



# Sybly Industries Ltd.

**Date: 05.09.2022**

Dy. General Manager (Listing)  
Department of Corporate Services  
BSE Limited  
PhirozeJeejeebhoy Towers,  
Dalal Street, Mumbai-400 001

**Scrip Code: 531499**

**Scrip ID: SYBLY**

**Sub: Submission of Annual Report along with Notice of 34<sup>th</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2022.**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Annual Report of the Company for the financial year 2021-2022 along with Notice for the 34th Annual General Meeting of the Company, scheduled to be held on Friday, the 30<sup>th</sup> September, 2022.

The Annual Report and Notice of AGM are also available on the Company's website at [www.sybly.com](http://www.sybly.com).

This is for your information & record.

Thanking you,

Yours faithfully,  
**For Sybly Industries Limited**

**SAGAR  
AGARWAL**

Digitally signed by SAGAR AGARWAL  
DN: c=IN, ou=Personal, postalCode=201204,  
st=Uttar Pradesh,  
2.5.4.20=5C5d0e649079b2d99c1b03c0c9a4  
ab02e0d41c340efdb0855eac42932e0872,  
pseudonym=7A9924CE9784FD4E50914FC45  
E41096CC4F81568,  
serialNumber=1D4E1F91952F1F76F8ACD4D  
5AD745AEB421400839AC0E4599452D50AE  
C746931, cn=SAGAR AGARWAL  
Date: 2022.09.05 14:49:32 +05'30'

**Sagar Agarwal**  
**(Company Secretary & Compliance Officer)**  
**Membership No.: A57936**

*34<sup>th</sup>*  
*ANNUAL REPORT*  
*2021-2022*



**SYBLY INDUSTRIES LIMITED**

**BOARD OF DIRECTORS**

Nishant Mittal (Resigned w.e.f. 07.12.2021)	Chairman & Managing Director
Mahesh Chand Mittal (Change in Designation w.e.f. 08.12.2021)	Managing Director
Ramesh Chandra Sharma (Appointment w.e.f. 07.12.2021)	Non-Executive Director
Ankita Garg (Appointment w.e.f. 28.08.2021)	Independent Director
Sachin (Appointment w.e.f. 28.08.2021)	Independent Director
Mamta Garg (Resigned w.e.f. 28.08.2021)	Non-Independent Director
Dhan Pal Jain (Resigned w.e.f. 28.08.2021)	Independent Director
Virendra Kumar Govil (Resigned w.e.f. 28.08.2021)	Independent Director

**AUDIT COMMITTEE**

Sachin	Chairperson
Mahesh Chand Mittal	Member
Ankita Garg	Member

**NOMINATION & REMUNERATION COMMITTEE**

Sachin	Chairperson
Ramesh Chandra Sharma	Member
Ankita Garg	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE**

Sachin	Chairperson
Ramesh Chandra Sharma	Member
Ankita Garg	Member

**COMPANY SECRETARY & CFO**

Sagar Agarwal	Company Secretary & CFO
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**34th Annual General Meeting**

Date: 30<sup>th</sup> September, 2022

Time: 11:30 A.M.

Place: Pawan Puri, Muradnagar-201206

**STATUTORY AUDITOR:**

**M/s. Vipin Nagar & Co.**

Chartered Accountants

**SECRETARIAL AUDITOR**

**M/s. Sonia Rani & Associates.**

Company Secretary

**REGISTERED AND SHARE  
TRANSFER AGENT**

**Beetal Financial & Computer Services  
(P) Ltd.**

Beetal House, 99, Mandangir, 3<sup>rd</sup>  
Floor, Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir,  
New Delhi-110062, Tel: 011-  
29961281, 29961282  
Fax: 29961284 Email: beetalrta@gmail.  
com

**BANKERS**

Bank of Baroda, Modinagar

**REGISTERED OFFICE**

Pawan Puri, Muradnagar -201206

Distt: Ghaziabad (U.P.)

**CIN: L17111UP1988PLC009594**

**LISTED AT**

BSE Limited

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## NOTICE

To,

The Members,

Notice is hereby given that the **34<sup>th</sup> Annual General Meeting** of the Company will be held at the registered office of the Company at **Pawan Puri, Muradnagar, Ghaziabad-201206 on Friday, the 30<sup>th</sup> day of September, 2022 at 11:30 A.M.** to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 including Balance Sheet, Statements of Profit & Loss and Cash Flow Statement and reports of the Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Mahesh Chand Mittal (DIN: 00284866) who retires by rotation and, being eligible, offers himself for re-appointment.
3. **Appointment of Auditors**

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

To appoint the Statutory Auditors and to fix their remuneration and to consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. V.S. Gupta & Co., Chartered Accountants, having FRN No. 00724C, Meerut be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s. Vipin Nagar & Co., Chartered Accountants, the retiring Auditors) for a term of five years to hold office from the conclusion of the 34th Annual General Meeting of the Company till the conclusion of the 39th Annual General Meeting to be held in 2027 (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) on such remuneration as decided by the board.

**SPECIAL BUSINESS**

4. **Appointment of Mr. Ramesh Chandra Sharma (DIN: 00284981) As Non-Executive Non-Independent Director of the Company.**

To consider and, if thought fit to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Mr. Ramesh Chandra Sharma (DIN: 00284981) who was appointed as an Additional Director in the meeting of the Board of Directors held on 07th December, 2021 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a notice in writing from him proposing his candidature for the office of Director, be and is hereby appointed as Non- Executive Non Independent Director of the Company, liable to retire by rotation".

5. **Change in Designation of Mr. Mahesh Chand Mittal (DIN: 00284866) From Non-Executive Director to Managing Director of the Company.**

To consider and, if thought fit to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT,** pursuant to the provisions of Sections 196, 197 and 203 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V and all other applicable statutory provisions of the Companies Act, 2013, and regulation 17(1A) of SEBI (LODR) Regulation, 2015, (including any statutory modification (s) or re-enactment thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee, consent of the shareholders be and is hereby accorded to the re-designated and appointment of Mr. Mahesh Chand Mittal (DIN: 00284866) as Managing Director of the company for a period of five years with effect from 08<sup>th</sup> December, 2021 to 07<sup>th</sup> December, 2026, of the Company, liable to retire by rotation and, who will attain the age of 70 years on 26th September, 2022, to continue to hold office of Managing Director even after attaining the age of 70 years.

6. **Fixing Remuneration of Mr. Mahesh Chand Mittal (DIN: 00284866) as Managing Director w.e.f. 24.01.2022.**

To consider and if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** in terms of provisions contained in Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder, including any statutory modifications or re-enactment thereof, and the Articles of Association of the Company and subject to such other approvals as may be necessary, approval of the Members be and is hereby accorded for payment of remuneration to Mr. Mahesh Chand Mittal (DIN 00284866), Managing Director in the following terms and Conditions:

a) Term : 5 years w.e.f. 08.12.2021

b) Salary & Perquisites: Not Exceeding Rs 60,00,000/ P.A. including perks

However, the Following shall not form apart of perquisites:

- I. Contribution to Provident Fund, Superannuation Fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- II. Gratuity payable at the rate of half a month's salary for each completed year of services;
- III. Encashment of leave at the end of tenure."

## 7. Approval for Material Related Party Transaction.

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**.

**“RESOLVED THAT** pursuant to provisions of Sections 2(76), 180(1)(c), 188 of the Companies Act, 2013 (hereinafter ‘Act’) and any other applicable provisions of the Act, if any, read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the listing regulations, consent of the members of the Company be and is hereby accorded to the Material Related Party Transaction entered of a value of Rs. 10 Crore (Ten Crore Rupees) as per details as set out under Item No. 7 of the Statement annexed to this Notice and that the Board of Directors be and are hereby authorized to perform and execute all such deeds, matters and things including delegate such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

## 8. To make Investments, Give Loans, Guarantees and Security in excess of the limits prescribed in Section 186 of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 10 Crores (Rupees Ten Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (including a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution and to make, sign and execute, on behalf of the Company, such deed, documents, agreements, undertakings and all other necessary papers as may be required; to accept modifications to the same as may be necessary and to do all such acts, deeds and things that may be required or considered necessary or incidental for the same;

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and is hereby authorized to fill necessary forms with the Registrar of Companies, to make necessary entries in the Statutory registers of the Company and to do all such acts/ deeds/ things as may deem fit to give effect to this resolution.”

**By Order of the Board  
FOR SYBLY INDUSTRIES LIMITED**

Place: Muradnagar  
Date: 30<sup>th</sup> August, 2022

Sd/-  
**Sagar Agarwal**  
Company Secretary, Compliance Officer & CFO  
Membership No. A57936  
Residential Address: Gali No. 2, Gurudwara Road,  
Anandipura, Modinagar, Ghaziabad, U.P. - 201204

## NOTES:

1. The Annual General Meeting will be held at the said venue by strictly adhering to the Social Distancing Norms and other Safety Protocols including face masks, hand sanitization, Infrared Thermometer etc. as per the latest guidelines/advisories/SOP's issued by the Ministry of Health & Family Welfare, Govt. of India and the State Govt. amid COVID-19 Pandemic.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 34<sup>th</sup> ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY., IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES / BODIES CORPORATES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE. A BLANK FORM MGT-11 IS ATTACHED WITH THIS NOTICE.**

As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent (10%) 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 shareholder.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

3. **Members are requested to notify immediately the change of address, if any, to the Company or the Share Transfer Agent and Registrar.** Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, immediately of:
  - (a) Change in their Residential Status on return to India for permanent settlement.
  - (b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier
4. Members / proxies / authorized representatives are requested to bring duly filled admission / attendance slips sent herewith along with this notice of the AGM at the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DPID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
8. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item No.3,4,5,6 7 and 8 of the accompanying notice is annexed hereto.
9. Additional information pursuant to Regulation 26(4) & 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard 2 in respect of Director seeking appointment/re-appointments enclosed as Annexure to this notice.
10. Copies of all documents referred to in the notice are available for inspection at the registered office of the Company during normal business hours on all working days up to and including the date of the Annual General Meeting of the Company.
11. Members seeking any information with regard to accounts are requested to write to the Compliance Officer at least ten days in advance of the Annual General Meeting, to enable the Company to keep the information ready.
12. Members are requested to:
  - a. Bring their copy of the annual report for the meeting and duly filled Attendance Slip enclosed herewith along with a valid identity proof such as the PAN Card, Passport, AADHAR Card, or Driving License to attend the meeting.
  - b. Note that all correspondence relating to share transfers should be addressed to Registrar and Transfer Agents of the Company, viz. Beetal Financial and Computer Services (P) Ltd., Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062, India.
  - c. Quote their DP ID No. / Client ID No. or Folio Number in all their correspondence.
13. All the documents referred to in the accompanying notice, explanatory statement and Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested are open for inspection at the registered office of the Company on all working days except Saturdays and Sundays, between 11.00 AM to 1.00 PM up to the date of AGM and also at the venue of the AGM.
14. Pursuant to Section 101 and 136 of the Companies Act, 2013 and rules made there under, the companies are allowed to send communication to shareholders electronically. We thus, request you to kindly register/update your email ids with your respective depository participant and Company's Registrar and Share Transfer Agent (in case of physical shares) and make this initiative a success.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members who have yet not given their PAN and 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 RTA/Company.
16. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
17. Pursuant to the directions of the SEBI, trading in the shares of your Company is de-materialized form Members, who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates for de-materialization through Depository Participant(s) with whom they have opened the de-materialization account to the Company's RTA.
  1. Members who hold shares in physical form in multiple folios in identical names or joint holding in same order of names are requested to send share certificates to RTA M/s. Beetal Financial & Computer Services (P) Ltd., for consolidation into single folio.
  2. The Route Map along with prominent land mark for easy location of the 34<sup>th</sup> Annual General Meeting venue is printed on the last page of the Annual Report.
18. **Facility for Voting:**

The voting period begins on 27.09.2022 at 10:00 A.M. and ends on 29.09.2022 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the 23.09.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to



**all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

In Compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the remote e-voting service facility arranged by Central Depository Services Limited. The facility for voting, through ballot paper, will also be made available at the Annual General Meeting (AGM) and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the Cut-off date, being, **23.09.2022**. The Instructions for e-voting are given below.

Shareholders can also cast their vote electronically using CDSL's Mobile App 'M-Voting' available for Android, I Phone and Windows based mobiles. The M-Voting App can be downloaded from Google Play Store, App store and the Windows Phone Store respectively. Please follow the Instructions as prompted by the mobile app while voting on your mobile.

- (i) In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <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 e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> 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 able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3) 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 e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in Demat mode) login through their <b>Depository Participants</b>	<p>1) You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</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. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	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 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	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 224 430

**The instructions for shareholders voting electronically are as under:**

- i) The Voting period begins on 27<sup>th</sup> September, 2022 (10.00 AM) and ends on 29<sup>th</sup> September, 2022 (05.00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field Sequence number is printed on address label. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then reach directly to the selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant 'SYBLY INDUSTRIES LIMITED' on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xix) Shareholders can also cast their vote electronically using CDSL’s Mobile App ‘M-Voting’ available for Android, I Phone and Windows based mobiles. The M-Voting app can be downloaded from Google Play Store, App store and the Windows Phone Store respectively. Please follow the Instructions as prompted by the mobile app while voting on your mobile.
- xx) Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [sybly@rediffmail.com](mailto:sybly@rediffmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23.09.2022 may follow the same instructions as mentioned above for e-Voting.
- xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. The Board of Directors has appointed Mrs. Sonia Rani, Practicing Company Secretary, as the “Scrutinizer” to scrutinize the e-voting process (including the Ballot Forms received from the members who do not have any access to e-voting process) in fair and transparent manner.
20. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of e-Voting period, unblock the votes in the presence of at least 2 witnesses not in employment of the company and make a Scrutinizer’s Report for the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
21. Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.sybly.com](http://www.sybly.com) and on the website on CDSL within two days of passing the resolution at 34<sup>th</sup> Annual General Meeting of the Company on 30<sup>th</sup> September, 2022 and will be communicated to BSE Limited where the shares of the company are listed.
22. To Prevent Fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic Statement of holdings should be obtained from the concerned Depository Participant and holding should be verified.
23. Details of Director seeking appointment and re-appointment at the forthcoming Annual General Meeting is given in annexure attached to this notice.

#### **REQUEST TO THE MEMBERS**

1. Members are requested to bring their attendance slip.

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

##### **ITEM NO. 3**

M/s. V.S. Gupta & Co., Chartered Accountants, having FRN No.00724C, Meerut are being appointed as the Statutory Auditors of the Company at the 34<sup>th</sup> Annual General Meeting (AGM) of the Company held on 30<sup>th</sup> September, 2022 for the term of five (5) years to hold office till the conclusion of 39<sup>th</sup> Annual General Meeting to be held in the year 2027. M/s. Vipin Nagar & Co., Chartered Accountants have been the Statutory Auditors of the Company for approx. last 05 years. Pursuant to the provisions of Section 139 of the Companies Act, 2013, their tenure is upto the conclusion of the forthcoming AGM.

The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on 30<sup>th</sup> August, 2022 proposed the appointment of M/s. V.S. Gupta & Co., Chartered Accountants as the Statutory Auditors of the Company for a period of 5 (five) years, to hold office from the conclusion of this Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting to be held in the year 2027 (subject to ratification of their appointment by the members at every AGM held after this Annual General Meeting).

In accordance with Section 139(2) of the Companies Act, 2013 and Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. V.S. Gupta & Co., is eligible for appointment for a term of 5 (five) financial years. In accordance with the provisions of Section 139 and Section 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company has also received consent letter and eligibility certificate from M/s. V.S. Gupta & Co., to act as the Statutory Auditors of the Company. The terms and conditions of appointment are as under:

<b>Term of Appointment</b>	5 (Five) years from the conclusion of 34th AGM till the conclusion of 39th AGM of the Company.
<b>Proposed Audit Fees</b>	<p>Fixed audit fee of Rs.50,000/- (Rupees Fifty Thousand Only) for the financial year 2022–2023. The proposed fee is based on knowledge, expertise, industry experience, time and efforts required to be put in by M/s. V.S. Gupta &amp; Co., during their association with the Company.</p> <p>On the recommendation of the Audit Committee, the proposed audit fees for next financial years of their tenure shall fixed by the Board of Directors of the Company in consultation with the Auditors.</p> <p>The fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee mentioned above and will be decided by the management in consultation with the Auditors.</p>
<b>Reason for Change / appointment</b>	Appointment

None of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the shareholders.

## ITEM NO. 4

Based on recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company (hereinafter 'the Board') at its meeting held on December 07, 2021 had decided to propose the appointment of Mr. Ramesh Chandra Sharma (DIN: 00284981) as a Non-Executive Non-Independent Director, liable to retire by rotation, before the members of the Company at the 34th Annual General Meeting of the Company.

In terms of Section 160(1) of the Companies Act 2013 (hereinafter 'the Act'), the Company has also received a notice in writing from a member proposing his candidature for the office of the Director. The Company has received a consent in writing from Mr. Ramesh Chandra Sharma (DIN: 00284981) to act as a Director of the Company. He has also submitted a declaration to the effect that he is not debarred from appointing/holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or by any order of other authorities and he is eligible to be appointed as a Director in terms of Sections 164 and 167 of the Act.

