

SBEC SYSTEMS (INDIA) LIMITED

CIN: L74210DL1987PLC029979

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

T.:011-42504665, 42504555, Email Id.: sbecsystems@rediffmail.com

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Shareholders of SBEC SYSTEMS (INDIA) LIMITED will be held on Wednesday, 23rd September 2015 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 2015, 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. J.N. Khurana, (DIN-00003817) who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint Auditors and to fix their remuneration by passing the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, Appointment of M/s K.K. Jain & Co., Chartered Accountants (Firm Registration No.02465N), be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed upon by the Audit Committee/ Board of Directors in consultation with the Statutory Auditors."

SPECIAL BUSINESS

4. **Appointment of Mr. Rajeev Kumar Agarwal as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Mr. Rajeev Kumar Agarwal (DIN:00298252), who was appointed as an Additional Independent Director of the Company by the Board of Directors of the Company with effect from May 21, 2015 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr. Rajeev Kumar Agarwal as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years commencing from 23rd September, 2015 and whose office shall not be liable to retire by rotation".

5. **Appointment of Mr. Jagdish Chander Chawla as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Mr. Jagdish Chander Chawla (DIN:05316202), who was appointed as an Additional Independent Director of the Company by the Board of Directors of the Company with effect from May 21, 2015 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr. Jagdish Chander Chawla as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years commencing from 23rd September, 2015 and whose office shall not be liable to retire by rotation".

6. **Appointment of Mr. Shyam Babu Vyas as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to Sections 149,152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Shri. Shyam Babu Vyas (DIN:02025415), who was appointed as an Additional Independent Director of the Company by the Board of Directors of the Company with effect from May 21, 2015 in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Shri. Shyam Babu Vyas as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years commencing from 23rd September, 2015 and whose office shall not be liable to retire by rotation".

7. **Regularization of Additional Director, Mr. Bindu Kumar Luthra.**

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

"RESOLVED THAT Mr. Bindu Kumar Luthra (DIN-00004154) who was appointed as an Additional Director with effect from May 21, 2015 by the Board of Directors of the Company in terms of Section 161 of the Companies Act, 2013 and Article 45 of Article of Association of the Company and who holds the office upto the date of this Annual General Meeting and in

respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr. Bindu Kumar Luthra as a candidate for the office of director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation”.

8. To Approve Borrowing Limits 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 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 the members of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 50 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.”

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

**Place: New Delhi
Date: 12.08.2015**

**Vijay Kumar Modi
Chairman**

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the business under Item Nos. 4 to 8 of the Notice, is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors under Items No. 4 to 7 of the Notice, are also annexed.
2. **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 BEHALF AND THE 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 (FOURTY EIGHT HOURS) before the scheduled time of commencement of the annual general meeting. A blank proxy form is annexed

herewith.

Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

3. The Register Of Members & Share Transfer Books of the Company Will Remain Closed From 17th September, 2015 To 23rd September, 2015 (Both Days Inclusive).
4. Members are requested to notify, changes, if any, in their address to the Company or Beetal Financial & Computer Services Pvt. Ltd.
5. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Beetal Financial & Computer Services Pvt. Ltd, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
6. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. Members/proxies are requested to bring attendance slips sent herewith duly filled in, for attending the meeting.
8. Members desiring any information as regards to accounts are requested to address their questions to the Company at least 7 days before the date of the meeting so that the required information is made available at the meeting.
9. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
10. 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 / Depositories.
11. Members holding shares in physical form are advised to make nomination in Form SH-13 in respect of their shareholding in the Company. The nomination form will be made available by the Company on request.
12. Members may also note that the Notice of the Twenty sixth Annual General Meeting and the Annual Report for financial year 2014-15 will also be available on the Company’s website

i.e. www.sbcsystems.com for their download.

13. Documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days between 11.00 A.M to 1.00 P.M upto the date of Annual General Meeting.
14. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
15. The Board of Directors has appointed Ms.Nupur Gupta, Practicing Chartered Accountant as Scrutinizer to scrutinize voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

Instructions for the voting through electronic means

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN*

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB#

Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details#

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.
- (viii) After entering these details appropriately, click on "SUBMIT" tab.
 - (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members 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.
 - (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this

Notice.

