount as at 31.03.2023	-	25	3	28
Net Carrying amount as at 31.03.2024	156	25	3	184

*The Free hold land has been purchased in earlier years and the same is registered in the name of the company in the office of the Sub Registrar,Baraut,Baghpat and the same has been capitalised during the year.The aforesaid land has been leased out to SBEC Sugar Ltd, an associate company vide lease agreement dated 26-10-1999 for a period of 99 years with effect from 01.01.1999 as per the terms & conditions contained in the said agreement.

As at 31.03.2023

Gross carrying amount				
Balance as at 1st April,2022	-	633	64	697
Additions	-	-	-	-
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2023	-	633	64	697
Accumulated Depreciation				
Balance as at 1st April,2022	-	608	61	669
Additions	-	-	-	-
Deductions/Adjustment	-	-	-	-
Balance as at 31st March,2023	-	608	61	669
Net Carrying amount as at 31st March,2022	-	25	3	28
Net Carrying amount as at 31st March,2023	-	25	3	28

NOTE 4: INVESTMENT

Particulars	As at 31.03.2024	As at 31.03.2023
(A) Investment in Equity Instruments		
(Quoted,carried at Cost less impairment loss,if any using equity method)		
Carrying Cost of investment in associate (1,42,30,884 (P.Y 1,42,30,884) Equity Shares of SBEC Sugar Limited of Rs. 10/- each fully paid up)	1,42,309	1,42,309
Add/(less):Company's share of profit/(loss) during the year in associate (refer note 36)	(1,42,309)	(1,42,309)
Add/(less):Company's share of other comprehensive income/(loss) during the year in associate (refer note 36)	-	-
Subtotal	-	-
Aggregate market value of quoted Investments (BSE closing rate of Rs. 38 P.Y Rs. 33.62 per share)	5,40,774	4,78,442
Aggregate value of quoted investment at face value	1,42,309	1,42,309
Aggregate carrying value of quoted investment	-	-
(B) Other Investment in non related entities		
(Unquoted, Carried at cost)		
100 (P.Y. Nil) Equity Shares of The Shamrao Vithal Co-op Bank Limited of Rs.25/- each fully paid up	2	-
Aggregate carrying value of unquoted investment	2	-
Total (A+B)	2	-

Particulars	(in Rs.000)	
	As at 31.03.2024	As at 31.03.2023
NOTE 5: OTHERS NON-CURRENT ASSETS		
Capital Advances	10,527	-
MAT Credit Entitlement	4,304	2,570
	<u>14,831</u>	<u>2,570</u>

NOTE 6 : TRADE RECEIVABLES

Trade Receivables considered Good - Secured :	-	-
Trade Receivables considered Good - Unsecured :	9,011	8,097
Less : Allowance for bad and doubtful debts	-	-
Total	<u>9,011</u>	<u>8,097</u>

*Receivable from related party being associate company

Trade Receivable Ageing Schedule**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months-1year	1-2 years	2-3 years	More than 3year	
(i) Undisputed Trade receivables-Considered Good	9,011	-	-	-	-	9,011
(ii) Undisputed Trade receivables-Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables-Considered Good	-	-	-	-	-	-
(iv) Disputed Trade receivables-Considered doubtful	-	-	-	-	-	-
Total	<u>9,011</u>	-	-	-	-	<u>9,011</u>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months-1year	1-2 years	2-3 years	More than 3year	
(i) Undisputed Trade receivables-Considered Good	8,097	-	-	-	-	8,097
(ii) Undisputed Trade receivables-Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables-Considered Good	-	-	-	-	-	-
(iv) Disputed Trade receivables-Considered doubtful	-	-	-	-	-	-
Total	<u>8,097</u>	-	-	-	-	<u>8,097</u>

NOTE 7 : CASH & BANK BALANCES**Cash and Cash Equivalents**

Balance with Scheduled Banks in -		
-- Current Accounts	393	1,338
Cash in hand	1	1
TOTAL	<u>394</u>	<u>1,339</u>

