



# 11TH ANNUAL REPORT

— 2021-22 —

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**CORPORATE INFORMATION****Board of Directors**

Mr. Govindji Gupta  
Mrs. Deepika Gupta  
Mr. Manish Gupta  
Mr. Akshat Gupta  
Mrs. Manupriya Mishra  
Mr. Amit Jaiswal  
Mr. Vinod Kumar

**Chief Financial Officer**

Mr. Mukesh Bhatt

**Company Secretary & Compliance Officer**

Mr. Hariom Sharma

**Board Committees:****Audit Committee**

Mr. Govindji Gupta  
Mr. Manish Gupta  
Mr. Amit Jaiswal

**Nomination and Remuneration Committee**

Mr. Manish Gupta  
Mr. Manupriya Mishra  
Mr. Amit Jaiswal

**Risk Management Committee**

Mr. Amit Jaiswal  
Mr. Govindji Gupta  
Mr. Manish Gupta

**Stakeholders Relationship Committee**

Mr. Govindji Gupta  
Mr. Manish Gupta  
Mr. Amit Jaiswal

**Website**

[www.sbcexportslimited.com](http://www.sbcexportslimited.com)

**Secretarial Auditors**

**M/s Kumar Mandal & Associates**  
(Company Secretaries)

**Statutory Auditors**

**M/s STRG & Associates**  
(Chartered Accountants)

**Registrar & Transfer Agents**

**Bigshare Services Private Limited**  
1st Floor, Bharat Tin Works  
Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri  
(East), Mumbai – 400059

**Stock Exchange(s)****BSE Limited**

25th Floor, P. J. Towers Dalal Street,  
Mumbai, Maharashtra - 400001

**National Stock Exchange of India Ltd.**

Exchange Plaza, C-1, Block G, Kurla  
Complex Bandra East, Mumbai City  
Maharashtra - 400051

**Bankers**

HDFC Bank  
ICICI Bank  
Yes Bank

**Registered Office**

House NO.-20, Lohiya Talab, Choti  
Basahi, P.O.: Vindhyachal,  
Mirzapur, U.P. - 231307

**Corporate Office**

49/95 Site-IV, Sahibabad  
Industrial Area, Ghaziabad,  
Uttar Pradesh - 201010

**NOTICE**

**Notice** is hereby given that the 11th Annual General Meeting of the members of **M/s SBC Exports Limited** will be held on Tuesday the 27th day of September, 2022 at 10:00 a.m. at the registered office of the company at House No.-20, Lohiya talab, Choti basahi P.O.: Vindhyachal, Mirzapur – 231307, Uttar Pradesh to transact the following businesses:

**ORDINARY BUSINESS:****ITEM NO.1 ADOPTION OF FINANCIAL STATEMENTS**

To consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2022, together with the reports of the board of directors and the auditors thereon; (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 and the reports of the auditors thereon.

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

- (a) **"RESOLVED THAT** the audited financial statements of the company for the financial year ended 31st march, 2022 together with the reports of the board and auditors thereon laid before this meeting, be and are hereby considered and adopted."
- (b) **"RESOLVED THAT** the audited consolidated financial statements of the company for the financial year ended 31st march, 2022 and the reports of the auditors thereon laid before this meeting, be and are hereby considered and adopted."

**SPECIAL BUSINESS:****ITEM NO. 2 ADDITION OF A NEW CLAUSE IN MAIN OBJECT OF THE COMPANY AND CONSEQUENT ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with applicable Rules and Regulations made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and subject to such approvals, permissions and sanctions of Registrar of Companies, appropriate authorities, departments or bodies as and to extent necessary, consent of the members of the Company be and is hereby accorded for effecting the addition of a new clause in the existing Object Clause of the Memorandum of Association ("the MOA") of the Company in the following manner:

Clause III of the MOA is to be altered by addition of a new clause in the existing Object Clause of the MOA with the following:

- 10. "To carry on the business of traders, exporters and importers of all kinds of clothing accessories, imitation Jewellery including artificial jewellery made of non- precious metal, gemstones & wooden, footwears, hand bags and hand purse whether made of leather or not, beauty products and all accessories related to fashion & lifestyle products made of any kind."**

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Company Secretary of the Company be and are hereby jointly/severally authorized to do all such act(s), deed(s), things and to execute all documents, deeds and writings, including but not limited to preparing, executing and filing necessary forms, applications, documents with Registrar of Companies, stock Exchanges, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose.

**ITEM NO. 3 TO APPROVE THE REVISION OF THE REMUNERATION OF MR. GOVINDJI GUPTA, MANAGING DIRECTOR OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and resolution passed by Board of Directors of the Company in their meeting held on August 09, 2022 and pursuant to the provisions of the Sections 197 and 198 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, applicable provisions of Articles of Association of the Company, consent of the members be and is hereby accorded for the revision/increase in the remuneration of Mr. Govindji Gupta (DIN: 01632764) Managing Director of the Company, from exiting Rs. 55,000/- (Rupee Fifty Five Thousand Only) per month to Rs.1,00,000/- (Rupee One Lakhs Only) per month for the remaining period of his present term on the terms & conditions as specified in the explanatory statements pursuant to Section 102(1) of the companies act, 2013 annexed to this notice.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, shall be entitled to vary or increase the remuneration specified above during the present tenure of Mr. Govindji Gupta to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, shall not exceed Rs. 30.00 lakhs per annum."

**RESOLVED FURTHER THAT** all the terms and conditions of appointment (except the remuneration) of Mr. Govindji Gupta as the Managing Director of the Company which were previously approved by the members shall remain unchanged.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable for the purpose of giving effect to this resolution."

**For and on behalf of the Board  
For SBC Exports Limited**

**Date: 09.08.2022  
Place: Sahibabad**

**Hariom Sharma  
Company Secretary**

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item Nos. 2 and 3 of the accompanying Notice is annexed hereto. The Board of Directors of the Company at its meeting held on Tuesday, 9th day of August, 2022 considered that the special business under Item No. 2 and 3 being considered unavoidable are transacted at the 11th AGM of the Company.
2. Pursuant to the provisions of the act, a member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll; instead of him/her self and the proxy need not to be a member of the company.
3. A person can act as proxy on behalf of members' up to and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. Further, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of holding the meeting.
4. In view of the COVID-19 pandemic, we have made arrangement of social distancing and members are requested to wear the mask while entering the venue for annual general meeting.
5. Corporate members are requested to send a duly certified copy of the board resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote on their behalf at the Meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 2 days written notice is given to the Company.
7. Members/Proxies/Authorised Representatives should bring the duly filled Attendance Slips enclosed to attend the meeting.
8. Pursuant to Section 91 of the Companies Act, 2013, the register of members and share transfer books will remain closed from Tuesday, September 20, 2022 to Tuesday, September 27, 2022 (both days inclusive).
9. Annual Report for the financial year 2021-22 including notice of 11th AGM along with Attendance Slips and Proxy Forms are being sent on Email IDs of those members whose E-mail IDs are registered with the Depository Participant(s)/Company, unless a member has requested for a physical copy of the same. The Documents shall be sent through permitted mode to all members holding shares in physical mode.

10. In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2021-22 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories/RTA. The Notice convening the 11th AGM and Annual Report 2021-22 has been uploaded on the website of the Company at [www.sbcexportslimited.com](http://www.sbcexportslimited.com), and may also be accessed from the relevant section on the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
11. Documents referred to in the notice calling the AGM and the explanatory statement shall be kept open for inspection by the members at the registered office of the Company on all working days (Monday to Saturday) from 10.00 a.m. to 01.00 p.m. except holidays, upto the date of the meeting.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, e- mail address, telephone / mobile numbers, PAN, registration of nomination, Power of Attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

**The Instructions for Members for Remote E-Voting Are As Under:-**

The remote e-voting period begins on 24th September, 2022 at (9:00 A.M IST) and ends on 26th September, 2022 (5:00 P.M IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th September, 2022.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’

	<p>section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <ol style="list-style-type: none"> <li>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>  <b>App Store</b>                <b>Google Play</b> </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at</li> </ol>



	<p><a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43</p>

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for

- shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [ashukumar843@gmail.com](mailto:ashukumar843@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Mr. Soni Singh) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ([cs@sbccl.com](mailto:cs@sbccl.com)).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([cs@sbccl.com](mailto:cs@sbccl.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Other Guidelines for Members**

a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

b. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date of 24th September, 2022.

c. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 11th AGM by email and holds shares as on the cut-off date i.e 24th September, 2022 may obtain the User ID and password by sending a request to the Company's email address: [cs@sbccl.com](mailto:cs@sbccl.com). However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

d. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.

e. Mr. Asim Kumar Mandal, Practicing Company Secretary and Proprietor of Kumar Mandal & Associates, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.

f. The Scrutinizer shall after the conclusion of e-Voting at the 11th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

g. The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's corporate website [www.sbcexportslimited.com](http://www.sbcexportslimited.com), in under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to BSE Limited and National Stock Exchange (India) Limited, Mumbai.

h. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the dulyauthorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [Ashukumar843@gmail.com](mailto:Ashukumar843@gmail.com).

5. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 11th AGM and the Annual Report for the year 2021-22 including therein the Audited Financial Statements for Financial Year 2021-22, are being sent only by email to the Members.

Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 11th AGM and the Annual Report for the year 2021-22 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address [cs@sbccl.com](mailto:cs@sbccl.com).

b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

6. The Notice of the 11th AGM and the Annual Report for the year 2021-22 including therein the Audited Financial Statements for the year 2021-22, will be available on the website of the Company at [www.sbcexportslimited.com](http://www.sbcexportslimited.com) and the website of BSE and NSE.

7. The Register of Members and the Share Transfer books of the Company will remain closed from 25th September, 2022 to 30th September, 2022 both days inclusive, for annual closing.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

9. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.

10. Electronic copy of all the documents referred to in the accompanying Notice of the 11th AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at [www.sbcexportslimited.com](http://www.sbcexportslimited.com)

11. During the 11th AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to [cs@sbcel.com](mailto:cs@sbcel.com).

**EXPLANATORY STATEMENT (PURSUANT TO SECTIONS 102 OF THE COMPANIES ACT, 2013)  
SETTING OUT MATERIAL FACTS:**

**Item No. 2**

The equity shares of your Company are listed and actively traded on The National Stock Exchange of India Limited and the BSE Limited.

The basics of business are to stay as close as possible to your customers—understand their behaviour, their preferences, their purchasing patterns, etc. Providing goods and services isn't all our business does; our real mission is to satisfy and delight our customers. That's what makes them return again and again to purchase our products, use our services, and tell everyone they know about just how great our business is. As you all are aware that your Company's main line of business is to be deal in all types of readymade garments, Further due to the high demand from our customers for more products like imitation jewellery, hand bags and all accessories related to fashion & lifestyle products and in view of the expansion of the business activities, the Company and management proposed to insert a new clause to the existing main object clause of Memorandum and Association of the Company.

The Board of Directors of the Company on 09th August, 2022, approved the insertion in the existing main object clause of Memorandum and Association of the Company.

Pursuant to section 13 of the Companies Act, 2013, alteration/insertion in object clause of Memorandum and Association of the Company requires consent of the Members by way of Special Resolution.

A copy of Memorandum and Association of the Company as on date and also indicating the proposed amendments is available for inspection at the Company's registered office on all working days (except Saturday & Sunday) from 11 a.m. to 4 p.m.

The Board of Directors of the Company do hereby confirm that none of the Directors, Key Managerial Personnel and relatives thereof is interested in aforesaid resolution.

The Board recommends the resolution set forth in item no. 2 for the approval of the members as Special Resolution.

**Item No. 3**

Mr. Govindji Gupta was appointed as a Managing Director of the Company for a period of Five (5) Years with effect from 26th December 2020 to 25th December 2025 on the remuneration and other terms and conditions as approved by the members at the 9th Annual General Meeting held on Saturday the 26th day of December, 2020. Since, he joined the Company; the Company is expanding its reach in across India and abroad.

As such it is felt that the company should pay him suitably within the overall permissible limit as prescribed under the Companies Act, 2013, as amended. Thus, the Board of Directors of the Company, keeping in view his performance, vast expertise and knowledge, considered that it is desirable revise his remuneration for remaining period of service as a Managing Director.

Accordingly, the Board of Directors decided to revise/increase the remuneration of Mr. Govindji Gupta from exiting Rs. 55,000/- (Rupee Fifty Five Thousand Only) per month to Rs.1,00,000/- (Rupee One Lakhs Only) per month for the remaining period of his present term as recommended by

the Nomination and Remuneration Committee and as set out in the agreement entered into between the Company and Mr. Govindji Gupta.

Mr. Govindji Gupta, so long as he functions as Managing Director shall not be paid any sitting fees for attending meeting of the Board of Directors or Committees thereof. The Company shall remunerate Mr. Govindji Gupta by way of Remuneration and perquisites as specified above as minimum remuneration during the term of his appointment, subject to the limit specified under Schedule V of the Companies Act, 2013.

The remuneration as aforesaid approved by the Board for remaining term is based on the recommendation of the Nomination and Remuneration Committee subject to the approval of Shareholders and shall be within the maximum limits as specified in Schedule V to the Companies Act, 2013, as amended from time to time.

The proposed Ordinary Resolution set out in item no. 3 in the notice seeks approval of the members for the revision in remuneration payable to Mr. Govindji Gupta for the remaining period of his present term. The Terms & Conditions as entered into for revision in remuneration payable to Mr. Govindji Gupta would be available for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) during normal business hours.

Mrs. Deepika Gupta is interested in the said Resolution. Except her, none of the other Directors and Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financially or otherwise, in the proposed Resolution

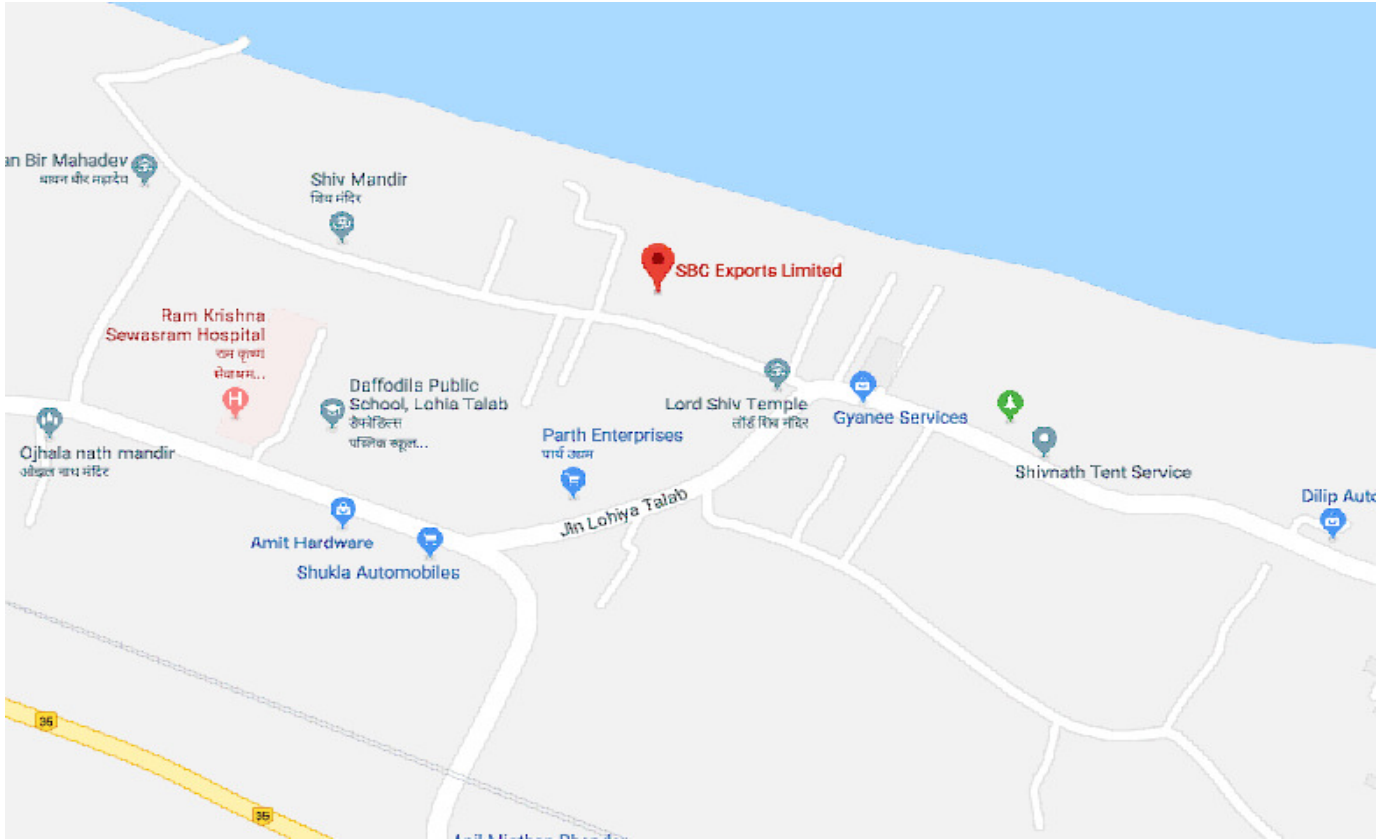
**For and on behalf of the Board  
For SBC Exports Limited**

**Date: 09.08.2022  
Place: Sahibabad**

**Hariom Sharma  
Company Secretary**



**ROUTE MAP FOR AGM VENUE**



## BOARDS' REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "SBC"), along with the audited financial statements, for the financial year ended March 31, 2022. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

### 1. RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS:-

The Company's financial performance for the financial year under review along with previous year's figures is given hereunder:-

PARTICULARS	(In Lakhs)		
	STANDALONE		CONSOLIDATED
	31.03.2022	31.03.2021	31.03.2022
Revenue from Operations	16,815.73	12,986.80	16,885.11
Other Income	35.55	48.48	35.55
<b>Total Revenue</b>	<b>16,851.28</b>	<b>13,035.28</b>	<b>16920.66</b>
Total Expenditure	<b>16,291.13</b>	<b>12,781.55</b>	<b>16356.31</b>
<b>Profit/Loss before taxation</b>	<b>560.15</b>	<b>253.93</b>	<b>564.35</b>
<b>Less: Tax Expenses</b>	226.27	84.80	227.64
<b>Profit /loss for the year</b>	<b>343.00</b>	<b>183.57</b>	<b>345.82</b>

### 2. OPERATIONS:-

The Company has reported consolidated revenue from operations is ₹ **16,885.11** Lakhs and total standalone revenue from operations is ₹ **16,815.73** Lakhs against total standalone revenue from operations is ₹ **12,986.80** Lakhs for the previous year. The consolidated Net profit for the year under review amounted to ₹ **345.82** Lakhs and total standalone Net profit of ₹ **343.00** Lakhs in the current year as compared to standalone Profit incurred in last year amounting to ₹ **183.57** Lacs.

