

# Sybly Industries Ltd.

**Date: 06.09.2021**

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 33<sup>rd</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2021.**

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 2020-2021 along with Notice for the 33rd Annual General Meeting of the Company, scheduled to be held on Thursday, the 30<sup>th</sup> September, 2021.

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**

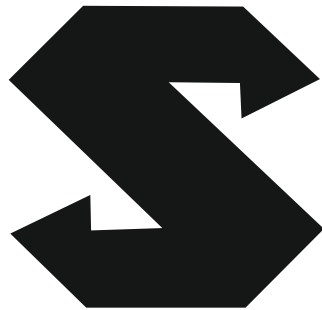
  
**Sagar Agarwal**

**(Company Secretary & Compliance Officer)**

**Membership No.: A57936**



***33rd***  
***ANNUAL REPORT***  
***2020-2021***



**SYBLY INDUSTRIES LIMITED**

**BOARD OF DIRECTORS**

Nishant Mittal	Chairman & Managing Director
Mahesh Chand Mittal	Non-Executive Director
Mamta Garg*	Non Independent Director
Dhan Pal Jain **	Independent Director
Virendra Kumar Govil***	Independent Director
Ankita Garg****	Independent Director
Sachin*****	Independent Director

\*Resignation of Mrs. Mamta Garg w.e.f. 28.08.2021

\*\*Resignation of Mr. Dhan Pal Jain w.e.f. 28.08.2021

\*\*\*Resignation of Mr. Virendra Kumar Govil w.e.f. 28.08.2021

\*\*\*\*Appointment of Mrs. Ankita Garg w.e.f. 28.08.2021

\*\*\*\*\*Appointment of Mr. Sachin w.e.f. 28.08.2021

**AUDIT COMMITTEE**

Sachin	Chairman
Nishant Mittal	Member
Ankita Garg	Member

**NOMINATION & REMUNERATION COMMITTEE**

Sachin	Chairman
Mahesh Chand Mittal	Member
Ankita Garg	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE**

Sachin	Chairman
Mahesh Chand Mittal	Member
Ankita Garg	Member

**COMPANY SECRETARY & CFO**

Sagar Agarwal*	Company Secretary & CFO
Suman Mittal**	CFO

\*Appointment of Mr. Sagar Agarwal as CFO w.e.f. 26.08.2020

\*\* Resignation of Mrs Suman Mittal as CFO w.e.f. 25.08.2020

**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

**REGISTERED OFFICE**

PawanPuri, Muradnagar -201206  
Distt: Ghaziabad (U.P)

**CIN: L17111UP1988PLC009594**

**LISTED AT**

BSE Limited

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**33<sup>rd</sup> Annual General Meeting**

Date: 30<sup>th</sup> September, 2021

Time: 11:30 A.M

Place: PawanPuri, Muradnagar-201206

**NOTICE**

To,  
The Members,

Notice is hereby given that the **33<sup>rd</sup> Annual General Meeting** of the Company will be held at the registered office of the Company at **Pawan Puri, Muradnagar, Ghaziabad-201206 on Thursday, the 30<sup>th</sup> day of September, 2021 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, 2021 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. Nishant Mittal (DIN: 02766556) who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS****3. RATIFICATION OF COST AUDITOR'S REMUNERATION**

To consider and, if thought fit to pass WITH OR WITHOUT MODIFICATION, the following resolution as an Ordinary Resolution;

**"RESOLVED THAT** pursuant to the provisions of Sections 141, 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. M.K. Singhal & Co., the Cost Auditors, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31<sup>st</sup>, 2022, be paid a remuneration as set out in the Explanatory Statement annexed to this Notice convening this Meeting".

**4. Appointment of Mr. Sachin (Din: 09269555) As an 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 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force), and on the basis of recommendation of Nomination and Remuneration Committee, approval of the members of the company be and is hereby granted for the appointment of Mr. Sachin (DIN: 09269555), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act and Regulation 16(1)(b) of SEBI(Listing Obligations and Disclosure Requirements) and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years w.e.f. 28.08.2021 to 27.08.2026."

**5. Appointment of Mrs. Ankita Garg (Din: 09252403) As an 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 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force), and on the basis of recommendation of Nomination and Remuneration Committee, approval of the members of the company be and is hereby granted for the appointment of Mrs. Ankita Garg (Din: 09252403), who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act and Regulation 16(1)(b) of SEBI(Listing Obligations and Disclosure Requirements) and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years w.e.f. 28.08.2021 to 27.08.2026."