The relevant details relating to his appointment as required under the Act, the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standard-2 on General Meetings are provided as an "Annexure" to this Notice. Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Ramesh Chandra Sharma on the Board of the Company and accordingly the Board recommends an **Ordinary Resolution** set out at Item No. 4 of the accompanying Notice for approval of the members.

## OTHER INFORMATION & DISCLOSURES

### Nature of concern / interest as per provision of Section 102 of Companies Act 2013

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relative(s) except Mr. Ramesh Chandra Sharma are in any way concerned or interested financially or otherwise in the Resolution. He is not related to any director, promoters or KMP in the Company.

His appointment shall be subject to retire by rotation as provided in the Act but he shall be eligible for re-appointment.

Shareholders are requested to please to confirm / approve the appointment as a Non-Executive Director of the Company.

Information about the appointee as per the requirement of SS-2 on General Meeting issued by The Institute of Company Secretary of India and regulation 36(3) of the Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations, 2015 regarding Item No. 4.

Name	Mr. Ramesh Chandra Sharma
Designation	Non-Executive Director
Date of Birth	13-04-1954
Date of first appointment	07-12-2021
Qualification	B.SC
Experience	Around 15 years rich experience of higher Management in various fields.
Directorship held in other Companies	Doas Consulting Engineers Private Limited
Directorship held in Listed entities (other than Sybly Industries Limited)	NIL
Membership of Committees of the Board (only Listed Entities) in which Chairmanship, membership is held (includes only Audit Committee and Stakeholder Relationship Committee)*	2
Numbers of shares held in the Company as on 31.03.2022	42004
No. of Board Meeting attended during the year	1 out of 6
Terms & Conditions of Appointment	NIL
Past Remuneration	NIL
Relationship with other Directors	N.A.

\* Only Committees which are necessary under the Companies Act, 2013 have been considered for this purpose.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the members.

## **ITEM NO. 5 & 6**

The Board of Directors of the Company (the 'Board'), at its meeting held on 07.12.2021 has, re-designated and appointed Mr. Mahesh Chand Mittal (DIN: 00284866) as Managing Director of the company for a period of five years with effect from 08<sup>th</sup> December, 2021 to 07<sup>th</sup> December, 2026. The Nomination and remuneration Committee (NRC) in its meeting has recommended the re-designated and appointment of Mr. Mahesh Chand Mittal as a Managing Director of the Company and also recommended to the shareholders that he be appointed and should be allowed to continue as a Managing Director of the company even after attaining the age of 70 years. Mr. Mahesh Chand Mittal will attain the age of 70 years on 26-09-2022 hence, the **Special Resolution** is placed before the shareholders in order to comply with SEBI (LODR) Regulation, 2015.

### **\* BRIEF PROFILE OF MR. MAHESH CHAND MITTAL**

Mr. Mahesh Chand Mittal is 69 years old. He is a B.E (Electrical) and joined the company since its incorporation as a promoter director in Sybly Industries Limited. He has very rich experience in various fields. He has been responsible for liaison and finance of the company and thus helps build a strong base and backbone of the company.

The Board of Directors of the Company (the 'Board'), at its meeting held on 07<sup>th</sup> December 2021 had, on the recommendation of NRC, subject to the approval of members, re-designated and appointed Mr. Mahesh Chand Mittal (DIN: 00284866) as Managing Director for a period of 5 (Five) years i.e. 08<sup>th</sup> December 2021 to 07<sup>th</sup> December, 2026 on remuneration of Rs. 60,00,000/- P.A. However, the benefits namely Gratuity, Leave Encashment Benefits, Provident Fund etc. shall not be counted as perquisites to the extent it is exempted under Income Tax Act, 1961.

Pursuant to the provision of Sections 152, 196, 197, 203, Schedule V of the Companies Act read with Companies Managerial Rules, Regulation 17, 17(1A) of the SEBI (LODR) Regulation 2015, as amended from time to time, Board recommends the members' approval for the re-designated and appointment of Mr. Mahesh Chand Mittal (DIN: 00284866) as a Managing Director and remuneration paid to him.

Mr. Mahesh Chand Mittal (DIN: 00284866) will attain the age of 70 years on 26th September, 2022. Therefore, the Board recommend passing of Special Resolution to continue to hold office of Managing Director, even after attaining the age of 70 years.

### **MINIMUM REMUNERATION:**

Notwithstanding anything to the contrary contained herein, where in any financial year during the tenure of Mr. Mahesh Chand Mittal (DIN: 00284866) as Managing Director, the company has either no profits or the profits are inadequate, the company will pay to him Rs. 60,00,000/- P.A. remuneration by way of salary, perquisites as specified above.

Mr. Mahesh Chand Mittal (DIN: 00284866), the promoter director of the Company is associated with the Company since incorporation. The Board is of the opinion that Mr. Mahesh Chand Mittal's (DIN: 00284866) rich and diverse experience is valuable asset to the company which adds value and his experience / enriched point of view in all aspects of the Company's working and decision making during Board discussion. He is also a person of integrity who possesses required expertise and his association as a Managing Director will be beneficial to the Company.

A brief profile of Mr. Mahesh Chand Mittal (DIN: 00284866) along with the required particulars is given at the end of the statement. Further Mr. Mahesh Chand Mittal (DIN: 00284866) has confirmed that he is not disqualified from being re-designated and appointed as a director in terms of Section 164 of the Act and from being re-designated and appointed as Managing Director in terms of Schedule V of the Act. Mr. Mahesh Chand Mittal (DIN: 00284866) has also confirmed that he is not debarred from holding the office of director by virtue of any SEBI Order or any such authority pursuant to Circular dated 20<sup>th</sup> June, 2018 issued by BSE pertaining to enforcement of SEBI Orders regarding appointment of directors by the listed company.

### **Above shall be treated as an abstract for the purpose of Section 190**

General Information as required pursuant to the provisions of Schedule V is as under:-

#### **I. GENERAL INFORMATION:**

- (1) Nature of Industry: Presently the Company is engaged in Trading activity of Polyester Yarn.
- (2) Date or expected date of commencement of commercial production : Not Applicable
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
- (4) Financial performance  
(Amount in Lacs)

<b>Financial Results</b>	<b>2021-2022</b>	<b>2020-2021</b>
Total Revenue	963.24	935.04
Total expenses	1122.43	1104.69
Profit before Tax	3.52	(15.31)
Less: Current Tax	0.55	-
Profit/(Loss) for the period	109.82	(60.55)
Earning Per Equity Share		
1. Basic	1.20	(0.66)
2. Diluted	1.20	(0.66)

- (5) Export performance and net foreign exchange collaborations: Nil

- (6) Foreign investments or collaborators if any: N. A.

## II. INFORMATION ABOUT MR. MAHESH CHAND MITTAL

### (1) Background details:

Mr. Mahesh Chand Mittal is 69 years old. He is a B.E (Electrical) and joined the company since its incorporation as a promoter director. He has very rich experience in various fields. He has been responsible for liaison and finance of the company and thus helps build a strong base and backbone of the company.

### (2) Past Remuneration: NIL

### (3) Recognition or awards: NIL

### (4) Job profile and his suitability:

Mr. Mahesh Chand Mittal has very rich experience in various fields. He has been responsible for liaison and finance management of the Company. Keeping in view the background of Mr. Mahesh Chand Mittal, he is best suitable for the post.

### (5) Remuneration proposed: As explained in resolution no.6 of this Notice.

### (6) Comparative remuneration profile with respect to industry.

The proposed remuneration is in line with the remuneration in the industry.

### (7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.

Mr. Mahesh Chand Mittal is the promoter and director of the company. He directly holds 1651061 Equity Shares of the company.

## III. OTHER INFORMATION

### 1. Reasons of loss or inadequate profits : N.A.

### 2. Steps taken proposed to be taken for improvement : NIL

### 3. Expected increase in productivity and profits in measurable terms : It is expected that the profitability of the company would be more in future.

## IV. OTHER INFORMATION & DISCLOSURES

The Shareholders of the Company have been informed about the remuneration of Mr. Mahesh Chand Mittal in Item no.6 of the Notice of this Annual General Meeting.

Compliance of regulation 17 (1A) OF SEBI (LODR) Regulations, 2015.

### **Nature of Concern / Interest as per provision of Section 102 of Companies Act, 2013:**

None of the Directors and Key Managerial Personnel of the Company except Mr. Mahesh Chand Mittal himself may be deemed to be concerned or interested in the resolution to the extent of payment of remuneration to be paid to Mr. Mahesh Chand Mittal, Managing Director of the Company.

His appointment shall be subject to retire by rotation as provided in the Act but he shall be eligible for re-appointment.

Shareholders are requested to please to confirm / approve the re-designation and appointment as a Managing Director and remuneration payable to Mr. Mahesh Chand Mittal as mentioned in relevant item no. 5 & 6 of the Notice.

Information about the appointee as per the requirement of SS-2 on General Meeting issued by The Institute of Company Secretary of India and regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations, 2015 regarding Item No. 5 & 6.

Name	<b>Mr. Mahesh Chand Mittal</b>
Designation	Managing Director
Date of Birth	26-09-1952
Date of first appointment	He is associated as director since incorporation of the company
Qualification	B.E (Electrical)
Experience	He has very rich experience of higher Management in various fields since 1988.
Profile	Mr. Mahesh Chand Mittal is on this post since incorporation and has wide experience in field of Finance management.
Directorship held in other Companies	1
Directorship held in Listed entities (other than Sybly Industries Limited)	1
Membership of Committees of the Board (only Listed Entities) in which Chairmanship, membership is held (includes only Audit Committee and Stakeholder Relationship Committee)*	2
Numbers of shares held in the Company as on 31.03.2022	1651061
No. of Board Meeting attended during the year	5 out of 6
Terms & Conditions of Appointment	NIL

Past Remuneration	NIL
Relationship with other Directors	N.A

\* Only Committees which are necessary under the Companies Act, 2013 have been considered for this purpose.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Mahesh Chand Mittal under Section 190 of the Companies Act, 2013. Details as required under SS-2 are also given in Corporate Governance Report.

The Board recommends the Special Resolution set out at Item No.5 & 6 of the Notice for approval by the members

## **Item No 7**

The Board of Directors of the Company, based upon the recommendation of Audit Committee, at its meeting held on 30<sup>th</sup> August, 2022, has approved a Material Related Party Transaction to be enter up to an aggregate amount of Rs. 10 Crore (Ten Crore Rupees) on such terms and condition as may be agreed between contracting parties.

In terms of Section 188 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in terms of policy of the Company in dealing with related parties, the said transaction requires prior approval of the members by passing a resolution as the amount of transaction exceeds 10% of the annual turnover of the Company as per latest audited financial statement of the Company.

None of the other Directors or Key Managerial Personnel (KMPs) of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution.

As per Section 188 of Companies Act, 2013 and Regulation 23 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the related parties shall abstain from voting on this resolution.

The Board recommends the resolution as set out in the Item No. 7 of accompanying notice for the approval of members of the Company as a Special Resolution.

## **ITEM NO. 8**

The Company has been making investments in, giving loans, inter corporate deposits and guarantees to various persons and bodies corporate from time to time, in compliance with the applicable provisions of the Act. The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition of securities of anybody corporate as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required. As per the latest audited Balance Sheet of the Company as on 31st March, 2022, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to Rs. 549.40 lakh while one hundred per cent (100%) of its free reserves and securities premium account amounts to Rs. NIL. Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees/ securities in connection with a loan, as the case may be, is Rs. 549.40 lakh.

The Company makes investments for the purpose of expansion on regular basis and inter corporate loans and guarantees are provided in the ordinary course of business from time to time as per the business requirements. In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Accordingly, the Board of Directors in its meeting held on August 30, 2022 approved increasing the aforesaid threshold by Rs. 10 Crores (Rupees Ten Crores only) over and above the limit specified under section 186 of the Companies Act, 2013 subject to approval of the Shareholders.

Therefore, it is proposed to seek fresh approval of members by way of a Special Resolution under Section 186(2) of the Companies Act, 2013 to authorize the Board of Directors of the Company to make investments in, giving loans, inter corporate deposits and guarantees to various persons and bodies corporate from time to time.

Hence, The Board recommends the resolution as set out in the Item No. 8 of accompanying notice for the approval of members of the Company as a Special Resolution.

## **ANNEXURE TO THE NOTICE**

### **Details of Director seeking appointment and re-appointment at the forthcoming Annual General Meeting:**

(Pursuant to Regulation 26(4) & 36(3) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard-2).

Name of the Director	Mr. Mahesh Chand Mittal	Mr. Ramesh Chandra Sharma
Director Identification Number (DIN)	00284866	00284981
Date of Birth	26-09-1952	13-04-1954
Nationality	Indian	Indian
Qualifications	B.E (Electrical)	B.SC.
Expertise in specific functional areas	He has very rich experience of higher Management in various fields since 1988.	Around 15 years rich experience of higher Management in various fields.



Terms & Conditions of appointment	Re-appointment as Director liable to retire by rotation. He has been appointed as Managing Director of the Company for a term of 5 (five) consecutive years with effect from 08th December, 2021 up to 07th December, 2026 with a remuneration and/or perquisites of Rs. 60,00,000/- per annum and shall be liable to retire by rotation.		Appointment as Non-Executive Non Independent Director of the Company from the date of 34th AGM and his directorship shall be liable to retire by rotation.	
Directorship held in Listed entities (other than Sybly Industries Limited)	Space Incubatrix Technologies Limited.		None	
Relationship with other directors, Manager, key managerial personnel of the Company.	Not related to any Directors and Key Managerial Personnel of the Company.		Not related to any Directors and Key Managerial Personnel of the Company.	
List of the Directorship held in other Companies	1. Space Incubatrix Technologies Limited		Doas Consulting Engineers Private Limited	
Number of shares held in the company	1651061		42004	
Membership of Committees of the Board (only listed entities) in which Chairmanship/membership is held (includes only Audit Committee and Stakeholder Relationship Committee)	<b>Name of the Company</b>	<b>Committee</b>	<b>Name of the Company</b>	<b>Committee</b>
	Sybly Industries Limited	Member- Audit Committee	Sybly Industries Limited	Member- Stake holder Relationship Committee
	Space Incubatrix Technologies Limited	Member-Stake Holder Relationship Committee		

**By Order of the Board  
FOR SYBLY INDUSTRIES LIMITED**

**Place: Muradnagar  
Date: 30<sup>th</sup> August, 2022**

**Sd/-  
Sagar Agarwal  
Company Secretary, Compliance Officer & CFO  
Membership No. A57936  
Residential Address: Gali No. 2, Gurudwara Road,  
Anandipura, Modinagar, Ghaziabad, U.P. - 201204**

## BOARD'S REPORT

To

The Members,

Your Directors are pleased to present the 34<sup>th</sup> Annual Report on the business and operations of the Company along with Audited Standalone Statement of Accounts for the Financial Year ended March 31, 2022.

**1. FINANCIAL RESULTS**

The standalone financial performance of the Company for the financial Year ended 31<sup>st</sup> March, 2022 is as follows.

(Audited)

(Rs. In Lakh)

PARTICULARS	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Receipt from Operations	956.83	912.35
Other Income	169.11	177.03
Operating Profit before Interest & Depreciation	108.30	159.24
Less : Interest	60.38	121.50
Gross Profit/(Loss)	47.92	37.74
Less : Depreciation	44.40	53.05
Net Profit/(Loss) for the year	3.52	(15.31)
Less : Provision for Current Tax	0.55	-
Provision for Deferred Tax	(106.84)	45.24
Profit/(Loss) After Tax	109.81	(60.55)
Add : Balance Brought Forward	(364.42)	(303.80)
Surplus Available for Appropriation	(254.61)	(364.35)
Less : Appropriation	0.03	0.07
Balance Carried Over to Balance Sheet	(254.64)	(364.42)
Earnings Per Share (EPS)		
-Basic	1.20	(0.66)
-Adjusted Basic	-	-
-Diluted	-	-

**2. FINANCIAL HIGHLIGHTS**

During the period under review turnover of the Company marginally increased from Rs. 912.35 Lakh to Rs.956.83 Lakh i.e. an increase of 4.88%. Company registered a profit before tax of Rs. 3.52 lakh against Loss before Tax of Rs. 15.31 lakh during F.Y. 20220-21, marginal increase in comparison to previous year. Further, the Company registered a Net Profit after Tax of Rs. 109.81 Lakh from Net Loss of Rs. 60.55 Lakh after adjustment of Deferred Assets of Rs. 106.84 Lakh.

**3. CHANGE IN THE NATURE OF BUSINESS**

That owing to the prevailing situation in the Country and the worldwide spread of COVID pandemic followed by the present scenario of slowdown, the manufacturing seems not viable with the old and obsolete machineries due to high cost of manufacturing, maintenance and other overheads.