### 3. TRANSFER OF RESERVES:-

An amount of ₹ **343.00** Lakhs of profit has been transferred to Reserve & Surplus Account.

### 4. DIVIDEND

Although the Company had earned a good profits as compared to previous year but the Board of The Directors have chosen not to proclaim any Dividend. Despite the fact that the Company has seen growth in this year. Remembering the current economic situation, every one of the Directors has chosen to safeguard the profit with the goal that they can be used for the growth of the organization

## **5. INDUSTRY STRUCTURE & DEVELOPMENT**

The Indian textile industry is one of the largest in the world with a massive raw material and textiles manufacturing base. Our economy is largely dependent on the textile manufacturing and trade in addition to other major industries. About 27% of the foreign exchange earnings are on account of export of textiles and clothing alone. The textiles and clothing sector contributes about 14% to the industrial production and 3% to the gross domestic product of the country. Around 8% of the total excise revenue collection is contributed by the textile industry. So much so, the textile industry accounts for as large as 21% of the total employment generated in the economy. A textile is the largest single industry in India (and amongst the biggest in the world), accounting for about 20% of the total industrial production. It provides direct employment to around 20 million people. Textile and clothing exports account for one-third of the total value of exports from the country. There are 3400 textile mills with a spinning capacity of about 50 million spindles. This industry is providing one of the most basic needs of people and holds importance; maintaining sustained growth for improving quality of life.

## **6. OUT LOOK OF ECONOMY**

SBC Exports Limited predominately consists of textile business and advanced material business. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world. We are also focusing on new age, high performance fabrics which allow us an entry into a fast growing newer product segment. We are seeing new growth opportunities in advanced material division and the segment continues to grow at a rapid pace. In our B2C business of brands and retail, we have been growing through a portfolio of strong international brands and specialty retail stores that have presence across multiple channels, price points and consumer segments.

We are rapidly expanding our distribution footprint further across our brands, which is likely to be a major growth driver in the future. Our speciality retail business is doing well and we are investing to grow this business at a significant pace in the current year, we expect our EBITDA margins also to improve and your directors are hopeful that in current year better financial results would follow.

## **7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

During the year under review, the management incorporated a wholly owned subsidiary Company of SBC Exports Limited dated 03<sup>rd</sup> December, 2021 i.e **Mauji Trip Limited** (Formerly it was a unit for the segment business of tour and travels) running through website maujitrrip.com.

## **8. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:-**

### **1. Migration from BSE SME Platform to Main Board of NSE in addition to Main Board of BSE**

Your Company was listed on the SME platform of BSE Limited (BSE) since 4th July, 2019. After completion of two years of listing and trading on the BSE SME Platform With a view to acknowledge publically on a large level and for the enhanced recognition, the Company has been migrated from BSE SME Platform to Main Board of NSE in addition to Main Board of BSE on 23<sup>rd</sup> day of November, 2021. Listing on the Main Board of BSE and NSE take the Company into a different league altogether with enhanced recognition and increased participation by retail investors. Migration to the main board acts as a catalyst in the growth and expansion of the Company and also help the shareholders of the Company to enjoy enhanced returns from their investments.

## 2. Sub-Division of Equity shares

With a view to encourage participation of small investors by making equity shares of the Company affordable and at the same time enhancing the liquidity of the Company's equity shares with higher floating stock in absolute numbers thereby expanding the retail shareholders base on one hand and at the same time considering the favourable position of Reserves and Surplus, the Board of Directors has considered it desirable for sub-division of its Equity Shares of Rs. 10/- each into one equity shares of Re. 1/- each. The shareholders through the postal ballot on 10th February, 2022 approved the proposal of sub-division of Company's one (1) equity share of face value of Rs. 10/- each into Ten (10) equity shares of face value of Re. 1 each and consequent amendment in the existing Capital Clause V of the Memorandum of Association (MOA) of the Company.

## 3. Issue of Bonus Equity Shares to the existing shareholders

During the FY 2021-22, subsequent to receipt of approval of Members through postal ballot on 10th February, 2022 of the proposal of Bonus Equity Shares to the existing shareholders of Company in proportion 1:1 and consequently the paid up share capital of the company increased from 10,58,20,000 to 21,16,40,000 shares by way of Capitalization of Free Reserves.

Further, the requisite approvals of the exchanges i.e BSE and NSE and depositories, NSDL and CDSL, new ISIN i.e. **INE04AK01028** has been allotted to the Company. The details of dematerialisation of shares, Demat Suspense Account / Unclaimed Suspense Account are provided in the Corporate Governance Report, has been uploaded on the website of the Company at [www.sbcexportslimited.com](http://www.sbcexportslimited.com).

## 9. CHANGE IN SHARE CAPITAL

### **Authorised Share Capital**

During the year, the Company increases its Authorised share Capital from Rs. 11,00,00,000/- comprising of 1,10,00,000/- equity shares of Rs. 10/- each to Rs. 22,00,00,000/- comprising of 22,00,00,000/- equity shares of Re. 1/- each.

### **Paid up Share Capital**

During the year, the Company increases its Paid up share Capital from Rs. 10,58,20,000/- comprising of 1,05,82,000 equity shares of Rs. 10/- each to Rs. 21,16,40,000/- comprising of 21,16,40,000 equity shares of Re. 1 each Through sub-division at the ratio of 10:1 and subsequent issue of bonus equity shares (Post Split) in proportion 1:1 by way of Capitalization of Free Reserves.

## 10. DEPOSITORY SYSTEM

As the Members are aware, the shares of the company are tradable compulsorily in electronic form and our Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is **INE04AK01028**.

### **11. CHANGE IN THE NATURE OF BUSINESS:-**

During the year under review, Segment Business of tour and travels, now totally separated by incorporation of a wholly owned subsidiary Company i.e **Mauji Trip Limited** (Formerly it was a unit only) running through website maujitravel.com. with effect from 3<sup>rd</sup> December, 2021.

### **12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:-**

During the year under review there has been not any such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Circular/ Notifications/ Directions issued by Reserve Bank of India from time to time, the Management Discussion and Analysis of the financial condition and result of consolidated operations of the Company for the year under review is presented in a separate section forming part of the Annual Report as **Annexure-I**.

### **14. STATUTORY INFORMATION**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Companies (Accounts) Rules, 2014 is annexed and forms an integral part of this Report. The statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate Annexure forming part of the Report. In terms of proviso to Section 136(1) of the Act, the Report along with Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said Annexure is open for inspection at the Registered Office of the Company. Any member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the company, 21 days before and upto the date of the ensuing Annual General Meeting during the business hours on working days. None of the employees mentioned in the said statement is a relative of any Director of the Company and none of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

### **15. CODES AND POLICIES**

The details of the policies approved and adopted by the Board as required under the Companies Act, 2013 and Securities and Exchange Board of India (SEBI) regulations are provided in **Annexure-II** to the Board's report

### **16. DEPOSITS**

During the year, the Company has neither accepted any deposits from the public, nor does it have any scheme to invite any such deposits.

## **17. CORPORATE GOVERNANCE**

Our Company has been practicing the principles of good corporate governance as it is committed to maintain the highest standards of Corporate Governance and believes in conducting its business with due compliance of the Regulation 34 (3) read with Schedule V of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. The Company has duly implemented the system of Corporate Governance and a separate report on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report as **Annexure-IV**.

## **18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business under the Companies Act 2013 and not material under the Listing Regulations and hence did not require members' prior approval under the Companies Act 2013 and the Listing Regulations. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 are attached as **Annexure-III** in the Form AOC-2.

## **19. AUDITORS AND AUDITORS' REPORT**

M/s. STRG & Associates, Chartered Accountants (FRN 014826N), having its office at New Delhi has been appointed as the Statutory Auditors of the Company on 2<sup>nd</sup> day of December, 2019 who shall hold their office for (5) Five Years i.e. from the Financial Year 2019-20 to 2023-24. Further, the Auditors' Report and Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore, does not call for any further comments and explanations. The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not calls for any further comment.

## **20. CONSOLIDATED FINANCIAL STATEMENT**

In accordance with the provisions notified under Section 133 of the companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Indian Accounting Standard ("Ind AS") 110 - Consolidated Financial Statements, the audited consolidated financial statement forms part of the Annual Report.

## **21. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel Rules) 2014, Company had appointed **M/s. Kumar Mandal and Associates**, Company Secretaries in Practice on 22<sup>nd</sup> Day of August, 2019 for the Financial Year 2019-20 and onwards, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2021-22 is attached as **Annexure-V**

**22. DECLARATION BY INDEPENDENT DIRECTORS AND RE-APPOINTMENT, IF ANY**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013 that they continue to confirm the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 and 25 of of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**23. SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

Pursuant to code of Independent Directors in compliance with Schedule IV the Companies Act, 2013 and rules made there under and regulation 25 (3) of the SEBI Listing Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on August 21, 2021 to review the performance of Non-independent directors (including the Chairman) and the Board as a whole. The Independent directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its committees which is necessary to effectively and reasonably perform and discharge their duties.

**24. CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS AND KMPs**

There were no changes in the composition of the Board of Directors and KMPs during the review period.

**25. RETIREMENT OF DIRECTOR BY ROTATION:**

No Director is liable to retire by rotation at the ensuing Annual General Meeting.

**26. BOARD'S INDEPENDENCE**

Definition of 'Independence' of Directors is in conformity with Section 149(6) of the Companies Act, 2013 and the requirements of Listing Regulations. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 and the requirements of Listing Regulations :-

1. Mr. Akshat Gupta
2. Mr. Vinod Kumar
3. Mrs. Manupriya Mishra
4. Mr. Amit Jaiswal and
5. Mr. Manish Gupta

The independent directors have submitted the declaration of independence, as required under section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

**27. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby stated that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**28. BOARD ANNUAL EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ('SEBI Listing Regulations').

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- Expertise;
- Objectivity and Independence;
- Guidance and support in context of life stage of the Company;
- Understanding of the Company's business;
- Understanding and commitment to duties and responsibilities;
- Willingness to devote the time needed for effective contribution to Company;
- Participation in discussions in effective and constructive manner;
- Responsiveness in approach;
- Ability to encourage and motivate the Management for continued performance and success.

The evaluation involves Self-Evaluation by the Board Member and subsequent assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation. Accordingly, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Director at their respective meetings held for the purpose.



**29. PARTICULARS OF EMPLOYEES**

There were no employee in receipt of remuneration of Rs. 1.02 crores Rupees per annum if employed for whole of the year or Rs. 8.50 Lakhs per month, if employed for part of the year, whose particulars are required to be given under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit reports to the Chairman of the Audit Committee of the Board and to the Managing Director. The Internal Audit Department reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

**31. WHISTLE BLOWER POLICY /VIGIL MECHANISM**

In compliance with the requirement of the Companies Act, 2013 and SEBI Listing Regulations, the Company has established a Whistle Blower Policy / Vigil Mechanism Policy that enables the Directors and Employees to report genuine concerns. The vigil mechanism provides for (a) adequate safeguards against victimization of persons who use the vigil mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

No complaint of this nature has been received by the Audit Committee during the year under review.

**32. EXTRACT OF ANNUAL RETURN:-**

The Company is maintaining a website where the extract of Annual Return can be accessible. The Link of the website is [www.sbcexportslimited.com](http://www.sbcexportslimited.com).

**33. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:-**

There were no frauds as reported by the Statutory Auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

**34. CORPORATE SOCIAL RESPONSIBILITY**

As per the provisions of section and 135 of the Companies Act, 2013 Corporate Social Responsibility (CSR) is not applicable to the Company during the year under review so there are no disclosures required under section 134 (3)(o) of the Companies Act, 2013.

**35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The provisions/requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder are being followed by the Company and the company is providing the proper environment of working to all employees and has proper internal control Mechanism for prevention, prohibition and redressal of sexual harassment at workplace. The Company has complied with the provisions of constitution of Internal Complaints Committee under the Act. There were no cases/complaints filed under this Act during the year under review.

### **36. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of loans given or guarantees given or investments made or securities provided are given in notes to financial statements.

### **37. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to Key business objectives. Major risks identified by the Board and systematically steps taken to mitigate on a continuous basis. The Company's internal control system is commensurate with the nature of its business and the size and complexity of operations

### **38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Conservation of energy: **Not applicable**

Technology absorption: **Not applicable**

Foreign exchange earnings and outgo: There was no foreign exchange inflow or Outflow during the year.

### **39. COVID-19**

The COVID-19 pandemic has caused a huge disruption creating an unprecedented impact on the financial well-being of nations, corporations and individuals. The localised lockdowns during the second covid wave in April-May 2021, although some of the sub-sectors may continue to be impacted during the first half of 2021-22. A detailed discussion on impact of COVID-19 on the Company is covered in the 'Management Discussion and Analysis.'

### **40. STATEMENT OF CAUTION**

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

### **41. APPRECIATION & ACKNOWLEDGEMENTS**

Your Board of Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all the employees of the Company as well as customers, dealers,

agents, suppliers, Investors, consultants, bankers and other authorities for their continued support and faith reposed in the Company. The Directors also thank the Central and State Government of India and concerned Government Departments/ Agencies for their cooperation. The directors appreciate and value the contributions made by every member of the company.

**For SBC EXPORTS LIMITED**

**GOVINDJI GUPTA**

Director

DIN: 01632764

**DEEPIKA GUPTA**

Director

DIN: 03319765

**Date: 09.08.2022**

**Place: Sahibabad**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### MARKET CONTEXT – GLOBAL AND INDIAN ECONOMY AND OUTLOOK

With a staggered global recovery, FY2021-22 witnessed the consumer demand coming back. Although a part of the year was affected by the pandemic, immunisation and collective action saw a gradual uptake in the West, which was mirrored in the rest of the world leading to the economies regaining lost ground. Global GDP grew by 5.8% and the economic growth returned on the back of a sustained consumer demand across the board leading to a significant spike in inflation. The escalation of the Russia-Ukraine crisis has also had a detrimental effect on the prices of crude oil, gas and other commodities leading to further pressure on the fragile economies.

### INDIAN ECONOMY OVERVIEW

After experiencing a difficult period due to the COVID-19 pandemic, strong macro indicators suggest a rebound, primarily on account of favourable fiscal and monetary policies. Emphasis on improving healthcare has also aided the crisis response. The Indian economy expanded by 8.7% in FY2021-22, rebounding from a 6.6% contraction in FY2020-21, reiterating the country's status as one of the fastest-growing major economies in the world.

Structural reforms like the National Infrastructure Pipeline and National Monetization Plan have been implemented by the Government to boost infrastructure development. It has paved the path for further development and continues to encourage projects across sectors, including reforms for improving labour laws.

V-shaped economic recovery is due to mega vaccination drive, robust recovery in the services sector and growth in consumption and investment coupled with resurgence in high frequency indicators such as power demand, rail freight, GST collection etc. Almost all emerging economies are reeling under these external shocks but India's underlying economic fundamentals are strong and despite the short-term headwinds, the impact on the long-term outlook will be marginal.

