



# R N K A & Co.

Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT

TO,

**THE MEMBERS OF SBC EXPORTS LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **SBC EXPORTS LIMITED**, which comprise the Balance Sheet as at **31/03/2019**, the Statement of Profit and Loss, Cash flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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 **31/03/2019**, and its **Profit** for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records



in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- 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.
- 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.
- The Balance Sheet, the Statement of Profit and Loss, and dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on 31/03/2019 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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".
- 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, in our opinion and to the best of our information and according to the explanations given to us:
  - The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

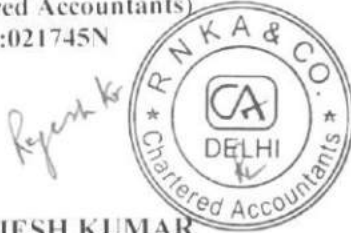


- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR R N K A & CO.**

(Chartered Accountants)

Reg No. :021745N



**CA RAJESH KUMAR**

Partner

M.No. : 506726

Date: 25/09/2019

Place: Delhi

**ANNEXURE - A**

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2019**

To,

**The Members of SBC EXPORTS LIMITED**

We report that:-

<b>Sl. No.</b>	<b>Comment Required on</b>	<b>Auditor's Opinion on Following Matter</b>	<b>Auditor's Remark</b>
(i)	Fixed Assets	a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets?	The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
		b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts?	Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
		c) Whether the title deeds of immovable properties are held in the name of the company? If not, provide the details thereof.	YES
(ii)	Inventory	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account?	Physical verification of inventory has been conducted at reasonable intervals by the management.
(iii)	Loans Secured or Unsecured Granted	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of The Companies Act, 2013? if so,	The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act- 2013.
		a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's	



		interest?	
		b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular?	
		c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest?	
(iv)	Loan to director and investment by the company	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
(v)	Public Deposits	In case, the company has accepted deposits, whether 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 thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The company has not accepted any Deposits.
(vi)	Cost Accounting Records	Whether maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained?	The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under subsection (1) of section 148 of the Companies Act, 2013.
(vii)	Statutory Compliance	a) Whether the company is regular in depositing undisputed statutory dues including 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 to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated?	The company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales, tax wealth tax, service tax, custom duty, excise duty. Cess and other statutory dues applicable to the Company with the appropriate



			<p>authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.</p>
		<p>b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute)</p>	<p>There is no dispute with the revenue authorities regarding any duty or tax payable.</p>
(viii)	Loan from Banks/ Financial Institution	<p>Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and government, lender wise details to be provided)</p>	<p>The company has not defaulted in repayment of dues to financial institution, or a bank.</p>
(ix)	Application of Money Received from Equity or Loan	<p>Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification? if any, as may be applicable, be reported.</p>	<p>The Company has not applied term loans for the purposes other than for which those are raised</p>
(x)	Fraud Reporting	<p>Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year? If yes, the nature and the amount involved is to be indicated;</p>	<p>Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.</p>
(xi)	Managerial Remuneration	<p>whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.</p>	<p>Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.</p>
(xii)	Nidhi Company - Compliance with Deposits	<p>Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet</p>	<p>As per information and records available with us The company is not Nidhi Company.</p>



		out the liability?	
(xiii)	Related Party Transactions	Whether all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards?	Yes , All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
(xiv)	Issue of Share Capital and use of Amount Raised	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act,2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance?	No Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debenture during Financial Year 2018-19.
(xv)	Transaction with Director	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with?	The company has entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with.
(xvi)	Registration from RBI	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained?	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

**FOR R N K A & CO.**  
(Chartered Accountants)  
Reg No. :021745N

**CA RAJESH KUMAR**  
Partner  
M.No. : 506726  
Date: 25/09/2019  
Place: Delhi





**“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, 2019 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, 2019, 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.