NOTE 8 : OTHER BANK BALANCES

Other bank balances		
Fixed deposit with banks	40	40
(Fixed Deposit has been pledged with Sales Tax Authority)		
TOTAL	<u>40</u>	<u>40</u>

NOTE 9 : INCOME TAX ASSETS

Income tax assets(net of provision)	870	1,417
TOTAL	<u>870</u>	<u>1,417</u>

NOTE 10: OTHER CURRENT ASSETS

Other advances (Includes prepaid expenses etc.)	52	-
TOTAL	<u>52</u>	<u>-</u>

NOTE 11: SHARE CAPITAL

(in Rs.000)

	As at 31.03.2024	As at 31.03.2023
AUTHORISED CAPITAL		
15,000,000 Equity Shares of Rs.10/- each.	1,50,000	1,50,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
10,000,000 Equity Shares of Rs.10/- each fully paid-up (Previous year -10,000,000)	1,00,000	1,00,000
TOTAL	1,00,000	1,00,000

a. Reconciliation of number of shares (nos.)		
Outstanding at the beginning of the year	10,00,00,000	10,00,00,000
Outstanding at the end of the year	10,00,00,000	10,00,00,000

b. (1) The company has only one class of issued shares i.e. Equity shares having par value of Rs. 10 per share . Each holder of equity shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend . In the event of liquidation the entity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts, in proportion to their shareholding.

(2) No member shall exercise any voting rights in respect of any share on which any calls payable , or in respect of which the company has exercise its right of lien.

c. Detail of shareholders holding more than 5 percent of equity shares:

Name of shareholders	As at 31 st March, 2024		As at 31 st March, 2023	
	No.Shares	% of holding	No.Shares	% of holding
Mr. Umesh Kumar Modi	2079560	20.79%	2079560	20.79%
SBEC Systems Limited (UK)	2040000	20.40%	2040000	20.40%
Longwell Investments Pvt. Ltd.	550000	5.50%	550000	5.50%

d. Promoter Holding

Name of shareholders	As at 31 st March, 2024		As at 31 st March, 2023	
	No.Shares	% of holding	No.Shares	% of holding
Mr. Umesh Kumar Modi	2079560	20.79%	2079560	20.79%
Ms. Meghna Modi	200	0.00%	200	0.00%
SBEC Systems Limited (UK)	2040000	20.40%	2040000	20.40%
Longwell Investments Pvt. Ltd.	550000	5.50%	550000	5.50%
Abhikum Leasing and Investments Pvt. Ltd.	220000	2.20%	220000	2.20%
Kumabhi Investment Pvt. Ltd.	210000	2.10%	210000	2.10%

e. None of shares have been reserved for issue under options and contracts/commitments for sale of shares/disinvestment as at the balance sheet date.

f. None of the securities are convertible into shares at the end of the reporting period.

g. No calls are unpaid by any director or officer of the company during the year.

NOTE 12: OTHER EQUITY

	As at 31.03.2024	As at 31.03.2023
Share Premium Reserve		
Opening balance	19,262	19,262
Add: Addition during the year	-	-
Closing Balance	19,262	19,262
Retained Earnings		
Opening balance of surplus / (deficit)	(2,79,036)	(2,90,097)
Add : Net Profit(loss) for the year	13,291	11,061
Balance at the end of the year	(2,65,745)	(2,79,036)
TOTAL	(2,46,483)	(2,59,774)

(in Rs.000)

NOTE 13 :BORROWINGS**Term Loans - Secured**

-From Banks*

Unsecured Loans

Foreign Currency Loan From Overseas

From a Corporate Body (Refer Note No.26)