- (xi) Click on the EVSN for the relevant **SBEC SYSTEMS (INDIA) LIMITED** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Sunday 20th Day of September, 2015 at 9:00 A.M. and ends on Tuesday, 22th day of September, 2015 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 Wednesday, 16th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (D) Mr. S.S. Agarwal, Director & CEO of the Company shall be responsible for addressing all the grievances in relation to this 26th Annual General Meeting including e-voting his mail ID is [sbecosystems@rediffmail.com](mailto:sbecsystems@rediffmail.com) and may be contacted on phone no. 011-42504878.
- (E) The Notice of the 26th Annual General Meeting are being sent to all the Members, whose names appear in the Register of Members as on cut-off date (record date) i. e. 21st August, 2015 through the mode prescribed under the Companies Act, 2013 and also by E-Mail, wherever registered. The Members may also download a copy of the Notice from the Website of the Company (www.sbecsystems.com)
- (F) The Members of the Company, holding Equity Shares either in physical form or in dematerialized (demat) form as on 21st August, 2015 and not casting their vote electronically, may only cast their vote at the 26th Annual General Meeting. The voting rights of shareholders shall be in proportion to their shareholding of paid up share capital of the Company as on 21st August, 2015.

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

ITEM NO. 4 TO 6

The Board of Directors of the company had appointed Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chander Chawla & Mr. Shyam Babu Vyas as an Additional Director with effect from May 21, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013, read with Article 45 of the Articles of Association of the Company.

Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chander Chawla & Mr. Shyam Babu Vyas will hold office up to the date of the ensuing AGM. The Company has received notice(s) in writing under the provisions of Section 160 of the Companies Act, 2013, from member(s) proposing the candidature of Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chander Chawla and Mr. Shyam Babu Vyas for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement.

In the opinion of the Board Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chander Chawla & Mr. Shyam Babu Vyas fulfils the conditions for appointment as an Independent Director (s) specified in Companies

Act, 2013 and the Rules made there under and the provisions as laid down in the Listing Agreement and they are independent of the Management.

Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chander Chawla & Mr. Shyam Babu Vyas have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. These Directors are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and they have given their consent to act as Director.

The terms and conditions for the appointment of above Directors shall be open for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

The resolution seeks the approval of members for the appointment of Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chander Chawla and Mr. Shyam Babu Vyas as an Independent Director of the Company for a term of five consecutive years commencing from 23rd September, 2015 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. They are not liable to retire by rotation.

A brief profile of Directors to be appointed, including nature of their expertise and other disclosure as required under Clause 49 of the Listing Agreement, is annexed to this Notice.

Except these Directors, being appointees or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at item Nos. 4 to 6.

In compliance with the provisions of Section 149 read with schedule IV of the Act, the appointment of these Directors are now being placed before the Members for their approval as an Ordinary Resolution.

ITEM NO.7

Mr. Bindu Kumar Luthra was appointed as an Additional Director w.e.f. May 21, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 45 of Article of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing Mr. B.K. Luthra candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013 and his office is liable to retire by rotation.

The Board feels that presence of Mr. B.K. Luthra on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 7 for adoption.

A brief profile of Mr. Bindu Kumar Luthra to be appointed, indicating nature of his expertise and other disclosure as required under Clause 49 of the Listing Agreement, is annexed to this Notice.

None of the Directors, except Mr. B.K. Luthra and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions set out at item no. 7 for approval of the members as an ordinary resolution.

ITEM NO.8

At the Annual General Meeting held on January 18, 1996, members of the Company by way of an ordinary resolution had accorded their consent to the Board of Directors to borrow funds, to the extent of Rs. 30 Crores (Rupees Thirty Crore only) in excess of the paid up capital and free reserves of the Company.

Consequent to implementation of Section 180(1) (c) of the Companies Act, 2013, notified from September 12, 2013 and based on the clarifications issued by Ministry of Corporate Affairs (MCA), the Board of Directors shall not borrow any sums of money, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the limits specified, except with the consent of the members accorded by way of Special Resolution.