**FOR R N K A & CO.**

(Chartered Accountants)

Reg No. :021745N



**RAJESH KUMAR**

Partner

M.No. : 506726

Date: 25/09/2019

Place: Delhi

**SBC EXPORTS LIMITED**  
BALANCE SHEET AS AT 31st MARCH 2019

PARTICULARS	NOTE No.	As at 31-Mar-19	As at 31-Mar-18
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
- Share Capital	2	76,000,000.00	1,000,000.00
- Reserves & Surplus	3	52,007,805.00	13,758,214.00
Share application money pending allotment			
<b>Non-Current Liabilities</b>			
a) Long Term Borrowings - Secured	4	3,467,509.00	4,963,423.00
b) Long Term Borrowings - Unsecured	5	22,601,839.00	23,237,298.00
Deferred Tax Liabilities (Net)			
<b>Current Liabilities</b>			
a) Short-Term Borrowing	6	9,093,488.00	-
b) Trade Payables	7	175,581,163.00	139,134,917.00
c) Other Current Liabilities	8	23,579,502.00	2,578,092.00
d) Short-Term Provisions	9	5,443,378.00	5,227,326.00
<b>Total</b>		<b>367,774,684.00</b>	<b>189,899,270.00</b>

**ASSETS**

**Non-Current Assets**

a) Fixed Assets			
i) Tangible Assets	10	34,858,816.00	11,448,939.00
b) Deferred Tax Assets (Net)	11	901,929.00	642,873.00
c) Other Non-Current Assets			
d) Non Current Investment	12	100,000.00	-

**Current Assets**

a) Inventories	13	79,785,280.00	74,862,019.00
b) Trade Receivables	14	171,888,127.00	74,400,527.00
c) Cash and cash Equivalents	15	12,731,408.00	12,771,696.00
d) Short-Term Loans and Advances	16	54,484,965.00	15,773,216.00
e) Other Current Assets	17	13,024,159.00	-

**Total** **367,774,684.00** **189,899,270.00**

Notes 1-40 form an integral part of Financial Statements

As per our Report of the even Date annexed

**For R N K A & Co.**

Chartered Accountants

CA. RAJESH KUMAR  
PARTNER

M No. 506726

Place: New Delhi

Date: 25/09/2019



**For SBC EXPORTS LIMITED.**

**For SBC EXPORTS LTD.**

DHEERENDRA KUMAR GUPTA

Director  
DIN 03321016

DEEPIKA GUPTA

Director  
DIN 03319765

CS HARISH SHARMA  
Company Secretary

MUKESH BHATT  
Chief Financial Officer

**SBC EXPORTS LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

PARTICULARS	NOTE No.	For the year ended 31-Mar-19	For the year ended 31-Mar-18
<b>INCOME</b>			
Revenue from Operations	18	800,010,363.00	639,945,469.00
Other Income	19	4,137,463.00	2,150,351.00
<b>Total Revenue Rs.</b>		<b>804,147,826.00</b>	<b>642,095,820.00</b>
<b>EXPENSES</b>			
Purchases of Stock In Trade	20	715,443,710.00	639,521,196.00
Changes in Inventory of Raw Goods	21	(4,923,261.00)	(41,544,115.00)
Payments to and Provision for Employees	22	35,277,027.00	16,905,929.00
Financial Costs	23	6,889,145.00	3,786,838.00
Depreciation and Amortization Expenses		3,746,359.00	1,638,651.00
Establishment & Other Expenses	24	29,180,933.00	9,077,648.00
<b>Total Expenses Rs.</b>		<b>785,613,913.00</b>	<b>629,386,147.00</b>
Profit before Tax		18,533,913.00	12,709,673.00
Provision for Taxation			
Current Tax		5,443,378.00	4,425,377.00
Deferred Tax			
Less : Deferred Tax Liability		-	-
Add: Deferred Tax Assets		259,056.00	168,152.00
<b>Profit for the Period</b>		<b>13,349,591.00</b>	<b>8,452,448.00</b>
<b>Basic Earning Per Share of Rs. 10/- each</b>		3.44	84.52
<b>Diluted Earning Per Share of Rs. 10/- each</b>		3.44	84.52

