

SBEC

22nd Annual Report-2011

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

BOARD OF DIRECTORS

Mr. Vijay K. Modi Chairman
Mr. Norland L.C. Suzor
Mr. G.C. Jain
Mr. S.S. Agarwal
Dr. Anupam Bansal

ALTERNATE DIRECTOR

Mr. Bindu Kumar Luthra (Alternate to Mr. Norland L.C. Suzor)

MANAGER & CHIEF FINANCIAL OFFICER

Mr. Anil Jain

COMPANY SECRETARY

Ms Shwetambery Khurana

AUDITORS

M/s K.K. Jain & Co.
Chartered Accountants
184 A, Garud Apartments
Pocket-IV, Mayur Vihar Phase-I
Delhi-110 091

BANKERS

Standard Chartered Bank Limited
Canara Bank

REGISTERED OFFICE

1400, Modi 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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NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the Shareholders of SBEC SYSTEMS (INDIA) LIMITED will be held on Tuesday the 27th day of September 2011, at the Executive Club, 439 Village Shahoorpur, P.O. Fatehpur Beri, New Delhi at 2.00 P.M. to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011, the Profit and Loss Account for the period ended on that date along with the Directors' Report and the Auditor's Report thereon.
2. To consider and appoint a Director in place of Mr. Anupam Bansal, who retires from the office by rotation, and being eligible offer himself for re-appointment.
3. To consider and appoint a Director in place of Mr. G. C. Jain, who retires from the office by rotation, and being eligible offer himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

M/s K.K. Jain & Co., Chartered Accountants (Firm Registration No. 02465N), the retiring Auditors, being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution: **"RESOLVED THAT** consent of the shareholders of the company be and is hereby accorded for the revision of remuneration of Mr. Anil Jain w.e.f. 1st October, 2010 to 31st May, 2012 as per detail specified below:

S.N.	Particulars	Amount (in Rs.)
1	Basic Salary	19,000 p.m.
2	HRA / Leased Accommodation	60% of the basic salary p.m.
3	Conveyance Allowance	2200 p.m.
4	Reimbursement of Medical Expenses	7% of basic salary per month
5	Bonus / Ex-gratia	8.33% basic salary
6	Leave Travel Assistance	8.33% basic salary
7	Provident Fund	12% of the basic salary
8	Special Allowance	1500 p.m.

Other Terms

1	Gratuity	As per policy of the Company
2	Leave Encashment	As per policy of the Company

By order of the Board
For SBEC Systems (India) Ltd.

Place : New Delhi
Date : 16th August, 2011

Shwetambery Khurana
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL IN HIS/HER STEAD AND A PROXY NEED NOT TO BE MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ANNEXED HERewith.
2. The Register of the Members and Share Transfer Books of the Company will remain closed from 20th September, 2011 to 27th September, 2011 (both days inclusive).
3. An explanatory statement, pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
4. Members/Proxies are requested to bring Attendance Slips sent herewith duly filled in, for attending the Meeting.
5. 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.
6. Non-Resident Shareholders are requested to inform immediately the change in the residential status on return for permanent settlement.
7. As per the provisions of the Companies Act, 1956, as amended, facility for making nominations is available to individuals holding shares in the Company. The Nomination can be made in Form-2B, which can be obtained from the Share Department of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Mr. Anil Jain was appointed as Manager of the Company. He is Commerce Graduate and has experience of more than 20 years in the field of Accounts and Finance.

The shareholders in their Annual General Meeting held on 27th September, 2010 had approved payment of basic salary of Rs. 17,450/- per month plus other perquisites with effect from 01.10.2009.

Keeping in view the inflationary pressure, cost of living, his qualifications and also the comparative remuneration in the industry, the Remuneration Committee in their Meeting held on 3rd June, 2011 approved and recommended to the Board for payment of basic salary of Rs. 19,000/- per month plus other perquisites to Mr. Anil Jain w.e.f. 1st October 2010 to 31st May, 2012. Accordingly, the Board of Directors had approved the payment of said remuneration subject to your approval.