Therefore the management has decided to shut down its manufacturing activity of Polyester Yam at its plant at Pawan Puri. Muradnagar Ghaziabad, Uttar Pradesh. However, the Company will continue the trading activity of all types of Yarn & Textile products at Pawan Puri, Muradnagar Ghaziabad. Uttar Pradesh till the further arrangement.

**4. STATEMENT OF AFFAIRS**

There was a steep downfall in the revenue & profitability of the company due to COVID Pandemic impact & overall slowdown in the market the management has decided to shut down its manufacturing activity of Polyester Yam at its plant at Pawan Puri, Muradnagar, Ghaziabad, Uttar Pradesh. However, the Company will continue the trading activity of all types of Yarn & Textile products at Pawan Puri, Muradnagar Ghaziabad. Uttar Pradesh till the further arrangement.

**5. CAPITAL STRUCTURE**

The Authorized Share Capital of the Company as on March 31, 2022 stands at Rs. 28,76,00,000/- divided into 2,87,60,000 equity shares of Rs. 10/- each. The Subscribed and Paid-up Share Capital of the Company stands at Rs.9,15,66,530/- divided into 91,56,653 equity shares of Rs. 10/- each fully paid-up.

During the year under review, the Company has not issued any Equity share with differential voting rights nor has granted any Stock Options or Sweat Equity.

**6. DIVIDEND**

In view of the losses incurred by your Company, your board does not recommend any dividend for the financial year 2021-2022.

**7. TRANSFER TO RESERVE**

During the year under review, the company has not transferred any amount to the General Reserves.

**8. MATERIAL CHANGES**

No material change and commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, which may affect the financial position of the Company.

**9. OTHER INFORMATION****Sweat Equity Shares, Employee Stock Option/Right Issue/Preferential Issue:-**

The Company has neither come up with any Right Issue/ Preferential Issue, nor issued any Sweat Equity Shares and not provided any Stock Option Scheme to the employees during the period under review.

**10. NUMBER OF BOARD MEETINGS HELD**

The Board of Directors duly met 6 times during the financial year from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022. The mandatory gap between two meetings is less than 120 days. The dates on which the Meeting were held are as follows:

25<sup>th</sup> May, 2021, 12<sup>th</sup> August, 2021, 28<sup>th</sup> August, 2021, 01<sup>st</sup> November, 2021, 07<sup>th</sup> December, 2021 & 24<sup>th</sup> January, 2022.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Your Company is managed and controlled by a Board comprising an optimum blend of Executives and Non-Executive Professional Directors as on March 31, 2022. The Board of Directors consists of four(4) Directors including One(1) Managing Director, One(1) Non-executive Director, Two(2) Non-executive Independent Directors [including One(1) Non-executive & Independent Woman Director] and One(1) Company Secretary and Chief Financial Officer. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. All the Directors possess the requisite qualifications and experience in general Corporate Management, Finance, Banking and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

**11. DIRECTORS AND KEY MANAGERIAL PERSONNEL****a) APPOINTMENT/REAPPOINTMENT/ CESSATION OF DIRECTORS**

- Resignation of Mr. Dhan Pal Jain as Independent Non-Executive Director of the Company w.e.f. 28.08.2021.
- Resignation of Mrs. Mamta Garg as Non-Independent Non-Executive Director of the Company w.e.f. 28.08.2021.
- Resignation of Mr. Virendra Kumar Govil as Independent Non-Executive Director of the Company w.e.f. 28.08.2021.
- Appointment of Mrs. Ankita Garg (DIN: 09252403) as Non-Executive Independent Director of the Company w.e.f. 28.08.2021.
- Appointment of Mr. Sachin (DIN: 09269555) as Non-Executive Independent Director of the Company w.e.f. 28.08.2021.
- Re-appointment of Mr. Nishant Mittal (DIN: 02766556) as Managing Director of the Company w.e.f. 28.08.2021 for the further 5 years.
- Resignation of Mr. Nishant Mittal (DIN: 02766556) as Managing Director of the Company w.e.f. 07.12.2021.
- Change in Designation of Mr. Mahesh Chand Mittal (DIN: 00284866) from Non-Executive Director to Managing Director of the Company w.e.f. 8<sup>th</sup> December, 2021.
- Appointment of Mr. Ramesh Chandra Sharma (DIN: 00284981) as Additional Director in the Category of Non-Executive Director of Company w.e.f. 07.12.2021, subject to approval of Shareholders in forthcoming General Meeting of the Company.

As per the provisions of the Companies Act, 2013, Mr. Mahesh Chand Mittal retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for approval of the members in the forthcoming Annual General Meeting. Mr. Mahesh Chand Mittal will attain the age of 70 years on 26-09-2022, hence the Board also recommends to the shareholders that he be allowed to be appointed and to continue as a Managing Director of the company even after attaining the age of 70 years.

**b) KEY MANAGERIAL PERSONNEL**

Change in Designation of Mr. Mahesh Chand Mittal (DIN: 00284866) from Non-Executive Director to Managing Director of the Company w.e.f. 8<sup>th</sup> December, 2021.

**12. DECLARATION BY INDEPENDENT DIRECTORS**

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board confirms that the independent directors meet the criteria as laid down under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Independent Directors on the Board of the Company serve as an Independent Director in more than Seven (7) Listed Companies nor holds the position of Whole Time Director in any Listed Company.

**13. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, to the best of their knowledge and ability, confirm that:

- i. In the preparation of annual accounts, the applicable accounting standards had been followed and there are no material departures.
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the loss of the Company for that period;
- iii. The directors had 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;
- iv. The directors had prepared the annual accounts on a going concern basis;

- v. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**14. INFORMATION ABOUT THE FINANCIAL PERFORMANCE/ FINANCIAL POSITION OF THE SUBSIDIARY**

During the F.Y. 2021-2022 your company does not have any unlisted/listed subsidiary company or Joint Ventures or any Associate Companies. Therefore, AOC-1 is not attached.

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

- (i) A demand of Rs. 4,82,46,341/- has been raised by the Office of the Assistant Commissioner of Income Tax for the assessment year 2017-18. Against this demand, Company has filed an appeal with Commissioner of Income Tax (Appeal) However, the Income Tax assessments of the Company is pending for the assessment year 2020-21, 2021-22 & 2022-23.
- (ii) The Adjudicating Officer of SEBI vide an Order dated 15.03.2019 imposed a Penalty of Rs. 10.30 Crore on the Company in respect of some non-compliances regarding Issue of GDR by the Company in the FY 2008-09. However, the company has filed an Appeal before Securities Appellate Tribunal (SAT), Mumbai against the impugned Order. The Hon'ble Securities Appellate Tribunal (SAT) has pronounced its judgement dated 14.07.2022 by reducing Penalty on the Company to Rs. 25 Lakh from Rs. 10.30 Crore as imposed by the Adjudicating Officer of SEBI and reducing the Debarment period from accessing the securities market from 5 years to the period undergone.
- (iii) A demand of Rs. 38,13,847/- and interest thereon has been raised by the Office of the Additional Commissioner (Customs) for non-fulfillment of Export Obligations against Customs Duty saved under EPCG Scheme. Against this demand, Company has filed an appeal with Commissioner of Customs (Appeal). Such appeal has been rejected by the Commissioner (Appeal). Company is planning to file appeal to the Tribunal against this order.
- (iv) A demand of Rs. 3,53,99,270/- has been raised by Office of the Assistant Commissioner of Income Tax for the assessment year 2014-15 under reassessment proceedings. Against this demand, Company has filed an appeal with Commissioner of Income Tax (Appeal), which is pending till the date of Report.

Therefore, the company has a Contingent Liability of more than Rs. 9.00 Crore as on 31.03.2022, which is under its net worth of Rs. 9.28 Crores as on 31.03.2022. These conditions along with other matters indicates that if the Contingent Liability stands payable, then there is the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the management is of the opinion that the demand so raised is in dispute and appropriate appeals have been filed by the company. In view of the mitigating factors as fully described in the aforesaid note that the management is of the view that the going concern basis of accounting is appropriate.

**16. DISCLOSURES REQUIRED WITH RESPECT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 PARTICULARS OF EMPLOYEES**

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment of Managerial Personnel) Rules, 2014 is given in an **Annexure-A** and forms part of this Report.

**17. RISK MANAGEMENT POLICY**

Pursuant to Section 134(3) (n) of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy for the Company including identification therein of elements of risk, if any, which is in the opinion of the Board, may threaten the existence of the Company.

These are discussed at the meeting of the Audit Committee and the Board of Directors of the Company.

At present the Company has not identified any element of risk while Contingent liability equates network still there is no risk/threat

**18. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board and shall formulate a Corporate Social Responsibility Policy. Your Company is not falling under the preview of said section during the year.

**19. FORMAL ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

**20. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The Company's Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations. It comprises audit and compliance by internal audit checks by M/s. V.S. Gupta & Co., Internal Auditors of the Company.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the financial transactions and review various business processes. Independence of the Internal Auditors and therefore compliance is ensured by the direct report of internal audit division and Internal Auditors to the Audit Committee of the Board.

**21. AUDIT COMMITTEE**

As per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015, the Company's Audit Committee comprise of majority of the Independent Directors. All the members of the Committee have relevant experience in financial matters. The details of the composition of the Committee are set out in the following table:

S. No.	Name	Designation
1.	Mrs. Mamta Garg*	Chairperson (Non-Executive & Non Independent Director)
2.	Mr. Nishant Mittal*****	Member (Executive Director)
3.	Mr. Dhan Pal Jain**	Member (Non-Executive & Independent Director)
4.	Mrs. Ankita Garg***	Member (Non-Executive & Independent Director)
5.	Mr. Sachin****	Chairman (Non-Executive & Independent Director)
6.	Mr. Mahesh Chand Mittal*****	Member (Executive Director)

\*Cessation of Mrs. Mamta Garg as Chairperson of the Committee w.e.f. 28.08.2021.

\*\*Cessation of Mr. Dhan Pal Jain as Member of the Committee w.e.f. 28.08.2021.

\*\*\*Appointment of Mrs. Ankita Garg as Member of the Committee w.e.f. 28.08.2021.

\*\*\*\*Appointment of Mr. Sachin as Chairman of the Committee w.e.f. 28.08.2021.

\*\*\*\*\* Cessation of Mr. Nishant Mittal as Member of the Committee w.e.f. 07.12.2021

\*\*\*\*\*Appointment of Mr. Mahesh Chand Mittal as Member of the Committee w.e.f. 08.12.2021.

## 22. NOMINATION AND REMUNERATION COMMITTEE

As per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulation, 2015, the Company's Nomination and Remuneration Committee comprise of three Non-Executive Independent/Non-Executive Non-Independent Directors. Out of which 2 are Non-Executive Independent Directors and 1 is Non-Executive Non-Independent Director. The details of the composition of the Committee are set out in the following table:

S. No.	Name	Designation
1.	Mr. Virendra Kumar Govil*	Chairman (Non-Executive & Independent Director)
2.	Mr. Dhan Pal Jain**	Member (Non-Executive & Independent Director)
3.	Mrs. Mamta Garg***	Member (Non-Executive & Non Independent Director)
4.	Mrs. Ankita Garg****	Member (Non-Executive & Independent Director)
5.	Mr. Sachin*****	Chairman (Non-Executive & Independent Director)
6.	Mr. Mahesh Chand Mittal*****	Member (Non-Executive & Non Independent Director)
7.	Mr. Ramesh Chandra Sharma*****	Member (Non-Executive & Non Independent Director)

\*Cessation of Mr. Virendra Kumar Govil as Chairman of the Committee w.e.f. 28.08.2021.

\*\*Cessation of Mr. Dhan Pal Jain as Member of the Committee w.e.f. 28.08.2021.

\*\*\*Cessation of Mrs. Mamta Garg as Chairperson of the Committee w.e.f. 28.08.2021.

\*\*\*\*Appointment of Mrs. Ankita Garg as Member of the Committee w.e.f. 28.08.2021.

\*\*\*\*\* Appointment of Mr. Sachin as Chairman of the Committee w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mr. Mahesh Chand Mittal as Member of the Committee w.e.f. 28.08.2021 and Cessation of Mr. Mahesh Chand Mittal as Member of the Committee w.e.f. 07.12.2021

\*\*\*\*\* Cessation of Mr. Ramesh Chandra Sharma as Member of the Committee w.e.f. 28.08.2021.

## 23. Stakeholder Relationship Committee

The Stakeholder Relationship Committee, inter alia, oversees and reviews all matters connected with the investor services in connection with applications received and shares allotted in the Initial Public Offer, status of refund account, conversion of partly paid shares into fully paid shares, rematerialization and dematerialization of shares and transfer of shares of the Company.

S. No.	Name	Designation
1.	Mr. Virendra Kumar Govil*	Chairman (Non-Executive & Independent Director)
2.	Mr. Dhan Pal Jain**	Member (Non-Executive & Independent Director)
3.	Mrs. Mamta Garg***	Member (Non-Executive & Non Independent Director)
4.	Mrs. Ankita Garg****	Member (Non-Executive & Independent Director)
5.	Mr. Sachin*****	Chairman (Non-Executive & Independent Director)
6.	Mr. Mahesh Chand Mittal*****	Member (Non-Executive & Non Independent Director)
7.	Mr. Ramesh Chandra Sharma*****	Member (Non-Executive & Non Independent Director)

\*Cessation of Mr. Virendra Kumar Govil as Chairman of the Committee w.e.f. 28.08.2021.

\*\*Cessation of Mr. Dhan Pal Jain as Member of the Committee w.e.f. 28.08.2021.

\*\*\*Cessation of Mrs. Mamta Garg as Chairperson of the Committee w.e.f. 28.08.2021.

\*\*\*\*Appointment of Mrs. Ankita Garg as Member of the Committee w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mr. Sachin as Chairman of the Committee w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mr. Mahesh Chand Mittal as Member of the Committee w.e.f. 28.08.2021 and Cessation of Mr. Mahesh Chand Mittal as Member of the Committee w.e.f. 07.12.2021

\*\*\*\*\* Cessation of Mr. Ramesh Chandra Sharma as Member of the Committee w.e.f. 28.08.2021.

## 24. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is available on the website of the Company.



[http://www.sybly.com/wp-content/uploads/2018/02/Nomination\\_Remuneration\\_Policy.pdf](http://www.sybly.com/wp-content/uploads/2018/02/Nomination_Remuneration_Policy.pdf)

We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

## **25. ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Company has formulated a Vigil Mechanism Policy to encourage all employees and directors of the Company to report any unethical behaviour, actual or suspected fraud or violation of the Code of the Company and to provide a secure environment to such employees acting in good faith and safeguarding them from any adverse action by the management. This policy is in line with the requirements of the provisions of the Section 177(9) of the Companies Act, 2013, read with rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Vigil Mechanism is available on the website of the Company.

[http://www.sybly.com/wp-content/uploads/2018/02/Whistle\\_Blower\\_Policy.pdf](http://www.sybly.com/wp-content/uploads/2018/02/Whistle_Blower_Policy.pdf)

## **26. DEPOSITS**

Your Company has no unclaimed / unpaid matured deposit or interest due thereon. Your Company has not accepted any deposits covered under 'Chapter V Acceptance of Deposits by Companies' under the Companies Act, 2013 during the financial year ended March 31, 2022, but there is an outstanding loan of Rs. 2,81,336/- not including interest from the Promoter-Directors of the Company and Corporate Deposit of Rs. 2,21,17,068/- from the group Company, which are exempted as deposit under Rule 2(c)(viii) and 2(c)(vi) of Companies (Acceptance of Deposit) Rules, 2014.

## **27. STATUTORY AUDITORS**

At the 29th Annual General Meeting held on 27th September, 2017 M/s. Vipin Nagar & Co. (ICAI Firm Registration Number: 05171C), Chartered Accountants, were appointed as Statutory Auditors for a period of 5 continuous years of the Company to hold office till the conclusion of the 34<sup>th</sup> Annual General Meeting of the Company.

Accordingly, in terms of Section 139 of the Companies Act, 2013 (hereinafter "The Act") read with the Companies (Audit and Auditors) Rules, 2014, the present Statutory Auditors of the Company, M/s. Vipin Nagar & Co. shall hold office until the conclusion of the ensuing Annual General Meeting. The Board of Directors places on record its appreciation for the services rendered by M/s. Vipin Nagar & Co., as the Statutory Auditors of the Company.

M/s. V.S. Gupta & Co., Chartered Accountants, having FRN No. 00724C ("the Auditors") has submitted their confirmation to the effect that they satisfy the criteria provided in Section 141 of the Companies Act, 2013 and that their appointment is within the limits prescribed under Section 141(3)(g) of the Act.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company as well as declaring that they have not taken up any prohibited non-audit assignments for the Company.

Your directors after considering the recommendation of the Audit Committee, recommends the Appointment of M/s. V.S. Gupta & Co., Chartered Accountants, having FRN No. 00724C. for term of five consecutive years from the conclusion of this ensuing 34<sup>th</sup> Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting of the Company.

During the year under review, the Audit Committee reviewed the independency, objectivity of the Auditors and the effectiveness of the audit process. The Auditors attended the Annual General Meeting of the Company held during the year under review

### **AUDITOR'S REPORT**

The Auditor Report for the financial year ended March 31<sup>st</sup>, 2022. There is no adverse qualification/remark in the Auditor's Report.