The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency—all leading to accelerated economic growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination. RBI estimates the GDP growth rate for FY 2022-23 at 7.2%.

The annual inflation rate in India edged down to 7.04% in May of 2022 from an 8-year high of 7.79% in the previous month. Inflation is expected to remain high for the next few quarters of FY 2022-23 due to higher commodity and fuel prices and negative terms of trade. The RBI has already taken measures to contain inflation by tightening the policy rates. The next few quarters will be critical for India's economy as the Government and the RBI work at balancing the stress on inflation, currency and fiscal deficit.

## TEXTILES

### Global Textile Industry

The COVID-19 pandemic had challenged the textile industry drastically which is now on a recovery stage. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market growth over the forecast period. The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. After The United States and the European Union, India is the third largest textile manufacturing industry and is responsible for more than 6% of the total textile production, globally. The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production. Market size value in 2022 at USD 1,032.1 Billion with Revenue forecast in 2030 at USD 1,420.3 Billion.

### Indian Textile Industry

India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home and technical products. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The sector employs around 40 Million workers. The size of India's textile market stood at US\$ 223 Billion in 2021, growing at a CAGR of 10.23% over 2016. Indian textile players have undertaken various initiatives to boost textile sales viz. investment to expand production capacity, using technology to optimise the value chain, leveraging strategic partnerships and strengthen sustainable textiles business. Textile industry has been steadily recovering post pandemic amid increased raw material prices and container shortages.

Under Union Budget 2022-23, the total allocation for the textile sector was ₹12,382 crore. Moreover, ₹10,683 crore Production-linked Incentive scheme is expected to be a major boost for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel and MMF fabrics.

### SBC Exports Limited business performance summary

During FY 2021-22, The Company continued to introduce new innovative products. On woven products side, the focus of innovation was around experimentation with new sustainable fiber's, creative blends and significant reduction in use of dyes, chemicals and in turn, water. The B2C business was re-structured in this year and all channels were brought under one common leadership to drive a concerted and integrated strategy. Internal checks are exercised so that the various procedures are laid at the time of delegation of authorities and other procedures are strictly followed. The delegation clearly indicates the powers along with the monetary limits, wherever necessary, that can be exercised by various levels of Managers in the Company. Similarly, the Company has well defined manuals for all the functional areas, viz., Production, Sales, Administration, Personnel, etc. These manuals contain elaborate procedures and checklist for the related activities. Necessary controls and checks are exercised by strictly adhering to the various procedures and checklist prescribed in the Manuals.

Post the second wave of COVID infections and the lockdown in Q1 FY22, the retail network witnessed a strong comeback in the remaining quarters especially in third and fourth quarters.

## Outlook

SBC Exports Limited predominately consists of textile business and advanced material business. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world. We are also focusing on new age, high performance fabrics which allow us an entry into a fast growing newer product segment. We are seeing new growth opportunities in advanced material division and the segment continues to grow at a rapid pace. In our B2C business of brands and retail, we have been growing through a portfolio of strong international brands and specialty retail stores that have presence across multiple channels, price points and consumer segments.

We are rapidly expanding our distribution footprint further across our brands, which is likely to be a major growth driver in the future. Our speciality retail business is doing well and we are investing to grow this business at a significant pace in the current year, we expect our EBITDA margins also to improve and your directors are hopeful that in current year better financial results would follow.

## Disclaimer

The Management Discussion and Analysis statement of the Annual Report has been included in adherence of the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing the Company's objectives, projects, estimates, expectations may be 'forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference of the Company's operation include economic conditions affecting demand.

## For SBC EXPORTS LIMITED

**GOVINDJI GUPTA**

Director

DIN: 01632764

**DEEPIKA GUPTA**

Director

DIN: 03319765

**Date: 09.08.2022**

**Place: Sahibabad**

**CODES AND POLICIES OF BOARD**

1. Code Of Conduct Of Board Of Directors And Senior Manager
2. Terms and Conditions of appointment of Independent Directors
3. Fair Practice Code
4. Corporate Governance Guidelines
5. Insider Trading Policy
6. Related Party Transactions Policy
7. Risk Management Policy
8. Sexual Harassment Policy
9. Whistle Blower Policy
10. Policy on Payment of Non-Executive Director
11. Policy on Preservation of Documents
12. Policy for dividend distribution by listed entity based on market capitalisation
13. Policy For Familiarisation Program For Independent Directors

## ANNEXURE-III

**FORM NO. AOC-2**

*(Pursuant to Clause (h) of sub section (3) of section 134 of the act and Rule 8/2 of the Companies Accounts Rules, 2014)*

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

**Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

**Details of material contracts or arrangement or transactions at arm's length basis**

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2022.



## CORPORATE GOVERNANCE REPORT

Board of directors presenting the Corporate Governance Report In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year ended 31st March 2022.

corporate entity which includes a set of systems, procedures and practices which ensures that Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers traders and societies. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objects of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under The Companies Act, 2013, SEBI Regulations, Accounting Standards and Secretarial Standards etc.

### **1. BOARD OF DIRECTORS**

In terms of the Company's Corporate Governance Policy, all statutory and other significant & material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

- a) **The Chairman of the Board is Mr. Govindji Gupta.**
- b) **Composition and Category of the Board of Directors**

As on 31.03.2022, Board of Directors of Company had seven (7) directors consisting of Two (2) Executive Directors including one Women Director and Five (5) as Independent Directors. The Chairman of the Board is an Executive Director. None of the Directors on the board is a member of more than 10 committees and Chairman of more than 5 Committees. Necessary disclosures regarding directorship held in other companies and committee positions as on 31.03.2022 have been made by Directors.

### **C) Board Meetings**

During the year under review, the Board met **Eight (8)** times:

1. 29.04.2021 - Thursday
2. 16.06.2021 - Wednesday
3. 03.08.2021 - Tuesday
4. 05.09.2021 - Sunday
5. 10.11.2021 - Wednesday
6. 07.01.2022 - Friday
7. 09.02.2022 - Wednesday
8. 25.02.2022 - Friday

The maximum interval between any two meetings did not exceed 120 days.

### **2. GENERAL MEETINGS**

During the year under review, there were (Three) 3 General Meetings held i.e. (One) 1 Annual General Meeting held on September 30, 2021 and (Two) Extra-ordinary General Meeting through Postal Ballot held on September 04, 2021 and February 10, 2022 respectively.

### **3. COMMITTEES OF BOARD**

There are four Committees constituted as per Companies Act, 2013, which are as follows;

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholder's Relationship Committee.
- d) Risk Management Committee

#### **A. Audit Committee**

The Board had constituted qualified Audit Committee pursuant to provision of Companies Act, 2013 as well as Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The committee has its charter for functioning having primary objective to monitor and provide effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

During the financial year the Committee met Five (5) times on April 29, 2021, June 16, 2021, September 05, 2021, November 10, 2021 and February 09, 2022.

Composition of the Audit Committee of the Board are as below:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Govindji Gupta	Member	Managing Director- Executive
Manish Gupta	Chairman	Independent Director- Non- Executive
Amit Jaiswal	Member	Independent Director- Non- Executive

#### **Role of the audit committee:**

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a) Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.

- g) Modified opinion(s) in the audit report.
5. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
  8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  9. Discussion with internal auditors on any significant findings and follow up there on.
  10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  12. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  15. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
  16. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  17. Scrutiny of inter-corporate loans and investments.
  18. Valuation of Undertakings or assets of the company, wherever it is necessary.
  19. Evaluation of internal financial controls and risk management systems.
  20. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  21. Monitoring the end use of funds raised through public offers and related matters.

**The Audit Committee shall mandatorily review the following information:-**

1. Management Discussion and Analysis of financial condition and results of operations.

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

6. Statement of deviations:

- a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Powers of the Audit Committee:**

- investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

**B. Nomination and Remuneration Committee**

The nominated and remuneration policy is being formulated in compliance with section 178 of the Companies Act, 2013 and rules made there under and Regulations of SEBI (Listing Obligation and Disclosure Requirements) regulations 2015.

During the year Committee met on June 16, 2021.

Composition of the Nomination and Remuneration Committee are as below:

Name of Director	Designation	Nature of Directorship
Manish Gupta	Member	Independent Director- Non- Executive
Manupriya Mishra	Chairperson	Independent Director- Non- Executive
Amit Jaiswal	Member	Independent Director- Non- Executive

**The terms of reference of the Nomination and Remuneration Committee are:**

To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);

To be authorized at its duly constituted meeting to determine on behalf the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole time/Executive Directors, including pension rights and any compensation payment;

Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

### **C. Stakeholders Relationship Committee:**

Pursuant to Provisions of Companies Act, 2013 and rules made there under and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015; Our Stakeholder Relationship Committee members, personally looking forward the issues if any, related to the stakeholders. The primary objective of the Committee is to consider and resolve the grievances of Security Holders of the Company.

During the year Committee met on June 16, 2021.

Composition of the Audit Committee of the Board are as below:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Govindji Gupta	Member	Managing Director- Executive
Manish Gupta	Member	Independent Director- Non- Executive
Amit Jaiswal	Chairman	Independent Director- Non- Executive

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor Grievance Committee include the following:

- Redressal of shareholders' /investors' complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

### **D. Risk Management Committee:**

Pursuant to Provisions of Companies Act, 2013 and rules made there under, The Risk Management Committee is formed for the purpose of looking into the various risks affecting the smooth functioning of the Company. There are various factors including internal as well as external which may affect the stability of the Company. The Committee has adopted a Charter for its functioning. The primary objective of the Committee is to consider and resolve the grievances of Security Holders of the Company.

During the year Committee met on June 16, 2021.

Composition of the Risk Management Committee of the Board are as below:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Govindji Gupta	Member	Managing Director- Executive
Manish Gupta	Member	Independent Director- Non- Executive
Amit Jaiswal	Chairman	Independent Director- Non- Executive

## **2. SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

Pursuant to code of Independent Directors in compliance with Schedule IV the Companies Act, 2013 and rules made there under and regulation 25 (3) of the SEBI Listing Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on August 21, 2021 to review the performance of Non-independent directors (including the Chairman) and the Board as a whole. The

Independent directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its committees which is necessary to effectively and reasonably perform and discharge their duties.

### **3. CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS AND KMPs**

There were no changes in the composition of the Board of Directors and KMPs during the review period.

### **4. RETIREMENT OF DIRECTOR BY ROTATION:**

No Director is liable to retire by rotation at the ensuing Annual General Meeting.

### **5. OTHER DISCLOSURES**

#### **a) Related Party Transactions**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and SEBI(LODR)2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provision of Section 188 of the Companies Act, 2013. Related party transactions with the Directors, Senior Management, Personnel and their relatives are reported to the Audit Committee from time to time and have been disclosed under the Related Party Transactions as per IND-AS -24 "Related Party Disclosures" issued by the Institute of Chartered Accountants Of India (ICAI) which are set out in the Annual Report and other relevant notes to the financial statements for the year ended 31.03.2022. There were no material significant Related Party Transactions that may have potential conflict with the interest of the Company at large.

#### **b) Disclosure of Accounting Treatment**

In the financial statement for the year ended 31st March 2022, the Company has followed the treatment as prescribed in the applicable accounting standard.

#### **c) Details of non-compliance, penalties etc. imposed by Stock Exchanges, Securities Exchange Board of India (SEBI) etc. on any matter related to capital markets, during the last three years.**

There were certain Penalty (ies) Imposed by the Stock exchange during the financial year 2021-22 however currently the application for their waiver is under consideration as the non-compliances which were occurred due to technical issue at the Neaps Portal of National Stock Exchange of India.

#### **d) Vigil Mechanism/Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and SEBI(LODR)2015, the Company has formulated a Whistle Blower Policy for vigil mechanism for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and make provisions for direct access to the Chairperson of the Audit Committee in exceptional cases.

The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board and Mr. Manish Gupta, Independent Director is the Vigilance Officer. None of the personnel of the Company has been denied access to the Audit Committee. The confidentiality of those reporting violations is maintained and they are not subject to any discriminatory practice.

**e) Mandatory & Non mandatory requirements**

The Company has fully complied with mandatory requirements as stipulated under SEBI (LODR) 2015 with the BSE India Limited & National Stock Exchange of India and non-mandatory requirement as and when required or necessary to do so.

**f) Related party transaction policy:**

As required under the SEBI (LODR) 2015, the Company has formulated a policy dealing with the related party transactions. The Policy is available on the website of the Company [www.sbcexportslimited.com](http://www.sbcexportslimited.com).

**g) Insider Trading Code**

As per SEBI (Prohibition of Insider Trading) Regulations 2018, the Company has adopted Code of Conduct for Fair Disclosures of Un-published Price Sensitive Information and Regulating, Monitoring and Reporting of Trading by Designated Persons to deter the insider trading in the securities of the Company based on the Un-published Price Sensitive Information. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations and has laid down an effective monitory system for the said purposes.

**For and on behalf of the Board  
For SBC Exports Limited**

**Hariom Sharma  
Company Secretary**

## Form MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members,****M/s SBC EXPORTS LIMITED**

House No.-20, Lohiya Talab, Choti Basahi  
P.O. Vindhyachal, Mirzapur, UP-231307

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s SBC EXPORTS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our Opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s SBC EXPORTS LIMITED** ("The Company") for the financial year ended on **31<sup>st</sup> March, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

1. The Secretarial Standards with regard to Meeting of Board of Directors (SS-I) and General Meetings (SS-II) issued by The Institute of Company Secretaries of India.
2. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

<b>Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)</b>	<b>Deviations</b>	<b>Remarks of the Practicing Company Secretary</b>
<b>Reconciliation of Share Capital Audit</b> as per Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 for Quarter ended 31.12.2021	N.A	The Company could not file <b>Reconciliation of Share Capital Audit Reports</b> on NSE e-portal in time due to technical problem faced by the company while uploading the same. However, the company had filed it later.
<b>Shareholding Pattern</b> as per Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Quarter ended 31.12.2021.	N.A	The Company could not file <b>Shareholding Pattern</b> on NSE e-portal in time due to technical problem faced by the company while uploading the same. However, the company had filed it later.
<b>Corporate Governance Reports</b> as per Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Quarter ended 31.12.2021.	N.A	The Company could not file <b>Corporate Governance Reports</b> on NSE e-portal in time due to technical problem faced by the company while uploading the same. However, the company had filed it later.

However, currently the application for their waiver is under consideration as the non-compliances which were occurred due to technical issue at the Neaps Portal of National Stock Exchange of India.

**We further report that:**

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

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

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

**We further report that** during the audit period there were specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

Thanking you,  
Yours Sincerely,

**For M/s Kumar Mandal & Associates  
(Company Secretaries)  
ICSI Unique Code: S2016DE419800**

**Date: 29.08.2022  
Place: New Delhi**

**Asim Kumar Mandal  
ACS No.: A46621  
C P No.:17039  
UDIN: A046621D000863074**

To,  
The Members,  
M/s SBC EXPORTS LIMITED  
House No.-20, Lohiya Talab, Choti Basahi  
P.O. Vindhyachal, Mirzapur, UP-231307

**Annexure-I**

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

**Management's Responsibility:**

1. Maintenance of secretarial records and other records under the scope/ambit of Secretarial Audit (hereinafter called 'Record') is the responsibility of the management of the Company. Our responsibility is to express an opinion on these records based on our audit.
2. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

**Auditor's Responsibility:**

3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
5. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer:**

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M/s Kumar Mandal & Associates  
(Company Secretaries)  
ICSI Unique Code: S2016DE419800**

**Date: 29.08.2022  
Place: New Delhi**

**Asim Kumar Mandal  
ACS No.: A46621  
C P No.:17039  
UDIN: A046621D000863074**

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF SBC EXPORTS LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **SBC Exports Limited ("the Company")**, which comprise the Balance Sheet as at **March 31, 2022** the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<b>Recognition of Comprehensive Income arising out of valuation of Investment as per Ind-AS</b>	
<p>Comprehensive Standards on Financial Instruments issued under the Companies (Indian Accounting Standards) Rules 2015, All equity Investment in the scope of Ind-AS are to be measured at fair value in the statement of financial Position, with value changes recognized in Profit &amp; Loss, except for those investment for which the entity has irrevocably elected to present value changes in other comprehensive income .</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the followings :</p> <p>Obtaining an understanding of Internal control designed by the management for investment accounting and tested the operating effectiveness of those controls.</p> <p>Audit involved substantive audit procedures like inspection and re calculation to identify encumbrances on those investments and verification of sufficiency and appropriateness of disclosures regarding the recognition of other comprehensive Income arising out of valuation of investment as per Ind-As</p>
<b>Valuation of Trade Receivables</b>	
<p>Trade Receivables comprises a significant portion of the liquid assets of the company Accordingly, the estimation of the allowance for trade receivable is a significant judgement area and is therefore considered a key audit matter</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the followings :</p> <ul style="list-style-type: none"> <li>• Evaluate and test the controls for managing segment-wise trade receivable and subsequent recovery</li> <li>• Assess the recoverability and provision of long outstanding / disputed receivable where considered doubtful for recovery</li> <li>• Assess the appropriateness and completeness of the related disclosure</li> </ul>
<b>Existence &amp; valuation of inventory</b>	
<p>Inventory Comprises a significant portion of the liquid assets of the company various procedures are involved in validating inventory quantities across locations</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the followings :</p> <ul style="list-style-type: none"> <li>• Identify and assess segment-wise slow moving material for valuation and process of providing provision to capture obsolescence.</li> <li>• Overall inventory reconciliation including opening stock, purchases consumption and closing stock</li> <li>• Review the policy of physical verification of inventory and its operational implementation</li> <li>• Assess the appropriates and completeness of the related disclosure</li> </ul>

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations, if any, on its financial position in its standalone financial statements.
    - ii. The Company has made provision, as required under the applicable law or Indian Accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



- iv. (a) the **management has represented** that other than those disclosed in the notes to accounts,
- I. no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - II. no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (I) and (II) above, contain any material misstatement.
- v. As per Management's representation received that to the best of its knowledge and belief, the company has not declared or paid dividend either final or interim in nature during the year.