Since any increase in the remuneration of Manager requires approval of the shareholders of the Company by way of a special resolution in terms of the provisions of section 198, 269 & 309 read with Schedule XIII of the Companies Act, 1956, therefore, the Board recommends this resolution to be passed as a Special Resolution.

The term of appointment given in the said resolution may be treated as an abstract of terms and conditions of appointment of said Manager under Section 302 of the Companies Act, 1956.

None of the directors of your Company is interested in this resolution.

By order of the Board
For SBEC Systems (India) Ltd.

Place : New Delhi
Date : 16th August, 2011

Shwetambery Khurana
Company Secretary

DIRECTORS' REPORT

Dear Shareholders,

Your directors take pleasure in presenting the 22nd Annual Report of the Company together with Audited Accounts for the year ended 31st March 2011.

FINANCIAL RESULTS

The summarised financial results of the Company for the Financial year 2010-11 vis-à-vis 2009-10 are as under:-

Particulars	Year ended 31.03.2011 (Rs. in Lacs)	Year ended 31.03.2010 (Rs. in Lacs)
Sales & Other Income	17.62	50.00
Total Expenditure	16.45	45.06
Operating profit / (Loss) before depreciation	1.17	4.94
Depreciation	0.09	0.12
Operating Profit / (Loss) before tax	1.08	4.82
Profit / (Loss) after tax	1.62	4.08
Reserves excluding revaluation reserves	192.62	192.62

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK

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

INTERNAL CONTROLS AND SYSTEMS

The key features of the internal control system in the company are given below:

1. Assets are adequately maintained and protected against theft, burglary and other losses.
2. Transactions are properly recorded and accounted for.
3. Accounting records are maintained in compliance with all the statutory laws and reflect true and fair view.
4. There are adequate management reporting systems for control and monitoring of performance.
5. Budgetary control system is in place.
6. Periodical review of internal controls and systems by the management and Audit Committee Meeting is being done.

FINANCIAL PERFORMANCE

During the year under review, the sales and other income stood at Rs 17.62 Lacs. The net profit of the Company stood at Rs. 1.62 Lacs as compared to net profit of Rs. 4.09 Lacs for the previous year.

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.

FIXED DEPOSITS

The Company has not accepted any deposits from the Public during the period under review.

DIRECTORS

In accordance with the provisions of Section 256 of the Companies Act, 1956 and Article 43 of the Articles of Association of the Company, Dr. Anupam Bansal, Independent & Non- Executive Director and Mr. G.C. Jain, Independent & Non- Executive Director will retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

SUBSIDIARY COMPANY AND CONSOLIDATED ACCOUNTS

As required under section 212 of the Companies Act, 1956, the audited accounts along with the report of the Board of Directors of SBEC Investments Ltd. (subsidiary company) and Auditor's Report thereon for the year ended on 31st March 2011, and a statement thereon are annexed.

LISTING OF SHARES

The Equity Shares of the Company are listed at Bombay, Delhi and Uttar Pradesh Stock Exchanges. Applications for delisting of Shares are pending with the Delhi and Uttar Pradesh Stock Exchanges.

AUDITORS

M/s K. K. Jain & Co., Chartered Accountants (Firm Registration No. 02465N), Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITOR'S REPORT

The notes to accounts referred to in the Auditors Report are self-explanatory and, therefore, don't call for any further comments.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217 OF THE COMPANIES ACT, 1956

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors of your company declare as under:

1. That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of affairs of the Company at the end of the financial year and of the profit of the company for that period;
3. That proper & sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
4. That the Annual Accounts are prepared on going concern basis;

CORPORATE GOVERNANCE

A Report on Corporate Governance together with a certificate from Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are annexed hereto and forms part of this report.

PARTICULARS OF EMPLOYEES

None of the employees of the company were in receipt of remuneration of more than the limits prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As stipulated under the provisions of section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, a statement giving the required information for the year ended on 31st March 2011, is annexed hereto and forms part of the Directors' Report.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their appreciation and gratitude to Shareholders, all Business Associates, Employees and Bankers of the Company for their help and support continuously extended to the Company.

**For & on behalf of the Board
For SBEC Systems (India) Ltd.**

Place : New Delhi
Date : 16th August, 2011

**Vijay K. Modi
Chairman**

ANNEXURE TO DIRECTORS' REPORT

Information required pursuant to section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 forming part of the Directors Report for the year ended 31st March 2011.