**6. REAPPOINTMENT OF MR. NISHANT MITTAL AS MANAGING DIRECTOR**

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 196, 197, 203 and other applicable provisions, if any, of Companies Act, 2013, and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), read with schedule V of Companies Act, 2013, re-appointment of Mr. Nishant Mittal as Managing Director of the Company w.e.f. 28.08.2021 on the following terms and condition as made by the Board in its meeting held on 28.08.2021 and as per recommendation made by the Nomination and Remuneration Committee, be and is hereby confirmed, approved and ratified.

a) Term : 5 years w.e.f. 28.08.2021

b) Salary & Perquisites: Not Exceeding Rs 40,00,000/ 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."

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

**Place:** Muradnagar  
**Date:** 28<sup>th</sup> August, 2021

**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 33<sup>rd</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 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 Clause1.2.5 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 33<sup>rd</sup> Annual General Meeting venue is printed on the last page of the Annual Report.

**18. Facility for Voting:**

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, 23.09.2021. 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.

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.

Pursuant to abovesaid 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>	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.  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 & 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.  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> .



	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 & 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.
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.nsd.com">https://eservices.nsd.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.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.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.nsd.com/">https://www.evoting.nsd.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>	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 & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [above mentioned 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 22 44 30

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

- i) The Voting period begins on 27<sup>th</sup> September, 2021 (10.00 AM) and ends on 29<sup>th</sup> September, 2021 (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 23.09.2021, 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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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) 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.
  - xix) Note for Non-Individual Shareholders and Custodians:
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](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.
  - xx) 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. 23.09.2021 may follow the same instructions as mentioned above for e-Voting.
  - xxi) 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 33<sup>rd</sup> Annual General Meeting of the Company on 30<sup>th</sup> September, 2021 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.**

The Board on the recommendation of the Audit Committee has approved the Appointment of M/s. M.K. Singhal & Co., Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2022 at the remuneration of Rs. 35,000/-plus GST as applicable.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March 2022.

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 by the shareholders.

**ITEM NO. 4**

Mr. Sachin (DIN: 09269555), was appointed as an Additional Director of the Company and also Non-Executive Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Regulation 17 of the SEBI (LODR), 2015 to hold office as an additional Independent Director of the Company from 28<sup>th</sup> August, 2021 up to the conclusion of the Annual General Meeting of the company to be held in the calendar year 2021.

The members may note that pursuant to Section 149(10) of the Act, an independent director shall hold office for a term of upto five(5) consecutive years on the Board of the Company but shall be eligible for reappointment for a further term of five (5) consecutive years by passing a Special Resolution by the Company.

Mr. Sachin is a graduate (B.COM) from Delhi University and did Master of Commerce (M.COM) from Shobhit University in finance and operation and did MBA (Finance & Operations) from IFCA Centre for Distance Learning.

He is currently working in Colt Technologies Ltd as Lead Analyst w.e.f. 10th February, 2019 and has previously worked as Deputy Manager with Max Life Insurance Co. Ltd for 4 years. He has good experience in the field of Operations Management.

The Board on the recommendation made by NRC as above, at its meeting unanimously decided to recommend to the shareholders to appoint Mr. Sachin as an Independent director not liable to retire by rotation at the forthcoming Annual General Meeting.

A brief profile of Mr. Sachin along with the required particulars is given at the end of the statement. Further Mr. Sachin has confirmed that he is not disqualified from being appointed as a director in terms of Section 164 of the Act and from being appointed as a Director. Mr. Sachin 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. In the opinion of Board Mr. Sachin fulfills the criteria/conditions specified in Section 149,152 and other applicable provisions of the Act and rules made thereunder read with Schedule IV of the Act and Regulation 25 of the SEBI LODR.

Mr. Sachin has given his consent to be appointed as an Independent Director and also confirm that he is not disqualified to act as a director in terms of Section 164 of the Act. Besides he is also confirmed that he meets the criteria of independence as prescribed, both, u/s 149(6) of the Act read with relevant rules and under regulation 16(1)(b) of the SEBI LODR.

In the opinion of the Board, Mr. Sachin fulfils the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and that he is independent of the Management. Electronic copy of the draft letter for his appointment as an Independent Director setting out the terms and conditions shall be available for inspection by the Members in the Investors section of the website of the company at [www.sybly.com](http://www.sybly.com)

The members are requested to consider and approve the above Ordinary Resolution.

The Directors recommends the resolution for approval of the Shareholders.

Except Mr. Sachin, none of the Directors or KMP of the Company and their respective relatives is concerned or interested, Financially or otherwise in the resolution set out at Item No.4 of the accompanying Notice. Mr. Sachin is not related to any other Director or KMP of the Company.

**ITEM NO. 5**

Mrs. Ankita Garg (DIN: 09252403), was appointed as an Additional Director of the Company and also Non-Executive Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Regulation 17 of the SEBI (LODR), 2015 to hold office as an additional Independent Director of the Company from 28<sup>th</sup> August, 2021 up to the conclusion of the Annual General Meeting of the company to be held in the calendar year 2021.