**For STRG& Associates**

**Chartered Accountants**

**FRN : 014826N**

**CA Rakesh Gupta**

**M No. 094040**

**UDIN:-22094040AJDIFL2303**

**Place :- New Delhi**

**Date :17/05/2022**

**ANNEXURE – A**

**Reports under the Companies (Auditor's Report) Order, 2020 (CARO 2020) for the year ended on 31st March 2022**

To,

**The Members of SBC EXPORTS LIMITED**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended **31 March 2022**.

On the basis of such checks as we considered appropriate and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. a) (A) As per information and Explanations given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments;.  
  
(B) As per information and explanations given to us, the Company doesn't have any intangible assets. Accordingly, the provision of clause 3 (i) (a)(B) of order is not applicable.  
  
b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.  
  
c) As per information and explanations given to us, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in financial statement are held in the name of the company.  
  
d) As per information and explanations given to us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, the provision of clause 3(i)(d) of order is not applicable.  
  
e) As per information and explanations given to us, No proceedings have been initiated or are pending against the company for holding any benami property under the benami Transaction (prohibition Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, the provision of clause 3(i)(e) of the order is not applicable.
2. (a) As per information and explanations given to us, Physical verification of inventory has been conducted by the management at reasonable intervals during the year, which in our opinion is reasonable. No material discrepancies were noticed on such verification

- (b) As per information and explanations given to us, the company has been sanctioned working capital limit in excess of five crore rupee, in aggregate from banks or financial institution on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institution are in agreement with book of account of the company. No material discrepancies were noticed.
3. As per information and explanations given to us, the Company has not granted loan or advance in the nature of loans, secured or unsecured, provided any guarantee or given security but made investment to companies, firms, limited liability partnerships or other parties.
- (a) As per information and explanations given to us, Company has not provided loans or advances in nature of loans or stood guarantee, or provided security to any other entity during the year.
- (b) As per information and explanations given to us, the company has not provided Loans & advances, guarantees, given security but has made investment and the terms and conditions are not prejudicial to the company's interest.
- (c)** As per information and explanations given to us, The company has not provided loans & advances in nature of loans ,Accordingly the provision of clause 3(iii)(c) of order is not applicable
- (d) As per information and explanations given to us, there is no Overdue Amount for more than ninety days during the reporting period, Accordingly, the provision of clause 3 (iii)(d) of order is not applicable.
- (e) As per information and explanations given to us, the company has not granted loans & advances in nature of loan which has fallen due during the year Accordingly, the provision of clause 3 (iii)(e) of order is not applicable.
- (f) As per information and explanations given to us, the company has not granted loans or advances in nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provision of clause 3(iii)(f) of order is not applicable.
4. As per information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the companies Act, wherever applicable, in respect of loans, investments, guarantees and security given by the company during the year.
5. According to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under. Accordingly, the provision of clause 3 (v) of the order is not applicable.
6. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3 (vi) of the Order is not applicable

7. (a) As per information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including Goods and Services Tax , provident fund, employees 'state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable except to total of Rs. 4,40,787/- on account of TDS demand and 21,44,984/- on account of income tax for various years.
- b) We According to information and explanations given to us, there are no statutory dues referred to in sub clause(a) which have not been deposited on account of any dispute except to total of Rs. 9,18,390/- on account of income tax for various years.
8. As per information and explanations given to us, there is no transaction which is not recorded in the books of accounts and have been Surrendered or disclosed as income during the year in tax assessments under income tax Act 1961 (43 of 1961). Accordingly, the provisions of clause 3 (viii) of the Order is not applicable.
9. (a) In our opinion, and as per information and explanations given to us, the Company has not defaulted in repayment of Loans or other borrowings or interest thereon to any lender during the year. Accordingly, the provision of clause 3(ix)(a) of the order is not applicable
- (b) As per information and explanations given to us the company is not a declared willful defaulter by any Bank or financial institution or other lender. Accordingly the provision of clause 3(ix)(b) of the order is not applicable.
- (c) As per information and explanations given to us the company has not obtained term loans, Accordingly the provision of clause 3(ix)(c) of the order is not applicable.
- (d) As per information and explanations given to us the company has not utilized funds, raised on short term basis for long term purpose. Accordingly the provision of clause 3(ix)(d) of order is not applicable.
- (e) As per information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet obligation of its subsidiaries, associate companies or joint ventures. Accordingly the provision of clause 3(ix)(e) of the order is not applicable.
- (f) As per information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the provision of clause 3(ix)(f) of the order is not applicable.
10. (a) As per information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provision of clause 3 (x)(a) of the Order is not applicable.
- (b) As per information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares

or fully or partially or optionally convertible debentures during the year under review. Accordingly, the provisions of clause 3(x)(b) of the Order is not applicable..

11. (a) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company has been noticed or reported during the period covered by our audit. Accordingly, the provision of clause 3(xi)(a) of the order is not applicable.

(b) Based upon the audit procedures performed, in the absence of any observation relating to suspected offence involving fraud, the provision of clause 3 (xi)(b) of the order is not applicable.

c) As per information and explanations given to us, the company has not received any whistle blower complaints during the year, Accordingly, the provisions of clause 3(xi)(c) of the Order is not applicable to the Company.

12. The Company is not a Nidhi Company Accordingly, the provisions of clause (xii) of the order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act. Wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting standards.

14. (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the report of the internal auditors for the period under audit

15. As per information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable.

16. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly the provision of clause 3(xvi)(a),(b),(c) & (d) of order is not applicable.

17. As per information and explanations given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. Accordingly, the provisions of clause 3(xvii) of the Order is not applicable to the Company.

18. As per information and explanations given to us, there has been no instance of resignation by the statutory auditors during the year. Accordingly, the provisions of clause 3(xviii) of the Order is not applicable to the Company.

19. As per information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.
20. As per information and explanations given to us, the provision of section 135 of companies act 2013 are not applicable to the company during the financial year. Accordingly, the provision of clause 3(xx) of order is not applicable.
21. As per information and explanations given to us, There are no qualifications or adverse reveals in the CARO report of the company(ies) included in the consolidated financial statement

**For STRG& Associates**  
**Chartered Accountants**  
**FRN : 014826N**

**CA Rakesh Gupta**  
**M No. 094040**  
**UDIN:-22094040AJDIFL2303**  
**Place:- New Delhi**  
**Date:-17/05/2022**

**“Annexure B”****To the Independent Auditor's Report of even date on the Standalone Financial Statements of SBC EXPORTS LIMITED.****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of **SBC EXPORTS LIMITED** as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

**For STRG & Associates**

**Chartered Accountants**

**FRN : 014826N**

**CA Rakesh Gupta**

**M No. 094040**

**UDIN:-22094040AJDIFL2303**

**Place :- New Delhi**

**Date:-17/05/2022**



**SBC EXPORTS LIMITED**  
CIN: L18100UP2011PLC043209  
**BALANCE SHEET AS AT 31ST MARCH 2022**

Particulars	Note No.	(Rs. in '000)	
		As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property Plant & Equipments and Intangible Assets	1	58,275.09	44,940.28
b) Deferred Tax Assets (Net)	2	2,408.62	1,952.98
c) Other Non-Current Assets		-	-
d) Non Current Investment	3	28,163.49	3,859.57
<b>Current Assets</b>			
a) Inventories	4	2,52,467.64	3,02,925.15
b) Financial Assets			
(i) Trade Receivables	5	4,98,781.55	3,01,440.80
(ii) Cash and Cash Equivalents	6	36,225.09	28,901.17
(iii) Loans and Advances	7	53,945.54	48,269.49
c) Other Current Assets	8	39,032.83	30,540.95
<b>Total</b>		<b>9,69,299.85</b>	<b>7,62,830.39</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
- Equity Share Capital	9	2,11,640.00	1,05,820.00
- Other Equity	10	52,102.52	1,18,920.31
<b>Non-Current Liabilities</b>			
a) Borrowings	11	41,744.20	47,449.98
a) Provisions	12	1,196.30	-
<b>Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	13	51,425.24	43,892.55
(ii) Trade Payables	14	3,75,638.93	3,60,218.43
c) Other Current Liabilities	15	2,18,280.89	78,539.66
d) Provisions	16	17,271.77	7,989.45
<b>Total</b>		<b>9,69,299.85</b>	<b>7,62,830.39</b>

See accompanying notes to the financial statements

The Notes referred to above, form an integral part of the Balance Sheet

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Place: Sahibabad  
Date : 17/05/2022

For and on behalf of board of Directors of  
SBC Exports Limited

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

SBC EXPORTS LIMITED  
CIN: L18100UP2011PLC043209  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Note No.	(Rs. in '000)	
		As at March 31, 2022	As at March 31, 2021
<b>INCOME</b>			
Revenue From Operations	17	20,52,937.84	19,23,342.87
Less:- Branch Transfer		<u>3,71,364.50</u>	<u>6,24,663.32</u>
Net Revenue From Operations		<u>16,81,573.34</u>	<u>12,98,679.56</u>
Other Income	18	3,554.69	4,848.22
Total Income		<u><u>16,85,128.03</u></u>	<u><u>13,03,527.77</u></u>
<b>EXPENSES</b>			
Cost of Material Consumed	19	18,57,695.01	18,27,866.12
Less:- Branch Transfer		<u>3,71,364.50</u>	<u>6,24,663.32</u>
Net Cost of Material Consumed		<u>14,86,330.50</u>	<u>12,03,202.81</u>
Changes in Inventory	20	(26,311.99)	(39,295.31)
Employee Benefits Expenses	21	64,454.81	50,801.12
Finance Costs	22	16,144.45	13,451.52
Depreciation and Amortization Expenses	1	7,081.30	7,540.76
Other Expenses	23	81,414.31	42,434.11
Total Expenses		<u><u>16,29,113.39</u></u>	<u><u>12,78,135.01</u></u>
<b>Profit Before Exceptional and Extra Ordinary Items and Tax</b>		<u><u>56,014.64</u></u>	<u><u>25,392.76</u></u>
Exceptional Items / Prior Period Items		-	-
<b>Profit Before Extra Ordinary Items and Tax</b>		<u><u>56,014.64</u></u>	<u><u>25,392.76</u></u>
Extra Ordinary Items		-	-
<b>Profit Before Tax</b>		<u><u>56,014.64</u></u>	<u><u>25,392.76</u></u>
Current Year Tax		16,956.77	7,758.20
Earliers Year Tax		5,214.48	-
Deferred Tax		455.64	722.28
<b>Profit for the Period</b>		<u><u>34,299.03</u></u>	<u><u>18,356.83</u></u>
<b>Other Comprehensive Income</b>			
A(I) Items that will not be reclassified to profit & loss		4,703.17	19.58
A(II) Income tax relating to items that will not be reclassified to profit & loss		-	-
B(I) Items that will be reclassified to profit & loss		-	-
B(II) Income tax relating to items that will be reclassified to profit & loss		-	-
<b>Total Other Comprehensive Income (A(I-II)+B(I-II))</b>		<u>4,703.17</u>	<u>19.58</u>
<b>Total Comprehensive Income (A(I-II)+B(I-II))</b>		<u><u>39,002.21</u></u>	<u><u>18,376.41</u></u>
Basic Earning Per Share of Re. 1/- each		0.16	1.73
Diluted Earning Per Share of Re. 1/- each		0.16	1.73

See accompanying notes to the financial statements

The Notes referred to above, form an integral part of the Statement of Profit & Loss

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**  
CIN: L18100UP2011PLC043209  
**CASH FLOW STATEMENT**

(Rs. in '000)

S.No.	Particulars		Amount For the year ended 31.03.2022		Amount For the year ended 31.03.2021
<b>I.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit before Tax		56,014.64		25,392.76
	Add:- Depreciation	7,081.30		7,540.76	
			7,081.30		7,540.76
	Adjustments(if any)		4,703.17		19.58
	<b>Operating Profit before Working Capital Changes</b>		<b>67,799.11</b>		<b>32,953.10</b>
	<b>Adjustments for:</b>				
	Increase/(Decrease) in Other Current Liabilities & Provisions	1,50,219.85		65,589.78	
	Increase/(Decrease) in Trade Payable	15,420.50		1,30,083.06	
	(Increase)/Decrease in Other Current Assets	(8,491.88)		(8,499.96)	
	(Increase)/Decrease in Short Term Loans & Advances	(5,676.05)		42,957.39	
	(Increase)/Decrease in Receivables	(1,97,340.75)		(79,959.34)	
	(Increase)/Decrease in stock in hand	50,457.50	4,589.17	(1,92,921.44)	(42,750.51)
	<b>Cash Generated from Operations</b>		<b>72,388.29</b>		<b>(9,797.41)</b>
	Income Tax (current & earlier Year )		22,171.24		7,758.20
	<b>Net Cash flow Generated from Operating Activities (A)</b>		<b>50,217.04</b>		<b>(17,555.61)</b>
<b>II.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Sale (Purchase)of Investment	(24,303.91)		397.81	
	Long Term Loans & Advances Given			-	
	Purchase of Fixed Assets	(20,416.11)	(44,720.03)	(14,329.38)	(13,931.57)
	<b>Net Cash Flow Generated from Investing Activities (B)</b>		<b>(44,720.03)</b>		<b>(13,931.57)</b>
<b>III.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	<b>Cash Generated from capital proceeds</b>				
	Short Term Borrowings	7,532.69		20,553.80	
	Long Term Borrowings	(5,705.78)	1,826.91	1,755.51	22,309.31
	<b>Net Cash Flow Generated from Financing Activities (C)</b>		<b>1,826.91</b>		<b>22,309.31</b>
<b>IV.</b>	<b>Net increase in Cash &amp; Cash Equivalents ( A - B - C )</b>		<b>7,323.92</b>		<b>(9,177.88)</b>
	Cash and Cash equivalents beginning of the year		28,901.17		38,079.04
	<b>Cash and Cash equivalents as the end of the year</b>		<b>36,225.09</b>		<b>28,901.17</b>
<b>V.</b>	<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>				
	Cash in Hand		6,822.67		2,920.15
	Cash at Bank , Fixed Deposit and Cheques In Hand		29,402.43		25,981.02
	<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>		<b>36,225.09</b>		<b>28,901.17</b>

As Per our Audit report of even date attached

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**  
**CIN: L18100UP2011PLC043209**  
**Statement of changes in Equity for the year ended 31.03.2022**  
 (Rs. in '000)

**A. Equity Share Capital**

Balance as at April 1, 2021	10,58,20,000
<u>Changes in equity share capital during the year</u>	
Bonus Shares issued during the year	10,58,20,000
Balance as at March 31, 2022	21,16,40,000

**B. Other Equity**

(Rs. in '000)				
Particulars	Retained Earnings	Security Premium	Other Comprehensive Income /(Loss)	Total Equity
<b>Balance at 01.04.2021</b>	<b>58,359</b>	<b>60,684</b>	<b>(123)</b>	<b>1,18,920</b>
Changes in accounting policy	-	-	-	-
<b>Restated balance</b>	<b>58,359</b>	<b>60,684</b>	<b>(123)</b>	<b>1,18,920</b>
<b>Changes in equity for the Financial Year</b>				
Issue of share capital	-	-	-	-
Bonus Shares Issued	(45,136)	(60,684)	-	(1,05,820)
Income for the year	34,299	-	4,703	39,002
Revaluation gain	-	-	-	-
Transfer During the Year	-	-	-	-
<b>Balance at 31.03.2022</b>	<b>47,522</b>	<b>-</b>	<b>4,580</b>	<b>52,103</b>

(Rs. in '000)