A. CONSERVATION OF ENERGY : Not Applicable

B. TECHNOLOGY ABSORPTION :

The information required to be disclosed under Rule 2 of the previously mentioned Rules is given hereunder in Form B.

FORM B

Form for disclosure of particulars with respect to Technology Absorption, Research and Development (R&D).

Research & Development : Nil

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation. Nil
2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc. N.A.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished:

- | | | |
|---|---|-----|
| (a) Technology Imported | : | Nil |
| (b) Year of Import | : | NA |
| (c) Has technology been fully absorbed | : | NA |
| (d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action | : | NA |

C. FOREIGN EXCHANGE EARNING AND OUTGO

- i) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export Plans:

Not applicable as the company has not been carrying on or intending to carry on any export activities in near future.

ii) (Rs. in Lacs)

	Current Year	Previous Year
Total Foreign Exchange Used	Nil	Nil
Total Foreign Exchange Earned	Nil	Nil

**For & on behalf of the Board
For SBEC Systems (India) Ltd.**

Place : New Delhi
Date : 16th August, 2011

**Vijay K. Modi
Chairman**

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At SBEC Systems (India) Limited, Corporate Governance is an integral part of the Company's values, ethics, business practices and norms. Towards this, the company consistently evaluates and defines its management practices aimed at enhancing its commitment and delivery of the basic tenets of the Corporate Governance.

BOARD OF DIRECTORS

Composition of the Board of Directors and other details as on 31.03.2011 is as under:

Sl. No.	Name of the Directors	Category of Director	No. of Board Meetings Attended	No. of Other Directorships(*)	Committee Member-ships(**) (Excluding SBEC Systems (India) Ltd.)	Committee Chairman-ships(**) (Excluding SBEC Systems (India) Ltd.)	Attendance at Last AGM
1	Mr. Vijay K. Modi	Chairman and Non-Executive Director	4	2	Nil	Nil	Present
2	Mr. G.C. Jain	Non Executive & Independent Director	4	6	1	4	Present
3	Mr.S.S. Agarwal	Non Executive Director	4	3	Nil	Nil	Present
4	Dr. Anupam Bansal	Non Executive & Independent Director	1	Nil	Nil	Nil	Not Present
5	Mr. Norland L.C. Suzor	Non-Executive Director	Nil	2	Nil	Nil	Not Present
6.	Mr.B.K. Luthra	Alternate to Mr. Norland L.C. Suzor	4	3	Nil	Nil	Present

(*) Directorship in companies registered under the Companies Act, 1956 excluding Directorships in private limited companies, companies covered under Section 25 of the Companies Act and Alternate Directorships.

(**) Includes only Specified Committees i.e. Audit Committee and Shareholders Grievance Committee

Four Board Meetings were held during the year under review on 18th June 2010, 12th August 2010, 10th December 2010 and 18th March 2011.

INFORMATION REGARDING RE-APPOINTMENT OF DIRECTORS

Dr. Anupam Bansal, Director, retires by rotation and being eligible offers himself for re-appointment. Dr. Anupam Bansal is an Independent & Non Executive Director of the Company. Dr. Anupam Bansal is a Doctor of Medicines, Practicing Consultant, Physician & cardiologist for the last 30 years. He is not on the Board of any other Public Limited Company. He does not hold any share in the Company.

Mr. G.C. Jain, Director, retires by rotation and being eligible offers himself for re-appointment. Mr. G.C. Jain is Independent and Non Executive Director of the Company. He is fellow member of the Institute of Chartered Accountants of India and Law Graduate from Rajasthan University. He has more than 45 years of vast experience in field of finance, taxation and corporate laws matters. He is on the Board of SBEC Sugar Ltd, SBEC Bioenergy Ltd, SBEC Stockholding & Investment Ltd., Bihar Sponge Iron Ltd. and Own Investment (India) Ltd. He does not hold any share in the Company.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

Pursuant to Clause 49 of the Listing Agreement, the Board of Directors in their meeting held on 14th December 2005, have adopted a Code of Conduct for Board Members and Senior Management personnel.