Taking into consideration the requirements of additional funds, it is expected that the limit of Rs. 30 Crores sanctioned will not be adequate. The consent of the Shareholders is therefore, sought in accordance with the provisions of Section 180(1) (c) of the Companies Act, 2013, to enable Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 50 Crores (Rupees Fifty Crores only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

Resolution 8 as set out in the Notice for the approval of members of the Company as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

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

**Place: New Delhi
Date: 12.08.2015**

**Vijay Kumar Modi
Chairman**

Brief profile of the Directors to be appointed is given below :

Name of the Director(s)	DIN	Date of Birth	Date of Appointment	Qualification and experience	List of outside Directorships as on Appointment Date	No. of Committee (as on Appointment Date)	
						Member-ship(s)	Chairman-ship(s)
Mr. Jagan Nath Khurana	00003817	13/03/1945	24/09/2014	He is a Chartered Accountant having more than 40 years of Experience in the field of Accounts finance, taxation and Company Law matters.	1. Modi Santa Fe India P Ltd. 2. SBEC Bio-energy Ltd. 3. SBEC Stockholding & Investment Pvt. Ltd. 4. ApoggePte Ltd. 5. Modi Illva India Pvt. Ltd. 6. Modi-Mundipharma Pvt. Ltd. 7. Bihar Sponge Iron Limited 8. Moderate Services UK Pvt. Ltd. 9. MI Spirits India Limited	1	Nil
Mr. Bindu kumar Luthra	00004154	19/12/1949	21/05/2015	He is a chemical engineer having vast experience in the field of management, administration & technical aspects of the industry of over 30 Years	1. A B C Holding Private Ltd. 2. SJA Technical Consultants Private Ltd 3. G S Pharmbutor Private Limited 4. Technicast Engineers Ltd 5. Modi Hitech India Limited 6. Chandil Power Limited 7. First Move Management Services Private Limited 8. G.S.Nutrition Private Limited 9. H.M. Tubes And Containers Pvt. Ltd	Nil	Nil
Mr. JagdishChander Chawla	05316202	23/02/1946	21/05/2015	He has a vast experience in the area of Management and Administration of over 37 years.	1. Bihar Sponge Iron Limited 2. SBEC Bio-energy Limited	3	-
Mr. Rajeev Kumar Agarwal	00298252	03/01/1949	21/05/2015	Has experience in the area of Finance, Accounts, management, administration & technical aspects of the industry of over 30 Years	1. SBEC Bio-energy Limited 2. Bihar Sponge Iron Limited 3. SBEC Stockholding and Investment Ltd.	3	3
Mr. ShyamBabu Vyas	02025415	21/10/1953	21/05/2015	He has a vast experience in the area of Management and Administration of over 33 years.	1. Bihar Sponge Iron Limited 2. Shyam Vyas Marc Pvt. Ltd	2	Nil

SBEC SYSTEMS (INDIA) LIMITED

CIN: L74210DL1987PLC029979

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

T.:011-42504665, 42504555, Email Id.: sbecsystems@rediffmail.com

26th Annual General Meeting held on Wednesday, the 23rd September, 2015 at 2.00 P.M.

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered Address :

DPID:CLID:Reg. Folio No. :No. of Shares:

I / We, being the member(s) ofshares of the above named Company, hereby appoint :

1. Name :ofhaving an E-mail ID:Signature....., failing him/her;

1. Name :ofhaving an E-mail ID:Signature....., failing him/her;

1. Name :ofhaving an E-mail ID:Signature....., failing him/her;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 26th Annual General Meeting of the Company to be held at Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110 030 on Wednesday, the 23rd September, 2015 at 2.00 p.m. and at any adjournment thereof in respect of such resolution as are indicated below :