The members may note that pursuant to Section 149(10) of the Act, an independent director shall hold office for a term of upto five(5) consecutive years on the Board of the Company but shall be eligible for reappointment for a further term of five (5) consecutive years by passing a Special Resolution by the Company.

Mrs. Ankita Garg, Post Graduate in Commerce from Chaudhary Charan Singh University Meerut has 5 years rich experience in area of finance and operation.

The Board on the recommendation made by NRC as above, at its meeting unanimously decided to recommend to the shareholders to appoint Mrs. Ankita Garg as an Independent director not liable to retire by rotation at the forthcoming Annual General Meeting.

A brief profile of Mrs. Ankita Garg along with the required particulars is given at the end of the statement. Further, Mrs. Ankita Garg has confirmed that she is not disqualified from being appointed as a director in terms of Section 164 of the Act and from being appointed as a Director. Mrs. Ankita Garg has also confirmed that she 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. In the opinion of Board Mrs. Ankita Garg fulfills the criteria/conditions specified in Section 149, 152 and other applicable provisions of the Act and rules made thereunder read with Schedule IV of the Act and Regulation 25 of the SEBI LODR.

Mrs. Ankita Garg has given her consent to be appointed as an Independent Director and also confirm that she is not disqualified to act as a director in terms of Section 164 of the Act besides she is also confirmed that she meets the criteria of independence as prescribed, both, u/s 149(6) of the Act read with relevant rules and under regulation 16(1)(b) of the SEBI LODR.

In the opinion of the Board, Mrs. Ankita Garg fulfils the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and that she is independent of the Management. Electronic copy of the draft letter for her appointment as an Independent Director setting out the terms and conditions shall be available for inspection by the Members in the Investors section of the website of the company at [www.sybly.com](http://www.sybly.com).

The members are requested to consider and approve the above Ordinary Resolution.

The Directors recommends the resolution for approval of the Shareholders.

Except Mrs. Ankita Garg, none of the Director or KMP of the Company and their respective relatives is concerned or interested, Financially or otherwise in the resolution set out at Item No.5 of the accompanying Notice. Mrs. Ankita Garg is not related to any other Director or KMP of the Company.

The Directors recommends the resolution for approval of the Shareholders.

**ITEM NO. 6**

The tenure of appointment of Mr. Nishant Mittal as Managing Director expired on 27.08.2021.

The Board of Director, on recommendation of Nomination and Remuneration Committee, at their Meeting 28.08.2021 considering the overall contribution of Mr. Nishant Mittal, Managing Director, to the growth of the Company, reappointed him for further period of 5 years w.e.f. 28.08.2021 on a remuneration of 40,00,000/- p.a. including perks, subject to the approval of Shareholders. His appointment shall be subject to retirement by rotation as per the Articles of Association of the Company.

Members approval for the appointment and remuneration payable to Mr. Nishant Mittal as Managing Director as given in resolution is sought by way of an Ordinary Resolution.

Except Mr. Nishant Mittal himself, Mr. Mahesh Chand Mittal being his relative, to the extent of their shareholding interest, if any, in the Company, none of the other Directors and Key Managerial Personnel(s) of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 6.

**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. Nishant Mittal	Mrs. Ankita Garg	Mr. Sachin
Director Identification Number (DIN)	02766556	09252403	09269555
Date of Birth	26-10-1987	06-01-1994	04-03-1987
Nationality	Indian	Indian	Indian
Qualifications	B.Tech (ECE), Dip. in TTM	B.COM, M.COM	B.COM. M.COM, MBA
Expertise in specific functional areas	Total 11 years work experience in higher Management & Directorship of the Company.	Around 05 years rich experience of Service in Finance Sector.	Around 12 years experience of Service in Banking and Finance sector.
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 28th August, 2021 up to 27th August, 2026 with a remuneration and/or perquisites of Rs. 40,00,000/- per annum and shall be liable to retire by rotation.	In compliance with the provisions of Sec. 149 read with Schedule IV of the Act, the Appointment of Mrs. Ankita Garg as an Independent Director to hold office for a term of 5 (Five) consecutive years w.e.f. 28 <sup>th</sup> August, 2021 to 27 <sup>th</sup> August, 2026. She will be entitled to sitting fees.	In compliance with the provisions of Sec. 149 read with Schedule IV of the Act, the Appointment of Mr. Sachin as an Independent Director to hold office for a term of 5 (Five) consecutive years w.e.f. 28 <sup>th</sup> August, 2021 to 27 <sup>th</sup> August, 2026. He will be entitled to sitting fees.
Directorship held in Listed entities (other than Sybly Industries Limited)	Space Incubiatrics Technologies Limited.	Space Incubiatrics Technologies Limited	Space Incubiatrics Technologies Limited
Relationship with other Directors	Son of Mr. Mahesh Chand Mittal	N.A.	N.A.
List of the Directorship held in other Companies	1. Space Incubiatrics Technologies Limited. 2. Daasnav Solutions Private Limited	Space Incubiatrics Technologies Limited	Space Incubiatrics Technologies Limited
Number of shares held in the company	849852	NIL	NIL
Membership of Committees of the Board (only listed entities) in which Chairmanship/membership is held (includes only Audit Committee and Stakeholder Relationship Committee)	N.A	She is Member of Audit Committee and Stake holder relationship Committee of Sybly Industries Limited and also Chairman of Stake holder relationship Committee of Space Incubiatrics Technologies Limited.	He is Chairman of Audit Committee and Stake holder relationship Committee of Sybly Industries Limited and also Member of Audit Committee and Stake holder relationship Committee of Space Incubiatrics Technologies Limited.