The Company has received affirmation of Compliance with the Code from all the Directors and Senior Management personnel for the financial year ended 31st March 2011.

AUDIT COMMITTEE

The functioning and terms of reference of the Audit Committee are as prescribed under Section 292A of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges including their role, powers and duties, review of information, quorum for meeting and frequency of meeting. The Committee is responsible for effective supervision of the financial reporting process, ensuring financial, accounting and operating controls and ensuring compliance with established policies and procedures. Audit Committee also determines adequacy and effectiveness of internal control. It identifies, defines and categorizes all the risks that the company faces.

The Company has an Audit Committee comprising of three Non Executive Directors, two third of whom are Independent Directors. The Audit Committee comprises of Mr. G. C. Jain as the Chairman, Dr. Anupam Bansal and Mr. S. S. Agarwal as its members. The Company Secretary of the Company acts as the Secretary of the Audit Committee. All Members of the Audit Committee are financially literate and two members, including the Chairman of the Committee have accounting and financial management expertise.

Four Meetings of the Audit Committee were held during the year under review on 10th May 2010, 12th August 2010, 10th November 2010 and 2nd February, 2011. Attendance in the above meetings is as follows:

Name of Director	No. of Meetings Held	No. of Meetings Attended
Mr. G. C. Jain	4	4
Mr. Anupam Bansal	4	4
Mr. S. S. Agarwal	4	4

SHARHOLDERS' GRIEVANCE COMMITTEE

The Shareholders' Grievance Committee comprises of Mr. Vijay K. Modi as the Chairman and Mr. S. S. Agarwal as the other member. The Company Secretary of the Company acts as the Compliance Officer of the Committee.

The functioning and terms of reference of the Committee is as prescribed under and in due compliance with the Listing Agreement with the Stock Exchanges with particular reference to complaints of shareholders relating to non - receipt of Annual Report, non – receipt of Share Certificates etc.

4 shareholders/ investors' complaints, received directly from them or through SEBI/ Stock Exchanges and other authorities, were replied and redressed by the company to the satisfaction of the shareholders and none remained unresolved at the end of the year under review.

REMUNERATION COMMITTEE

The Remuneration Committee review the Company's policies on specific remuneration packages for Executives Directors/ Managers and recommend the same to the Board.

The Remuneration Committee consists of two Non Executive Directors. Mr. Vijay Kumar Modi, is the Chairman of the Committee and Mr. S. S. Agarwal is the other member.

The Company does not pay any remuneration to the Non – Executive Directors.

No meeting of the remuneration committee was held during the year under review.

SHARE TRANSFER COMMITTEE

The Shareholders' Grievance Committee comprises of Mr. Vijay K. Modi as the Chairman and Mr. S. S. Agarwal as the other member. The Company Secretary of the Company acts as the Compliance Officer of the Committee.

A share transfer committee was constituted to deal with various matters relating to share transfer/transmission, allotment, issue of duplicate share certificates, approving the split and consolidation requests and other matters relating to transfer and registration of shares.

During the year under review, 12 Share Transfer Committee Meetings were held.

ANNUAL GENERAL MEETING:

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

Year	Location	Date	Time	Special Resolution Passed (Yes/No)
2010	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi.	September 27, 2010	2.00 P.M.	Yes
2009	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi.	September 25, 2009	2.00 P.M.	Yes
2008	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi.	September 29, 2008	2.00 P.M.	No

POSTAL BALLOT:

No resolution requiring a postal ballot was proposed at the last Annual General Meeting of the Members.

No resolution which requires approval of Members by postal ballot is being proposed at the ensuing Annual General Meeting.

DISCLOSURES:

During the year under review, the company had no materially significant related party transactions as envisaged under the Corporate Governance Code that may have potential conflict with the interests of the company at large. However, the related party transactions during the year under review are mentioned in Note 13 to the "Notes to Accounts".

There has been no non compliance, penalties/ strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets during the last three years.

At present, the company does not have any Whistle Blower Policy.