S. No.	Resolution	Vote (Optional (Refer Note))		
		For	Against	Abstain
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2015.			
2.	Re-Appointment of Mr. J.N. Khurana who retires by rotation and being eligible offers herself for re-appointment.			
3.	Re-appointment of M/s. K.K. Jain & Co., Chartered Accountants, Auditors and fixing their remuneration.			
Special Business				
4.	Appointment of Mr. R.K. Agarwal as an Independent Director.			
5.	Appointment of Mr. J.C. Chawla as an Independent Director.			
6.	Appointment of Mr. ShyamBabu Vyas as an Independent Director.			
7.	Appointment of Mr. B.K. Luthra as Non-Executive Director.			
8.	To Approve Borrowing Limits of the Company			

Signed thisday of2015

Signature of shareholder

Signature of first proxy

Affix
Revenue
Stamp of not
less than Rs.
1.00

Notes :

1. This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a BodyCorporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company alongwith the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting.
2. It is optional to indicate your preference, if you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.

SBEC SYSTEMS (INDIA) LIMITED

CIN: L74210DL1987PLC029979

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

T.:011-42504665, 42504555, Email Id.: sbecsystems@rediffmail.com

ATTENDANCE SLIP26th Annual General Meeting held on Wednesday, the 23rd September, 2015 at 2.00 P.M.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slips on request.

Name of the Member(s) :

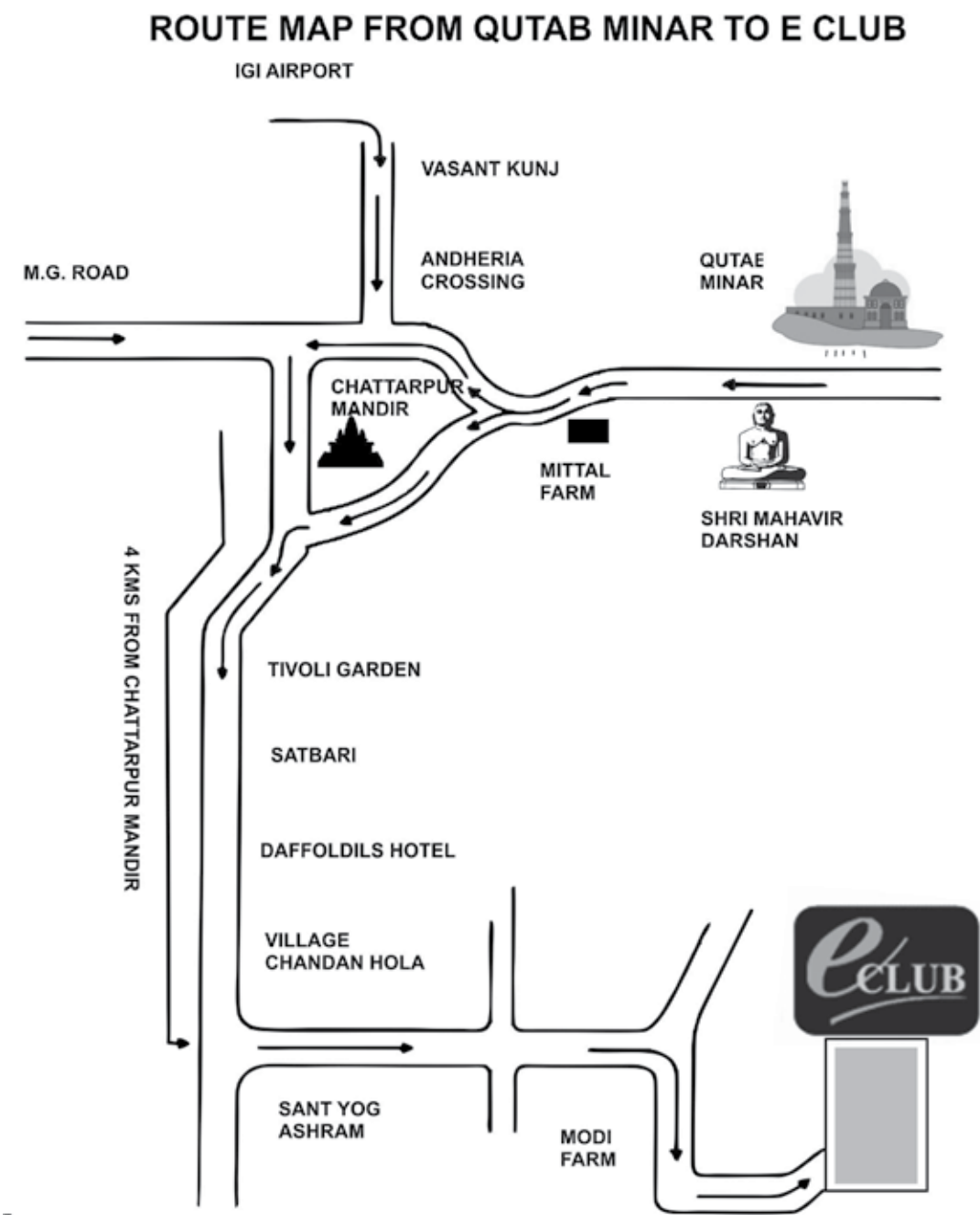
DPID:CLID:Reg. Folio No. :No. of Shares:

I hereby record my presence at the 26th Annual General Meeting of the Company to be held at Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110 030 on Wednesday, the 23rd September, 2015 at 2.00 p.m.

SIGNATURE OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING

If, Shareholder, please sign here :

If Proxy, please sign here :



DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 26th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2015.

FINANCIAL RESULT

The Summarised Financial Results of the Company for the Financial Year 2014-15 Vis-a-Vis 2013-14 are as under:

Particulars	(Rs. in Lacs)	
	Period ended 31.03.2015	Period ended 31.03.2014
Sales & Other Income	23.35	66.74
Total Expenditure	48.72	110.70
Operating Profit/(Loss) before Tax	(25.36)	(43.96)
Profit/(Loss) After Tax	(25.36)	(43.96)

During the year under review, the sales and other income stood at Rs. 23.35 Lacs. The net loss of the Company stood at Rs. 25.36 Lacs as compared to net loss of Rs. 43.96 Lacs for the previous year.

DIVIDEND & RESERVES

In view of the losses incurred, your Board is unable to recommend any dividend for the financial year ended March 31, 2015.

The Company has not transferred any amount to the reserves for the year ended March 31, 2015.

SHARE CAPITAL

The paid up equity capital as on March 31, 2015 was Rs.10.00 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The Company had one Subsidiary Company, namely SBEC Investments Limited. Pursuant to Ministry of Corporate Affairs General Circular No. 36/2011 dated 7th June, 2011 regarding Guidelines for Fast Track Exit Mode for defunct companies under section 560 of Companies Act, 1956, the company has made an application to the Registrar of Companies, NCT of Delhi & Haryana, New Delhi for striking off the name of the Company under Section 560 of the Companies Act, 1956, in E-Form FTE vide SRN C00707000 dated 26.03.2014. Thus, the Ministry of Corporate Affairs vide their letter dated 02/08/2014 has been struck off the name of the Company from the Register.

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:

- in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the loss of the Company for the year ended on that date;
- 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.
- 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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Jagan Nath Khurana (DIN 00003817), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chandra Chawla and Mr. Shyam Babu Vyas was appointed as an Additional Non-executive Director of the Company with effect from May 21, 2015 and holds office upto the date of the forthcoming Annual General Meeting.

As per provision of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chandra Chawla and Mr. Shyam Babu Vyas are proposed to be appointed as Independent Directors of the Company for a period of five years commencing from September 23rd, 2015.

Mr. Louis Claude Norland Suzor ceased to be Director of the Company under section 167 of the Companies Act, 2013.w.e.f. 21st May, 2015.

Mr. Bindu Kumar Luthra who has been appointed as an alternate director during the absence of Mr. Louis Claude Norland Suzor be and is hereby ceased to be the alternate director and appointed as additional Non-Executive Director of the Company w.e.f. 21st May, 2015.

All the Independent Directors viz., Mr. Rajeev Kumar Agarwal, Mr. Jagdish Chandra Chawla and Mr. Shyam Babu Vyas have submitted declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Ms. Shivani Chaudhary has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 10th June, 2014 and Ms. Varsha Yadav was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 1st May, 2015.