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

Sd/-

**Sagar Agarwal  
Company Secretary, Compliance Officer & CFO  
Membership No. A57936**

Residential Address: Gali No. 2, Gurudwara Road,  
Anandipura, Modinagar, Ghaziabad, U.P. - 201204

Place: Muradnagar  
Date: 28<sup>th</sup> August, 2021

## BOARD'S REPORT

To  
The Members,

Your Directors are pleased to present the 33<sup>rd</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, 2021.

### 1. FINANCIAL RESULTS

The standalone financial performance of the Company for the financial Year ended 31<sup>st</sup> March, 2021 is as follows.

(Audited)	(Rs. In Lakh)	
PARTICULARS	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Receipt from Operations	912.35	1847.21
Other Income	177.03	318.00
Operating Profit before Interest & Depreciation	159.24	163.48
Less : Interest	121.50	107.72
Gross Profit/(Loss)	37.74	55.76
Less : Depreciation	53.05	54.37
Net Profit/(Loss) for the year	(15.31)	1.39
Less : Provision for Current Tax	-	0.27
Provision for Deferred Tax	45.24	(25.37)
Profit/(Loss) After Tax	(60.55)	26.49
Add : Balance Brought Forward	(303.80)	(329.90)
Surplus Available for Appropriation	(364.35)	(303.41)
Less : Appropriation	0.07	0.39
Balance Carried Over to Balance Sheet	(364.42)	(303.80)
Earnings Per Share (EPS)		
-Basic	(0.66)	0.29
-Adjusted Basic	0.00	0.00
-Diluted	0.00	0.00

### 2. FINANCIAL HIGHLIGHTS

During the period under review turnover of the Company decreased from Rs. 1847.21 Lakh to Rs.912.35 Lakh i.e. a decrease of 50.61%. Company registered a loss before tax of Rs. 15.31 lakh against Profit before Tax of Rs. 1.39 lakh during F.y. 2021-20 due to decreased turnover. Further, the Company registered a Net loss after Tax of Rs. 60.55 Lakh from Profit of Rs. 26.49 Lakh resulting decreased profitability.

### 3. COVID IMPACT

For first two quarters of the financial year ended 31 March 2021, the Company had to suspend all its business activities, at different times, to comply with the lockdown instructions issued by the Central and State Governments for prevention of spread of Covid-19 pandemic. That had impacted the normal business operations of the Company by way of low demand, supply chain disruption and unavailability of manpower and other personnel during the lock-down period.

During the period starting from April 01, 2021 till the date of this report, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of Covid-19, and that the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities and compliance with the debt covenants, as applicable.

The Company is following Government Directives regarding health and safety of all employees in order to minimize the risk of spreading of COVID-19. At workplace, the focus is on social distancing and hygienic practices, for the safety of the employees. For all office employees, safe working spaces is made available through regular sanitization, communication campaigns on various precautions in office and while travelling to office. Employees are advised to download the Aarogya Setu app launched by the Government of India and management of the Company monitored the same. All security personnel and housekeeping staff were trained on safety measures including thermal screening for all individuals entering the premises, including customers and vendors.

### 4. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the Business during the Financial Year under review.

### 5. STATEMENT OF AFFAIRS

There is steep downfall in the revenue & profitability of the company due to COVID Pandemic impact & overall slowdown in the market. But management of the Company is hopeful to improve the situation gradually very soon and achieve the projections positively.

### 6. CAPITAL STRUCTURE

The Authorized Share Capital of the Company as on March 31, 2021 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

**7. DIVIDEND**

In view of the losses incurred by your Company, your board does not recommend any dividend for the financial year 2020-2021.