## **28. SECRETARIAL AUDITORS & SECRETARIAL AUDITOR'S REPORT**

The Board had appointed M/s. Sonia Rani & Associates (CP No. 3599), Practicing Company Secretaries, to carry out Secretarial Audit in accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year ended March 31<sup>st</sup>, 2022. The Secretarial Audit Report for the financial year ended March 31<sup>st</sup>, 2022 has been obtained and does not contain any qualification, which requires any comments from the Board. The Secretarial Audit Report for financial year ended March 31<sup>st</sup>, 2022 is annexed to this report as **Annexure 'B'**.

## **29. COST AUDITORS**

Pursuant to relevant provisions of the Companies Act, 2013, the Board has appointed M/s. M. K. Singhal & Co., Cost Accountants, on the recommendation of Audit Committee as the Cost Auditors of the Company for the financial year 2021-2022.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder, Members are requested to consider the ratification of the remuneration payable to M/s. M. K. Singhal & Co., Cost Accountants.

## **30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **31. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the **Annexure-C** to this report.

## **32. EXTRACT OF ANNUAL RETURN**

Pursuant to Sec 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Return can be accessed at Company's website at:

[http://www.sybly.com/wp-content/uploads/2021/11/Form\\_MGT-7\\_2021.pdf](http://www.sybly.com/wp-content/uploads/2021/11/Form_MGT-7_2021.pdf)

**33. RELATED PARTY TRANSACTIONS**

During the year under review, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or covered under Section 188 of the Companies Act, 2013. Hence, the details of such contracts or arrangements with its related parties are not disclosed in Form AOC-2 as prescribed under the Companies Act, 2013 and the Rules framed thereunder.

**34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Management Discussion and Analysis Report is included in this Report as **Annexure-D**.

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

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit Department with adequate experience and expertise in internal controls, operating system and procedures. In discharging their role and responsibilities, the department is supported by an external audit firm. The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls.

Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

**36. CORPORATE GOVERNANCE**

As Per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance with the Corporate Governance provisions as specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of regulation 46 and Para C, D and E of Schedule V not apply to Company having Paid up Equity Share Capital not Exceeding Rupees Ten Crore and Net Worth not exceeding Twenty-Five Crore as on the last day of previous financial year. The Company is covered under the Limit as Prescribed in regulation 15(2) of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, therefore Company is not required to comply with said provisions.

**37. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as required under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. The Company has constituted Internal Complaints Committee (ICC) known as Prevention of Sexual Harassment (POSH) Committee to enquire in to complaints of Sexual Harassment and recommend appropriate action. There were no complaints received under the aforesaid policy during the year.

**38. SECRETARIAL STANDARDS**

Your directors state that applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and notified by Ministry of Corporate Affairs (MCA) have been duly followed by Company.

**39. REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported any instance of fraud committed against the Company by its officers or employees under Section 143(12) of the Companies Act, 2013.

**40. DETAILS OF APPLICATION MADE OR PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

There were no applications made or any proceedings were pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review. Further, there was no instance of valuation of amount for settlement of loan(s) from Banks and Financial Institutions.

**41. ADDITIONAL INFORMATION TO SHAREHOLDERS**

All important and pertinent investor's information such as financial results, policies/codes, disclosures and project updates are made available on the Company's website ([www.sybly.com](http://www.sybly.com)) on a regular basis.

**42. ACKNOWLEDGEMENT**

The Board of Directors acknowledges with gratitude the co-operation extended by the Company's Bankers and also appreciates the continued trust and confidence reposed by the Shareholders in the management. They also place on record their appreciation for the valuable contribution and whole hearted support extended by the Company's employees at all levels.

by order of the Board  
FOR SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 30<sup>th</sup> August, 2022  
Registered Office:  
Pawan Puri, Muradnagar  
Distt. Ghaziabad  
(U.P.) – 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN: 00284866

Residential Address:  
Flat No 603, Tower-2, Orange County,  
Ahinsa Khand -1, Indirapuram,  
Ghaziabad, Uttar Pradesh 201014

# 1. Particulars of Employees

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive directors :	Ratio to median remuneration
Mr. Nishant Mittal**	12.32:1
Mr. Mahesh Chand Mittal**	7.00:1
Non-Executive Director :	-
Mr. Dhan Pal Jain***	-
Mr. Virendra Kumar Govil****	-
Mrs. Mamta Garg*****	-
Mrs. Ankita Garg*****	-
Mr. Sachin*****	-
Mr. Ramesh Chandra Sharma *****	-

\*Resignation of Mr. Nishant Mittal (DIN: 02766556) as Managing Director of the Company w.e.f. 07.12.2021.

\*\* Change in Designation of Mr. Mahesh Chand Mittal (DIN: 00284866) from Non-Executive Director to Managing Director of the Company w.e.f. 8<sup>th</sup> December, 2021.

\*\*\* Resignation of Mr. Dhan Pal Jain as Independent Non-Executive Director of the Company w.e.f. 28.08.2021.

\*\*\*\*Resignation of Mr. Virendra Kumar Govil as Independent Non-Executive Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Resignation of Mrs. Mamta Garg as Non- Independent Non-Executive Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mrs. Ankita Garg (DIN: 09252403) as Non-Executive Independent Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mr. Sachin (DIN: 09269555) as Non-Executive Independent Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mr. Ramesh Chandra Sharma (DIN: 00284981) as Additional Director in the Category of Non-Executive Director of Company w.e.f. 07.12.2021

- b. As per the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary	Ratio	% increase in remuneration in the financial years
Mr. Nishant Mittal, Chairman & Managing Director*	12.32:1	0.00
Mr. Mahesh Chand Mittal, Managing Director**	7.00:1	-
Mr. Dhan Pal Jain***	-	-
Mr. Virendra Kumar Govil****	-	-
Mrs. Mamta Garg*****	-	-
Mrs. Ankita Garg*****	-	-
Mr. Sachin*****	-	-
Mr, Ramesh Chandra Sharma*****	-	-
Mr. Sagar Agarwal, Company Secretary	3.78:1	29.80

\*Resignation of Mr. Nishant Mittal (DIN: 02766556) as Managing Director of the Company w.e.f. 07.12.2021.

\*\* Change in Designation of Mr. Mahesh Chand Mittal (DIN: 00284866) from Non-Executive Director to Managing Director of the Company w.e.f. 8<sup>th</sup> December, 2021.

\*\*\* Resignation of Mr. Dhan Pal Jain as Independent Non-Executive Director of the Company w.e.f. 28.08.2021.

\*\*\*\*Resignation of Mr. Virendra Kumar Govil as Independent Non-Executive Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Resignation of Mrs. Mamta Garg as Non- Independent Non-Executive Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mrs. Ankita Garg (DIN: 09252403) as Non-Executive Independent Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mr. Sachin (DIN: 09269555) as Non-Executive Independent Director of the Company w.e.f. 28.08.2021.

\*\*\*\*\*Appointment of Mr. Ramesh Chandra Sharma (DIN: 00284981) as Additional Director in the Category of Non-Executive Director of Company w.e.f. 07.12.2021

- c. The percentage increase in the median remuneration of employees in the financial year: 2.51%
- d. The number of permanent employees on the rolls of company (as at 31.03.2022) : 9
- e. The explanation on the relationship between average increase in remuneration and company performance.
- f. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last

financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Due to Corona Pandemic, there was no increment of employees remuneration during the year.

**g. Affirmation that the remuneration is as per the remuneration policy of the company:**

The Board of Director of the Company affirms that the remuneration is as per the remuneration policy of the Company.

**2. Information required with respect to Section 197 (12) of the Companies Act, 2013 read With Rule 5(2) of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014**

The Gross remuneration of the top ten employees and other employees do not fall under the prescribed limits as defined in Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014. Hence, there is no requirement to give the disclosure in the Board Report for the Financial Year 2021-2022.

**by order of the Board  
For SYBLY INDUSTRIES LIMITED**

**Place : Muradnagar**  
**Date : 30<sup>th</sup> September, 2022**  
**Registered Office:**  
PawanPuri, Muradnagar  
Distt. Ghaziabad (U.P.)– 201206

**Sd/-**  
**(Mahesh Chand Mittal)**  
**Managing Director**  
**DIN: 00284866**  
Residential Address: Flat No.603, Tower-2, Orange County,  
Ahinsa Khand-1, Ghaziabad, 201014,  
Uttar Pradesh

**FORM No.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 No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
**The Members,**  
**Syibly Industries Limited**  
**CIN: L17111UP1988PLC009594**  
**Pawan Puri, Muradnagar,**  
**Ghaziabad, U.P.201206**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the M/s. Sybly Industries Limited **CIN L17111UP1988PLC009594** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **March 31, 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:

**A.** I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2022**, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the 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, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the financial year under review);**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the financial year under review);**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the financial year under review);**
  - 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; **(Not Applicable to the Company during the financial year under review);**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the financial year under review);** and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the financial year under review);**

**B.** I further report that:

A compliance system prevailing in the company and on the examination of the relevant documents, records, management confirmation in pursuance thereof, on the test check basis, whenever applicable, the following applicable Laws specifically applicable to the Company:

- i. Income Tax Act, 1961 and the rules made thereunder
- ii. Air (Prevention and Control of Pollution) Act, 1981 read with The Air (Prevention and Control of Pollution) Rules, 1982
- iii. Environment (Protection) Act, 1986
- iv. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- v. Employees' State Insurance Act, 1948
- vi. Equal Remuneration Act, 1976
- vii. Factories Act, 1948
- viii. Industrial Employment (Standing Orders) Act, 1946
- ix. Maternity Benefit Act, 1961
- x. Legal Metrology Act, 2009
- xi. Minimum Wages Act, 1948
- xii. Payment of Wages Act, 1936
- xiii. Payment of Gratuity Act, 1972
- xiv. Payment of Bonus Act, 1965
- xv. Water (Prevention and Control of Pollution) Act, 1974
- xvi. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



- xvii. Competition Act, 2002
- xviii. Goods and Services Tax Act, 2017 and Rules thereunder,
- xix. Child Labor (Prohibition And Regulation) Act, 1986
- xx. Industrial Disputes Act, 1947

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

- i.) Secretarial Standards with issued by The Institute of Company Secretaries of India (ICSI);
- ii.) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc.

**C. I further report that:**

The Compliance by the Company of applicable Financial Laws like Direct and Indirect Tax Laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subjected to review by statutory auditors and other designated professionals.

**D. I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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, schedule of the Board /Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance.
- 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.
- All decisions of the Board and the Committees were taken unanimously.

**E. I further report that:**

Based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Secretary of the Company and taken on record by the Board of Directors at their meeting(s), I am of the opinion that adequate systems and processes are in place in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to notices/ correspondence received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**F. I further report that:**

During the audit period, the following specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc;

- i) During the audit period, the Company has filed a modification of charge form (CHG-1) with the Registrar of Companies for demand loan of Rs. 320.00 Lakhs (Rupees Three Crore Twenty Lakhs) and BGECL-WCTL of Rs. 143.00 Lakhs (Rupees One Crore Forty Three Lakhs Only) extended by Bank of Baroda, Uppar Bazar, Modinagar, Ghaziabad, Uttar Pradesh-201204 branch to Company vide sanction letter dated November 18, 2021.
- ii) During the audit period, the Company has filed a modification of charge form (CHG-1) with the Registrar of Companies for demand loan of Rs. 320.00 Lakhs (Rupees Three Crore Twenty Lakhs) and BGECL-WCTL of Rs. 193.00 Lakhs (Rupees One Crore Ninety Three Lakhs Only) extended by Bank of Baroda, Uppar Bazar, Modinagar, Ghaziabad, Uttar Pradesh-201204 branch to Company vide sanction letter dated December 04, 2021.
- iii) The Adjudicating Officer of SEBI vide an Order No. **ADJUDICATION ORDER NO. Order/SRP/AE/2018-19/2397** dated 15/03/2019 imposed a Penalty of Rs. 10.30 Crore on the Company in the matter of Public Issue of GDR by the Company during the F.Y. 2008-09.

The Company had filed an Appeal against the aforesaid Notice issued by Adjudication Order before Hon'ble Securities Appellate Tribunal (SAT), Mumbai in 2019. Thereafter, The Hon'ble Securities Appellate Tribunal (SAT) has pronounced its judgement dated 14.07.2022 by reducing Penalty on the Company to Rs. 25 Lakh from Rs. 10.30 Crore as imposed by the Adjudicating Officer of SEBI and reducing the Debarment period from accessing the securities market from 5 years to the period undergone.

**For SONIA RANI & ASSOCIATES**  
Company Secretaries

Sd/-  
**SONIA RANI**  
(Proprietor)  
M. No. : A36984  
CP : 20372  
UDIN : A036984D000876185

Place: New Delhi  
Date: 30<sup>th</sup> August, 2022

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed and forms an integral part of this report.

To,  
The Members,  
Sybly Industries Limited  
CIN: L17111UP1988PLC009594  
Pawan Puri, Muradnagar,  
Ghaziabad, U.P.201206

My Secretarial Audit Report for the financial year 31<sup>st</sup> March, 2022 is to be read along with this letter.

**Management's Responsibility:**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws, rules and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility:**

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances and procedures, on test basis.
3. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer:**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of account of the Company.

**For SONIA RANI & ASSOCIATES**  
**Company Secretaries**

Sd/-  
**SONIA RANI**  
(Proprietor)  
M. No. : A36984  
CP : 20372  
Mobile: 9971543044  
UDIN : A036984D000876185

Place: New Delhi  
Date: 30<sup>th</sup> August, 2022

**FORM - A**  
**DISCLOSURE OF PARTICULARS IN RESPECT TO CONSERVATION OF ENERGY:**

**1. THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:**

Energy conservation and management continued to be key area for all the manufacturing units of the Company. Regular monitoring of energy generation, distribution and consumption trends were carried out for effective control on Utilization of energy.

**2. THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCE OF ENERGY: NIL**

**3. THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:**

**A. POWER & FUEL CONSERVATION**

**CURRENT YEAR      PREVIOUS YEAR**

**1. ELECTRICITY :**

**(A) Purchased :**

Units	157092	296652
Total Amount (Rs.)	<b>1670793</b>	<b>2800073</b>
Average Rate Per Unit	10.64	9.44

**(B) Own Generation :**

Through Diesel Generator:

Units	<b>0.00</b>	<b>980</b>
Units Per Ltr. of Diesel/Oil	<b>0.00</b>	<b>3.70</b>
Cost Per Unit	<b>0.00</b>	<b>17.54</b>

**2. FIRE WOOD/DRY BAGGAS, KHOI, RICE HUSK :**

Quantity (M.T.)	-	-
Total Cost (RS.)	-	-
Rate Per M.T.	-	-

**Consumption Per Unit of Production :**

Production (M.T.)	<b>220544</b>	<b>528.661</b>
Electricity & Generator (Unit/Kg.)	<b>0.71</b>	<b>0.56</b>
Compressor Furnace Oil (Ltr.)	<b>Nil</b>	<b>Nil</b>
Coal & Fire Wood/Dry Baggas, Khoi, Rice Husk (Kg.)	<b>Nil</b>	<b>Nil</b>

**FORM – B**

**DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION :**

**1. Research & Development**

(i) Specific area in which R & D carried out by the Company	<b>Nil</b>	<b>Nil</b>
(ii) Benefits desired as a result of the above R & D	<b>Nil</b>	<b>Nil</b>
(iii) Future plan of action	<b>Nil</b>	<b>Nil</b>
(iv) Expenditure of R & D :		
(A) Capital	<b>Nil</b>	<b>Nil</b>
(B) Recurring	<b>Nil</b>	<b>Nil</b>
(C) Total	<b>Nil</b>	<b>Nil</b>
(D) Total R & D Expenditure	<b>Nil</b>	<b>Nil</b>

**2. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION :**

(A) Efforts in brief, made towards technology absorption, adoption and innovation	<b>Nil</b>	<b>Nil</b>
(B) Benefits desired as a result of the above efforts e.g. product improvement, Cost Reduction, Product Development, Import Substitution etc.	<b>Nil</b>	<b>Nil</b>

## 3. PARTICULARS OF IMPORTED TECHNOLOGY IN THE LAST 5 YEARS

Nil

Nil

## FORM – C

## 4. FOREIGN EXCHANGE EARNING AND OUTGO Rs. in Lacs

Rs. in Lacs

(a) Expenditure in Foreign Currency:

Nil

Nil

(b) Earning in Foreign Exchange:

Nil

Nil

by order of the Board

For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
 Date : 30<sup>th</sup> August, 2022  
 Registered Office:  
 PawanPuri, Muradnagar  
 Distt. Ghaziabad (U.P.)– 201206

Sd/-  
 (Mahesh Chand Mittal)  
 Managing Director  
 DIN: 00284866  
 Residential Address:  
 Flat No 603, Tower-2, Orange County,  
 Ahinsa Khand -1, Indirapuram,  
 Ghaziabad, Uttar Pradesh 201014

## MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Directors have pleasure in presenting the Management and Analysis Report for the year ended on March, 31<sup>st</sup> 2022.