Particulars	Retained Earnings	Security Premium	Other Comprehensive Income /(Loss)	Total Equity
Balance at 01.04.2020	40,003	60,684	(143)	1,00,544
Changes in accounting policy	-	-	-	-
<b>Restated balance</b>	<b>40,003</b>	<b>60,684</b>	<b>(143)</b>	<b>1,00,544</b>
<b>Changes in equity for the Financial Year</b>				
Issue of share capital	-	-	-	-
Income for the year	18,357	-	20	18,376
Revaluation gain	-	-	-	-
Transfer During the Year	-	-	-	-
<b>Balance at 31.03.2021</b>	<b>58,359</b>	<b>60,684</b>	<b>(123)</b>	<b>1,18,920</b>

As Per our Audit report of even date attached

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	As at 31-Mar-22	(Rs. in '000) As at 31-Mar-21
<b>2 Deferred Tax Liabilities/(Assets)</b>		
Deferred Income Tax Assets	2,408.62	1,952.98
<b>Total</b>	<b>2,408.62</b>	<b>1,952.98</b>
<b>4 Inventories</b>		
(As per inventories taken, valued and certified by the management)		
- Stock in Trade (Valued Net Realisable value)	2,52,467.64	3,02,925.15
<b>Total</b>	<b>2,52,467.64</b>	<b>3,02,925.15</b>
<b>6 Cash &amp; Cash Equivalents</b>		
Impressed Account (Petty Cash )	-	20.00
Fixed and Recurring Deposits	28,647.75	8,082.00
Cash in hand (As Certified by the Management)	6,822.67	2,900.15
Balance With the Scheduled Bank in Current Accounts	754.68	17,899.02
<b>Total</b>	<b>36,225.09</b>	<b>28,901.17</b>
<b>7 Loans &amp; Advances</b>		
Advance To Suppliers	12,189.49	7,784.17
Advance For Property	16,780.55	17,028.55
Advance to Staff	86.00	56.84
Advance Installment of Loan	168.93	-
Advances recoverable in cash or in kind or for value to be received	24,720.57	23,399.93
<b>Total</b>	<b>53,945.54</b>	<b>48,269.49</b>
<b>8 Other Current Assets</b>		
Accrued Interest	1,134.41	790.76
EMD & DD	5,545.67	1,505.36
Security Deposit	1,772.53	1,822.98
Pepaid Insurance	15.47	113.89
Pepaid Commission on Sale	-	3,725.00
GST	6,771.30	5,384.15
Tds Receivable	23,155.14	12,171.56
Other	638.32	5,027.25
<b>Total</b>	<b>39,032.83</b>	<b>30,540.95</b>

**SBC EXPORTS LIMITED**  
**CIN: L18100UP2011PLC043209**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	(Rs. in '000)	
	As at	As at
	31-Mar-22	31-Mar-21
<b>9 Equity Share Capital</b>		
<b>AUTHORISED</b>		
22,00,00,000 Equity Shares of Rs. 1/- each fully paid up	2,20,000	1,11,000
Previous Year 1,11,00,000 Equity Shares of Rs. 10/- each fully paid up		
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
21,16,40,000 Equity Shares of Rs. 1/- each fully paid up	2,11,640	1,05,820
Previous Year 1,05,82,000 Equity Shares of Rs. 10/- each fully paid up		

**a) Details of Shareholders holding Shares more than 5% in a Company:**

Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of Share held	% of Holding	No. of Shares held	% of Holding
DEEPIKA GUPTA	6,26,00,000	29.58%	31,30,000	29.58%
GOVINDJI GUPTA	5,88,20,000	27.79%	29,65,000	28.02%
SBC FINMART LTD	1,65,55,127	7.82%	11,44,000	10.81%

**Shareholding of Promoters**

Shares held by promoters at the end of the year

Promoter Name	As at 31 March 2022		As at 31 March 2021		% change during the year (A-B)
	No of shares	% of total Shares (A)	No of shares	% of total Shares (B)	
DEEPIKA GUPTA	6,26,00,000	29.58%	31,30,000	29.58%	0.00%
GOVINDJI GUPTA	5,88,20,000	27.79%	29,65,000	28.02%	-0.81%
SBC FINMART LIMITED	1,65,55,127	7.82%	11,44,000	10.81%	-27.64%
SUDHESHWAR KUMAR GUPTA	50,000	0.02%	2,500	0.02%	0.00%

**b) Reconciliation of no. of shares outstanding at the beginning and at the end of the reporting period :**

(Rs. in '000)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10,582	1,05,820	10,582	1,05,820
Bonus Shares issued during the year	10,582	1,05,820	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding before Share split	21,164	2,11,640	10,582	1,05,820
Share Split Ratio ( 1:10)	10	-	-	-
Shares outstanding before Share split at the end of the year	2,11,640	2,11,640	10,582	1,05,820

**c) Details of shares brought back during the period of five years immediately preceding the reporting date : NIL**

**d) Other Disclosures :**

The company has only one class of share capital having per value of Re. 1/- per share. Each shareholder is eligible for one vote per share held. In the event of Liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	As at 31-Mar-22	(Rs. in '000) As at 31-Mar-21
<b>10 Other Equity</b>		
<b>a) Profit &amp; Loss Account Balance</b>		
Opening Balance	58,359.35	40,002.52
Less:- Bonus Shares Issued	(45,136.00)	
Add: Profit for the year	34,299.03	18,356.83
At the end of Accounting Period	<u>47,522.39</u>	<u>58,359.35</u>
<b>b) Securities Premium Account</b>		
Opening Balance	60,684.00	60,684.00
Less:- Bonus Shares Issued	(60,684.00)	-
At the end of Accounting Period	<u>-</u>	<u>60,684.00</u>
<b>c) Other Comprehensive Income</b>		
At the beginning of Accounting Period	(123.04)	(142.62)
Addition during the year	4,703.17	19.57
At the end of Accounting Period	<u>4,580.13</u>	<u>(123.04)</u>
<b>Total (a+b+c)</b>	<u>52,102.52</u>	<u>1,18,920.31</u>
<b>11 Borrowings - Secured</b> (Secured by Car)	7,996.70	8,472.56
<b>Total</b>	<u>7,996.70</u>	<u>8,472.56</u>
<b>Borrowings - Unsecured</b>		
Unsecured Loan From Banks	9,358.50	12,472.07
Unsecured Loan From Financial Institutions	24,389.00	26,505.35
<b>Total</b>	<u>33,747.50</u>	<u>38,977.42</u>
<b>12 Provision</b>		
Provision for Gratuity	1,196.30	-
<b>Total</b>	<u>1,196.30</u>	<u>-</u>
<b>13 Borrowings</b>		
Bank Overdraft	51,425.24	43,892.55
<b>Total</b>	<u>51,425.24</u>	<u>43,892.55</u>
<b>15 Other Current Liabilities</b>		
Expenses Payable	30,065.12	42,389.91
Duties & Taxes	16,250.70	11,154.68
Advance From Customers	1,71,965.07	24,491.84
Payable to others	-	503.23
<b>Total</b>	<u>2,18,280.89</u>	<u>78,539.66</u>
<b>16 Provisions</b>		
Provision For Income Tax	16,956.77	7,758.20
Provision for Audit Fee	315.00	231.25
<b>Total</b>	<u>17,271.77</u>	<u>7,989.45</u>



**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	As at 31-Mar-22	(Rs. in '000) As at 31-Mar-21
<b>17 Revenue From Operations</b>		
Sales of Goods	6,84,022.32	5,57,438.68
Sale of Services	13,68,915.52	13,65,904.19
<b>Total</b>	<b>20,52,937.84</b>	<b>19,23,342.87</b>
<b>18 Other Income</b>		
Commission	15.12	14.05
Discount Received	55.29	1.63
Interest Income	3,484.28	4,509.01
Capital Gain	-	323.52
<b>Total</b>	<b>3,554.69</b>	<b>4,848.22</b>
<b>19 Cost of Material Consumed</b>		
Opening stock of Raw material	1,83,590.13	29,963.99
Purchase During the year	17,80,925.51	19,81,492.26
Closing Stock Of Raw material	1,06,820.63	1,83,590.13
<b>Total</b>	<b>18,57,695.01</b>	<b>18,27,866.12</b>
<b>20 Changes In Inventory</b>		
<u>Opening Stock</u>		
WIP	6,256.60	11,397.42
Finished Goods	1,13,078.42	68,642.29
<u>Closing Stock</u>		
WIP	2,229.68	6,256.60
Finished Goods	1,43,417.34	1,13,078.42
<b>Total</b>	<b>(26,311.99)</b>	<b>(39,295.31)</b>
<b>21 Employee Benefit Expenses</b>		
Director's Remuneration	1,656.00	1,479.70
Salaries & Wages including Bonus	61,602.51	49,314.92
Gratuity Expenses	1,196.30	-
Staff Welfare	-	6.50
<b>Total</b>	<b>64,454.81</b>	<b>50,801.12</b>
<b>22 Financial Costs</b>		
Bank Charges	1,627.57	1,379.21
Interest on Loan	13,673.20	11,545.79
Loan Processing Fees	834.84	413.48
Credit Card & Other Charges	8.85	113.03
<b>Total</b>	<b>16,144.45</b>	<b>13,451.52</b>

SBC EXPORTS LIMITED

CIN: L18100UP2011PLC043209

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	As at 31-Mar-22	(Rs. in '000) As at 31-Mar-21
<b>23 Establishment And Other Expenses</b>		
Advertisement	461.15	264.26
Annual Listing Fees	236.92	72.14
<b>Auditors Remuneration</b>		-
Statutory Audit Fees	275.00	175.00
Tax Audit Fees	75.00	75.00
Business Promotion	8.85	143.00
Charity & Donation	9.67	100.00
Commission Paid on Sale	17,378.62	4,825.00
Conveyance	-	156.93
Duties Rates & Taxes	13,126.30	-
Freight	5.76	14.89
Listing Processing Fee	1,719.90	-
Insurance	2,199.94	1,924.55
Interest On Tds	1,473.98	933.80
Interest On Gst	-	680.83
Job Work charges	14,160.10	5,880.94
Legal & Professional Exp.	1,557.30	698.05
Late Fees on Gst	6.88	464.05
Marketing Expenses	15.00	930.05
Misc. Expenses	499.76	279.33
Office Expenses	5,342.35	4,207.60
Online Trading Expenses	155.98	225.77
Penalty of GST	-	1,818.40
Postage & courier	957.23	1,044.39
Power and fuel	5,815.07	2,896.72
Printing & Stationary	443.52	432.18
Rent Expenses	6,593.64	6,237.48
Repair & Maintenance	331.80	958.41
ROC Expenses	830.15	14.42
Short & Excess	5.64	9.53
Rebate Discount & Schemes	2,117.33	2,950.28
Security expenses	654.83	411.35
Software maintenance	67.90	9.36
Telephone Expenses	469.08	543.69
Tour & Travelling Expenses	2,470.74	1,526.86
Transportation Charges	1,526.14	1,095.06
Vehicles Running & Maintence	310.07	360.66
Website Maintenance Expenses	35.00	-
Water Expenses	77.73	74.15
<b>Total</b>	<b>81,414.31</b>	<b>42,434.11</b>

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**  
CIN: L18100UP2011PLC043209

**NOTES- 1**

**Property Plant & Equipments And Intangible Assets Schedule As Per Companies Act, 2013 For Period Ended On 31st March 2022**

(Rs. in '000)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Opening Balance	Additions During the year	Sale/Adj.	TOTAL	Opening Balance	During the Year	TOTAL	WDV AS ON 31/03/2022	WDV AS ON 31/03/2021
Computer & Softwares	12,327.61	239.75	-	12,567.36	10,490.55	1,109.01	11,599.57	967.79	1,837.06
Furniture & Fittings	3,215.70	358.88	-	3,574.58	1,687.03	466.21	2,153.24	1,421.34	1,528.67
Motor Vehicle	12,761.49	2,718.32	-	15,479.81	6,249.09	2,333.42	8,582.51	6,897.30	6,512.40
Office Equipments	2,712.99	297.67	-	3,010.65	2,284.66	251.06	2,535.72	474.93	428.33
Plant & Machinery	20,421.39	2,551.50	-	22,972.88	6,801.40	2,600.86	9,402.27	13,570.62	13,619.98
Flat No.- 805 Indrapuram	3,337.08	-	-	3,337.08	-	317.02	317.02	3,020.06	3,337.08
Factory in mirzapur		14,250.00		14,250.00	-	3.71	3.71	14,246.29	-
Land(Plot)	17,676.76	-	-	17,676.76	-	-	-	17,676.76	17,676.76
<b>TOTAL</b>	<b>72,453.01</b>	<b>20,416.11</b>	<b>-</b>	<b>92,869.13</b>	<b>27,512.74</b>	<b>7,081.30</b>	<b>34,594.04</b>	<b>58,275.09</b>	<b>44,940.28</b>

For STRG & Associates  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**  
CIN: L18100UP2011PLC043209

**FIXED ASSETS SCHEDULE AS PER INCOME TAX ACT, 1961 FOR PERIOD ENDED ON 31ST MARCH 2022**

(Rs. in '000)

PARTICULARS	WDV AS ON 01/04/2021	ADD. BEFORE 30/09/2021	ADD. AFTER 01/10/2021	TOTAL	RATE OF DEP.	DEP. DURING THE YEAR	WDV AS ON 31/03/2022
PLANT & MACHINERY (15%)	28,641.97	486.62	5,075.78	34,204.37	15.00	4,750.00	29,454.37
PLANT & MACHINERY (40%)	937.32	-	239.75	1,177.07	40.00	424.00	753.07
FURNITURE	2,106.92	363.96	-	2,470.88	10.00	247.00	2,223.88
LAND & BUILDING	-	3,337.08	14,250.00	17,587.08	10.00	1,046.21	16,540.87
LAND	17,676.76	-	-	17,676.76	-	-	17,676.76
<b>TOTAL</b>	<b>49,362.97</b>	<b>4,187.66</b>	<b>19,565.53</b>	<b>73,116.16</b>		<b>6,467.21</b>	<b>66,648.95</b>

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**

CIN: L18100UP2011PLC043209

**NOTES- 2**
**Deferred Tax Assets / (Liabilities)**

Particulars	(Rs. in '000)
WDV As Per Companies Act, 2013	58,275.09
WDV As Per Income Tax Act , 1961	66,648.95
Difference	(8,373.86)
Gratuity	(1,196.30)
DTA	2,408.62
OPENING BALANCE OF DTA	1,952.98
DTA CREATED DURING THE YEAR	455.64
CLOSING BALANCE OF DT	2,408.62

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIFL2303

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

SBC EXPORTS LIMITED

CIN: L18100UP2011PLC043209

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

## 3 Investments

(Rs. in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Investments - Other</b>		
<b>Quoted</b>		
L&T Equity Fund - Growth -INF677K01031	309.25	25.00
L&T Hybrid Equity Fund - Growth -INF917K01LBO	311.10	-
Investment in Equity Warrants (Indian Companies)	19,575.00	3,750.00
PNB Mutual Fund	407.09	25.00
Kotak Mutual Fund - 9178060/46	109.93	-
Nippon India Mutual Fund ,Folio No-477251776642/0	59.54	59.57
ICICI Prudential Mutual Fund - 18958986/59	110.83	-
<b>Unquoted-</b>		
Investment in Maujitrip Limited	4,999.94	-
Investment in Unlisted Shares	2,280.80	-
<b>Total</b>	<b>28,163.49</b>	<b>3,859.57</b>
Less : Provision For dimunition in the value of investments	-	-
<b>Total</b>	<b>28,163.49</b>	<b>3,859.57</b>

Particulars	As at 31.03.2022	As at 31.03.2021
Aggregate amount of quoted Investment	20,882.75	3,859.57
Aggregate amount of unquoted Investment	7,280.74	-
<b>Total</b>	<b>28,163.49</b>	<b>3,859.57</b>
Market Value of quoted Investments	20,882.75	3,859.57

CIN: L18100UP2011PLC043209

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

**Note 5 Trade Receivables ageing Schedule  
as on 31.03.2022**

(Rs. in '000)

Particulars	Outstanding for following periods from due date of the payment					Total
	Less Than 6 Months	6 months - 1 years	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade Receivables - considered good	4,86,712.62	156.78	11,912.15	-	-	4,98,781.55
{ii} Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
{v} Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit risk	-	-	-	-	-	-
<b>Total</b>	<b>4,86,712.62</b>	<b>156.78</b>	<b>11,912.15</b>	<b>-</b>	<b>-</b>	<b>4,98,781.55</b>

**Trade Receivables ageing Schedule  
as on 31.03.2021**

(Rs. in '000)

Particulars	Outstanding for following periods from due date of the payment					Total
	Less Than 6 Months	6 months - 1 years	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade Receivables - considered good	2,71,013.09	14,022.29	16,405.42	-	-	3,01,440.80
{ii} Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit risk	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
{v} Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit risk	-	-	-	-	-	-
<b>Total</b>	<b>2,71,013.09</b>	<b>14,022.29</b>	<b>16,405.42</b>	<b>-</b>	<b>-</b>	<b>3,01,440.80</b>

CIN: L18100UP2011PLC043209

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

**Note 14 Trade Payables Ageing schedule  
as on 31.03.2022**

(Rs. in '000)