MANAGEMENT DISCUSSION AND ANALYSIS IS REPORTED IN THIS ANNUAL REPORT**CEO/ CFO CERTIFICATION ON THE FINANCIAL STATEMENT**

Pursuant to Clause 49 of the Listing Agreement, the Chairman and the Chief Financial Officer have submitted the desired certificate to the Board of Directors and the same has been taken on record by the Board of Directors in their meeting held on 16.08.2011.

MEANS OF COMMUNICATION:

Wide publicity is accorded to the Quarterly, Half-yearly and the Annual Results which are published in widely circulated English daily (Financial Express) and a Hindi daily (Hari Bhumi, Jansatta) as is required under the Listing Agreement with the Stock Exchanges. The same are also faxed to the Stock Exchanges where the company is listed.

GENERAL SHAREHOLDER INFORMATION**Annual General Meeting:-**

Date	:	September 27th, 2011
Time	:	2.00 P.M.
Venue	:	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi.

Financial Calendar

The financial year of the Company commences from April 1, and ends on March 31.

Particulars	Date
1. Quarter ended 30.06.2011:	First fortnight of August, 2011
2. Quarter ended 30.09.2011:	First fortnight of November, 2011
3. Quarter ended 31.12.2011:	First fortnight of February, 2012
4. Quarter ended 31.03.2012:	First fortnight of May, 2012

Book Closure: 20th September 2011 to 27th September 2011 (both days inclusive)

Dividend Payment Date

Due to inadequate profit of the company, no dividend has been recommended by the Board of Directors for the year ended 31st March 2011.

Listing on Stock Exchanges:

The Equity Shares of the Company are listed on the following Stock Exchanges:-

Stock Exchange	Stock Code
The Bombay Stock Exchange Limited	517360
The Uttar Pradesh Stock Exchange Limited*	S 00135
The Delhi Stock Exchange Limited*	6960

The Company has paid annual listing fees due to abovementioned Stock Exchanges for the year 2011-2012.

* The applications for delisting of the shares of the Company from the Stock Exchanges at Delhi and UP are pending. However, the shares of the Company will continue to remain listed at the Bombay Stock Exchange, which has a nation wide coverage.

Market Price Data:

The Equity Shares of the Company are lying suspended on the Bombay Stock Exchange Ltd. They were last quoted on the Bombay Stock Exchange on 6th September 2001 at Rs. 2.30 per share. The Company is in process for revocation of suspension of trading.

Registrar & Transfer Agents

Beetal Financial & Computer Services (P) Ltd.
Beetal house, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
New Delhi-110062
Ph. No. 011-29961281/82, Fax No. 011-29961284
Email :- beetal @ rediffmail.com

Share Transfer System

The share transfer requests sent by shareholders are manually checked. If the transfer deed and enclosures are valid, the shares are transferred within a month with the approval of the Share Transfer Committee, otherwise objection memo is sent to the transferor with necessary advice to take the required steps. The process is done within a month of receipt of request.

Distribution of Shareholdings as on 31st March 2011.

Range	Shareholders		Shares	
No. of Shares	Number	% of total holders	Number	% of total capital
Upto 500	18811	94.29	3080407	30.80
501 – 1000	743	3.72	587126	5.87
1001 – 2000	276	1.38	405265	4.05
2001 – 3000	54	0.27	136826	1.37
3001 – 4000	23	0.12	82297	0.82
4001 – 5000	14	0.07	64649	0.65
5001 – 10000	14	0.07	96509	0.97
Above 10000	15	0.08	5546921	55.47
Total	19950	100.00	10000000	100.00

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.

Address for Correspondence

All queries of investors regarding the Company's Shares may be sent at the following address:

SBEC Systems (India) Limited
1400, Modi Tower
98, Nehru Place
New Delhi - 110019
Email: sbecsystems@rediffmail.com

Nomination Facility

Shareholders desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Company in prescribed Form 2B for this purpose.

AUDITORS' CERTIFICATE

To,

The Members of SBEC Systems (India) Limited

We have examined the compliance of the conditions of corporate governance by SBEC Systems (India) Limited for the year ended on 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For K. K. JAIN & COMPANY
Chartered Accountants,
Firm Reg. No.02465N

Place : New Delhi
Date : 16th August, 2011

(R. K. MITTAL)
(PARTNER)
Membership No. 95459