### An Overview 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 fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. Around 45 million people are working in the textile business, including 3.5 million people who work on handlooms. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025.

India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

The textiles industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.99 billion from April 2000-March 2022. 100% FDI (automatic route) is allowed in the Indian textile sector.

The Government's Rs. 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major booster for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

The Government approved the Mega Integrated Textile Region and Apparel (MITRA) Park scheme worth Rs. 4,445 crore (US\$ 594.26 million) to establish seven integrated mega textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period, which will boost textile manufacturing in the country.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector on the other end. The decentralized power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

### Market Size

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excluding handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 29.8 billion between April-December 2021.

The Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

India is the world's largest producer of cotton. Production stood at 360.13 lakh bales for the crop year October 2021-September 2022. Domestic consumption for the 2021-22 crop year is estimated to be at 335 lakh bales.

Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while that for yarn, the production stood at 4,762 million kgs during same period.

India's home textile exports grew at a healthy rate of 9% in FY21 despite the pandemic. In the year 2020-21, 1.13 million tonnes of cotton yarn were exported from India.

### Investment

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.93 billion from April 2000-December 2021.

In November 2021, Federico Salas, the Mexican Ambassador to India, visited the Khadi India Pavilion at the India International Trade Fair 2021 and suggested that India and Mexico should come together to promote Khadi globally.

Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.

### Government Initiatives

Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route. The Rs. 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major booster for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

Other Initiatives taken by Government of India are:

- In March 2022, the Bihar Government submitted a proposal to the Union Textiles Ministry to set up a mega hub under the PM Mitra Mega Textile Park.
- In March 2022, Tamil Nadu Chief Minister Mr. MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCO) will set up a mega textile park in the Virudhunagar district.
- Under the Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US\$ 1.62 billion). Out of this, Rs.133.83 crore (US\$ 17.5 million) is for Textile Cluster Development Scheme, Rs. 100 crore (US\$ 13.07 million) for National Technical Textiles Mission, and Rs. 15 crore (US\$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the Production Linked Incentive Scheme.



- The Ministry of Textiles has also been implementing Handloom Marketing Assistance (HMA), a component of the National Handloom Development Programme (NHDP), all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.
- In November 2021, Union Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.
- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.
- Union Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).
- The government allocated funds worth Rs. 17,822 crore (US\$ 2.38 billion) between FY16 and FY22 for the 'Amended Technology Upgradation Fund Scheme' (A-TUFS), to boost the Indian textile industry and enable ease of doing business.
- In August 2021, Union Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal said that steps needed to be taken to boost production capacities of handloom sector from the existing Rs. 60,000 crore (US\$ 8.06 billion) to 125,000 crore (US\$ 16.80 billion) in the next three years. He added that target must be set to increase exports of handloom items from existing Rs. 2,500 crore (US\$ 335.92 million) to Rs. 10,000 crore (US\$ 1.34 billion). He also announced that a committee would be constituted consisting of all weavers, trainer equipment makers, marketing experts and other stake holders to recommend ways and means to achieve these objectives and enhance overall progress of the handloom sector.
- In July 2021, the government extended the Rebate of State and Central Taxes and Levies (RoSCTL) scheme for exports of apparel/garments and made ups until March 2021. This will help boost exports and enhance competitiveness in the labour-intensive textiles sector.
- To support the handloom weavers/weaver entrepreneurs, the Weaver MUDRA Scheme was launched to provide margin money assistance at 20% of the loan amount subject to a maximum of Rs. 10,000 (US\$ 134.22) per weaver. The loan is provided at an interest rate of 6% with credit guarantee of three years.
- Gorakhpur is on track to become a major garment manufacturing centre, boosting the economy in eastern Uttar Pradesh. The Gorakhpur Industrial Development Authority (GIDA) will provide four acres of land for construction of a flattened factory and will enable access to entrepreneurs.
- Under the proposed trade agreement, the Textile Ministry expects more market access for the Indian textiles and clothing sector in order to achieve its full potential.
- Defence Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms. Indian defence sector has expressed support towards the Indian technical textile sector.

**Source: <https://www.ibef.org/industry/indian-textiles-and-apparel-industry-analysis-presentation>**

## **Achievements**

Following are the achievements of the Government in the past four years:

- In June 2021, KVIC recorded a 7.71% growth in gross annual turnover to Rs. 95,741.74 crore (US\$ 12.85 billion) from Rs. 88,887 crore (US\$ 11.93 billion) in FY20.
- Under the Scheme for Integrated Textile Parks (SITP), 59 textile parks were sanctioned, out of which, 22 have been completed.
- Sangam India Ltd, one of the foremost producers in PV dyed yarn, cotton and OE yarn and also ready to stitch fabric, has installed two solar power plants of 5 MW that, on average, helps them to bring down their carbon footprint by at least 20% per annum. SIL also plans to increase the use of recycled fibre, leading to lesser consumption of plastic waste by using it as a raw material.

## **Strengths**

- Availability of large varieties of fibre and has a fast growing synthetic fibre industry.
- Low labour charges means that the manufacturing cost rarely spins out of control.
- India has availability of abundant raw material which helps to control the costs and reduces the lead time.
- India is one of the largest producers of cotton in the world and is also enjoys abundant supplies of polyester, silk, viscose, among others.
- Industry has large and diversified segments that provide wide variety of products.
- Indian textile industry is a self-reliant industry which has complete value chain from the procurement of raw materials to the production of finished goods.

## **Weakness**

- Lack of technological development affects productivity and other activities across the value chain.
- The Indian industry falls short on the economies-of-scale front therefore unable to compete with nations like China.
- Indian Textile Industry is highly Fragmented Industry.
- Rigid & unfavorable labor Laws.
- Lack of Trade Membership, which restrict to tap other potential market.
- Lacking to generate Economies of Scale.
- Use of outdated technology resulted in low productivity & production capacities as compared to China.
- Comparatively high expenses like indirect taxes, power & interest.

## **Opportunities**

- A number of initiatives have been announced to support the handloom and power loom industries.
- A number of e-marketing platforms have been developed to simplify marketing issue.

- Greater Investment and FDI opportunities are available.
- Large, Potential Domestic and International Market.
- Product development and Diversification to cater global needs.
- Elimination of Quota Restriction leads to greater Market Development.
- Market is gradually shifting towards Branded Readymade Garment.

#### Threats

- Low-cost players like Pakistan and Bangladesh may hinder India's exports prospects.
- Geographical Disadvantages relating to Export & Import of goods. India's geographical distance from major global markets of US, Europe and Japan in contrast to its rival countries are comparatively nearer. This results in high shipping expenses and lengthy lead times.
- Polyester manufacturers struggled to pass on high raw material costs due to sluggish demand.
- Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world.
- Threat for Traditional Market for Power loom and Handloom Products and forcing them for product diversification.
- To make balance between price and quality in order to compete with cheaper imports.

#### Outlook

- The Indian textile sector considers the Union Budget 2022-2023
- To be growth oriented as it will enable the textile manufacturing sectors to grow at a faster rate.
- With a view to support the "Make in India" initiative, the Central Government Launched ATUFS (Amended Technology Upgradation Fund Scheme) in place of the existing RRTUFS (Revised Restructure Technology Upgradation Fund Scheme), for technology upgradation of textile industry with one-time capital subsidy for eligible machinery.
- It is the endeavor of the Company to improve its performance by adopting new techniques of production, improve product acceptability and cutting/reducing costs wherever possible.

#### Financial & Operational Performance

**Risks and Concerns:** Your Company has established a strong risk management structure. Under this structure, the risks are identified across all business processes of the organization on continual basis. The Company endeavors to mitigate the risks on an ongoing basis by evaluating the progress of the projects being undertaken on a regular basis and close monitoring.

- **Liquidity Risk:** The Company is into a highly capital intensive industry segment. Non availability of funds or increased cost of funding will result in pressurized margins. The Company requires a substantial amount of long term/short term funds to meet its requirement for various Infrastructure/Construction projects. To manage this, the Company proactively manages the debt levels from banks to provide adequate liquidity for its operations.
- **Government Policy Risk:** There could be unfavorable regulatory measures in Government policies towards the textile industry and may impact the long term planning of the Company.
- **The MAT (Minimum Alternate Tax):** Regime if not taken out of the SEZ's might create difficulties in the sector as SEZs and the companies in the zones might not be able to reap the benefits as originally enshrined in the SEZ act. Same risk may get augmented if the SEZs are not allowed to sell in the Domestic Tariff Area in tandem with the Free Trade Agreements with some countries
- **Competition Risk:** The top management of the Company reviews the risk from time to time and as a measure of risk mitigation your Company has decided to focus only on the core competency area so as to ensure that it is constantly moving up the value chain.

#### FINANCIAL REVIEW

During the period under review turnover of the Company marginally increased from Rs. 912.35 Lakh to Rs.956.83 Lakh i.e. an increase of 4.88%. Company registered a profit before tax of Rs. 3.52 lakh against Loss before Tax of Rs. 15.31 lakh during F.Y. 20220-21, marginal increase in comparison to previous year. Further, the Company registered a Net Profit after Tax of Rs. 109.81 Lakh from Net Loss of Rs. 60.55 Lakh after adjustment of Deferred Assets of Rs. 106.84 Lakh.

Ratios (Standalone)	For the year ended 31st March 2022	For the year ended 31st March 2021
Debtors Turnover Ratio	64.97	71.06
Inventory Turnover Ratio	12.63	25.45
Interest Coverage Ratio	1.06	0.85
Current Ratio	1.10	1.07
Debt Equity Ratio	1.13	1.14
Operating Profit Margin (%)	-17.31	-21.08
Net Profit Margin (%)	11.48	-6.64

**Human Resources:** Human Resource Management is one of the key functions of the Company. Your Company aims to create a working environment that attracts and retain the best people, enhance their capability and provide enough motivation to ensure highest level of productivity. The employees are encouraged to remain involved and contribute for the growth of the Company. The industrial relations during the year continued to be cordial and peaceful.



As on 31-03-2022 there were 09 permanent employees in the Company.

Cautionary Statement: The Management Discussion and Analysis Report contains forward looking statements based upon the data available with the Company, assumptions with regard to global economic conditions, the Government policies, etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future.

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 30<sup>th</sup> August, 2022  
Registered Office:  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.)– 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN: 00284866  
Residential Address:  
Flat No 603, Tower-2, Orange County,  
Ahinsa Khand -1, Indirapuram,  
Ghaziabad, Uttar Pradesh-201014

## 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*)

Form for 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 arms length transactions under third proviso thereto

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date(s) of approval by the Board	
Amount paid as advances, if any	
Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

## 2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Date(s) of approval by the Board	
Amount paid as advances, if any	

by order of the Board  
For SYBLY INDUSTRIES LIMITED

Place : Muradnagar  
Date : 30<sup>th</sup> August, 2022  
Registered Office:  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.)– 201206

Sd/-  
(Mahesh Chand Mittal)  
Managing Director  
DIN: 00284866  
Residential Address:  
Flat No 603, Tower-2, Orange County,  
Ahinsa Khand -1, Indirapuram,  
Ghaziabad, Uttar Pradesh-201014

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
SYBLY INDUSTRIES LIMITED

### REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

#### 1. Opinion

We have audited the accompanying financial statements of "Sybly Industries Limited", which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss for the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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 including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2022;
- b) In the case of the Profit and Loss Account, of the Profit for the period ended on that date and
- c) In the case of Cash Flow Statement, for the cash flows for the year ended on that date.
- d) And the changes in equity for the year ended on that date.

#### 2. 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 thereunder, 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.

#### 3. Material Uncertainty Related to Going Concern

We draw attention to Note 22, which indicates that the company has a Contingent Liability of more than Rs. 19.50 Crore as on 31.03.2022 and as of that date, company has a net worth of Rs. 9.28 Crore. The Company's Contingent Liability exceeds its net worth as on 31.03.2022. These conditions along with other matters indicates that if the Contingent Liability stands payable, then there is the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the management is of the opinion that the demands so raised are in dispute and appropriate appeals have been filed by the company. In view of the mitigating factors as fully described in the aforesaid note that company, the management is of the view that the going concern basis of accounting is appropriate.

Our opinion is not modified in respect of this matter.

#### 4. Key Audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### 5. Information other than the financial statements and auditors' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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.

#### 6. Management's Responsibility for the Standalone Financial Statements

The company's Board of Directors are responsible for the matters 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 Accounting Standards specified in under Section 133 of the Act. This responsibility includes the maintenance of adequate accounting records in accordance with the provision of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates are reasonable and prudent and design, implementation and maintenance of internal control, that were operating efficiently for ensuring the accuracy and completeness of 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease the operations or has no realistic alternative but to do so, the Board of Directors are also responsible for overseeing the financial reporting process.



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

7. 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 judgment 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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**

8. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
9. As required by Section 143(3) of the Act, 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 purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The standalone financial statements dealt with by this Report are in agreement with the books of accounts.
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Companies Act, 2013.
  - e) On the basis of written representations received from the directors as on March 31, 2022, and 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 internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) 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 the information and according to the explanations given to us:
    - i. the Company as detailed in Note 22 to the financial statements, has disclosed the impact of the pending litigations on its financial position.
    - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. there were no amounts which required to be transferred to Investor Education and Protection Fund.

As per our separate report of even date annexed.  
For Vipin Nagar & Co.,  
Chartered Accountants,

Sd/-  
(CA. Vipin Nagar)  
Partner.

Membership No. 074041  
Firm Reg. No. 05171C  
UDIN: 22074041APXJNC8981

Place: Meerut  
Date: 30 May, 2022

### Annexure to the Independent Auditor's Report to the members of Sybly Industries Limited on the accounts of the Company for the year ended 31<sup>st</sup> March, 2022

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i)(a)(A) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (B) The company has maintained proper records showing full particulars of Intangible Assets.
- (b) We are informed by the management that they have physically verified the fixed assets at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The inventories of the company at all its locations (except stocks lying with third parties and in transit, confirmation/subsequent receipts have been obtained in respect of such inventory) have been physically verified by the management during the year at reasonable intervals. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has not made any investments, provided guarantee or security or granted any Loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or Other Parties covered in the Register maintained under Section 189 of the Companies Act, 2013 (the Act). Accordingly, paragraph 3(iii) (a) to (f) of the Order are not applicable to the Company.
- (iv) The company has not advanced any loan or made investment to its directors or any other person in whom the directors are interested. Hence provisions of Section 185 & 186 of the Companies Act, 2013 are not applicable.
- (v) In our opinion and according to the information and explanations given to us, The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) As informed by the management, the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Companies Act, 2013 are maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete as the company is getting a cost audit conducted from a qualified person in this regard and will submit Cost Audit Report to the Central Government.
- (vii)(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Investor Education Protection Fund, Income Tax, Sales Tax, GST, Service Tax, Custom Duty, Excise Duty, Cess, Value Added Cess and other material statutory dues applicable to it.

According to the information and explanation given to us, no undisputed amounts payable in respect of statutory dues including Provident Fund, Employees State Insurance, Investor Education Protection Fund, Income Tax, Sales Tax, GST, Service Tax, Custom Duty, Excise Duty, Cess, Value Added Cess and other material statutory dues applicable to it, were in arrears, as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty, GST and Cess, which have not been deposited on account of any dispute other than the given below :-

Sr. No.	Nature of Statute	Nature of Dues / Period	Forum where dispute is pending	Amount
1.	The Income Tax Act, 1961	Demand for the Assessment Year 2017-18	Commissioner of Income Tax (Appeal)	Rs. 4,82,46,341/- (Including Interest)
2.	Securities and Exchange Board of India Act	Non-compliances regarding Issue of GDR in the FY 2008-09	Securities Appellate Tribunal (SAT), Mumbai	Rs. 10.30 Crore
3.	Customs Act, 1962	Non-fulfillment of Export Obligations against Custom Duty saved under EPCG Scheme	Commissioner of Customs (Appeal)	Rs. 38,13,847/- (Including Interest)
4.	The Income Tax Act, 1961	Demand for the Assessment Year 2014-15	Commissioner of Income Tax (Appeal)	Rs. 3,53,99,270/- (Including Interest)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix)a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c. According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x)a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable
- (xi)a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv)a. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

Accordingly, clause 3(xvi)(c) of the Order is not applicable.

- d. According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

As per our separate report of even date annexed.  
For Vipin Nagar & Co.,  
Chartered Accountants,

Place: Meerut  
Date: 30 May, 2022

Sd/-  
(CA. Vipin Nagar)  
Partner.  
Membership No. 074041  
Firm Reg. No. 05171C  
UDIN: 22074041APXJNC8981

**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT****To the Members of****SYBLY INDUSTRIES LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls over financial reporting of "Sybly Industries Limited", as of 31st March, 2022 in conjunction with our audit of the standalone Ind AS 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 ('ICAI'). 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 controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend 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 authorisations of management and directors of the company; and
- (3). provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31 March, 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 issued by the Institute of Chartered Accountants of India.