Notes 1-40 form an integral part of Financial Statements

As per our Report of the even Date

**For R N K A & Co.**

Chartered Accountants

*Rajesh Kumar*



**CA. RAJESH KUMAR**

PARTNER

M No. 506726

Place: New Delhi

Date : 25/09/2019

**For SBC EXPORTS LIMITED**

**For SBC EXPORTS LTD.**

*Dheerendra Kumar Gupta*

**DHEERENDRA KUMAR GUPTA**

Director

DIN 01632764

*Deepika Gupta*

**DEEPIKA GUPTA**

Director

DIN 03319765

*Hartom Sharma*

**CS HARTOM SHARMA**  
Company Secretary

*Mukesh Bhatt*

**MUKESH BHATT**  
Chief Financial Officer

**SBC EXPORTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. In Laacs)

Particulars	31.03.2019	31.03.18
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxes	18,533,913.00	12,709,673.00
Adjustment for		
Add: Depreciation & Amortisations	3,746,359.00	1,638,651.00
Add: Financial Expenses	6,889,145.00	3,786,838.00
Add / (Less): Loss / (Profit) on Sale of Fixed Assets		
<b>Operating Profit before Working capital changes</b>	<b>29,169,417.00</b>	<b>18,135,162.00</b>
Adjustments for		
Decrease (Increase) in Inventories	(4,923,261.00)	(41,544,115.00)
Decrease (Increase) in Trade & Other Receivables	(97,487,600.00)	(34,007,177.00)
Decrease (Increase) in Short Term Loans & Advances(Excl. Taxes)	(38,711,749.00)	(3,716,087.00)
Decrease (Increase) in Other Current Assets	(13,024,159.00)	(2,517,866.00)
Increase (Decrease) in Trade Payables	36,446,246.00	65,949,657.00
Increase (Decrease) in Short Term Provisions (Excl. Taxes)	216,052.00	3,375,044.00
Increase (Decrease) in Other Current Liabilities	21,001,410.00	2,470,852.00
Net Changes in Working Capital	<b>(96,483,061.00)</b>	<b>(9,989,692.00)</b>
<b>Cash Generated from Operations</b>	<b>(67,313,644.00)</b>	<b>8,145,470.00</b>
Less: Taxes	5,443,378.00	4,425,377.00
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(72,757,022.00)</b>	<b>3,720,093.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale / (Purchase) of Fixed Assets and CWIP	(27,156,236.00)	(8,541,308.00)
Decrease (Increase) in Non Current Assets		
Decrease (Increase) in Investments	(100,000.00)	
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(27,256,236.00)</b>	<b>(8,541,308.00)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of share capital and Proceeds / (Refund) from Share Application Money	75,000,000.00	
Directly infuse additional capital in general reserve	24,900,000.00	
Interest & Finance Charges	(6,889,145.00)	(3,786,838.00)
Preliminary Expenses Incurred		
Increase / (Repayment) of Long Term Borrowings	(2,131,373.00)	18,094,863.00
Increase / (Repayment) of Short Term Borrowings	9,093,488.00	(1,504,891.00)
Decrease (Increase) in Long Term Loans & Advances		
<b>Net Cash Flow from Financing Activities (C)</b>	<b>99,972,970.00</b>	<b>12,803,134.00</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(40,288.00)</b>	<b>7,981,919.00</b>
Cash and cash equivalents at the beginning of the year / Period	12,771,696.00	4,789,777.00
Cash and cash equivalents at the end of the year/ Period	12,731,408.00	12,771,696.00

As per our Report of the even Date

**For RNKA & Co.**

Chartered Accountants

CA. RAJESH KUMAR  
PARTNER

M No: 506726  
Place: New Delhi  
Date: 25/09/2019



For SBC EXPORTS LIMITED

**For SBC EXPORTS LTD.**

DHEERENDRA  
KUMAR GUPTA

Director  
DIN 01632764

CS HARSHOM SHARMA  
Company Secretary

DEEPIKA GUPTA

Director  
DIN 03319765

MUKESH BHATT  
Chief Financial Officer

**SBC EXPORTS LIMITED**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

**1 SIGNIFICANT ACCOUNTING POLICIES :**

**1.1 Basis Of Preparation Of Financial Statement**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements has been prepared on the accrual basis and under the historical cost convention. The Management evaluates all recently issued or revised accounting standards on an on-going basis.

**1.2 Recognition Of Income & Expenditure :**

All revenues, income & expenses are accounted for on accrual basis.

**1.3 Fixed Assets :**

Expenditure, which are of capital nature, are capitalised at acquisition cost, which comprises purchase price (net of rebates and discount), levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

**1.4 Depreciation :**

a) Depreciation on Fixed Assets has been provided on W.D.V. Method as per the classification and on the basis of rates prescribed in Schedule II to the Companies Act, 2013.

b) Depreciation on Fixed Assets added /disposed off during the year, is provided on pro-rata basis with reference to the month of additional/Disposal.

**1.5 Employees Benefits :**

The provisions of provident Fund Act and ESI Act are not applicable to the Company. Other retirement benefits payable to employees are being provided as and when the payment for the same is made.

