

SBEC SYSTEMS (INDIA) LIMITED

CIN: L74210DL1987PLC029979

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

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

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Shareholders of **SBEC SYSTEMS (INDIA) LIMITED** will be held on Thursday, 26th September 2019 at the Executive Club, 439 Village Shahoorpur, P.O. Fatehpur Beri, New Delhi at 11.30 A.M. to transact the following businesses:

ORDINARY BUSINESS**1. To Consider and adopt**

- The Audited Standalone financial statements of the Company for the financial period ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and
- The Audited Consolidated financial statements of the Company for the financial period ended 31st March, 2019 and the Auditors Reports thereon.

2. To appoint Mr. Anupam Bansal, who retires by rotation as a Director;

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

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, **Mr. Anupam Bansal (DIN-00004318)**, who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS**3. Approval for 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 Section 188 of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 23(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other applicable provisions, if any, the consent of the members be and is hereby accorded to enter into the related party transactions by the Company with the respective 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, as per details mentioned below w.e.f. 1st April, 2019 and every year thereafter upto maximum amount per annum not to exceed Rs. 10 Lakhs:-

S.NO.	NAME OF RELATED PARTY	PERIOD OF CONTRACT	PARTICULARS OF CONTRACT	EXPECTED MAXIMUM VALUE OF TRANSACTIONS PER ANNUM W.E.F. 1ST APRIL, 2019 (RS. LAKHS)
1.	Jayesh Tradex Private Limited	1 st April, 2019 to 31 st March, 2022	Purchase of Stationery and other items	INR 10 Lakhs p.a
2.	Win Medicare Pvt. Ltd.	---do---	Support Services	
3.	Modi Motors Pvt. Ltd.	---do---	Printing of Annual Report	
4	Modi Mundipharma Private Limited	---do---	Support Services	

“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.”

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

**Priyanka Negi
Company Secretary**

**Place: New Delhi
Date: 14.08.2019**

NOTES:

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED IN THE FORMAT SENT HERewith, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.**

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other person or shareholder.

2. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed.
3. 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 representatives to attend and vote on their behalf at the meeting.
4. The Register of Members & Share Transfer Books of the Company will remain closed from 20nd September, 2019 to 26th September, 2019 (Both Days Inclusive).
5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on September 28, 2017.
6. Members are requested to notify, changes, if any, in their address to the Company or Beetal Financial & Computer Services Pvt. Ltd.
7. Members, holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact Company or Beetal Financial & Computer Services Pvt. Ltd.
8. 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.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in physical form should submit their PAN to the Company.
10. 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.
11. Members/proxies are requested to bring attendance slips sent herewith duly filled in, for attending the meeting.
12. 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.
13. The Notice of the AGM along with the Annual Report 2018-19 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.
14. 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.
15. 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.

16. As per SEBI notification dated 03.12.2018, request for Transfer of shares held in physical form will not be processed w.e.f. 31.03.2019 and it shall be mandatory to demat the shares to get the shares transfer in their name. Shareholders are therefore requested to dematerialize their shares for transfer purpose.
17. Members may also note that the Notice of the Thirtieth Annual General Meeting and the Annual Report for financial year 2018-19 will also be available on the Company's website i.e. www.sbecosystems.com for their download.
18. 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.
19. In terms of Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a brief profile of the Director, who is proposed to be re-appointed in this AGM, nature of her expertise in specific functional areas, other Directorships and committee memberships, shareholding and relationship with other Directors of the Company are given below:

Name of the Director	DIN & Date of Appointment	DOB & Nationality	Shareholding in SBEC Systems (India) Limited	List of Directorships in other Companies	Qualification & Experience	Memberships of Audit & Stakeholder relationship Committee
Mr. Anupam Bansal	00004318 14/12/2005	20.09.1953 Indian	Nil	Nil	He is doctor of Medicines, Practicing Consultant, Physician & Cardiologist	NIL
Mr. Anupam Bansal is not related to any other Director on the Board of the Company.						