**8. TRANSFER TO RESERVE**

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

**9. 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.

**10. 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.

**11. NUMBER OF BOARD MEETINGS HELD**

The Board of Directors duly met 5 times during the financial year from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021. The mandatory gap between two meetings is less than 120 days. The dates on which the Meeting were held are as follows:

10<sup>th</sup> June, 2020, 30<sup>th</sup> July, 2020, 25<sup>th</sup> August, 2020, 12<sup>th</sup> November ,2020, 30<sup>th</sup> January, 2021.

**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, 2021. The Board of Directors consists of four (4) Directors including One Chairman and Managing Director, One (1) Non-Executive Director, Two (2) Non-executive Independent Directors, including One (1) Non-executive and 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.

**12. 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.

As per the provisions of the Companies Act, 2013, Mr. Nishant 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.

**b) KEY MANAGERIAL PERSONNEL**

Mrs. Suman Mittal ceases to be Chief Financial officer of the Company with effect from 25<sup>th</sup> August, 2020.

The Board appointed Mr. Sagar Agarwal, existing Company Secretary also as a Chief Financial Officer of the Company with effect from 26<sup>th</sup> August, 2020, to perform the duties which shall be performed by the Chief Financial Officer under the Companies Act, 2013.

**13. 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.

**14. 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.

**15. INFORMATION ABOUT THE FINANCL PERFORMANCE/ FINANCIAL POSITION OF THE SUBSIDIARY**

During the F.Y. 2020-2021 your company does not have any unlisted/listed subsidiary company or Joint Ventures or any Associate Companies. Therefore, AOC-1 is not attached.

**16. 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 2019-20, 2020-21 & 2021-22.

(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, which is pending till the date of 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.

Therefore, the company has a Contingent Liability of more than Rs. 15.50 Crore as on 31.03.2021, which exceeds its net worth of Rs.10.84 Crores as on 31.03.2021. 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.

**17. 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.

**18. 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 which Contingent liability exceeds networkth still there is no risk/threat

**19. 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.

**20. 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.

**21. 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.

**22. 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)

\*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.

**23. 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)

\*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.

**24. 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)

\*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.

**25. 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://sybly.com/wp-content/uploads/2015/05/Nomination Remuneration Policy.pdf](http://sybly.com/wp-content/uploads/2015/05/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.

**26. 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://sybly.com/wp-content/uploads/2015/05/Whistle\\_Blower\\_Policy.pdf](http://sybly.com/wp-content/uploads/2015/05/Whistle_Blower_Policy.pdf)

**27. 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, 2021, but there is an outstanding loan of Rs. 3,47,54,691/- not including interest from the Promoter-Directors of the Company and Corporate Deposit of Rs. 45,21,440/- 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.

**28. STATUTORY AUDITORS**

The shareholders of the Company at AGM held on September 27, 2017 had appointed M/s. Vipin Nagar & Co. (ICAI Firm Registration Number: 05171C), Chartered Accountants, LLP, as the Statutory Auditors of the Company for an initial term of 5 years.

**AUDITOR'S REPORT**

The Auditor Report for the financial year ended March 31<sup>st</sup>, 2021. There is no adverse qualification/remark in the Auditor's Report.

**29. 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>, 2021. The Secretarial Audit Report for the financial year ended March 31<sup>st</sup>, 2021 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>, 2021 is annexed to this report as **Annexure 'B'**.

**30. 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 2020-2021.

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.

**31. 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.

**32. 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.

**33. 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/2021/08/Form\\_MGT-7\\_Sybly\\_2020.pdf](http://www.sybly.com/wp-content/uploads/2021/08/Form_MGT-7_Sybly_2020.pdf)

**34. 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.

**35. 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**.

**36. 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.

**37. CORPORATE GOVERNANCE**

As Per Regulation 15(2) of SEBI (Listing Obligation and disclosure Requirement) Regulation 2015, Compliance with the Corporate Governance provision 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 Obligation and disclosure Requirement) Regulation, 2015, therefore Company in not required to comply with said provisions.