**1.6 Revenue Recognition :**

Revenue on sale is recognised when risk and rewards on ownership of products are passed on to customer, which are generally dispatched on goods. The amount recognised as revenue is exclusive of service tax, value added tax "VAT", GST and is net off returns, applicable trade discounts and allowances.

**1.7 Accounting For Tax:-**

Provision for Current Income Tax is made on the taxable income using the applicable tax rates and tax laws. Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods, is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred Tax assets are recognised as there is sufficient assurance with respect to future taxable income.

	As at 31-Mar-19	As at 31-Mar-18
<b>2 Share Capital</b>		
<b>AUTHORISED</b>		
11,10,000/100,000 Equity Shares of Rs. 10/- each	<u>111,000,000.00</u>	<u>1,000,000.00</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
76,00,000/100,000 Equity Shares of Rs. 10/- each fully paid up	<u>76,000,000.00</u>	<u>1,000,000.00</u>

**a) Details of Shareholders holding Shares in a Company:**

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Share held	% of Holding	No. of Shares held	% of Holding
DEEPIKA GUPTA	3,130,000	41.19	30,000.00	30.00
DHEERENDRA KUMAR GUPTA	2,525,000	33.22	25,000.00	25.00
GOVINDJI GUPTA	404,000	5.32	4,000.00	4.00
SARIKA GUPTA	25,000	0.33	25,000.00	25.00
PRAVEEN VERMA	5,500	0.07	5,500.00	5.50
AMIT KUMAR AGARWAL	505,500	6.65	5,500.00	5.50
SBC FINMART LTD (CAPITAL)	1,000,000.00	13.16		
GAURAV GUPTA	2,500	0.03	-	-
SUDESHWAR GUPTA	2,500	0.03	-	-

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

Particulars	As at 31 December 2019	
	Number	Amount
Shares outstanding at the beginning of the year	100,000	1,000,000.00
Shares issued during the year	7,500,000	75,000,000.00
Shares bought back during the year	-	-
Shares outstanding as on 31st December 2018	7,600,000	76,000,000.00



**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 Rs. 10/- 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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

	As at 31-Mar-19	As at 31-Mar-18
<b>3. Reserve &amp; Surplus</b>		
<b>a) Profit &amp; Loss Account Balance</b>		
Opening Balance	13,758,214.00	5,305,766.00
Add: Profit for the year	13,349,591.00	8,452,448.00
	<u>27,107,805.00</u>	<u>13,758,214.00</u>
<b>b) Share Premium Account</b>	24,900,000.00	-
	<u>52,007,805.00</u>	<u>13,758,214.00</u>
<b>4. Long Term Borrowings - Secured</b>	3,467,509.00	4,963,423.00
	<u>3,467,509.00</u>	<u>4,963,423.00</u>
<b>5. Long Term Borrowings - Unsecured</b>		
Unsecured Loan From Financial Institutions	22,601,839.00	23,237,298.00
	<u>22,601,839.00</u>	<u>23,237,298.00</u>
<b>6 Short Term Borrowings- Secured</b>		
Bank OD	9,093,488.00	-
	<u>9,093,488.00</u>	<u>-</u>
<b>7 TRADE PAYABLE</b>		
a) Sundry Creditors	175,581,163.00	139,134,917.00
	<u>175,581,163.00</u>	<u>139,134,917.00</u>
<b>8 OTHER CURRENT LIABILITIES</b>		
a) Salary Payable	3,919,261.00	2,064,258.00
b) Auditors Remuneration Payable	225,000.00	250,000.00
c) Rent Payable	100,904.00	263,834.00
d) TDS Payable	1,296,291.00	
f) Credit Card Payable	23,359.00	
e) Current Maturity of Long Term Debt	18,014,687.00	
	<u>23,579,502.00</u>	<u>2,578,092.00</u>
<b>9 SHORT TERM PROVISIONS</b>		
a) Provision for Income tax Liability	5,443,378.00	4,425,377.00
b) Others	-	801,949.00
	<u>5,443,378.00</u>	<u>5,227,326.00</u>



For SBC EXPORTS LTD.

*[Signature]*  
Director

For SBC EXPORTS LTD.