Particulars	Outstanding for following periods from due date of the payment				Total
	Less than 1 years	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	3,75,638.93	-	-	-	3,75,638.93
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>3,75,638.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,75,638.93</b>

**Trade Payables Ageing schedule  
as on 31.03.2021**

(Rs. in '000)

Particulars	Outstanding for following periods from due date of the				Total
	Less than 1 years	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	3,60,218.43	-	-	-	3,60,218.43
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>3,60,218.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,60,218.43</b>



SBC EXPORTS LIMITED  
CIN: L18100UP2011PLC043209

## Disclosure of Accounting Ratios

(Rs. in '000)

S. No.	Particulars	Formulas	AS on 31/03/2022		As on 31/03/2021		% change
			Amounts ('000)	Ratio	Amounts ('000)	Ratio	
1	Current Ratio :-	Current Assets	8,80,452.65	1.33	7,12,077.55	1.45	-8.45%
		Current Liabilities	6,62,616.83		4,90,640.10		
2	Debt- Equity Ratio:-	Debt	93,169.44	0.35	91,342.53	0.41	-13.08%
		Equity	2,63,742.52		2,24,740.31		
3	Debt Service Coverage Ratio:-	EBITDA	76,769.14	5.61	44,479.31	3.85	45.74%
		Interest	13,673.20		11,545.79		
4	Return on Equity Ratio:-	Net Earning	34,299.03	0.13	18,356.83	0.08	59.22%
		Shareholders Equity	2,63,742.52		2,24,740.31		
5	Inventory Turnover Ratio	COGS	18,31,383.01	6.59	17,88,570.82	8.66	-23.87%
		Avg Inventory	2,77,696.39		2,06,464.43		
6	Trade Receivables Turnover Ra	Net Credit Sales	16,81,573.34	4.57	12,98,679.56	4.97	-7.99%
		Avg Trade Receivables	3,67,928.68		2,61,461.13		
7	Trade Payables Turnover Ratio	Net Credit Purchases	17,80,925.51	4.45	19,81,492.26	6.71	-33.69%
		Avg Trade Payables	4,00,111.17		2,95,176.90		
8	Net Capital Turnover Ratio	Net Sales	16,81,573.34	7.72	12,98,679.56	5.86	31.62%
		Working Capital	2,17,835.82		2,21,437.46		
9	Net Profit Ratio	Net Profit	56,014.64	0.03	25,392.76	0.02	70.36%
		Net Sales	16,81,573.34		12,98,679.56		
10	Return on Capital Employed	EBIT	69,687.84	0.23	52,020.08	0.19	18.90%
		Capital Employed	3,06,683.02		2,72,190.30		
11	Return on Investment	Net Return on Investment	3,484.28	0.01	4,832.54	0.02	-36.01%
		Capital Employed	3,06,683.02		2,72,190.30		

Here,

Current Assets : Trade Receivables, Cash and Cash Equivalents and Other Current Assets

Current Liabilities : Sum of Short Term Provisions and Other Current Liabilities

Equity : Shareholders fund i.e sum of share capital and reserve and surplus

Debt : Non-term Borrowing + Short Term Borrowing

EBITA : Earning Before Interest , Tax &amp; Depreciation

Working Capital : Current Assets - Current Liabilities

EBIT : Earning Before Interest and Tax

Capital employed : Total Assets - Current Liabilities

**M/S SBC Exports Limited****Significant Accounting Policies and Notes to Accounts****BACKGROUND**

**M/s SBC Exports Limited** ("The Company") is a listed Company and was incorporated in India on **18<sup>th</sup> day of January 2011** under the Company's Act 1956. The Company is engaged in the Trading and Manufacturing of Garments, Manpower Supply Services & Tour Operator Services.

**A. SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Accounting**

The financial statements for the year ended 31.03.2022 have been prepared and presented in accordance with Indian accounting standards (Ind-AS) as notified by MCA vide notification G.S.R. 365(E) Dated 30.03.2016 with comparative for previous years ending 31.03.2021 to facilitate the comparison of current year financials previous year.

Previous year figures have been regrouped/ rearranged, wherever necessary to make them comparable with figures of current year.

**2. Revenue Recognition**

Revenue is recognized on accrual basis to the extent it is probable that economic benefits shall flow to the organization.

**3. Expenses Recognition**

Expenses are recognized on accrual basis

**4. Property Plant & Equipment and Intangible Assets****Property Plant & Equipment**

Property Plant & equipment (if any) are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of Property Plant & equipment comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**Intangible Assets**

Company is not having any intangible assets during the year 2021-2022.

**5. Depreciation**

Depreciation is provided on a written down value on the basis useful life specified in Schedule II to the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased/ sold during the year. Depreciation is charged from the date the asset is ready to use or put to use, whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

**6. Investments**

Investments are classified into current investments and non-current investments, current investments are carried at fair value and provisions are made to recognize the decline in the carrying value. Non-Current Investments are stated at fair value. Provision for diminution in the value of non-current investments is made only if such decline is other than temporary, in the opinion of the management.

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognized in the profit and loss statement. When disposing of a part of the holding of an individual investment, the carrying amount allocated to that part is determined on the basis of the average carrying amount of the holding of the investments.

#### **7. Inventories**

Inventories are valued at the Net Realizable Value. Cost of inventories comprises all cost of purchase, and other costs incurred in acquiring the inventories. Further the inventories are valued on FIFO basis.

#### **8. Income Tax Expense**

Provision for Income tax expense is determined as the amount of tax payable in respect of taxable income for the year and in accordance with the Income-tax Act, 1961.

#### **9. Deferred Tax**

Deferred Tax is recognized on timing difference between taxable and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

#### **10. Employee Benefits:**

Company has made Provision for liability of future payment of gratuity in the current year and has obtained actuarial valuation report. Further, no provision has been made for leave encashment benefits, as the company does not have a policy of encashing leaves of employees.

ESIC & EPF: Company has complied with the requirement of ESIC and EPF with respect to employees employed by company for working with other bodies externally under agreement with the company.

#### **11. Leases**

Lease rentals in respect of operating lease arrangements are recognized as an expense in the profit & loss account on accrual basis.

#### **12. Earnings per share**

The earnings considered in ascertaining the Company's earnings per equity share comprises the net profit after tax. The number of shares used in computing basic & diluted EPS is the weighted average number of equity shares outstanding during the year.

#### **13. Provisions & Contingencies**

A provision is recognized when the company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

#### 14. Segment reporting

Based on the guiding principles given in Indian Accounting Standard 108" **Operating Segments**". Ind-AS 108 follows the management approach to **Segment Reporting**, the Company is engaged in the Trading and Manufacturing of Garments, Manpower Supply Services & Tour Operator Services in different States, the risk and reward are different and as such there are three business and geographical segments.

(Amount In Lakhs.)

Particulars	Uttar Pradesh	Delhi	Jharkhand	Total
<b>1.Segment Revenue</b>				
1.Garment Manufacturing & Trading	6132.25	135.92	-	<b>6268.17-</b>
2. IT & Manpower Supply	5777.86	4003.49	493.56	<b>10274.91-</b>
3.Tour& Travelling Operator	-	272.66	-	<b>272.66</b>
<b>(A)Total Revenue From Operations</b>	<b>11910.11</b>	<b>4412.07</b>	<b>493.56-</b>	<b><u>16815.74</u></b>
<b>Other Unallocable Income</b>				
1.Commission	0.15	-	-	0.15
2.Discount	0.55	-	-	0.55
3.Interest	34.84	-	-	34.84
4.Misc.	-	-	-	-
<b>(B)Total Other Income</b>	<b>35.54</b>	<b>-</b>	<b>-</b>	<b><u>35.54</u></b>
<b>Total (A+B)</b>				<b><u>16851.28</u></b>

Segment Results	Profit / (Loss) (Before Finance Cost unallocable Expenditure and Tax)
1.Garment Manufacturing & Trading	635.81-
2. IT & Manpower Supply	377.23-
3.Tour& Travelling Operator	-11.30-
<b>Profit / (Loss) (Before Finance Cost unallocable Expenditure and Tax) Amount (In Lakhs)</b>	<b><u>1001.74-</u></b>
Finance Cost	161.45-
Other Unallocable Expenditure Net of Unallocable Income	280.14-
<b>Total Profit before Tax and Adjustment of Comprehensive Income</b>	<b><u>560.15-</u></b>
Tax Expenses (Income Tax & Deferred Tax)	217.15
<b>Profit after Tax</b>	<b>343.00</b>

<b>Segment wise Assets/ Liabilities</b>	
<b>Segment Assets</b>	
1.Garments Manufacturing & Trading	5295.75
2. IT & Manpower Supply	2722.11
3.Tour& Travelling Operator	68.23
<b>Total Segment Assets</b>	<b>8086.09</b>
Un-allocable Assets	1606.91
<b>Total Assets</b>	<b>9693.00</b>
<b>Segment Liabilities</b>	
1.Garments Manufacturing & Trading	1919.34
2. IT & Manpower Supply	1780.02
3.Tour& Travelling Operator	41.51
<b>Total Segment Liabilities</b>	<b>3740.88</b>
Un-allocable Assets	5952.12
<b>Total Liabilities</b>	<b>9693.00</b>

"Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole.

#### **15. Foreign Exchange Transactions**

There are no foreign exchange transactions during the year.

#### **16. Related Party Disclosure (IND AS-24)**

##### **A List of Related Parties and relationships**

###### **(a) Key Management Personnel (KMP):**

Mr. Govindji Gupta	Chairman & Managing Director
Mrs. Deepika Gupta	Whole Time Director
Mr. Hari Om Sharma	Company Secretary & Compliance Officer
Mr. Mukesh Bhatt	Chief Financial Officer

###### **(b) Entities over which the Certain Key Management Personnel have significant influence:**

SBC Finmart Limited  
SBC Infotech Limited  
SBC Micro finance  
Ritu Garments Limited  
Garvit International (Sole Proprietorship)

###### **(c) Relatives of Key management Personnel: NIL**

(d) Subsidiary(ies): Mauji Trip Limited

**B. Transactions with Related parties:**

(Amt. In Lacs)

	Transactions	Key Management Personnel	Entities over which the Key Management Personnel have significant influence	Relative of Key Management Personnel
<b>(i)</b>	<b>Transactions during the year / (previous year) :</b>			
a.	Managerial Remuneration paid			
	KMPs	27.34 (22.61)	--	--
b.	Sale/Purchase of Goods & Services			
	Goods/Services Purchase	--(--)	--(--)	--(--)
	Goods/Services Sold	--(--)	973.54 (172.92)	--(--)
c.	Repayment of Unsecured Loan:	--(--)	--(--)	--(--)
d.	Repayment of Unsecured Loan to:	--(--)	--(--)	--(--)
e.	Professional Fees paid	--(--)	--(--)	--(--)
f.	Unsecured Loan to	--(--)	--(--)	--(--)
<b>(ii)</b>	<b>Payables / Receivables as at 31st March, 2022 / (31st March, 2021)</b>			
a.	Managerial Remuneration Payable	2.56 (3.40)	--(--)	--(--)
b.	Sale/Purchase of Goods & Services			
	Goods/Services Purchase (payable)	--(--)	1247.54(--)	--(--)
	Goods/Services Sold (Receivable)	--(--)	--(37.78)	--(--)
c.	Repayment of Unsecured Loan:	--(--)	--(--)	--(--)
d.	Repayment of Unsecured Loan to:	--(--)	--(--)	--(--)
e.	Professional Fees paid	--(--)	--(--)	--(--)
f.	Unsecured Loan to	--(--)	--(--)	--(--)

For **STRG & ASSOCIATES**  
Chartered Accountants  
FRN: 014826N

For and on behalf of Board of Directors of  
**SBC Exports Limited**

**(CA Rakesh Gupta)**  
Partner  
M. No. 094040  
UDIN:- 22094040AJDIFL2303

**Govindji Gupta**  
Director  
DIN: 01632764

**Deepika Gupta**  
Director  
DIN: 03319765

Place New Delhi  
Date 17/05/2022

**Mukesh Bhatt**  
Chief Financial Officer

**Hari Om Sharma**  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF SBC EXPORTS LIMITED****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying Consolidated Financial Statements of **SBC Exports Limited ("the Company")**, and its Subsidiary **Mauji Trip Limited** ( The company & its subsidiary together referred as "**The Group**" ) which comprise the Consolidated Balance Sheet as at March 31, 2022 the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules 2015 and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the Consolidated profit and loss, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<b>Recognition of Comprehensive Income arising out of valuation of Investment as per Ind-AS</b>	
<p>Comprehensive Standards on Financial Instruments issued under the Companies (Indian Accounting Standards) Rules 2015, All equity Investment in the scope of Ind-AS are to be measured at fair value in the statement of Consolidated financial Position , with value changes recognized in Profit &amp; Loss , except for those investment for which the entity has irrevocably elected to present value changes in other comprehensive income .</p>	<p>Obtaining an understanding of Internal control designed by the management for investment accounting and tested the operating effectiveness of those controls.</p> <p>Audit involved substantive audit procedures like inspection and re calculation to identify encumbrances on those investments and verification of sufficiency and appropriateness of disclosures regarding the recognition of comprehensive Income arising out of valuation of investment as per Ind- AS</p>
<b>Valuation of Trade Receivables</b>	
<p>Trade Receivables comprises a significant portion of the liquid assets of the company</p> <p>Accordingly, the estimation of the allowance for trade receivable is a significant judgement area and is therefore considered a key audit matter</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the followings :</p> <ul style="list-style-type: none"> <li>• Evaluate and test the controls for managing segment-wise trade receivable and subsequent recovery</li> <li>• Assess the recoverability and provision of long outstanding / disputed receivable where considered doubtful for recovery</li> <li>• Assess the appropriateness and completeness of the related disclosure</li> </ul>
<b>Existence &amp; valuation of inventory</b>	
<p>Inventory Comprises a significant portion of the liquid assets of the company . various procedures are involved in validating inventory quantities across locations</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the followings :</p> <ul style="list-style-type: none"> <li>• Identify and assess segment-wise slow moving material for valuation and process of providing provision to capture obsolescence.</li> <li>• Overall inventory reconciliation including opening stock, purchases consumption and closing stock</li> <li>• Review the policy of physical verification of inventory and its operational implementation</li> <li>• Assess the appropriates and completeness of the related disclosure</li> </ul>



**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

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

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, The respective Board of Directors of the companies includes in the group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies includes in the group are responsible for overseeing the Financial reporting process of the Group

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to

fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

— We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid Consolidated Financial Statement
  - b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors of Company and its subsidiary, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Groups's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations, if any, on its financial position in its standalone financial statements.
- ii. The Group has made provision, as required under the applicable law or Indian Accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
- iv. a) the **management has represented** that other than those disclosed in the notes to accounts,
- I. no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- II. no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (I) and (II) above, contain any material misstatement.
- v. As per Management's representation received that to the best of its knowledge and belief, the Group has not declared or paid dividend either final or interim in nature during the year.