20. 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 Regulation 44 of SEBI(Listing Obligations and Disclosures Requirements) Regulations, 2015, 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).
21. The Board of Directors has appointed Ms. Nupur Gupta, Practicing Chartered Accountant having Membership No.-075983 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.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Monday 23rd day of September, 2019 at 9.00 a.m. and ends on Wednesday 25th day of September, 2019 at 5.00 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 Thursday 19th day of September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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 as mentioned in instruction (iv).

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvii. 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.

xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.

xx. 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

GENERAL INSTRUCTIONS:**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.
- (B) The voting period begins on Monday 23rd Day of September, 2019 at 9:00 a.m. and ends on Wednesday, 25th day of September, 2019 at 5.00 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 Thursday, 19th September, 2019 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) Ms. Priyanka Negi, Company Secretary & Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this 30th Annual General Meeting including e-voting her mail ID is sbecsystems@rediffmail.com and may be contacted on phone no. 011-42504954.
- (E) The Notice of the 30th 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. 23rd August, 2019 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 19th September, 2019 and not casting their vote electronically, may only cast their vote at the 30th 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 19th September, 2019.
- (G) The members who have cast their vote by remote-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**Item No. 3**

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into transactions which are in the ordinary course of business and/or are on arm's length basis. Transactions that do not satisfy these criteria can be carried out only with the approval of the shareholders accorded by way of an ordinary resolution. Though all the transactions with the related parties mentioned under the resolution in Item No.3 are in the ordinary course of business and are at arm's length basis, As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has made it mandatory that all material Related Party Transactions (i.e., the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company) shall require approval of the shareholders by way of an ordinary resolution. The Audit Committee and the Board of Directors of the Company in their meetings held on August 14, 2019 have approved the transactions given in Item No.3 of the Notice. However, since these transactions, though may be on arm's length basis and also may be in the ordinary course of business, yet as an abundant caution, it is proposed to seek approval of members by passing an ordinary Resolution pursuant to Section 188 read with rules made thereunder and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nature of Interest of Related of Related parties in the Company is given below:-

S.no.	Name of Related Party	Nature of Interest or Concern
1.	Jayesh Tradex Private Limited	Relative of the Individual (who holds more than 20% equity share capital of the Company) is the Director & majority Shareholder of the related party.
2.	Win Medicare Pvt. Ltd.	Individual (who holds more than 20% in the Company) is the Director & Shareholder of the related party.
3.	Modi Motors Pvt. Ltd.	Relative of the Individual (who holds more than 20% equity share capital of the Company) is the Director & majority Shareholder of the related party.
4	Modi Mundipharma Private Limited	Individual (who holds more than 20% in the Company) is the Director & Shareholder of the related party.

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

**Priyanka Negi
Company Secretary**

Date: 14.08.2019

Place: New Delhi

SBEC SYSTEMS (INDIA) LIMITED

CIN: L74210DL1987PLC029979

Regd Off: 1400, Hemkunt Tower, 98, Nehru Place, New Delhi-110019
T.:011-42504954, Email id : sbecsystems@rediffmail.com, Website : www.sbecsystems.com
30th Annual General Meeting held on Thursday, the 26th September, 2019 at 11.30 A.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 :of.....having an E-mail ID:.....Signature....., failing him/her;

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

1. Name :of.....having 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 30th Annual General Meeting of the Company, to be held on the 26th day of September, 2019 at the Executive Club, 439 Village Shahoorpur , P.O. Fatehpur Beri , New Delhi at 11:30 A.M. or at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	Vote (Optional (Refer Note))		
		For	Against	Abstain
1.	Adoption of Standalone and Consolidated Financial Statements: (a) The Audited Standalone financial statements of the Company for the financial period ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and (b) The Audited Consolidated financial statements of the Company for the financial period ended 31st March, 2019 and the Auditors Reports thereon.			
2.	To appoint Shri Anupam Bansal, who retires by rotation as a Director.			

Signed thisday of2019

Affix
Revenue
Stamp of not
less than Rs.
1.00

Signature of shareholder

Signature of first proxy

Notes:

1. This form duly Filled up & completed, signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of 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.