As per our separate report of even date annexed.  
For Vipin Nagar & Co.,  
Chartered Accountants,

Place: Meerut  
Date: 30 May, 2022

Sd/-  
(CA. Vipin Nagar)  
Partner.  
Membership No. 074041  
Firm Reg. No. 05171C  
UDIN: 22074041APXJNC8981



## BALANCE SHEET AS AT 31ST MARCH, 2022

	Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
<b>ASSETS</b>				
(1)	<b>NON-CURRENT ASSETS</b>			
	(a) Property, Plant & Equipment & Intangible Assets	4	9,31,14,102.69	14,07,10,580.01
	(b) Capital work- in-progress		-	-
	(c) Financial Assets			
	(i) Loans and Advances	5	59,07,282.30	59,07,282.30
	(ii) Security Deposits	6	6,83,795.00	8,99,853.00
	(d) Deferred Tax Assets (Net)		1,95,73,772.00	88,89,032.00
	Total Non-current Assets		11,92,78,951.99	15,64,06,747.31
(2)	<b>CURRENT ASSETS</b>			
	(a) Inventories	7	1,20,84,796.00	2,32,25,395.00
	(b) Financial Assets			
	(i) Trade Receivables	8	6,21,64,844.15	6,48,32,427.82
	(ii) Cash and Cash Equivalents	9	3,50,201.00	3,15,044.00
	(iii) Bank Balances other than (ii) above	10	84,351.78	84,351.78
	(iv) Loans and Advances	11	9,40,379.50	12,17,112.50
	(v) Other Financial Assets	12	47,23,533.00	53,17,284.00
	(c) Other Current Assets	13	17,63,578.78	25,65,535.62
	Total Current Assets		8,21,11,684.21	9,75,57,150.72
	<b>Total Assets</b>		<b>20,13,90,636.20</b>	<b>25,39,63,898.03</b>
<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>			
	(a) Equity Share Capital	14	9,15,66,530.00	9,15,66,530.00
	(b) Other Equity	15	12,75,918.48	1,68,07,101.74
	Total Equity		9,28,42,448.48	10,83,73,631.74
	<b>LIABILITIES</b>			
(2)	<b>Non-current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	3,41,48,624.87	5,42,76,131.38
	Total Non-current Liabilities		3,41,48,624.87	5,42,76,131.38
(3)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	3,52,00,894.30	4,97,18,851.15
	(ii) Trade Payables			
	-total outstanding dues of micro enterprises and small enterprises	18(a)	-	-
	-total outstanding dues of creditors other than micro enterprises and small enterprises	18(b)	2,34,24,617.03	2,53,47,274.15
	(iii) Other Financial Liabilities	19	5,43,966.00	10,98,524.00
	(b) Other current liabilities	20	1,29,26,918.52	1,23,64,308.61
	(c) Provisions	21	22,48,312.00	27,85,177.00
	(d) Current Tax Liabilities (Net)		54,855.00	-
	Total Current Liabilities		7,43,99,562.85	9,13,14,134.91
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>20,13,90,636.20</b>	<b>25,39,63,898.03</b>

Notes to Accounts and Significant Accounting Policies 1,2,3  
Note No. 31 forms an integral part of these Financial Statements

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(DIN : 00284866)  
Flat No.603, OC-2, Orange County,  
Ahinsa Khand-1, Indirapuram,  
Ghaziabad - 201014 (U.P.)

Sd/-  
(RAMESH CHANDRA SHARMA)  
Director  
(DIN : 00284981)  
18, Vinay Park, Govindpuri,  
Modinagar, Ghaziabad - 201204

Sd/-  
(SAGAR AGARWAL)  
Company Secretary & CFO  
(Memb. No. A57936)

As per our separate report of even date annexed.  
For Vipin Nagar & Co.,  
Chartered Accountants,

PLACE : Muradnagar  
DATE : 30th May, 2022

Sd/-  
(CA. Vipin Nagar)  
Partner.  
Membership No. 074041  
Firm Reg. No. 05171C  
UDIN: 22074041APXJNC8981



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Note No.	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>REVENUE</b>			
<b>I. Revenue from Operations</b>			
Sales of products	23	9,56,83,488.80	9,12,34,719.86
		9,56,83,488.80	9,12,34,719.86
<b>II. Other Income</b>	24	6,40,386.00	22,68,295.00
<b>III. Total Income (I+II)</b>		<b>9,63,23,874.80</b>	<b>9,35,03,014.86</b>
<b>EXPENSES</b>			
Cost of material consumed	25	6,49,37,765.52	8,17,18,744.19
Purchases of Stock-in-Trade	25	1,39,81,835.00	-
Changes in inventories of finished goods, work-in-progress and stock-in trade	26	90,06,559.00	(42,69,971.00)
Manufacturing & Operating Cost	27	20,46,734.00	34,92,579.60
Employee benefits expenses	28	82,59,234.42	85,07,785.07
Finance Costs	29	60,37,433.58	1,21,50,002.74
Depreciation and Amortization Expenses	4	44,40,437.00	53,05,286.00
Other expenses	30	35,33,020.54	35,64,652.33
<b>IV. Total Expenses</b>		<b>11,22,43,019.06</b>	<b>11,04,69,078.93</b>
<b>V. Profit before exceptional items and Tax (III-IV)</b>		(1,59,19,144.26)	(1,69,66,064.07)
VI. Exceptional Items		1,62,70,775.00	1,54,34,846.00
<b>VII. Profit before Tax (PBT) (V±VI)</b>		3,51,630.74	(15,31,218.07)
<b>VIII. Tax Expense of continuing operations</b>			
Current Tax		54,855.00	-
MAT Credit Entitlement		-	-
Deferred Tax		(1,06,84,740.00)	45,23,714.00
<b>IX. Profit/(loss) for the period [Profit After Tax (PAT)] (VII-VIII)</b>		1,09,81,515.74	(60,54,932.07)
<b>X. Other Comprehensive Income</b>		-	-
<b>XI. Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		1,09,81,515.74	(60,54,932.07)
<b>XII. Earnings per equity share (for continuing operation)</b>			
(1) Basic		1.20	(0.66)
(2) Adjusted Basic		-	-
(3) Diluted		-	-

Notes to Accounts and Significant Accounting Policies 1,2,3

Note No. 31 forms an integral part of these Financial Statements

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(DIN : 00284866)  
Flat No.603, OC-2, Orange County,  
Ahinsa Khand-1, Indirapuram,  
Ghaziabad - 201014 (U.P.)

Sd/-  
(RAMESH CHANDRA SHARMA)  
Director  
(DIN : 00284981)  
18, Vinay Park, Govindpuri,  
Modinagar, Ghaziabad - 201204

Sd/-  
(SAGAR AGARWAL)  
Company Secretary & CFO  
(Memb. No. A57936)

As per our separate report of even date annexed.  
For Vipin Nagar & Co.,  
Chartered Accountants,

PLACE : Muradnagar  
DATE : 30th May, 2022

Sd/-  
(CA. Vipin Nagar)  
Partner.  
Membership No. 074041  
Firm Reg. No. 05171C  
UDIN: 22074041APXJNC8981

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Prepared pursuant to Listing Agreement

	2021-2022 AMOUNT(Rs.)		2020-2021 AMOUNT(Rs.)	
<b>A. CASH FLOW FROM OPERATION ACTIVITIES:</b>				
Net Profit before Tax and Extraordinary items		(1,59,19,144.26)		(1,69,66,064.07)
Adjustment for:				
Depreciation	44,40,437.00		53,05,286.00	
Finance Charges	58,01,219.20	1,02,41,656.20	1,10,88,789.00	1,63,94,075.00
Adjustment for:				
Rental Income	(3,00,000.00)		(3,00,000.00)	
Interest received	(3,40,386.00)		(13,40,257.00)	
Profit on Sale of Fixed Assets	-	(6,40,386.00)	-	(16,40,257.00)
Adjustment For Previous Year:				
Previous year adjustments	(3,200.00)	(3,200.00)	(7,395.00)	(7,395.00)
Cash Flow From Exceptional items		1,62,70,775.00		1,54,34,846.00
		99,49,700.94		1,32,15,204.93
<b>Operating Profit before Working Capital Changes</b>				
Adjustment for:				
Trade receivables	26,67,583.67		1,27,10,251.71	
Loans & Advances	2,76,733.00		21,343.90	
Security Deposits	2,16,058.00		28,13,600.00	
Inventories	1,11,40,599.00		(50,08,555.00)	
Other current assets	8,01,956.84		(9,60,632.37)	
Trade Payable	(19,22,657.12)		(34,87,668.74)	
Short-term borrowings	(1,45,17,956.85)		(3,36,47,140.76)	
Other Financial Liabilities	(5,54,558.00)		(17,99,187.00)	
Other current liabilities	5,62,609.91		54,46,751.27	
Long-term provisions	-		-	
Current Tax Liabilities (Net)	54,855.00		(26,720.00)	
Short-term provisions	(5,36,865.00)	(18,11,641.55)	(11,26,747.00)	(2,50,64,703.99)
Cash generated from operations		81,38,059.39		(1,18,49,499.06)
Taxes Paid		(1,06,29,885.00)		45,23,714.00
Cash flow from operating activities		1,87,67,944.39		(1,63,73,213.06)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Interest received	3,40,386.00		13,40,257.00	
Rental Income	3,00,000.00		3,00,000.00	
Sale of Fixed Assets	1,70,25,225.00		28,63,654.00	
Purchase/Sale of Investments	-		-	
Purchase of Assets (including Capital Work in progress)	(3,78,683.68)		(1,45,552.41)	
Net Cash sued in Investing activities		1,72,86,927.32		43,58,358.59
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Equity Share Capital (including share application money)	-		-	
Amalgamation Reserve	-		-	
Borrowings/(Repayment) of Loans	(2,01,27,506.51)		1,88,35,611.47	
Finance Charges	(58,01,219.20)		(1,10,88,789.00)	
Deferred tax liabilities	(1,06,84,740.00)	(3,66,13,465.71)	45,23,714.00	1,22,70,536.47
		(5,58,594.00)		2,55,682.00
Opening Bal. of Cash and Cash equivalents	57,16,679.78		54,60,997.78	
Closing Bal. of Cash and Cash equivalents	51,58,085.78	(5,58,594.00)	57,16,679.78	2,55,682.00
		0.00		0.00

For and on behalf of Board of Directors

Sd/-  
(MAHESH CHAND MITTAL)  
Managing Director  
(DIN : 00284866)  
Flat No.603, OC-2, Orange County,  
Ahinsa Khand-1, Indirapuram,  
Ghaziabad - 201014 (U.P.)

Sd/-  
(RAMESH CHANDRA SHARMA)  
Director  
(DIN : 00284981)  
18, Vinay Park, Govindpuri,  
Modinagar, Ghaziabad - 201204

Sd/-  
(SAGAR AGARWAL)  
Company Secretary & CFO  
(Memb. No. A57936)

As per our separate report of even date annexed.  
For Vipin Nagar & Co.,  
Chartered Accountants,

PLACE : Muradnagar  
DATE : 30th May, 2022

Sd/-  
(CA. Vipin Nagar)  
Partner.  
Membership No. 074041  
Firm Reg. No. 05171C  
UDIN: 22074041APXJNC8981

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1. COMPANY OVERVIEW

Sybly Industries Limited (referred to as "Sybly" or "the Company") is engaged in manufacturing & trading of yarn & fabrics. The Company is a Public Limited Company incorporated in India and has its registered office at Pawan Puri, Muradnagar, Distt. Ghaziabad, Uttar Pradesh, India.

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

#### (a) Basis of Preparation and Compliance with Ind AS

- i. These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.
- ii. The accounting policies are applied consistently to all the periods presented in the financial statements.
- iii. The standalone financial statements were approved by the Board of Directors and authorized for issue on 30<sup>th</sup> May, 2022.

#### (b) Basis of measurement

The Ind AS financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

#### (c) Functional and presentation currency

The Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency.

#### (d) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Revenue Recognition

Revenue is measured at fair value of consideration received or receivable.

##### (i) Sale of Products

The Company recognizes revenues on the sale of products, net of discounts.

##### (ii) Other Operating Revenue

Other Income is recognised as and when the same is accrued.

#### (b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Interest cost incurred for constructed assets is capitalized up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Capital work in progress Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

#### (c) Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

#### (d) Financial Instruments

##### i) Classification, Initial Recognition and Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

**Financial assets at amortised cost:** Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

**Equity investments at fair value through other comprehensive income:** These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the Statement of Profit and Loss when the right to receive payment has been established.

When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

**Financial assets at fair value through profit or loss:** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

**Equity instruments:** An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct Financial Liabilities at fair value through profit or loss. Derivatives, including embedded derivatives separated from the host contract, unless they are designated as hedging instruments, for which hedge accounting is applied, are classified into this category. These are measured at fair value with changes in fair value recognized in the Statement of Profit and Loss.

**Financial guarantee contracts:** These are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognized less, the cumulative amount of income recognized.

**Other financial liabilities:** These are measured at amortized cost using the effective interest method.

##### ii) Determination of Fair Value:

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

##### iii) Derecognition of Financial Assets and Financial Liabilities:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

##### iv) Impairment of Financial Assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

#### (e) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

#### (f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### (g) Inventories

Inventories of Raw Materials, Consumable Stores & Spares, Stock in trade of Trading Purchases and Stock-in-Process are valued at cost on FIFO basis, Scrap at realizable value & Finished Goods are valued at cost or Net Realizable Value(NRV), whichever is less.

**(h) Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Product warranty expenses: The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to four years.

**(i) Foreign Currency**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences are recognized in the Statement of Profit and Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

**(j) Income Taxes**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss. Current income taxes are determined based on respective taxable income of taxable entity.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed for the taxable entity. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**(k) Earnings Per Share**

Basic earnings per share has been computed by dividing profit/loss for the year by the weighted average number of shares outstanding during the year.

Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

**(l) Employee Benefits****i) Gratuity**

Sybly Industries Limited have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. Sybly Industries Limited account for the liability for gratuity benefits payable in the future based on an actuarial valuation.

**ii) Provident Fund and ESI**

In accordance with Indian law, eligible employees of Sybly Industries Limited are entitled to receive benefits in respect of provident fund and ESI, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund and pension fund set up.

**(m) Dividends**

Any dividend declared or paid by Sybly Industries Limited for any financial year is based on the profits available for distribution as reported in the statutory financial statements of Sybly Industries Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Sybly Industries Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Indian GAAP or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act. However, in the absence of inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.

**(n) Segments**

The company is engaged in business of manufacturing & trading of yarn and Fabrics, which is in same business segment.

**(o) Investments in Subsidiaries, Joint Ventures and Associates**

Investments in Subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 – Separate Financial Statements. However, company has no subsidiary, joint venture and associates.