Total

	As at 31.03.2024	As at 31.03.2023
	9,234	-
	83,795	82,616
Total	93,029	82,616

***Terms & Conditions of Secured Loan**Secured Loan

- (a) Term loan of Rs. 270 lakhs has been sanctioned by SVC Co- operative Bank Ltd. Nehru Place New delhi (Registered office Mumbai) vide sanction letter dated 02-02-2024 and amount of Rs. 9,234 thousand has been disbursed on 30-03-2024. The loan carry interest @ PLR 10.70 (i.e. present 10.00%) per annum.
- (b) Security - (i) Secured by creating charge by way of hypothecation on the solar plant genration unit to be set up on rooftop of Modi Industries Ltd- Electrode division,Modinagar,UP (ii) personel guarantees of Shri Umesh Kumar Modi, Promoter.
- (c) Loan in repayable after a monotorium period of 4 months from the disbursement in 84 equal monthly installment of Principal amount alongwith the interest due thereon. Since the loan has not been fully disbursed as such disclosure with regards to repayment of long term borrowings falling due within 12 months and more than 12 months is not applicable.

Unsecured Loan

- d) Unsecured Loan in foreign currency USD 10,04,944 has been taken from Occident Orient Company Limited in terms of the agreement dt 14.12.2005 entered between the company and the said body corporate(UK).No provision for the interest has been made since the FY 2009-10 to 2023-24 amount unascertained.

NOTE 14 : PROVISIONS**Provision for Employee Benefits :****For Gratuity****Total**

316	294
316	294

NOTE 15 : BORROWINGS

Unsecured

Loans repayable on demand

From a body corporate

TOTAL

74,390	87,448
74,390	87,448

The interest on above unsecured loan is payable @12% per annum on the outstanding amount.

NOTE - 16 : TRADE PAYABLE

(i) MSME

(ii) Other Liabilities

(iii) Disputed dues - MSME

(iv) Disputed dues - Others

TOTAL

90	53
317	320
-	-
-	-
407	373

a) Disclosure as required by Micro,Small and Medium Enterprises Development Act ,2006

A (I)	Principal amount remaining unpaid	90	53
(II)	Interest amount remaining unpaid	-	-
B	Interest paid by Company in terms of Section of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amount of the payment made to the supplier appointed day	-	-
C	Interest due an dpayable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
D	Interest accrued and remaining unpaid	-	-
E	Interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprises.	-	-

b) Ageing for trade payable Schedule: As at March 31, 2024 (in Rs.000)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1year	1-2year	2-3year	More than 3year	
(i) MSME	90	-	-	-	90
(ii) Disputed dues - MSME	-	-	-	-	-
(iii)Others	317	-	-	-	317
(iv) Disputed dues - Others	-	-	-	-	-
Total	407	-	-	-	407
As at March,31,2023					
(i) MSME	53	-	-	-	53
(ii) Disputed dues - MSME	-	-	-	-	-
(iii)Others	320	-	7	-	320
(iv) Disputed dues - Others	-	-	-	-	-
Total	373	-	7	-	373

NOTE 17 : OTHER CURRENT LIABILITIES

	As at 31.03.2024	As at 31.03.2023
Employee dues	150	123
Statutory dues payable	1,555	1,591
Interest on Unsecured Loan Payable	2,020	820
TOTAL	3,725	2,534

NOTE 18 : SALES AND SERVICES

	Year ended 31.03.2024	Year ended 31.03.2023
<u>Services</u>		
Technical Fee	37,579	37,192
Less:Goods & Services Tax	5,732	5,673
TOTAL	31,847	31,519

NOTE 19 : OTHER INCOME

Interest on income tax refund	57	16
User Charges	2	
TOTAL	59	16

NOTE 20 : EMPLOYEE BENEFIT EXPENSES

Salary, Wages, Bonus & other allowances	1,831	1,361
Company's Contribution To Provident & Other Funds	46	85
Gratuity	22	45
TOTAL	1,899	1,491

NOTE 21: FINANCE COST

Interest on Loans	9,883	10,972
Interest - Others	0	1
Other borrowing cost	278	0
TOTAL	10,161	10,973