*[Signature]*  
Director

SBC EXPORTS LIMITED

NOTES-10

FIXED ASSETS SCHEDULE AS PER COMPANIES ACT, 2013 FOR ENDED ON 31.03.2019

PARTICULARS	GROSS BLOCK			DEPRECIATION		NET BLOCK			
	Opening Balance	Additions During the year	Dispose off/Deletion	TOTAL	Opening Balance	During the Year	TOTAL	WDV AS ON 31/03/2019	WDV AS ON 31/03/2018
COMPUTERS	1,776,156.00	992,693.00	-	2,768,849.00	1,583,301.00	454,193.00	2,037,494.00	731,355.00	192,855.00
FURNITURE	1,679,665.00	205,400.00	-	1,885,065.00	726,222.00	266,054.00	992,276.00	892,789.00	953,443.00
PLANT & MACHINERY	4,418,053.00	5,905,297.00	-	10,323,350.00	1,690,927.00	1,114,554.00	2,805,481.00	7,517,869.00	2,727,126.00
CAR	6,635,800.00	2,102,205.00	-	8,738,005.00	82,282.00	1,386,692.00	1,468,974.00	7,269,031.00	6,553,518.00
OFFICE EQUIPMENT	2,016,347.00	273,881.00	-	2,290,228.00	994,350.00	524,866.00	1,519,216.00	771,012.00	1,021,997.00
Land(Plot)		17,676,760.00	-	17,676,760.00	-	-	-	17,676,760.00	-
<b>TOTAL</b>	<b>16,526,021.00</b>	<b>27,156,236.00</b>	<b>-</b>	<b>43,682,257.00</b>	<b>5,077,082.00</b>	<b>3,746,359.00</b>	<b>8,823,441.00</b>	<b>34,858,816.00</b>	<b>11,448,939.00</b>



For RNKA & CO.

CHARTERED ACCOUNTANTS

*Rajesh Kumar*

CA. RAJESH KUMAR  
PARTNER

M. No.: 506726

Date: 25/09/2019

Place: Delhi

For SBC EXPORTS LIMITED

For SBC EXPORTS LTD.

*Deepika Gupta*

DHEERENDRA KUMAR GUPTA  
DIRECTOR  
DIN 03319765

*Dheerendra Kumar Gupta*

DHEERENDRA KUMAR GUPTA  
DIRECTOR  
DIN 03319765

*Mukesh Bhatt*

MUKESH BHATT  
Chief Financial Officer

CS HARIOM SHARMA  
Company Secretary



**SBC EXPORTS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

	As at 31-Mar-19	As at 31-Mar-18
<b>11 Deferred Tax Liabilities/(Assets)</b>		
a) Deferred Income Tax Assets	901,929.00	642,873.00
	<b>901,929.00</b>	<b>642,873.00</b>
<b>12. Non Current Investment</b>		
Investment in Equity Shares (Indian Companies)	100,000.00	-
	<b>100,000.00</b>	<b>-</b>
<b>13. Inventories</b>		
(As per inventories taken, valued and certified by the management)		
- Stock in Trade (Valued at lower of cost or realisable value)	79,785,280.00	74,862,019.00
	<b>79,785,280.00</b>	<b>74,862,019.00</b>
<b>14. Trade Receivables</b>		
a) Secured		
b) Unsecured (Considered good)		
- Outstanding for period Less than six months	58,139,256.00	71,919,829.00
- Outstanding for period more than six months	113,748,871.00	-
- Other Debts		2,480,698.00
	<b>171,888,127.00</b>	<b>74,400,527.00</b>
<b>15. Cash &amp; Cash Equivalent</b>		
a) Cash on hand (As Certified by the Management)	90,509.00	218,996.00
b) Balance With the Scheduled Bank in current accounts:	12,640,899.00	10,565,911.00
c) Travel Card		1,986,789.00
	<b>12,731,408.00</b>	<b>12,771,696.00</b>
<b>16. Short Term Loans &amp; Advances</b>		
a) Loan & Advances	47,897,671.00	6,939,752.00
b) Tds Receivable	6,587,294.00	8,833,464.00
	<b>54,484,965.00</b>	<b>15,773,216.00</b>
<b>17. Other Current Assets</b>		
a) Accrued Interest	117,243.00	-
b) Deposits	10,696,254.00	-
c) GST Receivables	2,210,662.00	-
	<b>13,024,159.00</b>	<b>-</b>



For SBC EXPORTS LTD.

*[Signature]*  
Director

For SBC EXPORTS LTD.