**38. 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.

**39. 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 : 28<sup>th</sup> August, 2021**  
**Registered Office:**  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

**Sd/-**  
**(Nishant Mittal)**  
**Chairman & Managing Director**  
**DIN: 02766556**  
Residential Address:  
Flat No.603, Tower-2, Orange County, AhinsaKhand-1,  
Near Aditya Cinemas, Indrapuram, Shipra Sun City  
Ghaziabad-201014, Uttar Pradesh

**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:

<b>Executive directors :</b>	<b>Ratio to median remuneration</b>
Mr. Nishant Mittal	16.12 : 1
<b>Non-Executive Director :</b>	-
Mr. Dhan Pal Jain	-
Mr. Virendra Kumar Govil	-
Mrs. Mamta Garg	-

- 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;

<b>Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary</b>	<b>Ratio</b>	<b>% increase in remuneration in the financial years</b>
Mr. Nishant Mittal, Chairman & Managing Director	16.12 : 1	0.00
Mr. Mahesh Chand Mittal	-	-
Mr. Dhan Pal Jain	-	-
Mr. Virendra Kumar Govil	-	-
Mrs. Mamta Garg	-	-
Mr. Sagar Agarwal, Company Secretary	0.24 : 1	0.00

- c. The percentage increase in the median remuneration of employees in the financial year: - NIL
- d. The number of permanent employees on the rolls of company (as at 31.03.2021) : 53
- e. The explanation on the relationship between average increase in remuneration and company performance.

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

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's 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 2020-2021.

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

Place : Muradnagar  
Date : 28<sup>th</sup> August, 2021  
Registered Office:  
Pawan Puri, Muradnagar  
Distt. Ghaziabad (U.P.) – 201206

Sd/-  
(Nishant Mittal)  
Chairman & Managing Director  
DIN: 02766556  
Residential Address: Flat No.603, Tower-2, Orange  
County, Ahinsa Khand-1, Near Aditya Cinemas,  
Indrapuram, Shipra Sun City Ghaziabad, 201014,  
Uttar Pradesh

**FORM No.MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021**

ANNEXURE-B

*[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,  
Sybly 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, 2021** 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, 2021**, 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) with respect to Board and General Meeting.
- ii.) The 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. 619.00 Lakhs (Rupees Six Hundred Nineteen Lakhs) and BGECL-WCTL of Rs. 150.00 Lakhs (Rupees One Crore Fifty Lakhs Only) extended by Bank of Baroda, Uppar Bazar, Modinagar, Ghaziabad, Uttar Pradesh-201204 branch to Company vide sanction letter dated October 06, 2020.
- ii) 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 has filed an Appeal against the aforesaid issued by Adjudication Order before Securities Appellate Tribunal (SAT), Mumbai. The appeal is pending for adjudication till the date of this Report.

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

Sd/-  
**SONIA RANI**  
(Proprietor)  
M. No. : A36984  
CP : 20372  
UDIN : A036984C000832856

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, 2021 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**  
M. No. : A36984  
CP : 20372  
Mobile: 9971543044  
UDIN : A036984C000832856

Place: New Delhi  
Date : 28<sup>th</sup>August, 2021

**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.

The Company is committed to improve energy performance on a continuous basis by looking at new options/innovations in the fields of electrical and thermal energy.

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

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

<b>A. POWER &amp; FUEL CONSERVATION</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>1. ELECTRICITY :</b>		
<b>(A)Purchased :</b>		
Units	296652	1933675
Total Amount (Rs.)	2800073	16435469
Average Rate Per Unit	9.44	8.50
<b>(B)Own Generation :</b>		
Through Diesel Generator:		
Units	980	53965
Units Per Ltr. of Diesel/Oil	3.70	3.76
Cost Per Unit	17.54	17.36
<b>2. FIRE WOOD/DRY BAGGAS, KHOI, RICE HUSK :</b>		
Quantity (M.T.)	-	-
Total Cost (RS.)	-	-
Rate Per M.T.	-	-
<b>Consumption Per Unit of Production :</b>		
Production (M.T.)	528.661	1242.2235
Electricity & Generator (Unit/Kg.)	0.56	1.60
Compressor Furnace Oil (Ltr.)	Nil	Nil
Coal & Fire Wood/Dry Baggas, Khoi, Rice Husk (Kg.)	Nil	Nil

**FORM – B**

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

<b>1. Research &amp; Development</b>		
(i) Specific area in which R & D carried out by the Company	Nil	Nil
(ii) Benefits desired as a result of the above R & D	Nil	Nil
(iii) Future plan of action	Nil	Nil
(iv) Expenditure of R & D :		
(A) Capital	Nil	Nil
(B) Recurring	Nil	Nil
(C) Total	Nil	Nil
(D) Total R & D Expenditure	Nil	Nil
<b>2. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION :</b>		
(A) Efforts in brief, made towards technology absorption, adoption and innovation	Nil	Nil
(B) Benefits desired as a result of the above efforts e.g. product improvement, Cost Reduction, Product Development, Import Substitution etc.	Nil	Nil
<b>3. PARTICULARS OF IMPORTED TECHNOLOGY IN THE LAST 5 YEARS</b>	Nil	Nil