NOTE 22: DEPRECIATION & AMORTIZATION EXPENSES

Depreciation & Amortization	-	-
TOTAL	-	-

NOTE 23 : OTHER EXPENSES

	(in Rs.000)	
	Year ended 31.03.2024	Year ended 31.03.2023
Legal & Professional Charges	2,378	819
Secretarial & AGM Expenses	1,092	768
Telephone, Postage & Telegram	20	20
Disply Expenses	373	-
Travelling & Conveyance	127	77
Printing & Stationery	12	6
Insurance Charges	14	64
Filing Fee	11	13
Gift & Presentation	325	62
Auditor's Remuneration		
-As Audit Fee	50	50
-Certification and Company Law	5	8
Misc. Expenses	25	0
Vehicle Running Expenses	364	218
Foreign Exchange fluctuation	1,179	6,572
TOTAL	5,975	8,677

NOTE - 24 : INCOME TAXES

Income Tax Expenses:		
-Current Tax (MAT)	2,315	17.35
-Tax for Earlier Years	-	16.8
-MAT Credit of earlier year written back	(1,735)	(2,570)
TOTAL	(580)	(667)

NOTE 25: EARNING PER SHARE(EPS)

EPS has been computed in accordance with Ind AS-33 :

Profit /(Loss) after tax for the year	13,291	11,061
Weighted Average number of equity shares of Rs.10/- each fully paid up	1,00,00,000	1,00,00,000
Basic & Diluted Earnings per share (In. Rupee)	1.33	1.11

NOTE NO.: 26 Contingent liabilities not provided for in respect of:-

- a) Contingent Liabilities Interest on Foreign Currency Loan is Rs. 23,552 thousands as on 31.03.2024 and 23,181 thousands as on 31.03.2023.

In terms of agreement dated 14th December 2005 entered with Occident Orient Company Limited , subject to approval of the Reserve Bank of India (RBI), interest of USD 2,81,974/- (Previous Year USD 2,81,974/-) for earlier years upto the FY 2008-09 is payable by the company on Foreign Currency Loan of USD 10,04,944. Pending approval of RBI, this liability is being shown as contingent liability.

- b) Claims against the company not acknowledged as debt

S.No	Particulars	As at 31.3.2024	As at 31.3.2023
i)	In respect of the parent company	-	-
ii)	In respect of the associate		
	Audited Accounts were not made available.		

NOTE NO.: 27 *Capital and other commitments (to the extent applicable):*

Estimates amount of contract remaining to be executed on capital account and not provided for (net of advances) Rs.15,123 Thousands (P.Y. Rs. Nil).

NOTE NO: 28

The accounts of the company for the year ended 31.03.24 have been prepared on going concern basis even though the net worth of the company has been fully eroded. The management is confident to revive the business on the ground mentioned below:

During the financial year 2023-24, the company has commenced construction of new project by setting up Solar Power Generation and Distribution Unit at an estimated cost of Rs. 27,500 thousand including promoter's contribution for which financial tie-up has already been arranged & partially received from a bank till 31st March 2024. A sum of Rs 10,527 thousand has already been incurred till 31st March 2024. The project is likely to be completed / in operation before the end of next financial year. The company has also identified the potential consumers for the sale of power generated from solar plant. It is expected that net worth of the company would likely to be positive within next 3-4 years.

NOTE NO.: 29 Segment Reporting

The Company operates in a single business and geographical segment and the requirements of Ind AS-108 on Segment Reporting are not relevant upto the FY 2023-24.

NOTE NO.: 30 Related Parties Disclosures pursuant to compliance of Ind AS-24 on "Related Party Disclosures", were as under:**a) Enterprises Where Control Exists**

SBEC Sugar Limited – reporting enterprise has substantial control

b) Enterprises that directly or indirectly controlled or are under common control with the reporting enterprises.