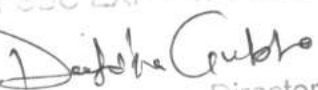
*[Signature]*  
Director

SBC EXPORTS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

	As at 31-Mar-19	As at 31-Mar-18
<b>18. Revenue From Operations</b>		
Sales	424,758,453.00	387,538,930.00
Services	375,251,910.00	252,406,539.00
	<u>800,010,363.00</u>	<u>639,945,469.00</u>
<b>19. Other Income</b>		
Commission	-	12,372.00
Discount recd	150,150.00	74,374.00
Interest Received	3,975,976.00	2,063,605.00
Misc Income	11,337.00	-
	<u>4,137,463.00</u>	<u>2,150,351.00</u>
<b>20. Purchase Of Stock</b>		
Purchase of Trading Items	373,966,842.00	393,366,199.00
Purchase of Services	324,606,752.00	246,154,997.00
Purchase of Packaging Materials	15,748,965.00	
Consumables	1,121,151.00	
	<u>715,443,710.00</u>	<u>639,521,196.00</u>
<b>21. Changes In Inventory</b>		
Opening Stock of Finished Goods	74,862,019.00	33,317,904.00
Closing Stock of Finished Goods	79,785,280.00	74,862,019.00
	<u>(4,923,261.00)</u>	<u>(41,544,115.00)</u>
<b>22. Employee Benefit Expenses</b>		
Director's Remuneration	3,211,622.00	2,988,000.00
Salaries including Bonus	30,613,720.00	13,034,303.00
Staff Welfare	434,176.00	605,883.00
Conveyance	1,017,509.00	277,743.00
	<u>35,277,027.00</u>	<u>16,905,929.00</u>
<b>23. Financial Costs</b>		
Bank Charges	207,099.00	226,920.00
Interest Paid	6,682,046.00	3,559,918.00
	<u>6,889,145.00</u>	<u>3,786,838.00</u>
<b>24. Establishment And Other Expenses</b>		
Auditors Remuneration	250,000.00	250,000.00
SBC paid	-	64,067.00
Loan Processing Charges	414,857.00	625,322.00
Festival Expenses	36,000.00	117,000.00
Freight	1,619,533.00	6,000.00
Power and fuel	1,194,184.00	568,145.00
Rent	5,880,468.00	1,799,472.00
Printing & Stationary	4,500.00	181,000.00
Advertisement	381,625.00	499,890.00
Repair & Maintenance	198,075.00	147,613.00
Postage & courier	140,273.00	78,070.00
Software maintenance	169,580.00	54,673.00
Finishing Expenses	1,721,747.00	1,183,652.00
Security expenses	180,000.00	180,000.00
Telephone Expenses	665,170.00	429,882.00
Tour & Travelling Expenses	671,849.00	167,331.00
Commission Paid on Sale	1,158,750.00	12,000.00
Legal & Professional Exp.	6,261,645.00	135,000.00
Rebate & Discount	93,075.00	98,621.00
Business Promotion	501,412.00	972,998.00
Office Expenses	2,210,371.00	1,006,033.00
Vehicles Running & Maintence	803,187.00	24,530.00
Job Work charges	498,261.00	351,866.00
Misc. Expenses	188,691.00	124,483.00
Sundry Balance W/o	1,365,972.00	-
Insurance Expenses	249,052.00	-
Marketing Expenses	423,000.00	-
ROC Expenses	1,096,180.00	-
Charity & Donation	16,200.00	-
Online Trading Expenses	429,302.00	-
Interest Expenses	357,974.00	-
	<u>29,180,933.00</u>	<u>9,077,648.00</u>



SBC EXPORTS LTD. SBC EXPORTS LTD.  
 Director  
 Director

**SBC EXPORTS LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
25. Contingent Liabilities and Commitments (to the extent not provided for)	NIL	NIL
26. There is no claim against the Company which can be acknowledge as debts.		
27. In the opinion of the board of directors, the "Current Assets, Loans & Advances" have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet		
28. The Board has certified that all the incomes accrued to the Company has been taken into consideration and belong entirely and exclusively to the business of the Company.		
29. Balances in the accounts of some of the parties are subject to confirmation from respective parties		

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
<b>30. <u>Auditors Remuneration :</u></b>		
Audit Fee	250,000.00	250,000.00
<b>31. <u>Remuneration to whole time Directors :</u></b>		
Remuneration to Director	3,211,622.00	2,988,000.00

32. In line with mandatory Accounting Standard 22 issued by the institute of Chartered Accountants of India, the Company has accounted for Taxes on income to include the effect of timing differences in the tax expenses in the Profit & Loss Account and deferred tax assets/liability in the Balance sheet.