**For STRG& Associates**  
**Chartered Accountants**  
**FRN : 014826N**

**CA Rakesh Gupta**  
**M No. 094040**  
**UDIN :-22094040AJDIMC8747**  
**Place :- New Delhi**  
**Date : 17/05/2022**

**“Annexure A”****To the Independent Auditor’s Report of even date on the Consolidated Financial Statements of SBC EXPORTS LIMITED.****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of **SBC EXPORTS LIMITED** as of March 31, 2022 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

**For STRG & Associates**  
**Chartered Accountants**  
**FRN : 014826N**

**CA Rakesh Gupta**  
**M No. 094040**  
**UDIN :- 22094040AJDIMC8747**  
**Place :- New Delhi**  
**Date :-17/05/2022**

**SBC EXPORTS LIMITED**  
**CIN: L18100UP2011PLC043209**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022**

		(Rs. in '000)
Particulars	Note No.	As at March 31, 2022
<b><u>ASSETS</u></b>		
<b>Non-Current Assets</b>		
a) Property Plant & Equipments and Intangible Assets	1	58,275
b) Deferred Tax Assets (Net)	2	2,409
c) Other Non-Current Assets		-
d) Non Current Investment	3	23,164
<b>Current Assets</b>		
a) Inventories	4	2,52,468
b) Financial Assets		
(i) Trade Receivables	5	4,99,417
(ii) Cash and Cash Equivalents	6	37,023
(iii) Loans and Advances	7	59,063
c) Other Current Assets	8	39,033
<b>Total</b>		<b>9,70,852</b>
<b><u>EQUITY &amp; LIABILITIES</u></b>		
<b>Equity</b>		
- Equity Share Capital	9	2,11,640
- Other Equity	10	52,385
- Non Controlling Interest		0
<b>Non-Current Liabilities</b>		
a) Borrowings	11	41,744
b) Provisions	12	1,196
<b>Current Liabilities</b>		
a) Financial Liabilities		
(i) Borrowings	13	52,425
(ii) Trade Payables	14	3,75,639
b) Other Current Liabilities	15	2,18,368
c) Provisions	16	17,454
<b>Total</b>		<b>9,70,852</b>

See accompanying notes to the financial statements

The Notes referred to above, form an integral part of the Balance Sheet

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN: 22094040AJDIMC8747

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer  
85

Hari Om Sharma  
Company Secretary

SBC EXPORTS LIMITED  
CIN: L18100UP2011PLC043209  
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Note No.	(Rs. in '000)	
			As at March 31, 2022
<b>INCOME</b>			
Revenue From Operations	17	20,59,875.80	
Less:- Branch Transfer		<u>3,71,364.50</u>	16,88,511.30
Net Revenue From Operations			<u>16,88,511.30</u>
Other Income	18		3,554.69
<b>Total Income</b>			<b><u>16,92,065.99</u></b>
<b>EXPENSES</b>			
Cost of Material Consumed	19	18,57,695.01	
Less:- Branch Transfer		<u>3,71,364.50</u>	14,86,330.50
Net Cost of Material Consumed			14,86,331
Purchase			6,112.46
Changes in Inventory	20		(26,311.99)
Employee Benefits Expenses	21		64,454.81
Finance Costs	22		16,144.51
Depreciation and Amortization Expenses	1		7,081.30
Other Expenses	23		81,820.22
<b>Total Expenses</b>			<b><u>16,35,631.81</u></b>
<b>Profit Before Exceptional and Extra Ordinary Items and Tax</b>			<b><u>56,434.18</u></b>
Exceptional Items / Prior Period Items			-
<b>Profit Before Extra Ordinary Items and Tax</b>			<b><u>56,434.18</u></b>
Extra Ordinary Items			-
<b>Profit Before Tax</b>			<b><u>56,434.18</u></b>
Current Year Tax			17,094.20
Earliers Year Tax			5,214.48
Deferred Tax			455.91
<b>Profit for the Period</b>			<b><u>34,581.41</u></b>
<b>Other Comprehensive Income/(Loss)</b>			
A(I) Items that will not be reclassified to profit & loss			4,703.17
A(II) Income tax relating to items that will not be reclassified to profit & loss			-
B(I) Items that will be reclassified to profit & loss			-
B(II) Income tax relating to items that will be reclassified to profit & loss			-
<b>Total Other Comprehensive Income (A(I-II)+B(I-II))</b>			<b><u>4,703.17</u></b>
<b>Total Comprehensive Income (A(I-II)+B(I-II))</b>			<b><u>39,284.59</u></b>
<b>Net profit attributable to :</b>			
Owners of the company			34,581.41
Non Controlling Interest			<u>0.00</u>
<b>Other Comprehensive Income attributable :</b>			
Owners of the company			4,703.17
Non Controlling Interest			<u>-</u>
<b>Total Comprehensive Income / (Loss) attributable to:</b>			
Owners of the company			39,284.59
Non Controlling Interest			<u>0.00</u>
<b>Basic Earning Per Share of Rs. 1/- each</b>			<b>0.16</b>
<b>Diluted Earning Per Share of Rs. 1/- each</b>			<b>0.16</b>

See accompanying notes to the financial statements

The Notes referred to above, form an integral part of the Statement of Profit & Loss

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:- 22094040AJDIMC8747

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary



SBC EXPORTS LIMITED  
CIN: L18100UP2011PLC043209  
CONSOLIDATED CASH FLOW STATEMENT

S.No.	Particulars		(Rs. in '000)
<b>I.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>For the year ended 31.03.2022</b>
	Net Profit before Tax		56,434.18
	Add:- Depreciation	7,081.30	
			7,081.30
	Adjustments(if any)		4,703.17
	<b>Operating Profit before Working Capital Changes</b>		<b>68,218.65</b>
	<b>Adjustments for:</b>		
	Increase/(Decrease) in Other Current Liabilities & Provisions	1,50,489.29	
	Increase/(Decrease) in Trade Payable	15,420.50	
	(Increase)/Decrease in Other Current Assets	(8,491.89)	
	(Increase)/Decrease in Short Term Loans & Advances	(10,793.84)	
	(Increase)/Decrease in Receivables	(1,97,976.54)	
	(Increase)/Decrease in stock in hand	50,457.50	(894.98)
	<b>Cash Generated from Operations</b>		<b>67,323.68</b>
	Income Tax (current & earlier Year )		22,308.67
	<b>Net Cash flow Generated from Operating Activities (A)</b>		<b>45,015.00</b>
<b>II.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Sale (Purchase)of Investment	(19,303.97)	
	Purchase of Fixed Assets	(20,416.11)	(39,720.09)
	<b>Net Cash Flow Generated from Investing Activities (B)</b>		<b>(39,720.09)</b>
<b>III.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Cash Generated from capital proceeds		
	Non Controlling Interest	0.06	
	Short Term Borrowings	8,532.69	
	Long Term Borrowings	(5,705.78)	2,826.97
	<b>Net Cash Flow Generated from Financing Activities (C)</b>		<b>2,826.97</b>
<b>IV.</b>	<b>Net increase in Cash &amp; Cash Equivalents ( A - B - C )</b>		<b>8,121.88</b>
	Cash and Cash equivalents beginning of the year		28,901.17
	<b>Cash and Cash equivalents as the end of the year</b>		<b>37,023.05</b>
<b>V.</b>	<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>		
	Cash in Hand		7,303.03
	Cash at Bank , Fixed Deposit and Cheques In Hand		29,720.02
	<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>		<b>37,023.05</b>

As per our Audit report of even date attached

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIMC8747

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**  
**CIN: L18100UP2011PLC043209**  
**Consolidated Statement of changes in Equity for the year ended 31.03.2022**  
(Rs. in '000)

## A. Equity Share Capital

Balance as at April 1, 2021	1,05,820.00
<u>Changes in equity share capital during the year</u>	
Bonus Shares issued during the year	1,05,820.00
Balance as at March 31, 2022	2,11,640.00

Particulars	Security Premium	Retained Earnings	Other Comprehensive Income	Attributable to owner of the company	Attributable to Non Controlling interest
<b>Balance at 01.04.2021</b>	<b>60,684.00</b>	<b>58,359.35</b>	<b>(123.04)</b>	<b>1,18,920.31</b>	
Changes in accounting policy	-	-			
<b>Restated balance</b>	<b>60,684.00</b>	<b>58,359.35</b>	<b>(123.04)</b>	<b>1,18,920.31</b>	-
<b>Changes in equity for the Financial Year</b>					
Bonus Shares Issued	(60,684.00)	(45,136.00)	-	(1,05,820.00)	
Dividends	-	-	-		
Income for the year	-	34,581.41	4,703.17	39,284.59	0.00
Revaluation gain	-	-			
Transfer During the Year	-	-		-	
<b>Balance at 31.03.2022</b>	<b>-</b>	<b>47,804.76</b>	<b>4,580.13</b>	<b>52,384.90</b>	<b>0.00</b>

As Per our Audit report of even date attached

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIMC8747

Place: Sahibabad  
Date : 17/05/2022

For and on behalf of board of Directors of  
SBC Exports Limited

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	(Rs. in '000)
	As at
	<u>31-Mar-22</u>
<b>2 Deferred Tax Liabilities/(Assets)</b>	
Deferred Income Tax Assets	2,408.89
<b>Total</b>	<u><u>2,408.89</u></u>
<b>4 Inventories</b>	
(As per inventories taken, valued and certified by the management)	
- Stock in Trade (Valued Net Realisable value)	2,52,467.64
<b>Total</b>	<u><u>2,52,467.64</u></u>
<b>6 Cash &amp; Cash Equivalents</b>	
Impressed Account (Petty Cash )	-
Fixed and Recurring Deposits	28,647.75
Cash in hand (As Certified by the Management)	7,303.03
Cash & Cash Equivalents (Wallet)	155.87
Balance With the Scheduled Bank in Current Accounts	916.41
<b>Total</b>	<u><u>37,023.05</u></u>
<b>7 Loans &amp; Advances</b>	
Advance To Suppliers	15,309.10
Advance For Property	16,780.55
Advance to Staff	86.00
Advance Installment of Loan	168.93
Advances recoverable in cash or in kind or for value to be received	26,718.75
<b>Total</b>	<u><u>59,063.33</u></u>
<b>8 Other Current Assets</b>	
Accrued Interest	1,134.41
EMD & DD	5,545.67
Security Deposit	1,772.53
Pepaid Insurance	15.47
Pepaid Commission on Sale	-
GST	6,771.30
Tds Receivable	23,155.16
Other	638.32
<b>Total</b>	<u><u>39,032.85</u></u>

**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

(Rs. in '000)

As at

31-Mar-22

**9 Equity Share Capital**
**AUTHORISED**

22,00,00,000 Equity Shares of Rs. 1/- each fully paid up

2,20,000

Previous Year 1,11,00,000 Equity Shares of Rs. 10/- each fully paid up

**ISSUED, SUBSCRIBED & PAID UP**

21,16,40,000 Equity Shares of Rs. 1/- each fully paid up

21,16,40,000

Previous Year 1,05,82,000 Equity Shares of Rs. 10/- each fully paid up

**a) Details of Shareholders holding Shares more than 5% in a Company:**

Name of Shareholder	As at 31 March 2022	
	No. of Share held	% of Holding
DEEPIKA GUPTA	6,26,00,000	29.58%
GOVINDJI GUPTA	5,88,20,000	27.79%
SBC FINMART LTD	1,65,55,127	7.82%

**Shareholding of Promoters**

Shares held by promoters at the end of the year

Promoter Name	As at 31 March 2022	
	No of shares	% of total Shares (A)
DEEPIKA GUPTA	6,26,00,000	29.58%
GOVINDJI GUPTA	5,88,20,000	27.79%
SBC FINMART LIMITED	1,65,55,127	7.82%
SUDHESHWAR KUMAR GUPTA	50,000	0.02%

**b) Reconciliation of no. of shares outstanding at the beginning and at the end of the reporting period :**

(Rs. in '000)

Particulars	As at 31 March 2022	
	Number	Amount
Shares outstanding at the beginning of the year	1,05,82,000	1,05,820.00
Bonus Shares issued during the year	1,05,82,000	1,05,820.00
Shares bought back during the year	-	-
Shares outstanding before Share split	2,11,64,000	2,11,640.00
Share Split Ratio ( 1:10)	10	-
Shares outstanding before Share split at the end of the year	21,16,40,000	2,11,640.00

**c) Details of shares brought back during the period of five years immediately preceding the reporting date : NIL**
**d) Other Disclosures :**

The company has only one class of share capital having per value of Re. 1/- per share. Each shareholder is eligible for one vote per share held. In the event of Liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	(Rs. in '000)
	As at
	<u>31-Mar-22</u>
<b>10 Other Equity</b>	
<b>a) Profit &amp; Loss Account Balance</b>	
Opening Balance	58,359.35
Less:- Bonus Shares Issued	(45,136.00)
Add: Profit for the year	34,299.30
Add: Profit from Mauji Trip Limited	282.11
At the end of Accounting Period	<u><u>47,804.76</u></u>
<b>b) Securities Premium Account</b>	
Opening Balance	60,684.00
Less:- Bonus Shares Issued	(60,684.00)
At the end of Accounting Period	<u><u>-</u></u>
<b>c) Other Comprehensive Income</b>	
At the beginning of Accounting Period	(123.04)
Addition during the year	4,703.17
At the end of Accounting Period	<u><u>4,580.13</u></u>
<b>Total (a+b+c)</b>	<u><u>52,384.89</u></u>
<b>11 Borrowings - Secured</b>	7,996.70
(Secured by Car)	
<b>Total</b>	<u><u>7,996.70</u></u>
<b>Borrowings - Unsecured</b>	
Unsecured Loan From Banks	9,358.50
Unsecured Loan From Financial Institutions	24,389.00
<b>Total</b>	<u><u>33,747.50</u></u>
<b>12 Provision</b>	
Provision for Gratuity	1,196.30
<b>Total</b>	<u><u>1,196.30</u></u>
<b>13 Borrowings</b>	
Bank Overdraft	51,425.24
Unsecured Loan From other than Corporates	-
Unsecured Loan From Corporates	-
Unsecured Loan from other than Corporates	1,000.00
<b>Total</b>	<u><u>52,425.24</u></u>
<b>15 Other Current Liabilities</b>	
Expenses Payable	30,100.12
Duties & Taxes	16,297.33
Advance From Customers	1,71,970.45
Payable to others	-
<b>Total</b>	<u><u>2,18,367.90</u></u>
<b>16 Short Term Provisions</b>	
Provision For Income Tax	17,094.20
Provision for Audit Fee	360.00
<b>Total</b>	<u><u>17,454.20</u></u>

**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

	(Rs. in '000)
	As at
	31-Mar-22
<b>17 Revenue From Operations</b>	
Sales of Goods	6,84,022.32
Sale of Services	13,75,853.48
<b>Total</b>	<b>20,59,875.80</b>
<b>18 Other Income</b>	
Commission	15.12
Discount Received	55.29
Interest Income	3,484.28
Capital Gain	-
<b>Total</b>	<b>3,554.69</b>
<b>19 Cost of Material Consumed</b>	
Opening stock of Raw material	1,83,590.13
Purchase During the year	17,80,925.51
Closing Stock Of Raw material	1,06,820.63
<b>Total</b>	<b>18,57,695.01</b>
<b>20 Changes In Inventory</b>	
<u>Opening Stock</u>	
WIP	6,256.60
Finished Goods	1,13,078.42
<u>Closing Stock</u>	
WIP	2,229.68
Finished Goods	1,43,417.34
<b>Total</b>	<b>(26,311.99)</b>
<b>21 Employee Benefit Expenses</b>	
Director's Remuneration	1,656.00
Salaries & Wages including Bonus	61,602.51
Gratuity Expenses	1,196.30
Staff Welfare	-
<b>Total</b>	<b>64,454.81</b>
<b>22 Financial Costs</b>	
Bank Charges	1,627.63
Interest on Loan	13,673.20
Loan Processing Fees	834.84
Credit Card & Other Charges	8.85
<b>Total</b>	<b>16,144.51</b>

SBC EXPORTS LIMITED  
CIN: U18100UP2011PLC043209

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	(Rs. in '000)
	As at
	<u>31-Mar-22</u>
<b>23 Establishment And Other Expenses</b>	
Advertisement	461.15
Annual Listing Fees	236.92
<b><u>Auditors Remuneration</u></b>	
Statutory Audit Fees	325.00
Tax Audit Fees	75.00
Business Promotion	8.85
Charity & Donation	9.67
Commission Paid on Sale	17,378.62
Conveyance	-
Duties Rates & Taxes	13,126.30
Freight	5.76
Listing Processing Fee	1,719.90
Insurance	2,199.94
Interest On Tds	1,473.98
Interest On Gst	-
Incorporation Expenses	158.14
Job Work charges	14,160.10
Legal & Professional Exp.	1,557.30
Late Fees on Gst	6.88
Marketing Expenses	15.00
Misc. Expenses	500.47
Office Expenses	5,342.35
Online Trading Expenses	155.98
Penalty of GST	-
Postage & courier	957.23
Power and fuel	5,815.07
Printing & Stationary	443.52
Rent Expenses	6,698.64
Repair & Maintenance	337.40
ROC Expenses	830.15
Short & Excess	5.64
Rebate Discount & Schemes	2,117.33
Security expenses	654.83
Software maintenance	67.90
Telephone Expenses	469.08
Tour & Travelling Expenses	2,557.20
Transportation Charges	1,526.14
Vehicles Running & Maintence	310.07
Website Maintenance Expenses	35.00
Water Expenses	77.73
<b>Total</b>	<b><u><u>81,820.22</u></u></b>

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:- 22094040AJDIMC8747

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: New Delhi  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer  
93

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**  
CIN: L18100UP2011PLC043209

**NOTES- 1**

**CONSOLIDATED FIXED ASSETS SCHEDULE AS PER COMPANIES ACT, 2013 FOR PERIOD ENDED ON 31ST MARCH 2022**

(Rs. in '000)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Opening Balance	Additions During the year	Sale/Adj.	TOTAL	Opening Balance	During the Year	TOTAL	WDV AS ON 31/03/2022	WDV AS ON 31/03/2021
Computer & Softwares	12,327.61	239.75	-	12,567.36	10,490.55	1,109.01	11,599.57	967.79	1,837.06
Furniture & Fittings	3,215.70	358.88	-	3,574.58	1,687.03	466.21	2,153.24	1,421.34	1,528.67
Motor Vehicle	12,761.49	2,718.32	-	15,479.81	6,249.09	2,333.42	8,582.51	6,897.30	6,512.40
Office Equipments	2,712.99	297.67	-	3,010.65	2,284.66	251.06	2,535.72	474.93	428.33
Plant & Machinery	20,421.39	2,551.50	-	22,972.88	6,801.40	2,600.86	9,402.27	13,570.62	13,619.98
Flat No.- 805 Indrapuram	3,337.08	-	-	3,337.08	-	317.02	317.02	3,020.06	3,337.08
Factory in mirzapur	-	14,250.00	-	14,250.00	-	3.71	3.71	14,246.29	-
Land(Plot)	17,676.76	-	-	17,676.76	-	-	-	17,676.76	17,676.76
<b>TOTAL</b>	<b>72,453.01</b>	<b>20,416.11</b>	<b>-</b>	<b>92,869.13</b>	<b>27,512.74</b>	<b>7,081.30</b>	<b>34,594.04</b>	<b>58,275.09</b>	<b>44,940.28</b>