SBEC System limited (United Kingdom)

c) Key Managerial Personnel

Mr. Luv Gupta - Chief Financial Officer (up to 30.04.23)
Mr. Lakhmi Chand Sharma - Chief Financial Officer (w.e.f 01.05.23)
Mrs. Priyanka Negi - Company Secretary

d) Individual owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise :

Mr. Umesh Kumar Modi

e) Relative of individual owning substantial interest and their Enterprises :

Mrs. Kumkum Modi, Mr. Abhishek Modi, Ms. Meghna Modi, Ms. Himani Modi, Mr. Jayesh Modi, Mrs Shreepriya Modi, Modi Arts Pvt Ltd., Modi Goods and Retail Services Pvt Ltd., Jai Abhishek Investments Pvt Ltd., Modi Diagnostics Pvt Ltd., Modi –Mundipharma Beauty Products Pvt. Ltd., Modi Senator (India) Pvt Ltd., First Move Management Services Pvt Ltd., Beauty Products Lanka Pvt Ltd., Umesh Modi Corp Pvt Ltd., Modi-Mundipharma Healthcare Pvt. Ltd. (formerly known as Modi Omega Pharma (India) Pvt Ltd.), Modi Illva India Pvt Ltd., A to Z Holding Pvt Ltd., Longwell Investment Pvt Ltd., SBEC Sugar Limited*, Bihar Sponge Iron Ltd., Modi Mundipharma Pvt Ltd.* , Modiline Travel Service Pvt Ltd., Modi Industries Ltd., Modi Hitech India Ltd., Win Medicare Pvt Ltd*, H.M.Tubes & Containers Pvt Ltd., Modi Motors Pvt Ltd., M.G.Mobile India Pvt Ltd., Bangladesh Beauty Products Pvt. Ltd, SBEC Bio Energy Ltd*, Meghna AutoWorks Pvt. Ltd., Mundipharma (Bangladesh) Pvt. Ltd., Jayesh Tradex Pvt. Ltd*, Mundipharma Trading Bangladesh Pvt. Ltd., SBEC Stockholding & Investment Ltd., Abhikum Leasing & Investments Pvt. Ltd., ABC Holding Pvt. Ltd., Kumabhi Investments Pvt. Ltd., Meghkum Leasing & Investment Pvt. Ltd., Technicast Engineers Ltd., M First Trading Pvt. Ltd.

* Indicates that during the period, there is transaction with these relatives and enterprises

f) Transactions carried out with related parties referred in 1 above, in the ordinary course of business

(In Rs.000)

S.No	Nature of Transactions		Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above	Referred in 1(e) above
1.	Income (from associate)					
	Professional and Technical services	CY PY	31,847 31,519	-	-	-
	User Charges	CY PY	2 -			
2.	Expense					
	(a) Secretarial Exp/Printing & Stationery etc.	CY PY	- -	-	-	227 50
	(b) Remuneration to KMPz	CY PY	- -	-	1,750 1,380	-
3.	Year end Balance					
	(a) Trade and Other Receivables	CY PY	9,011 8,097	-	-	-
	(b) Outstanding Payable	CY PY	- -	-	121 95	10 25
	(c) Equity Share Capital held in Associate (SBEC Sugar Ltd)	CY PY	1,42,309 1,42,309	-	-	-

NOTE NO.: 31 Deferred Tax

The Company has no deferred tax liability. There are deferred tax assets on account of unabsorbed depreciation and carried forward business losses, which as a matter of prudence have not been recognised.

NOTE NO.: 32 Employee Benefits

The company has adopted Ind AS- 19 'Employee Benefits'.