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ATTENDANCE SLIP30th Annual General Meeting held on Thursday, the 26th September, 2019 at 11.30 A.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) :

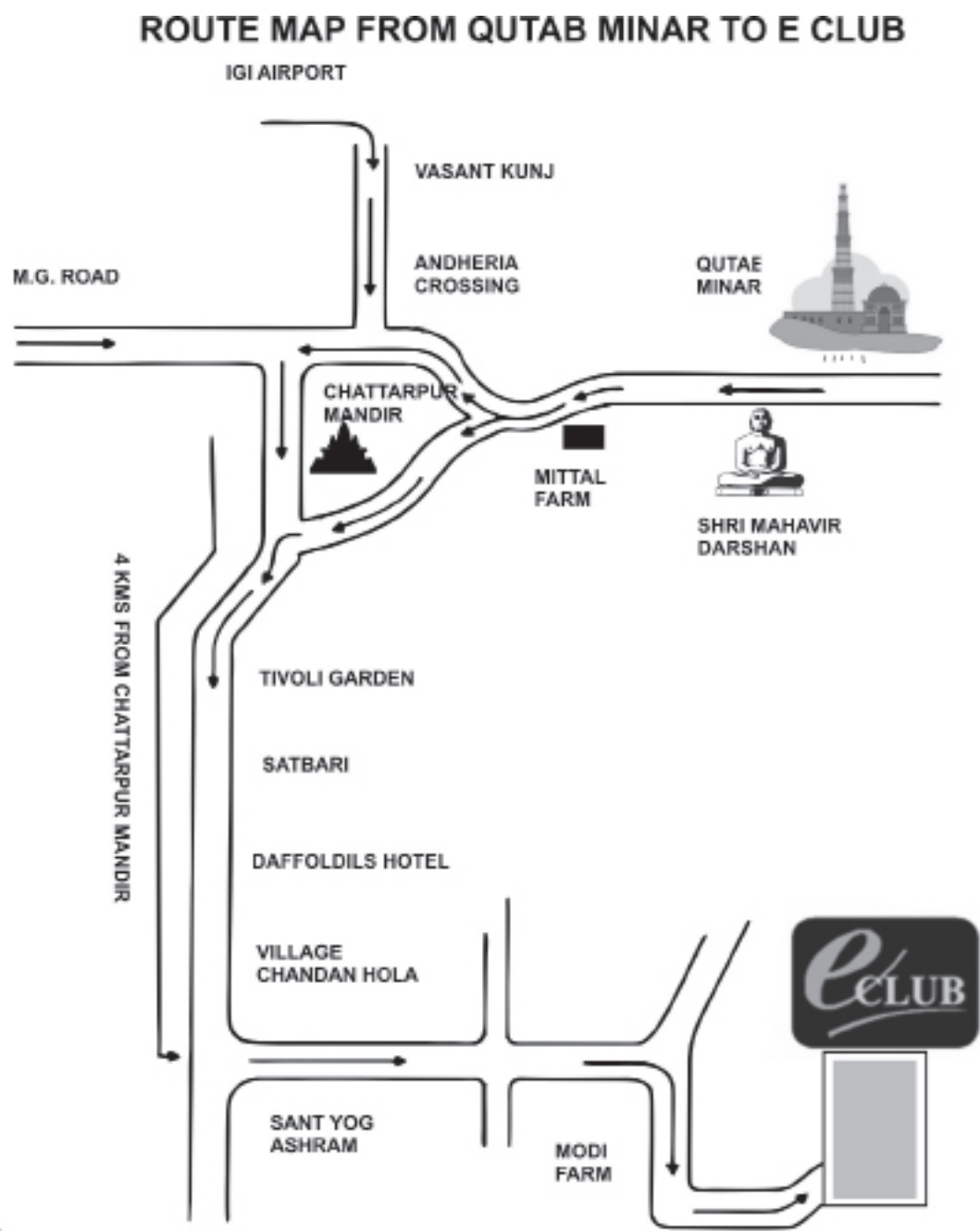
DPID:CLID:Reg. Folio No. :No. of Shares:.....