Mr. Anil Jain resigned from the post of Manger w.e.f. 21st May, 2015 and re-appointed and designated as Chief Financial Officer of the Company w.e.f.21st May, 2015.

Mr. S.S. Agarwal, Director of the Company is designated as Chief Executive Officer of the Company w.e.f.21st May, 2015.

The Board met Four times during the financial year 2014-15, 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.

In accordance with the provisions of Section 134 of the Act and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the performance of Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee and also the directors individually. The manner in which the evaluation was carried out and the process adopted has been mentioned in the Corporate Governance Report.

The Board, on the recommendation of the Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors, Senior Management and their remuneration and also framed the criteria for determining qualifications, positive attributes and independence of directors. The Remuneration Policy and criteria for Board nominations are given in **Annexure - A** to this 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 their respective declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

AUDITORS AND AUDITORS REPORT

The Shareholders at the 25th Annual General Meeting held on September 24, 2014, had appointed M/s K.K. Jain & Co. (FRN – 02465N) as Statutory Auditors of the Company to hold office until the conclusion of ensuing Annual General Meeting subject to ratification of their appointment at every intermittent AGM. M/s K.K. Jain & Co. being eligible has expressed their willingness to continue as auditors of the Company and accordingly, the ratification of their appointment is recommended to the Shareholders.

Qualifications

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

Reference to the Auditors comments on non-provision of expenses related to deputation charges of foreign technicians, it is hereby clarified that the expense of Rs. 7.66 lacs related to deputation charges of foreign technician was payable under Service Agreement entered into by the Company at the time of implementation of the project for one of its customers. However, certain dispute arose during the implementation of the project and the payment was not made and therefore no provision for the same was made. The said technician has also not made any claim for the payment. Management is of view that the expenses will be charged to profit & Loss Account in the year in which the payment is made.

Reference to the Auditors comments on non reversal of diminution of current quoted investment, it is hereby clarified that the company is holding 1,42,31,214 Equity Shares of SBEC Sugar Limited, the Equity Shares of which are listed with Bombay Stock Exchange Limited and is one of the promoters of SBEC Sugar Limited. Since, the company is not intending to sale/ transfer/ otherwise dispose off these shares, the management has decided not to make any provision of diminution or reversal thereof.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

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 R.Singhal & Associates, Company Secretaries in practice 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 observation in secretarial audit report are self-explanatory and therefore not call for any further explanation.

Reference to the Secretarial Auditors comment that the Company has not updated Fixed Asset Register, the management is in process for preparing the fixed Asset Register.

RISK MANAGEMENT

As required under Clause 49 of the Listing Agreement, the provisions of Clause 49 (VI) (C) as given in Part- B i.e. Constitution of Risk Management Committee shall be applicable to top 100 listed Companies by market capitalization as at the end of the immediate financial year. As the Company not fall under the category of top 100 listed Companies, the Company is not required to constitute a Risk Management Committee.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered into during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. Section 188(1) of the Companies Act, 2013 exempts related party transactions that are in the ordinary course of business and are on arm's length basis. However, under clause 49 of the Listing Agreement, all material Related Party Transactions requires approval of the shareholders through special resolution.

There were no materially significant related party transactions with the promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on dealing with Related Party Transactions as approved by the Board is available at the investors section of the Company's website at www.sbecosystems.com

The details of contracts/arrangements with related parties as required to be disclosed in Form-AOC-2 is not applicable on the Company.

CORPORATE GOVERNANCE

The Report on corporate governance as stipulated under the Listing Agreement forms part of this Report. The requisite certificate confirming compliance with the conditions of corporate governance is attached to the Corporate Governance Report. The report also contains the details as required to be provided on Board evaluation, remuneration policy, whistle blower policy/vigil mechanism etc.

The CEO and the Chief Financial Officer have submitted a certificate to the Board regarding the financial statements and other matters as required under the Listing Agreement.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement, form part of this Annual Report.