Contributions to Defined Benefit /Contribution Plan, recognized as expense for the year are as under:

a) Defined Contribution Plan

(in Rs.000)

	2023-24	2022-23	2021-22	2020-21	2019-20
	Year	Year	Year	Year	Year
Employer's contribution to provident fund	46	85	78	59	61

b) Defined Benefit Plan

The employees' gratuity fund scheme is a Defined Benefit Plan (DBP). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

1. Reconciliation of opening and closing balances of DBP

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
DBP at the beginning of the year	294	249	198	168	126
Interest Cost	-	-	-	-	-
Current Service Cost	22	45	51	30	42
Benefits Paid/written back	Nil	Nil	Nil	Nil	Nil
Actuarial (gain)/loss	Nil	Nil	Nil	Nil	Nil
DBP at the beginning of the year	316	294	249	198	168

2. Reconciliation of opening and closing balances of Fair Value of Plan Assets- Gratuity Liabilities

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Fair value of plan assets as at the beginning of the year	Nil	Nil	Nil	Nil	Nil
Expected return	Nil	Nil	Nil	Nil	Nil
Actuarial (gain / loss)	Nil	Nil	Nil	Nil	Nil
Contribution by employer	Nil	Nil	Nil	Nil	Nil
Benefits paid	Nil	Nil	Nil	Nil	Nil
Settlement cost	Nil	Nil	Nil	Nil	Nil
Fair value of plan assets as at the end of the year	Nil	Nil	Nil	Nil	Nil
Actual return on plan assets	Nil	Nil	Nil	Nil	Nil

3. Reconciliation of amount recognized in Balance Sheet

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Fair Value of Plan Assets	Nil	Nil	Nil	Nil	Nil
Present value of obligation	316	294	249	198	168
Net asset/(liability) recognized in the Balance Sheet	316	294	249	198	168

4. Expense Recognized during the period in Profit & Loss A/c.

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Interest Cost	Nil	Nil	Nil	Nil	Nil
Current Service Cost	22	45	51	30	42
Expected Return on Plan Assets	Nil	Nil	Nil	Nil	Nil
Net Actuarial (Gain) / Loss recognized during the year	Nil	Nil	Nil	Nil	Nil
Expenses recognized in the statement of Profit & Loss	22	45	51	30	42

5. Actual Return on Plan Assets

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Expected return on Plan Assets	Nil	Nil	Nil	Nil	Nil
Actuarial (Gain) / Loss recognised during the year	Nil	Nil	Nil	Nil	Nil
Actual return on plan assets	Nil	Nil	Nil	Nil	Nil

6. Principal Actuarial Assumptions

(In Rs.000')

	Year ended 31.03.24	Year ended 31.03.23	Year ended 31.03.22	Year ended 31.03.21	Year ended 31.03.20
Discount Rate	7.23%	7.38%	7.23%	8%	8%
Future Salary Increased	5%	5%	5%	5%	5%
Expected rate of return on plan assets	-	-	-	-	-
Withdrawal Rates					
Up to 30 Years	3.00%	3.00%	3.00%	3.00%	3.00%
Up to 44 Years	2.00%	2.00%	2.00%	2.00%	2.00%
Above 44 Years	1.00%	1.00%	1.00%	1.00%	1.00%

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

NOTE 33: Financial Instruments**Financial Instruments by category:**

The accounting classification of each category of financial instruments ,their carrying value and fair value as on March 31,2023 is as follows:

As on 31st March,2024

Particulars	Note	FVTPL	FVTPL	Amortised cost	Total carrying cost
Assets:					
Investment in associates and others	4	-	-	2	2
Trade receivables	6	-	-	9,011	9,011
Cash and Cash Equivalents	7	-	-	394	394
Other Bank Balances	8	-	-	40	40
Current Tax Assets	9	-	-	870	870
Total		-	-	10,317	10,317
Liabilities:					
Long Term Borrowings	13	-	-	93,029	93,029
Short Term Borrowings	15	-	-	74,390	74,390
Trade Payables	16	-	-	407	407
Other Current Liabilities (excl. Statutory dues)	17	-	-	2,170	2,170
Total		-	-	1,69,996	1,69,996

The accounting classification of each category of financial instruments ,their carrying value and fair value as on March 31,2022 is as follows:

As on 31st March,2023

Particulars	Note	FVTPL	FVTPL	Cost or Amortised cost	Total carrying cost
Assets:					
Investment in associates and others	4	-	-	-	-
Trade receivables	6	-	-	8,097	8,097
Cash and Cash Equivalents	7	-	-	1,339	1,339
Other Bank Balances	8	-	-	40	40
Current Tax Assets	9	-	-	1,417	1,417
Total		-	-	10,893	10,893
Liabilities:					
Long Term Borrowings	13	-	-	82,616	82,616
Short Term Borrowings	15	-	-	87,448	87,448
Trade Payables	16	-	-	373	373
Other Current Liabilities (excl.Statutory dues)	17	-	-	943	943
Total		-	-	1,71,380	1,71,380

Management has assessed that Cash and cash equivalents, Other balances with banks, Loans, Trade receivables, Other financial assets, Borrowings, Trade payables and Other financial liabilities are carried at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

Abbreviations : FVTPL - Fair Value Through Profit or Loss.

Abbreviations : FVTOCI - Fair Value Through Other Comprehensive Income.

NOTE 34: Additional information pursuant to provisions of Part II (Division II) of Schedule III of the Companies Act,2013 (to the extent applicable)

(a) Undisclosed Income

The company has no such transaction which is not reported in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of Income Tax, 1961).

(b) Corporate Social Responsibility

The company is not covered under any of the three conditions for the applicability of the provisions of corporate social responsibility as mentioned in the section 135 of the Companies Act 2013 and hence the disclosure requirements with respect to corporate social responsibility is not applicable to the company.

(c) Crypto Currency or Virtual Currency

The company has not traded or invested in Cryptocurrency or virtual currency during the current financial year.

(d) Other disclosure

(In Rs.000')

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Stock, Purchases and Sales of Goods Traded in	-	-
Expenditure in Foreign Currency(cash basis)	-	-
Interest payment	-	-
Earning in Foreign Exchange	-	-
CIF Value of imports	-	-

NOTE 35: Additional Regulatory Information (to the extent applicable)

- a) All the title deeds of immovable properties are held in the name of company as at the balance sheet date.
- b) No item of property plant and equipment (including the right of use of assets) are both have been revalued during the current / earlier financial year as such the disclosure with respect to revaluation if any done based on the valuation by registered valuer as defined under the rule 2 of the Companies (Registered Valuer and Valuation) Rules, 2017 is not applicable.
- c) The company does not have any Intangible asset as such revaluation of the same does not arise.
- d) No loans or advances in the nature of loans are granted to the promoters, directors, kmps and the related parties (as defined under Companies Act,2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- e) The company does not hold any benami property ,where any such proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.
- f) The company has not borrowed funds from bank and financial institution on the basis of security of current assets during the current/previous year.
- g) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- h) The company does not have any transactions with companies struck off under section 248 of the Companies Act,2013 or section 560 of Companies Act,1956.
- i) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- j) The company has only one associate and it has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act read with the Companies (Restriction on Number of Layers) Rules, 2017.
- k) Utilization of borrowed Funds and Share premium
The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall lend or invest in party identified by or on behalf of company (Ultimate beneficiaries).
- l) The company has not received any fund from any party(s) (funding party) in the current year with the understanding that the company shall whether directly or indirectly lend or invest in other person or entities identified by or on behalf of company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

m) Disclosure of Ratios

S.No	Nature of Transactions	CY/ PY	Numerator	Denominator	As at March31, 2024	As at March31, 2023	Variance > 25 %
1.	Current Ratio = Current Assets/ Current Liabilities	CY PY	10,367 10,893	78,522 90,355	0.13	0.12	10%
2.	Debt-Equity ratio = Total Debt/Total Equity	CY PY	1,67,420 1,70,065	(1,46,483) (1,59,774)	-1.14	-1.06	7%
3.	Debt Service Coverage Ratio = Earnings available for debt service/ Debt Service	CY PY	23,452 22,034	1,77,580 1,81,037	0.13	0.12	9%
4.	Return on Equity Ratio = Net Profit after Tax/Average Equity	CY PY	13,291 11,060	(1,53,128) (1,65,305)	-0.09	-0.07	30%
5.	Trade Receivable Turnover ratio= Net Credit Sales/Average Accounts receivable	CY PY	31,847 31,519	8,554 5,489	3.72	5.74	-35%