**NOTE 4 : PROPERTY, PLANT & EQUIPMENT & INTANGIBLE ASSETS****Depreciation Chart for FY 2021-22**

Particulars	Land	Building	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	Office Equipments	TOTAL
<b>Cost as at April 1, 2021</b>	8,65,00,433.00	9,32,73,745.66	19,95,20,332.47	39,90,242.48	13,87,219.39	70,19,740.07	15,18,444.78	39,32,10,157.85
Additions	-	-	3,20,254.78	58,428.90	-	-	-	3,78,683.68
Disposals	3,85,36,843.00	44,24,475.00	12,00,653.00	-	-	41,56,857.00	-	4,83,18,828.00
<b>Cost as at March 31, 2022</b>	<b>4,79,63,590.00</b>	<b>8,88,49,270.66</b>	<b>19,86,39,934.25</b>	<b>40,48,671.38</b>	<b>13,87,219.39</b>	<b>28,62,883.07</b>	<b>15,18,444.78</b>	<b>34,52,70,013.53</b>
<b>Accumulated depreciation as at April 1, 2021</b>	-	4,72,71,651.00	19,39,98,907.39	39,39,831.00	13,15,635.72	47,93,178.87	11,80,373.86	25,24,99,577.84
Depreciation	-	31,43,188.00	13,15,953.00	29,205.00	6,596.00	1,91,828.00	91,392.00	47,78,162.00
Disposals	-	22,25,075.00	4,63,821.00	-	-	24,32,933.00	-	51,21,829.00
<b>Accumulated depreciation as at March 31, 2022</b>	-	<b>4,81,89,764.00</b>	<b>19,48,51,039.39</b>	<b>39,69,036.00</b>	<b>13,22,231.72</b>	<b>25,52,073.87</b>	<b>12,71,765.86</b>	<b>25,21,55,910.84</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>4,79,63,590.00</b>	<b>4,06,59,506.66</b>	<b>37,88,894.86</b>	<b>79,635.38</b>	<b>64,987.67</b>	<b>3,10,809.20</b>	<b>2,46,678.92</b>	<b>9,31,14,102.69</b>
Capital work-in-progress								-
<b>Total</b>								<b>9,31,14,102.69</b>

**Depreciation Chart for FY 2020-21**

Particulars	Land	Building	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	Office Equipments	TOTAL
<b>Cost as at April 1, 2020</b>	8,66,87,015.00	9,33,79,448.66	22,68,19,973.47	39,36,434.00	13,87,219.39	78,05,032.07	14,26,700.85	42,14,41,823.44
Additions	-	-	-	53,808.48	-	-	91,743.93	1,45,552.41
Disposals	1,86,582.00	1,05,703.00	2,72,99,641.00	-	-	7,85,292.00	-	2,83,77,218.00
<b>Cost as at March 31, 2021</b>	<b>8,65,00,433.00</b>	<b>9,32,73,745.66</b>	<b>19,95,20,332.47</b>	<b>39,90,242.48</b>	<b>13,87,219.39</b>	<b>70,19,740.07</b>	<b>15,18,444.78</b>	<b>39,32,10,157.85</b>
<b>Accumulated depreciation as at April 1, 2020</b>	-	4,41,78,011.00	21,71,00,198.39	39,32,654.00	13,07,100.72	47,61,355.87	10,90,810.86	27,23,70,130.84
Depreciation	-	31,43,188.00	16,39,049.00	7,177.00	8,535.00	7,55,499.00	89,563.00	56,43,011.00
Disposals	-	49,548.00	2,47,40,340.00	-	-	7,23,676.00	-	2,55,13,564.00
<b>Accumulated depreciation as at March 31, 2021</b>	-	<b>4,72,71,651.00</b>	<b>19,39,98,907.39</b>	<b>39,39,831.00</b>	<b>13,15,635.72</b>	<b>47,93,178.87</b>	<b>11,80,373.86</b>	<b>25,24,99,577.84</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>8,65,00,433.00</b>	<b>4,60,02,094.66</b>	<b>55,21,425.08</b>	<b>50,411.48</b>	<b>71,583.67</b>	<b>22,26,561.20</b>	<b>3,38,070.92</b>	<b>14,07,10,580.01</b>
Capital work-in-progress								-
<b>Total</b>								<b>14,07,10,580.01</b>

Depreciation to be Charged to Revaluation Reserve 3,37,725.00 3,37,725.00

Depreciation adjusted against Retained Earnings - -

Net Depreciation to be Charged to P &amp; L A/c 44,40,437.00 53,05,286.00



## NOTES TO THE ACCOUNTS

Particulars	As at 31.03.2022	As at 31.03.2021
<b>NOTE - 5 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
A Capital advances	39,99,859.99	39,99,859.99
B Balances with Government Authorities	-	-
C Others		
Advance to Suppliers	19,07,422.31	19,07,422.31
<b>TOTAL (A+B+C+D)</b>	<b>59,07,282.30</b>	<b>59,07,282.30</b>
<b>NOTE - 6 SECURITY DEPOSITS</b>		
Security Deposits with Authorities	6,83,795.00	8,99,853.00
<b>TOTAL</b>	<b>6,83,795.00</b>	<b>8,99,853.00</b>
<b>NOTE - 7 INVENTORIES</b>		
Raw Material	-	20,98,640.00
Stores and Spare Parts	-	17,800.00
Packing Material	7,500.00	35,300.00
Fuels	10,200.00	-
Finished Goods	1,12,08,296.00	1,66,97,005.00
Stock in Process	-	35,47,000.00
Scrap & Waste	8,58,800.00	8,29,650.00
<b>TOTAL</b>	<b>1,20,84,796.00</b>	<b>2,32,25,395.00</b>

## NOTE - 8 TRADE RECEIVABLES

### Ageing for trade receivables as at 31.03.2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	
<b>Trade receivables - Billed</b>							
Undisputed trade receivables - considered good	-	1915740.51	2101543.64	-	3,11,904.32	57835655.68	6,21,64,844.15
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	-	1915740.51	2101543.64	-	3,11,904.32	57835655.68	6,21,64,844.15
<b>Less: Allowance for doubtful trade receivables - Billed</b>							-
<b>Trade Receivables - Unbilled</b>							6,21,64,844.15
							<b>6,21,64,844.15</b>

### Ageing for trade receivables as at 31.03.2021

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	
<b>Trade receivables - Billed</b>							
Undisputed trade receivables - considered good	-	5664368.29	5,94,032.64	8,10,475.56	14,24,495.44	56339055.89	6,48,32,427.82
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	-	5664368.29	5,94,032.64	8,10,475.56	14,24,495.44	56339055.89	6,48,32,427.82
<b>Less: Allowance for doubtful trade receivables - Billed</b>							-
<b>Trade Receivables - Unbilled</b>							6,48,32,427.82
							<b>6,48,32,427.82</b>

Particulars	As at 31.03.2022	As at 31.03.2021
<b>NOTE - 9 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	3,50,201.00	3,15,044.00
<b>TOTAL</b>	<b>3,50,201.00</b>	<b>3,15,044.00</b>
<b>NOTE - 10 BANK BALANCES</b>		
<b>A Balance with Banks</b>		
(i) In Deposit Accounts	84,351.78	84,351.78
<b>B Cheques, drafts on hand</b>		
(i) Cheques on hand	-	-
<b>TOTAL (A+B)</b>	<b>84,351.78</b>	<b>84,351.78</b>
<b>NOTE - 11 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
<b>A Loans and advances to Employees</b>	76,900.00	31,058.00
<b>B Prepaid Expenses</b>	90,988.00	1,61,154.00
<b>C Others (Advance to Suppliers)</b>	7,72,491.50	10,24,900.50
<b>TOTAL (A+B+C+D+E)</b>	<b>9,40,379.50</b>	<b>12,17,112.50</b>
<b>NOTE - 12 OTHER FINANCIAL ASSETS</b>		
Bank Deposits Having Maturity more than 12 Months from date of deposit	47,23,533.00	53,17,284.00
	<b>47,23,533.00</b>	<b>53,17,284.00</b>
<b>NOTE - 13 OTHER CURRENT ASSETS</b>	17,63,578.78	25,65,535.62
<b>TOTAL</b>	<b>17,63,578.78</b>	<b>25,65,535.62</b>
<b>NOTE - 14 SHARE CAPITAL</b>		
<b>(A) Authorised, Issued, Subscribed and paid-up share capital and par value share</b>		
<b>Authorised Share Capital</b>		
2,87,60,000 Equity Shares of Rs. 10/- each (Prev. Year 2,87,60,000 Equity Shares of Rs. 10/- each)	<u>28,76,00,000.00</u>	<u>28,76,00,000.00</u>
<b>Issued, Subscribed and Fully Paid-up Share Capital</b>		
91,56,653 Equity Shares of Rs. 10/- each (Prev. Year 91,56,653 Equity Shares of Rs. 10/- each)	9,15,66,530.00	9,15,66,530.00
<b>TOTAL</b>	<b>9,15,66,530.00</b>	<b>9,15,66,530.00</b>
<b>Number of shares outstanding as at the beginning of the year</b>	91,56,653	91,56,653
<b>Add:</b>		
Addition during the year	-	-
<b>Less :</b>		
Reduction during the year	-	-
<b>Number of shares outstanding as at the end of the period</b>	91,56,653	91,56,653

## Shares in the company held by each shareholder holding more than 5% shares

SL. NO.	Name of the shareholder	Number of shares As at 31.03.2022	Number of shares As at 31.03.2021
1	MAHESH CHAND MITTAL	16,51,061	16,51,061
2	SUMAN MITTAL	20,20,347	19,92,842
3	NISHANT MITTAL	,49,852	8,49,852
4	MAHESH CHAND MITTAL - HUF	6,83,581	6,83,581

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Disclosure of Shareholding of Promoters</b>		

## Disclosure of shareholding of promoters as at 31.03.2022 is as follows:

Shares held by promoters as at 31.03.2022				% Change during the year
S.No.	Promoter Name	No. of Shares	% of total shares	
1	Suman Mittal	2020347	22.06	0.30
2	Mahesh Chand Mittal	1651061	18.03	-
3	Nishant Mittal	849852	9.28	-
4	Rashi Mittal	107745	1.18	-
5	Satya Prakash Mittal	16	-	-
6	Mahesh Chand Mittal - HUF	683581	7.47	-

## Disclosure of shareholding of promoters as at 31.03.2021 is as follows:

Shares held by promoters as at 31.03.2021				% Change during the year
S.No.	Promoter Name	No. of Shares	% of total shares	
1	Suman Mittal	1992842	21.76	4.18
2	Mahesh Chand Mittal	1651061	18.03	-
3	Nishant Mittal	849852	9.28	0.03
4	Rashi Mittal	107745	1.18	0.05
5	Satya Prakash Mittal	16	-	-
6	Mahesh Chand Mittal - HUF	683581	7.47	-

## NOTE - 15 OTHER EQUITY

### A General Reserve

Opening Balance	-	-
Add : Trf. from surplus in Statement of Profit & Loss	-	-
Less : During the year	-	-
Closing Balance	-	-

### B Revaluation Reserve

Opening Balance	5,32,49,396.42	5,35,87,121.42
Less : Deletion on revaluations during the year	2,61,71,774.00	-
	2,70,77,622.42	5,35,87,121.42
Less : Utilised during the year	3,37,725.00	3,37,725.00
Closing Balance	2,67,39,897.42	5,32,49,396.42

### C Surplus (Profit and Loss Account)

Opening Balance	(3,64,42,294.68)	(3,03,79,967.61)
Add : Profit / (Loss) for the year	1,09,81,515.74	(60,54,932.07)
	(2,54,60,778.94)	(3,64,34,899.68)
Less : Amalgamation Reserve	-	-
Less : Previous year adjustments	3,200.00	7,395.00
Closing Balance	(2,54,63,978.94)	(3,64,42,294.68)
<b>TOTAL (A+B+C)</b>	<b>12,75,918.48</b>	<b>1,68,07,101.74</b>

## NOTE - 16 LONG TERM BORROWINGS

### Secured borrowings

#### Term loans from banks

Term Loan for Car	-	-
Term Loan - WCTL	1,17,50,220.05	1,50,00,000.00
	1,17,50,220.05	1,50,00,000.00

#### Unsecured borrowings

Loans and advances from Directors/ Promoters	2,81,336.82	3,47,54,691.38
Loans and advances from Corporate Bodies	2,21,17,068.00	45,21,440.00
	2,23,98,404.82	3,92,76,131.38
<b>TOTAL</b>	<b>3,41,48,624.87</b>	<b>5,42,76,131.38</b>

Particulars	As at 31.03.2022	As at 31.03.2021
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## Nature of Security and terms of repayments for Long Term secured borrowings :

### Nature of Security

- Additional Working Capital Term Loan from Bank of Baroda, Modinagar amounting to Rs. 45.00 lakh (March 31, 2021 Rs. 60.00 lakh) is secured by way of extending Existing Primary/Collateral securities with Bank of Baroda against existing credit facilities.
- Additional Working Capital Term Loan from Bank of Baroda, Modinagar amounting to Rs. 72.50 lakh (March 31, 2021 Rs. 90.00 lakh) is secured by way of extending Existing Primary/Collateral securities with Bank of Baroda against existing credit facilities.
- Additional Working Capital Term Loan from Bank of Baroda, Modinagar amounting to Rs. 50.00 lakh (March 31, 2021 Rs. NIL) is secured by way of extending Existing Primary/Collateral securities with Bank of Baroda against existing credit facilities.

### Terms of Repayment

- Repayable in 36 monthly installments commencing from July, 2021. Last installment due in June, 2024. Rate of interest 7.85% p.a. as at year end.
- Repayable in 36 monthly installments commencing from September, 2021. Last installment due in August, 2024. Rate of interest 8% p.a. as at year end.
- Repayable in 36 monthly installments commencing from January, 2024. Last installment due in December, 2026. Rate of interest 7.5% p.a. as at year end.

## Nature of Long Term Unsecured borrowings :

The Unsecured Loans have been taken from Directors / Promoters & their relatives. These Unsecured Loans have been taken in the condition imposed by the financial institution for bringing the adequate margins. These unsecured loans will not be repaid without the permission of the financial institution. During the year some of unsecured loans are repaid and in place of them fresh are taken. However, the overall quantum of the unsecured loans were within the adequate margins as stipulated by the financial institution. The company is of the opinion that these are well within the provision of Section 73 of the Companies Act, 2013 as the same are accepted in pursuance of stipulations of financial institutions.

## NOTE - 17 SHORT-TERM BORROWINGS

<b>Secured borrowings</b>		
<b>A Loans payable on demand</b>		
Working Capital Loans from Banks	3,02,00,894.30	4,97,18,851.15
<b>B Current maturities of long term debt (Repayable in FY 2022-2023)</b>		
FITL from Bank of Baroda	50,00,000.00	-
<b>TOTAL (A+B)</b>	<b>3,52,00,894.30</b>	<b>4,97,18,851.15</b>

Working Capital Loans of Rs. 302.01 lacs (Previous year Rs. 497.19 Lacs ) is from Bank of Baroda, Modinagar which are secured by way of hypothecation of Stock-in-trade, Book Debts and also by way of first charge over whole fixed assets of the company and also the personal guarantee of the directors.

## A Disclosure under MSMED Act

Information as required to be furnished as per Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for year ended 31st March, 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particular	As at 31.03.2022	As at 31.03.2021
i) Principal amount remaining unpaid to any supplier covered under MSMED Act (refer note 17)		
ii) Interest due remaining unpaid to any supplier covered under MSMED Act.	NIL	NIL
iii) The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 alongwith the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	NIL	NIL
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	NIL	NIL

Note: The total dues of Micro, Small and Medium Enterprises which were outstanding for more than stipulated period are NIL ( 31st March 2022: Rs. NIL)

Particulars	As at 31.03.2022	As at 31.03.2021
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## B Total outstanding dues of creditors other than micro enterprises and small enterprises

### Ageing for trade payables outstanding as at 31.03.2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 years	
<b>Trade Payables</b>						
MSME*	-	-	-	-	-	-
Others	-	13,37,612.86	1,10,175.92	2,12,97,372.25	6,79,456.00	2,34,24,617.03
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	13,37,612.86	1,10,175.92	2,12,97,372.25	6,79,456.00	2,34,24,617.03
<b>Accrued Expenses</b>						
						2,34,24,617.03

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

**Ageing for trade payables outstanding as at 31.03.2021**

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 Years	More than 3 years	
<b>Trade Payables</b>						
MSME*	-	-	-	-	-	-
Others	-	17,93,651.90	2,28,74,166.25	6,50,875.00	28,581.00	2,53,47,274.15
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	-	17,93,651.90	2,28,74,166.25	6,50,875.00	28,581.00	2,53,47,274.15
<b>Accrued Expenses</b>						
						2,53,47,274.15

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

**NOTE - 19 Other Financial Liabilities**
**Other Payables**

Others

5,43,966.00	10,98,524.00
<b>5,43,966.00</b>	<b>10,98,524.00</b>

**NOTE - 20 OTHER CURRENT LIABILITIES**
**Other Payables**

Statutory remittances

3,76,929.18

1,38,905.00

Advances from customers

-

20,012.00

Advances from customers - Capital Goods

1,23,48,000.00

1,18,97,920.00

Others

2,01,989.34

3,07,471.61

**TOTAL**

**1,29,26,918.52**

**1,23,64,308.61**

Particulars	As at 31.03.2022	As at 31.03.2021
<b>NOTE - 21 SHORT TERM PROVISION</b>		
Provision for Income Tax	54,855.00	-
Provision for Gratuity	22,48,312.00	27,85,177.00
<b>TOTAL</b>	<b>23,03,167.00</b>	<b>27,85,177.00</b>

**NOTE - 22 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**
**A Contingent Liabilities**

(a) Claims against the company not acknowledged as debts

NIL

(b) Guarantees

NIL

**(c) Other money for which company is contingently liable:**

(i) A demand of Rs. 4,82,46,341/- has been raised by the Office of the Assistant Commissioner of Income Tax for the assessment year 2017-18. Against this demand, Company has filed an appeal with Commissioner of Income Tax (Appeal). However The Income Tax assessments of the Company is pending for the assessment year 2020-21, 2021-22 & 2022-23.

(ii) The Adjudicating Officer of SEBI vide an Order dated 15/03/2019 imposed a Penalty of Rs. 10.30 Crore on the Company in respect of some non-compliances regarding Issue of GDR by the Company in the FY 2008-09. However, as per the information provided by the Company, the company has filed an Appeal before Securities Appellate Tribunal (SAT), Mumbai against the impugned Order, which is pending till the date of Audit Report.

(iii) A demand of Rs. 38,13,847/- and interest thereon has been raised by the Office of the Additional Commissioner (Customs) for non fulfillment of Export Obligations against Customs Duty saved under EPCG Scheme. Against this demand, Company has filed an appeal with Commissioner of Customs (Appeal). Such appeal has been rejected by the Commissioner (Appeal). Company is planning to file appeal to the Tribunal against this order.

(iv) A demand of Rs. 3,53,99,270/- has been raised by Office of the Assistant Commissioner of Income Tax for the assessment year 2014-15 under reassessment proceedings. Against this demand, Company has filed an appeal with Commissioner of Income Tax (Appeal), which is pending till the date of Report.

(v) The Goods and Service Tax (GST) assessment of the Company for the assessment years 2017-18 (July 2017 to March 2018), 2018-19, 2019-20 and 2020-21 are pending but the Company does not envisage any liability for these years other than what has been paid or provided.