I hereby record my presence at the 26th day of September, 2019 at the Executive Club, 439 Village Shahoorpur, P.O. Fatehpur Beri, New Delhi at 11:30 A.M.

SIGNATURE OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING

If, Shareholder, please sign here :

If Proxy, please sign here :



DIRECTORS' REPORT

To,
The Shareholders,
SBEC Systems (India) Limited

Dear Members,

Your Directors take pleasure in presenting the 30th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2019.

FINANCIAL RESULT

THE SUMMARISED FINANCIAL RESULTS OF THE COMPANY FOR THE FINANCIAL YEAR 2018-19 VIS-A-VIS 2017-18 ARE AS UNDER:

(Rs. In Lacs)

PARTICULARS	Period Ended 31.03.2019	Period ended 31.03.2018
SALES & OTHER INCOME	84.18	9.28
TOTAL EXPENDITURE	82.71	28.53
OPERATING PROFIT/(LOSS) BEFORE TAX	(10.33)	(54.65)
PROFIT/(LOSS) AFTER TAX	(10.33)	(54.65)

During the year under review, the revenue from other income stood at Rs. 84.18 Lacs. The net loss of the Company stood at Rs. 10.33 Lacs as compared to net loss of Rs. 54.65 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, 2019.

The Company has not transferred any amount to the reserves for the year ended March 31, 2019.

SHARE CAPITAL

The paid up equity capital as on March 31, 2019 was Rs.1000 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

ASSOCIATE/SUBSIDIARY/JOINT VENTURE COMPANY

As on March 31st 2019, 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 prescribed 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").

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for the financial period 2018-19, are prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standards 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:

- in the preparation of the annual accounts for the financial year ended March 31, 2019, 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, 2019 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 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.

DIRECTORS

There was no change in the composition of the Board of Directors of the Company during the financial year 2018-19.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Anupam Bansal (DIN-00004318), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Mr. Jagan Nath Khurana (DIN: 0003817) who was appointed as Non-Executive Director has resigned from the Directorship w.e.f April 26, 2018.

KEY MANAGERIAL PERSONNEL (KMP)

During the financial period ended 31.03.2019, 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 & Compliance Officer
4.	*Mr. Anil Jain	Chief Financial Officer
5.	**Ms. Akanksha Sharma	Company Secretary & Compliance Officer

*Mr. Anil Jain has resigned from the post of Chief Financial Officer of the Company w.e.f. from May 31, 2018 and Mr. Luv Gupta was appointed as the Chief Financial Officer of the Company w.e.f. June 01, 2018.

**Ms. Akanksha Sharma has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. July 11, 2018 and Ms. Priyanka Negi were appointed as the Company Secretary and Compliance officer of the Company w.e.f August 01, 2018.

BOARD MEETING

The Board met Five times during the financial year 2018-19, 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

During the year in accordance with the Companies Act, 2013 the Board has re-constituted some of its Committees and presently the Company has following 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 DIRECTOR'S APPOINTMENT & REMUNERATION AND OTHER DETAILS

The Board on recommendation of the Nomination & Remuneration Committee, has framed a policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters specified under said section. The policy is available on the website of the Company www.sbectsystems.com.

BOARD EVALUATION:

As required under Section 134(3)(p) of the Companies Act, 2013 and 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.

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. Doogar & Associates, Chartered Accounts were appointed as the Statutory Auditors of the Company at the 28th Annual General Meeting held on September 28, 2017 for a term of five consecutive years. As per the provisions of Section 139 of the Companies act, 2013, the appointment of Auditor is required to be ratified by the members at every Annual General Meeting.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on September 28, 2017.

The report from the Auditors on the financial statements of the Company forms part of this Annual Report.

STATUTORY AUDITORS REPORT

The Statutory Audit Report contains qualifications and the Company has given its comments on Audit Qualified Opinion for the Financial Year 2018-19, the details are mentioned below:

Response to Qualified Opinion

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