6.	Trade payables turnover ratio= Other Expenses* /Average trade payables	CY PY	4,796 2,105	390 360	12.30	5.85	110%
7.	Net Capital turnover ratio = Net Sales/Average Working Capital	CY PY	31,847 31,519	(73,808) 87,016	-0.43	-0.36	19%
8.	Net Profit ratio = Net Profit/Net Sales	CY PY	13,291 11,061	31,847 31,519	0.42	0.35	19%
9.	Return on capital employed = Profit before interest (finance cost) and taxes /Capital Employed	CY PY	24,032 21,366	20,937 10,290	1.15	2.08	-45%
10.	Return on Investment = Profit After Tax/Capital Employed (Debt +Equity)	CY PY	13,291 11,061	20,937 10,290	0.63	1.07	-41%

* Other expenses exclude Foreign Fluctuation Reserve of CY Rs. 1179 thousands (PY Rs. 6572 Thousands)

Reasons for Variation

S.No4: Return on equity ratio in current year has increased due to effect of increase in net profit for the year as compared with previous year.

S.No5: Trade receivable turnover ratio has reduced in current year due to increase in trade receivable at the end of the current year

S.No6: Total expense (net of FC fluctation) has increased in current year by Rs.26.90 thousand as compared with previous year, hence the trade payable Turnover Ratio has increased by 110%.

S.No 9: Return on Capital employed in current year has increased due to effect of increase in net profit for the year and its corresponding effect into reducing the accumulated losses which has resulted into increased capital employed.

S.No 10: Return on investment in current year has increased due to effect of increase in net profit for the year and its corresponding effect into reducing the accumulated losses which has resulted into increased capital employed.

NOTE NO: 36 Additional information under general instructions for the preparation of consolidated financial statements of Schedule III to the Companies Act, 2013

Name of entity in the Group	Net assets, i.e. total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount (in Rs. 000')	As % of Consolidated profit or loss	Amount (in Rs. 000')	As % of Consolidated other comprehensive income	Amount (in Rs. 000')	As % of total comprehensive income	Amount (in Rs. 000')
Parent SBEC Systems (I) Ltd	2.85%	-4,174	100.00%	13,291	0.00%	0.00	100.00%	13,291
Investment in Indian Associate (equity method)								
SBEC Sugar Ltd	97.15%	-1,42,309	0.00%	0	0.00%	0.00	0.00%	0
TOTAL	100%	-1,46,483	100%	13,291	0%	0.00	100%	13,291

*Since the share of accumulated loss exceeds the carrying cost of associate, thus no further losses of associates can be recognised in the consolidated financial statement.

NOTE NO.: 37 In the opinion of the board of directors current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known expected liability have been made.

NOTE NO.: 38 The figures of the previous year have been re classified according to current year classification whenever required.

As per our report of even date attached,

For Thakur, Vaidyanath Aiyar & Co

Chartered Accountants
Firm Reg.No.000038N

Sd/-
M.P Thakur
Partner
Membership No.052473

Sd/-
S.S.Agarwal
Director & CEO
DIN-00004840

Sd/-
J.C. Chawla
Director
DIN-05316202

Sd/-
Vijay K.Modi
Director
DIN-00004606

Sd/-
Priyanka Negi
Company Secretary
M.No 36819

Sd/-
Lakhmi Chand Sharma
Chief Financial Officer

Place: New Delhi

Date : 29.05.2024

If undelivered, please return to:

SBEC SYSTEMS (INDIA) LIMITED

1400, Hemkunt Tower,

98, Nehru Place,

New Delhi-110019