(vi) A demand of Rs. 8,51,135.34 has been raised by The Maharashtra State Co-op. Cotton Growers Marketing Federation Ltd., Mumbai after adjusting advance of Rs. 19,07,422.31, deposited by Company, for purchase of Cotton. However, the Company did not purchase such Cotton, The Maharashtra State Co-op. Cotton Growers Marketing Federation Ltd., Mumbai raised dispute, which is pending in litigation before the Court of Law.

(d) Bills discounted with banks

NIL

**B Commitment**

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for

Order Value Rs.400 Lacs, balance unpaid is Rs.360 Lacs



Particulars	As at 31.03.2022	As at 31.03.2021
<b>NOTE - 23 REVENUE FROM OPERATIONS</b>		
Sale of Products	9,56,83,488.80	9,12,00,149.86
Job Work	-	10,030.00
Sale of Waste	-	24,540.00
<b>TOTAL</b>	<b>9,56,83,488.80</b>	<b>9,12,34,719.86</b>
<b>NOTE - 24 OTHER INCOME</b>		
Rental Income	3,00,000.00	3,00,000.00
Interest Received	3,40,386.00	13,40,257.00
Other Income	-	6,28,038.00
<b>TOTAL</b>	<b>6,40,386.00</b>	<b>22,68,295.00</b>
<b>NOTE - 25 COST OF MATERIAL CONSUMED</b>		
Raw Material Consumed	6,49,37,765.52	8,17,18,744.19
Purchase of Traded Goods	1,39,81,835.00	-
<b>TOTAL</b>	<b>7,89,19,600.52</b>	<b>8,17,18,744.19</b>
<b>NOTE - 26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Closing Stock:</b>		
Finished Goods	1,12,08,296.00	1,66,97,005.00
Stock in Process	-	35,47,000.00
Scrap & Waste	8,58,800.00	8,29,650.00
	<b>1,20,67,096.00</b>	<b>2,10,73,655.00</b>
<b>Opening Stock:</b>		
Finished Goods	1,66,97,005.00	1,21,62,729.00
Stock in Process	35,47,000.00	39,76,975.00
Scrap & Waste	8,29,650.00	6,63,980.00
	<b>2,10,73,655.00</b>	<b>1,68,03,684.00</b>
<b>Net (Increase) / Decrease</b>	<b>(90,06,559.00)</b>	<b>42,69,971.00</b>
<b>NOTE - 27 MANUFACTURING &amp; OPERATING COST</b>		
Power & Fuel	16,70,793.00	28,17,261.00
Packing Material	2,96,141.00	4,26,162.60
Freight Inward	79,800.00	2,49,156.00
<b>TOTAL</b>	<b>20,46,734.00</b>	<b>34,92,579.60</b>
<b>NOTE - 28 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages & Incentives	82,35,216.00	80,30,790.00
Bonus	10,287.00	2,01,145.00
Gratuity	(3,46,165.00)	(90,142.00)
Contributions to Provident Fund	2,53,527.00	2,57,997.00
Contributions to Employees State Insurance (ESI)	76,715.00	97,489.00
Staff & Labour Welfare	29,654.42	10,506.07
<b>TOTAL</b>	<b>82,59,234.42</b>	<b>85,07,785.07</b>
<b>NOTE - 29 FINANCE COSTS</b>		
<b>Interest on :</b>		
Term Loans	12,10,832.59	9,12,130.00
Bank Borrowings & Others	45,90,386.61	1,01,76,659.00
Bank Charges & Others	-	10,61,213.74
	<b>2,36,214.38</b>	
<b>TOTAL</b>	<b>60,37,433.58</b>	<b>1,21,50,002.74</b>
<b>NOTE - 30 OTHER EXPENSES</b>		
Repairs - Plant & Machinery	35,559.61	3,28,492.26
Repairs - Factory Building	1,84,405.00	1,93,575.00
Repairs - Others	84,996.24	99,650.29
Printing & Stationery	49,794.24	37,395.20
Communication Expenses	73,813.24	59,790.15
Travelling & Conveyance	30,240.78	43,789.00
Vehicle Running & Maintenance	1,59,937.61	1,27,438.65
Insurance Charges	1,24,564.00	1,87,017.00
Legal & Professional Charges	6,82,195.00	9,46,555.00
Rates & Taxes	77,510.00	44,202.00
Auditors Remuneration	50,000.00	50,000.00
Advertisement & Publicity	53,094.11	56,040.49
Freight & Forwarding	4,06,540.00	6,41,660.00
Membership & Subscription	26,620.00	12,100.00
Secretarial Expenses	4,78,829.93	5,30,454.62
Charity & Donation	3,22,270.00	2,01,350.00
Bad & Doubtful Debt Expenses	6,87,267.89	-
General Expenses	5,382.89	5,142.67
<b>TOTAL</b>	<b>35,33,020.54</b>	<b>35,64,652.33</b>



**Note - 31 Additional Information to the Financial Statements**

- A. Confirmation of balances from some of parties appearing under the head current liabilities, sundry debtors, loans and advances are awaited.
- B. Company has revalued its Fixed Assets namely Land and Building on 31.03.2004. The value of aforesaid assets has increased by Rs.5,90,00,625.42 as per Valuation Report dt.31.03.2004 from a qualified & authorized firm of Engineers M/s. Universal Consultants, Meerut. The aforesaid amount has been credited to Revaluation Reserve Account. Further, during the year, same has been reduced by equivalent amount of depreciation charged on this revalued amount.
- C. The cost records for the financial year 2021-2022 are under preparation and till the date of this Balance Sheet, the same could not be finalized.
- D. The company has valued the stock of finished goods at lower of cost or realizable value in terms of Ind As-2.
- E. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business and the provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- F. Managerial Remuneration:

Managerial remuneration has been paid within the limits specified by Schedule V of the Companies Act, 2013. Computation of Net Profit u/s 198 of the Act is not given in view of there being no commission payable to any director.

The details of managerial remuneration paid under Section 197 of the Companies Act, 2013 are as under:

	<b>Current Year</b> <b>Rs. in Lacs</b> <b>15.62</b>	<b>Previous Year</b> <b>Rs. in Lacs</b> <b>12.10</b>
Salaries / Perks		

- G. During the current year no dividend is proposed to be paid hence not provided for.
- H. Particulars of Capacity, Production, Turnover and Stock for manufacturing Activities:

Class of Product		Polyester Yarn	
		Current Year	Previous Year
Licensed Capacity	M.Ton	N.A.	N.A.
Installed Capacity	M.Ton	1200	1200
Production	M.Ton	220.544	528.661
Purchases of Yarn	M.Ton	341.021	187.920
Captive Consumption	M.Ton	-	-
Turnover	M.Ton	598.226	691.446
	Rs. (in Lacs)	956.02	912.00
Opening Stock	M.Ton	54.448	29.313
	Rs. (in Lacs)	83.98	38.64
Closing Stock	M.Ton	17.787	54.448
	Rs. (in Lacs)	29.09	83.98

**I. Particulars of Trading Activities:**

Item	Stock in the beginning of the year		Purchases during the year		Sales during the year		Stock at the end of the year	
	Qty.	Rs. (in lacs)	Qty.	Rs. (in lacs)	Qty.	Rs. (in lacs)	Qty.	Rs. (in lacs)
Fabrics (Mtrs.)	66701.79 (66701.79)	82.99 (82.99)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	66701.79 (66701.79)	82.99 (82.99)

**J. Particulars of Raw Materials Consumed:**

	Current Year		Previous Year	
	Quantity	Rs. In Lacs	Quantity	Rs. In Lacs
Polyester Yarn M.Ton	459.108	649.38	536.573	817.19
		649.38		817.19
Indigenous Materials Consumed		649.38 100%		817.19 100%
Imported Materials Consumed		NIL		NIL

**K. Expending and Earning in Foreign Currency:**

	<b>Current Year Rs. in Lacs</b>	<b>Previous Year Rs. in Lacs</b>
(a) Expenditure in Foreign Currency: Value of Imports on C.I.F. Basis	<b>NIL</b>	<b>NIL</b>
(b) Earning in Foreign Exchange:		
(i) Exports of Goods calculated on F.O.B. Basis	<b>NIL</b>	<b>NIL</b>
(ii) Interest Income	<b>NIL</b>	<b>NIL</b>

L. Disclosures in respect of related party as defined in Accounting Standard 18, with whom transactions were carried out in the ordinary course of Business during the year as given below:-

**Related party disclosures**
**a. List of related parties**
**i. Key Management Personnel**

- Mahesh Chand Mittal
- Nishant Mittal
- Sagar Agarwal, Company Secretary

**ii. Relatives of Key Management Personnel**

- Suman Mittal
- Rashi Mittal

**iii Common Key Management Personnel Company**

- Space Incubatics Technologies Ltd.  
(Common KMP Mr. Nishant Mittal & Mr. Mahesh Chand Mittal)

**b. Transactions /Balances outstanding with Related Parties.**
**(Rs. in Lacs)**

<b>Particulars</b>	<b>Key Management Personnel</b>	<b>Relatives of Key Management Personnel</b>	<b>Enterprise having common Key Management Personnel</b>	<b>Total</b>
	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>	<b>(Rs.)</b>	<b>(Rs.)</b>
Unsecured Loans Received	10.93	-	166.50	177.43
Unsecured Loans Refunded	312.52	43.15	2.21	357.88
Due Interest Net of TDS	-	-	11.67	11.67
<b>Managerial Remuneration</b>				
Salary / contribution to provident fund	15.62	19.80	-	35.42

M. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business and the provisions for all known liabilities is adequate and not in excess of amount reasonably necessary.

N. Previous Year's figures have been regrouped/rearranged wherever necessary.

## O. Ratios:

S.No.	Ratios	Numerator	Denominator	Current Year	Previous Year
1	Current Ratio	Current Assets	Current Liabilities	1.104	0.959
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.747	0.960
3	Debt Service Coverage Ratio	Earning for debt service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt Service = Interest and lease payments + Principal repayments	0.976	1.037
4	Return on Equity (ROE)	Profit for the year less Preference Dividend (if any)	Average total equity	0.109	-0.054
5	Inventory Turnover Ratio	Cost of goods sold or Sales	Average Inventory	5.420	4.403
6	Trade Receivables Turnover Ratio	Revenue from operations	Average trade receivables	1.507	1.282
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average trade payables	3.236	3.016
8	Net Capital Turnover Ratio	Revenue from operations	Average working capital (i.e Total current assets less Total current liabilities)	13.713	-11.661
9	Net Profit Ratio	Profit for the year	Revenue from operations	0.115	-0.066
10	Return on Capital Employed	Profit before tax and finance costs	Capital employed = Net worth + Lease Liabilities + Deferred tax liabilities	0.087	0.107
11	Return on Investment	Income generated from invested funds	Average invested funds in treasury investments	NA	NA

SIGNATURE TO NOTES 1 TO 31

For and on behalf of Board of Directors

**Sd/-**  
**(MAHESH CHAND MITTAL)**  
 Managing Director  
 (DIN : 00284866)  
 Flat No.603, OC-2, Orange County, Ahinsa  
 Khand-1, Indirapuram, Ghaziabad - 201014  
 (U.P.)

**Sd/-**  
**(RAMESH CHANDRA SHARMA)**  
 Director  
 (DIN : 00284981)  
 18, Vinay Park, Govind Puri, Modinagar,  
 Ghaziabad - 201204 (U.P.)

**Sd/-**  
**(SAGAR AGARWAL)**  
 Company Secretary & CFO  
 (Memb. No. : A57936)

As per our separate report of even date attached  
**For Vipin Nagar & Co.,**  
**Chartered Accountants,**

**Sd/-**  
**(CA. Vipin Nagar)**  
**Partner.**  
**Membership No. 074041**  
**Firm Reg. No. 05171C**  
**UDIN : 22074041APXJNC8981**

**PLACE : Muradnagar**  
**DATE : 30<sup>th</sup> May, 2022**

**Statement of Changes in Equity for the year ended 31st March 2022**

**A. Equity Share Capital**

(In Rupees)

Balance as at 1st April, 2021	Changes in Equity Share Capital during the year	Balance as at 31st March 2022
91566530.00	-	91566530.00

**B. Other Equity**

	Reserves & Surplus			Revaluation Surplus	Total
	General Reserves	Securities Premium Reserves	Retained Earnings		
Balance as at 1st April, 2021	0.00	0.00	-36442294.68	53249396.42	16807101.74
Changes in accounting policy or prior period errors	0.00	0.00	-3200.00	-26171774.00	-26174974.00
Restated balance as at 1st April, 2021	0.00	0.00	-36445494.68	27077622.42	-9367872.26
Total Comprehensive Income for the year	0.00	0.00	10981515.74	0.00	10981515.74
Dividends	0.00	0.00	0.00	0.00	0.00
Transfer to Retained Earnings	0.00	0.00	0.00	337725.00	-337725.00
Balance as at 31st March, 2022	0.00	0.00	-25463978.94	26739897.42	1275918.48

**Statement of Changes in Equity for the period ended 31st March 2021**

**A. Equity Share Capital**

(In Rupees)

Balance as at 1st April, 2020	Changes in Equity Share Capital during the year	Balance as at 31st March 2021
91566530.00	-	91566530.00

**B. Other Equity**

	Reserves & Surplus			Revaluation Surplus	Total
	General Reserves	Securities Premium Reserves	Retained Earnings		
Balance as at 1st April, 2020	0.00	0.00	-30379967.61	53587121.42	23207153.81
Changes in accounting policy or prior period errors	0.00	0.00	-7395.00	0.00	-7395.00
Restated balance as at 1st April, 2020	0.00	0.00	-30387362.61	53587121.42	23199758.81
Total Comprehensive Income for the year	0.00	0.00	-6054932.07	0.00	-6054932.07
Dividends	0.00	0.00	0.00	0.00	0.00
Transfer to Retained Earnings	0.00	0.00	0.00	337725.00	-337725.00
Balance as at 31st March, 2021	0.00	0.00	-36442294.68	53249396.42	16807101.74

## SYBLY INDUSTRIES LTD.

Reg. Off: Pawan Puri, Muradnagar, Ghaziabad (U.P.)-201206

CIN-L17111UP1988PLC009594

## PROXY FORM

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

Form No. MGT-11

34<sup>th</sup> ANNUAL GENERAL MEETING SEPTEMBER 30<sup>th</sup>, 2022

Name of the member(s):	
Registered address	
E-mail Id	
Folio no/ DPID- Client Id	

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

1) Name:.....E-Mail:.....

Address:.....

Signature:.....Or failing him/her

2) Name:.....E-Mail:.....

Address:.....

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> ANNUAL GENERAL MEETING of the company to be held at registered office of the Company at Pawan Puri, Muradnagar, Ghaziabad (U.P.)-201206 on Friday, the 30<sup>th</sup> day of September, 2022, at 11.30 A.M. or at any adjournment thereof in respect of such resolution as are indicated below:

I t e m No.	Resolutions	For	Against
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2022 including Balance Sheet, Statements of Profit & Loss and Cash Flow Statement and reports of the Board of Directors' and the Auditors' thereon.		
2.	To appoint a Director in place of Mr. Mahesh Chand Mittal (DIN: 00284866) who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	Appointment of Auditors.		
<b>Special Business</b>			
4.	Appointment of Mr. Ramesh Chandra Sharma (DIN: 00284981) As Non-Executive Non-Independent Director of the Company.		
5.	Change in Designation of Mr. Mahesh Chand Mittal (DIN: 00284866) From Non-Executive Director to Managing Director of the Company.		
6.	Fixing Remuneration of Mr. Mahesh Chand Mittal (DIN: 00284866) as Managing Director w.e.f. 24.01.2022.		
7.	Approval for Material Related Party Transaction		
8.	To make Investments, Give Loans, Guarantees and Security in excess of the limits prescribed in Section 186 of the Companies Act, 2013		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Affix  
Revenue  
Stamp

Signature of shareholder

Signature of the Proxy Holder(s)

**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 Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the notice of the 34<sup>th</sup> Annual General Meeting.
- It is optional to put an 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she think appropriate.
- Please complete all details including detail of member(s) in above box before submission.

**ATTENDANCE SLIP**

Folio No. /DP ID/Client ID:

Name &amp; Address:

Name(s) of joint holder(s), if any :

No. of shares held:

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the Thirty Four Annual General Meeting of the Company on Friday, 30<sup>th</sup> September, 2022 at 11:30 A.M. at Pawan Puri, Muradnagar, Ghaziabad-201206 UP.

Full name of proxy (in case of proxy)

Signature of first holder/proxy

Signature of joint holder(s)

Notes:

- Please fill and sign this attendance slip and hand it over at the venue of the meeting.
- Only members of the Company and/or their proxy will be allowed to attend the meeting.

Route Map for the Venue of AGM of Sybly Industries Limited to be held on  
30th September, 2022 at 11.30 A.M. at registered office of the Company at  
Pawan Puri, Muradnagar, Ghaziabad - 201206

### Guiding Map For SYBLY INDUSTRIES LTD.