**FORM – C****4. FOREIGN EXCHANGE EARNING AND OUTGO Rs. in Lacs**

		<b>Rs. in Lacs</b>
(a) Expenditure in Foreign Currency:	<b>Nil</b>	<b>Nil</b>
(b) Earning in Foreign Exchange:		
Interest Income	<b>Nil</b>	<b>Nil</b>

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

**Place : Muradnagar**  
**Date : 28<sup>th</sup> August, 2021**  
**Registered Office:**  
PawanPuri, Muradnagar  
Distt. Ghaziabad (U.P.)– 201206

**Sd/-**  
**(Nishant Mittal)**  
**Chairman & Managing Director**  
**DIN: 02766556**  
Residential Address: Flat No.603, Tower-2, Orange  
County, AhinsaKhand-1, Near Aditya Cinemas,  
Indirapuram, Shipra Sun City Ghaziabad, 201014,  
Uttar Pradesh

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> 2021.

**An Overview Indian Textile Industry**

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 15% of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

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

**Market Size**

The Indian textiles industry, currently estimated at around US\$ 150 billion, is expected to reach US\$ 223 billion by 2021. New Government Policies aimed at this market were meant to create more jobs, requiring nearly 17 million in its workforce additionally by 2022.

Due to the impact of Covid-19, India's Textile & Apparel exports are expected to fall around 15% to reach US\$ 28.4 billion in 2020-21. India's exports of Textile & Apparel are expected to grow to US\$ 65 billion by 2025-26, growing at a CAGR of 11%. Manmade garments remain the largest contributor to total textile and apparel exports 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\$ 3.44 billion during April 2000 to March 2021.

Some of the major investments in the Indian textiles industry are as follows:

- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunities and attract investments worth Rs 800.00 billion (US\$ 11.93 billion) during 2018-2020.
- Under Union Budget 2020-21, a National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs 1,480 crore (US\$ 211.76 million).

**Government Initiatives**

Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the sector under the automatic route.

Initiatives taken by Government of India are:

- In April 2021, Union Minister, Ms. Smriti Irani has assured strong support from the Textile Ministry to reduce industry's dependence on imported machine tools by partnering with engineering organisations for machinery production. She also stated that the PLI scheme for the textile industry is almost ready. The scheme aims to develop Man Made Fiber (MMF) apparel and technical textiles industry by providing incentive from 3-15% on stipulated incremental turnover for five years.
- In March 2021, The Ministry of Textiles favoured limited deal for the India-UK free trade agreement that could boost the garments sector.
- In 2020-21, the UK is India's fourteenth largest trading partner, accounting for US\$ 8.7 billion in exports and US\$ 6.7 billion in imports.
- 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.
- Defense Research and Development Organization (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 defense sector has expressed support towards the Indian technical textile sector.
- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry-readymade garments and made-ups - from two per cent to four per cent.
- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), estimated to create employment for 35 lakh people and enable investment worth Rs.95,000 Crore (US\$ 14.17 billion) by 2022.
- The Cabinet Committee on Economic Affairs (CCEA), Government of India approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20. As of August 2019, 16 states signed pacts with the Ministry of Textiles to partner with it for skilling about four lakh workers under the scheme.  
<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 CY2020, Cotton Corporation of India made a record procurement of 151 lakh bales under MSP operations, which is 290% higher than 38.43 lakh bales procured during the corresponding period last year.
- Under the Scheme for Integrated Textile Parks (SITP), 59 textile parks were sanctioned, out of which, 22 have been completed.
- Exports of readymade garments (of all textiles) was worth US\$ 1.19 billion as of December 2020.
- SAATHI: The Union Ministry of Textiles and Energy Efficiency Services Limited, launched a technology upgradation scheme called SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the power loom sector of India.

## 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.
- The Company owns land at Muradnagar, District Ghaziabad, Uttar Pradesh, India, which is also sufficient to meet future expansion plans of the Company.

## 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 2021-2022 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 decreased from Rs. 1847.21 Lakh to Rs.912.35 Lakh i.e. a decrease of 50.61%. Company registered a loss before tax of Rs. 15.31 lakh against Profit before Tax of Rs. 1.39 lakh during F.Y. 20219-20 due to decreased turnover. Further, the Company registered a Net loss after Tax of Rs. 60.55 Lakh from Profit of Rs. 26.49 Lakh resulting decreased profitability.