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
The Deferred Tax Asset (Liability) has been created on account of following items		
Timing Difference in Depreciation	1,032,505.00	672,606.00

33. Balance appearing under loans, sundry debtors and sundry creditors are subject to confirmation.
34. There are no material prior period items, except to the extent disclosed, included in Profit & Loss A/c required to be disclosed as per Accounting Standard -5 issued by the ICAI.
35. Fixed Assets possessed by the company are treated as 'Corporate Assts' and not 'Cash Generating Units' as defined by Accounting Standards -28 - " Impairment Of Assets" issued by the ICAI. As on March 31,2019 There were no event or changes in circumstance which indicate any impairment in the assets.
36. There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31,2019. This information as required to disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have identified on the basis of information available with company.

As per our Report of the even Date

**For R N K A & Co.**  
Chartered Accountants

*Rajesh Kumar*



**CA. RAJESH KUMAR**  
**PARTNER**

M No. 506726  
Place: New Delhi  
Date : 25/09/2019

**For SBC EXPORTS LIMITED**

**For SBC EXPORTS LTD.**

*Dheerendra Kumar Gupta*

**DHEERENDRA KUMAR GUPTA**  
Director  
DIN 03321016

*Deepika Gupta*

**DEEPIKA GUPTA**  
Director  
DIN 03319765

*Mukesh Sharma*

**CS HARJOT SHARMA**  
Company Secretary

*Mukesh Bhatt*

**MUKESH BHATT**  
Chief Financial Officer

**SBC EXPORTS LIMITED**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

	31-Mar-2019	31-Mar-2018
<b>37. Expenditure in Foreign Currency: (amount in Rs.)</b>		
Import of Trading Goods	NIL	NIL
Travelling Expenses	NIL	NIL
<b>38. Earning per share</b>		
<b>Computation for Basis &amp; Diluted Earning per Share</b>		
Net Profit as per Profit & Loss Account	13,349,591	8,452,448
Weighted average number of equity shares outstanding during the year	3,880,822	100,000
Basis & Diluted Earning per Share (in Rs.)	3.44	84.52

39. Disclosures in respect of Related Parties as defined in Accounting Standard (AS) 18, with whom transaction were carried out in the ordinary course of business during the year as given blow :

**A. Related parties & their Relationship**

**i. Directors, Key Management Persons & their relative**

DEEPIKA GUPTA  
 DHEERENDRA KUMAR GUPTA  
 AKSHAT GUPTA  
 VINOD KUMAR  
 MANUPRIYA MISHRA  
 AMIT JAISWAL  
 MANISH GUPTA

**ii. Other related parties where common control exists and with whom company had transaction during the year.**  
 NIL

**B. Transactions made during the year 2018-2019**

Amount in Rs.

Detail Of Transaction	Associates	Key Management Personnel & Relatives	Associates	Key Management Personnel & Relatives
	2018-19	2018-19	2017-18	2017-18
Equity Contribution	10,000,000.00	89,900,000.00		
Loans Taken				
Loans Repaid				
Loans & advances Given				
Director Remuneration		3,211,622.00		2,988,000.00
Assets Sold				
Interest received on Loans given				
interest paid on Loans				
Rent Paid				
Purchase of Stock In Trade				

40. Previous year figures have been re-grouped/ re-arranged wherever necessary to conform to current year presentation in terms of revised schedule VI issued by Ministry of Corporate Affairs

As per our Report of the even Date

**For R N K A & Co. & Co.**  
 Chartered Accountants

*Rajesh K*



**CA. RAJESH KUMAR PARTNER**  
 M No. 506726  
 Place New Delhi  
 Date 25/09/2019

**For SBC EXPORTS LIMITED**

**For SBC EXPORTS LTD.**

*Dheerendra Kumar Gupta*  
**DHEERENDRA KUMAR GUPTA**  
 Director  
 DIN 03321016

*Deepika Gupta*  
**DEEPIKA GUPTA**  
 Director  
 DIN 03319765

*Manish Sharma*  
**MANISH SHARMA**  
 Company Secretary

*Mukesh Bhatt*  
**MUKESH BHATT**  
 Chief Financial Officer