For STRG & Associates  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:- 22094040AJDIMC8747

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary



**SBC EXPORTS LIMITED**  
CIN: L18100UP2011PLC043209

**FIXED ASSETS SCHEDULE AS PER INCOME TAX ACT, 1961 FOR PERIOD ENDED ON 31ST MARCH 2022**

(Rs. in '000)

PARTICULARS	WDV AS ON 01/04/2021	ADD. BEFORE 30/09/2021	ADD. AFTER 01/10/2021	TOTAL	RATE OF DEP.	DEP. DURING THE YEAR	WDV AS ON 31/03/2022
PLANT & MACHINERY (15%)	28,641.97	486.62	5,075.78	34,204.37	15.00	4,749.97	29,454.40
PLANT & MACHINERY (40%)	937.32	-	239.75	1,177.07	40.00	422.88	754.19
FURNITURE	2,106.92	363.96	-	2,470.88	10.00	247.09	2,223.79
LAND & BUILDING	-	3,337.08	14,250.00	17,587.08	10.00	1,046.21	16,540.87
LAND	17,676.76	-	-	17,676.76	-	-	17,676.76
<b>TOTAL</b>	<b>49,362.97</b>	<b>4,187.66</b>	<b>19,565.53</b>	<b>73,116.16</b>		<b>6,466.15</b>	<b>66,650.01</b>

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:-22094040AJDIMC8747

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: Sahibabad  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

**SBC EXPORTS LIMITED**

CIN: L18100UP2011PLC043209

**NOTES- 2**
**Deferred Tax Assets / (Liabilities)**

(Rs. in '000)

Particulars	As at 31.03.2022
WDV As Per Companies Act, 2013	58,275.09
WDV As Per Income Tax Act , 1961	66,650.01
Difference	(8,374.92)
Gratuity	(1,196.30)
 DTA	 2,408.89
OPENING BALANCE OF DTA	1,952.98
DTA CREATED DURING THE YEAR	455.91
CLOSING BALANCE OF DT	2,408.89

For STRG & Associates.  
Chartered Accountants  
FRN : 014826N

For and on behalf of board of Directors of  
SBC Exports Limited

(CA Rakesh Gupta)  
Partner  
M. No.094040  
UDIN:- 22094040AJDIMC8747

Govindji Gupta  
Managing Director  
DIN 01632764

Deepika Gupta  
Whole Time Director  
DIN 03319765

Place: New Delhi  
Date : 17/05/2022

Mukesh Bhatt  
Chief Financial Officer

Hari Om Sharma  
Company Secretary

## 3 Investments

(Rs. in '000)

Particulars	As at 31.03.2022
<b>Investments - Other</b>	
<b>Quoted</b>	
L&T Equity Fund - Growth -INF677K01031	309.25
L&T Hybrid Equity Fund - Growth -INF917K01LB0	311.10
Investment in Equity shares of a Listed Company	19,575.00
PNB Mutual Fund	407.09
Kotak Mutual Fund - 9178060/46	109.93
Nippon India Mutual Fund ,Folio No-477251776642/0	59.54
ICICI Prudential Mutual Fund - 18958986/59	110.83
<b>Unquoted-</b>	
Investment in Unlisted Shares	2,280.80
<b>Total</b>	
	23,163.55
Less : Provision For diminution in the value of investments	-
<b>Total</b>	
	23,163.55
Particulars	As at 31.03.2022
Aggregate amount of quoted Investment	20,882.75
Aggregate amount of unquoted Investment	2,280.80
<b>Total</b>	<b>23,163.55</b>
Market Value of quoted Investments	20,882.75

**SBC EXPORTS LIMITED**
**CIN: L18100UP2011PLC043209**
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**
**Note 5 Trade Receivables ageing Schedule  
as on 31.03.2022**

(Rs. in '000)

Particulars	Outstanding for following periods from due date of the payment					Total
	Less Than 6 Months	6 months - 1 years	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade Receivables - considered good	487348.41	156.78	11912.15	0.00	0.00	499417.34
{ii) Undisputed Trade Receivables- which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables - credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
{v) Disputed Trade Receivables- which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables - credit risk	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>487348.41</b>	<b>156.78</b>	<b>11912.15</b>	<b>0.00</b>	<b>0.00</b>	<b>499417.34</b>

**SBC EXPORTS LIMITED**

**CIN: L18100UP2011PLC043209**

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

**Note 14 Trade Payables Ageing schedule  
as on 31.03.2022**

(Rs. in '000)

Particulars	Outstanding for following periods from due date of the payment				Total
	Less than 1 years	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	3,75,638.93	-	-	-	3,75,638.93
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>3,75,638.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,75,638.93</b>

**M/S SBC Exports Limited****Significant Accounting Policies and Notes to the Consolidated Financial Statement**

**M/s SBC Exports Limited** ("The Company") and its Subsidiary **Mauji Trip Limited** (The company & its subsidiary together referred as "The Group") are listed Company and was incorporated in India on **18<sup>th</sup> day of January 2011 and 3<sup>rd</sup> Day of December 2021** under the Company's Act. The Group are engaged in the Trading and Manufacturing of Garments, Manpower Supply Services & Tour Operator Services.

**A. SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Accounting**

The Consolidated Financial Statements for the year ended 31.03.2022 have been prepared and presented in accordance with Indian accounting standards (Ind AS) as notified by MCA vide notification G.S.R. 365(E) Dated 30.03.2016 with comparative for previous years ending 31.03.2021 to facilitate the comparison of current year financials previous year.

Previous year figures have been regrouped/ rearranged, wherever necessary to make them comparable with figures of current year.

**2. Revenue Recognition**

Revenue is recognized on accrual basis to the extent it is probable that economic benefits shall flow to the organization.

**3. Expenses Recognition**

Expenses are recognized on accrual basis

**4. Property Plant & Equipment and Intangible Assets****Property Plant & Equipment**

Property Plant & Equipment (if any) are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of Property Plant & Equipment comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**Intangible Assets**

Company is not having any intangible assets during the year 2021-2022.

**5. Depreciation**

Depreciation is provided on a written down value on the basis useful life specified in Schedule II to the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased/ sold during the year. Depreciation is charged from the date the asset is ready to use or put to use, whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

**6. Investments**

Investments are classified into current investments and non-current investments, current investments are carried at fair value and provisions are made to recognize the decline in the carrying value. Non-Current Investments are stated at fair value. Provision for diminution in the

value of non-current investments is made only if such decline is other than temporary, in the opinion of the management.

On disposal of an investment, the difference between the carrying amount and the disposal proceeds, net of expenses, is recognized in the profit and loss statement. When disposing of a part of the holding of an individual investment, the carrying amount allocated to that part is determined on the basis of the average carrying amount of the holding of the investments.

#### **7. Inventories**

Inventories are valued at the Net Realizable Value. Cost of inventories comprises all cost of purchase, and other costs incurred in acquiring the inventories. Further the inventories are valued on FIFO basis.

#### **8. Income Tax Expense**

Provision for Income tax expense is determined as the amount of tax payable in respect of taxable income for the year and in accordance with the Income-tax Act, 1961.

#### **9. Deferred Tax**

Deferred Tax is recognized on timing difference between taxable and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

#### **10. Employee Benefits:**

The Company has made Provision for liability of future payment of gratuity in the current year and has obtained actuarial valuation report. Further, no provision has been made for leave encashment benefits, as the company does not have a policy of encashing leaves of employees.

ESIC & EPF: Company has complied with the requirement of ESIC and EPF with respect to employees employed by company for working with other bodies externally under agreement with the company.

#### **11. Leases**

Lease rentals in respect of operating lease arrangements are recognized as an expense in the profit & loss account on accrual basis.

#### **12. Earnings per share**

The earnings considered in ascertaining the Group's earnings per equity share comprises the net profit after tax. The number of shares used in computing basic & diluted EPS is the weighted average number of equity shares outstanding during the year.

#### **13. Provisions & Contingencies**

The provision is recognized when the Group has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

#### 14. Segment reporting

Based on the guiding principles given in Indian Accounting Standard 108" **Operating Segments**". Ind-AS 108 follows the management approach to **Segment Reporting**, the Group are engaged in the Trading and Manufacturing of Garments, Manpower Supply Services & Tour Operator Services in different States, the risk and reward are different and as such there are three business and geographical segments.

(Amount In Lakhs.)

Particulars	Uttar Pradesh	Delhi	Jharkhand	Total
<b>1.Segment Revenue</b>				
1.Garment Manufacturing & Trading	6132.25	135.92	-	<b>6268.17</b>
2. IT & Manpower Supply	5777.86	4003.49	493.56	<b>10274.91</b>
3.Tour& Travelling Operator	-	342.03	-	<b>342.03</b>
<b>(A)Total Revenue From Operations</b>	<b>11910.11</b>	<b>4412.07</b>	<b>493.56</b>	<b><u>16885.11</u></b>
<b>Other Unallocable Income</b>				
1.Commission	0.15	-	-	0.15
2.Discount	0.55	-	-	0.55
3.Interest	34.84	-	-	34.84
4.Misc.	-	-	-	-
<b>(B)Total Other Income</b>	<b>35.54</b>	<b>-</b>	<b>-</b>	<b><u>35.54</u></b>
<b>Total (A+B)</b>				<b><u>16920.66</u></b>

Segment Results	Profit / (Loss) (Before Finance Cost unallocable Expenditure and Tax)
1.Garment Manufacturing & Trading	635.81
2. IT & Manpower Supply	377.23
3.Tour& Travelling Operator	-8.48
<b>Profit / (Loss) (Before Finance Cost unallocable Expenditure and Tax) Amount (In Lakhs)</b>	<b><u>1004.56</u></b>
Finance Cost	161.45
Other Unallocable Expenditure Net of Unallocable Income	278.77
<b>Total Profit before Tax and Adjustment of Comprehensive Income</b>	<b><u>564.34</u></b>
Tax Expenses (Income Tax & Deferred Tax)	227.64
<b>Profit after Tax</b>	<b>345.82</b>



<b>Segment wise Assets/ Liabilities</b>	
<b>Segment Assets</b>	
1.Garments Manufacturing & Trading	5295.75
2. IT & Manpower Supply	2722.11
3.Tour& Travelling Operator	83.74
<b>Total Segment Assets</b>	<b>8101.60</b>
Un-allocable Assets	1606.91
<b>Total Assets</b>	<b>9708.51</b>
<b>Segment Liabilities</b>	
1.Garments Manufacturing & Trading	1919.34
2. IT & Manpower Supply	1780.02
3.Tour& Travelling Operator	57.02
<b>Total Segment Liabilities</b>	<b>3756.39</b>
Un-allocable Liabilities	5952.12
<b>Total Liabilities</b>	<b>9708.51</b>

“Unallocated Corporate Expenses” include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole.

#### **15. Foreign Exchange Transactions**

There are no foreign exchange transactions during the year.

#### **16. Related Party Disclosure (IND AS-24)**

##### **A List of Related Parties and relationships**

###### **(a) Key Management Personnel (KMP):**

Mr. Govindji Gupta	Chairman & Managing Director
Mrs. Deepika Gupta	Whole Time Director
Mr. Hari Om Sharma	Company Secretary & Compliance Officer
Mr. Mukesh Bhatt	Chief Financial Officer

###### **(b) Entities over which the Certain Key Management Personnel have significant influence:**

SBC Finmart Limited  
SBC Infotech Limited  
SBC Micro finance  
Ritu Garments Limited  
Garvit International (Sole Proprietorship)

(c) **Relatives of Key management Personnel:** NIL

(d) **Subsidiary(ies):** Mauji Trip Limited

**B. Transactions with Related parties:**

(Amt. In Lacs)

	Transactions	Key Management Personnel	Entities over which the Key Management Personnel have significant influence	Relative of Key Management Personnel
<b>(i)</b>	<b>Transactions during the year / (previous year) :</b>			
a.	Managerial Remuneration paid			
	KMPs	27.34 (22.61)	--	--
b.	Sale/Purchase of Goods & Services			
	Goods/Services Purchase	--(--)	--(--)	--(--)
	Goods/Services Sold	--(--)	973.54 (172.92)	--(--)
c.	Repayment of Unsecured Loan:	--(--)	--(--)	--(--)
d.	Repayment of Unsecured Loan to:	--(--)	--(--)	--(--)
e.	Professional Fees paid	--(--)	--(--)	--(--)
f.	Unsecured Loan to	--(--)	--(--)	--(--)
<b>(ii)</b>	<b>Payables / Receivables as at 31st March, 2022 / (31st March, 2021)</b>			
a.	Managerial Remuneration Payable	2.56 (3.40)	--(--)	--(--)
b.	Sale/Purchase of Goods & Services			
	Goods/Services Purchase (payable)	--(--)	1247.54(--)	--(--)
	Goods/Services Sold (Receivable)	--(--)	--(37.78)	--(--)
c.	Repayment of Unsecured Loan:	--(--)	--(--)	--(--)
d.	Repayment of Unsecured Loan to:	--(--)	--(--)	--(--)
e.	Professional Fees paid	--(--)	--(--)	--(--)
f.	Unsecured Loan to	--(--)	--(--)	--(--)

For **STRG & ASSOCIATES**  
Chartered Accountants  
FRN: 014826N

For and on behalf of Board of Directors of  
**SBC Exports Limited**

**(CA Rakesh Gupta)**  
Partner  
M. No. 094040  
UDIN:- 22094040AJDIMC8747

**Govindji Gupta**  
Managing Director  
DIN: 01632764

**Deepika Gupta**  
Whole Time Director  
DIN: 03319765

Place: Sahibabad  
Date: 17/05/2022

**Mukesh Bhatt**  
Chief Financial Officer

**Hari Om Sharma**  
Company Secretary

**SBC EXPORTS LIMITED**  
(CIN: L18100UP2011PLC043209)

**Regd. Off:** House No.-20, Lohiya Talab, Choti Basahi P.O.: Vindhyachal Mirzapur UP 231307

**Email-Id:** info@sbccl.com; **Website:** [www.sbcexportslimited.com](http://www.sbcexportslimited.com)

**ATTENDANCE SLIP**

Regd. Folio No./DP Id No.*/Client Id No.* (*Applicable for investor holding shares in electronic form.)	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the 11th Annual General Meeting of SBC Exports Limited held on Tuesday the 27th day of September, 2022 at 10:00 am. at the Registered Office of the Company at House No.-20, Lohiya Talab, Choti Basahi P.O.: Vindhyachal, Mirzapur Uttar Pradesh- 231307.

**Member's/Proxy's Name in Block Letters:** \_\_\_\_\_

**Member's/Proxy's Signature:** \_\_\_\_\_

**Note:** Please fill up this attendance slip and hand it over at the entrance of the venue of meeting. Members are requested to bring their copies of the Annual Report to the AGM.

----- Please tear here -----

**PROXY FORM**

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 Rules made thereunder)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No./Client Id	

I/We, being the member(s) of .....shares of the above named company, hereby appoint:

- Name :  
Address : .....; Signature ....., or failing him;
- Name :  
Address : .....; Signature ....., or failing him;
- Name :  
Address : .....; Signature ....., or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting of SBC Exports Limited held on Tuesday the 27th day of September, 2022 at 10:00 am. at the Registered Office of the Company at House No.-20, Lohiya Talab, Choti Basahi P.O.: Vindhyachal, Mirzapur Uttar Pradesh- 231307, to and/or any adjournment thereof in respect of such resolutions as are indicated below:

Resol. No.	Resolutions	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
1	To receive, consider and adopt audited financial statement of account for the financial year ended on March 31, 2022 and the reports of the Directors' and the Auditors' thereon			

Special businesses		For	Against	Abstain
2	Addition of a new clause in main object of the company and consequent alteration of the memorandum of association of the company			
3	To approve the revision of the Remuneration of Mr. Govindji Gupta (Managing Director of the company)			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022

**Signature of Shareholder** .....

**Signature of proxy holder(s)** .....

Affix Revenue Stamp of Re. 1/-.
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**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Annual General meeting.
- 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

# SBC EXPORTS LIMITED

Corp. Office Address: 49/95, Site-IV, Sahibabad Industrial Area, Ghaziabad Uttar Pradesh - 201010

Regd. Office Address: House No. 20, Lohiya Talab, Choti Basahi, P.O. Vindhyachal, Mirzapur, Uttar Pardesh - 231307

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