Ratios (Standalone)	For the year ended 31st March 2021	For the year ended 31st March 2020
Debtors Turnover Ratio	71.06	41.98
Inventory Turnover Ratio	25.45	9.86
Interest Coverage Ratio	0.85	0.43
Current Ratio	1.21	0.88
Debt Equity Ratio	1.14	0.60
Operating Profit Margin (%)	21.08	17.14
Net Profit Margin (%)	6.64	1.43

**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 31-03-2021 there were 53 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 : 28<sup>th</sup> August, 2021**  
**Registered Office:**  
PawanPuri, Muradnagar  
Distt. Ghaziabad (U.P.)– 201206

**Sd/-**  
**(Nishant Mittal)**  
**Chairman & Managing Director**  
**DIN: 02766556**  
Residential Address: Flat No.603, Tower-2, Orange  
County, AhinsaKhand-1, Near Aditya Cinemas,  
Indrapuram, Shipra Sun City Ghaziabad, 201014,  
Uttar Pradesh

**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	<b>NIL</b>
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	<b>NIL</b>
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 : 28<sup>th</sup> August, 2021**  
**Registered Office:**  
PawanPuri, Muradnagar  
Distt. Ghaziabad (U.P.)– 201206

**Sd/-**  
**(Nishant Mittal)**  
**Chairman & Managing Director**  
**DIN: 02766556**  
Residential Address: Flat No.603, Tower-2, Orange  
County, AhinsaKhand-1, Near Aditya Cinemas,  
Indirapuram, Shipra Sun City Ghaziabad, 201014,  
Uttar Pradesh

**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, 2021, and the Statement of Profit and Loss for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021, 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, 2021;
- b) In the case of the Profit and Loss Account, of the Loss 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 21, which indicates that the company has a Contingent Liability of more than Rs. 15.20 Crore as on 31.03.2021 and as of that date, company has a net worth of Rs. 10.84 Crore. The Company's Contingent Liability exceeds its net worth as on 31.03.2021. 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, 2016 ("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**, 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, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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 of 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 21 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: : 21074041AAAAES7612**

**Place : MEERUT**

**Dated : 25<sup>th</sup> May 2021**

**ANNEXURE - A**

**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, 2021**

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) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed 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.;
- (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.
- (b) The Company is maintaining proper records of Inventory. The discrepancies between the physical stocks as compared to book records were not material.
- (iii) The Company has not 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), (b) & (c) 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, Wealth Tax, 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, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Value Added Cess and other material statutory dues applicable to it, were in arrears, as at 31st March, 2021 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 by the Company in the FY 2008-09	Securities Appellate Tribunal (SAT), Mumbai	Rs. 10.30 Crore
3.	Customs Act, 1962	Demand of Custom Duty saved under EPCG Scheme	Commissioner of Customs (Appeal)	Rs. 38,13,847/- along with Interest

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders.
- (ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year ended 31.03.2021 and during the year, no term loans has been availed by the company.
- (x) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

- (xi) The company has paid Managerial remuneration to its Whole Time Directors within the limits prescribed under section II of Part II of Schedule V of the Companies Act, 2013, hence no approval is required under section 197 of the Companies Act, 2013 from Central Government for payment of such remuneration.
- (xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016, are not applicable to the company.
- (xiii) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**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: : 21074041AAAAES7612**

**Place : MEERUT**

**Dated : 25<sup>th</sup> May 2021**

**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, 2021 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, 2021, 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,**

**Sd/-**

**(CA. Vipin Nagar)**

**Partner.**

**Membership No. 074041**

**Firm Reg. No. 05171C**

**UDIN: : 21074041AAAAES7612**

**Place : MEERUT**

**Dated : 25<sup>th</sup> May 2021**



**BALANCE SHEET AS AT 31ST MARCH, 2021**

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant & Equipment	4	14,07,10,580.01	14,90,71,692.60
(b) Capital work- in-progress		-	-
(c) Financial Assets			
(i) Loans and Advances	5	68,07,135.30	96,20,735.30
(d) Deferred Tax Assets (Net)		88,89,032.00	1,34,12,746.00
<b>Total Non-current Assets</b>		<b>15,64,06,747.31</b>	<b>17,21,05,173.90</b>
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	6	2,32,25,395.00	1,82,16,840.00
(b) Financial Assets			
(i) Trade Receivables	7	6,48,32,427.82	7,75,42,679.53
(ii) Cash and Cash Equivalents	8	3,15,044.00	3,93,785.00
(iii) Bank Balances other than (ii) above	9	84,351.78	59,351.78
(iv) Loans and Advances	10	12,17,112.50	12,38,456.40
(v) Other Financial Assets	11	53,17,284.00	50,07,861.00
(c) Other Current Assets	12	25,65,535.62	16,04,903.25
<b>Total Current Assets</b>		<b>9,75,57,150.72</b>	<b>10,40,63,876.96</b>
<b>Total Assets</b>		<b>25,39,63,898.03</b>	<b>27,61,69,050.86</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	13	9,15,66,530.00	9,15,66,530.00
(b) Other Equity	14	1,68,07,101.74	2,32,07,153.81
<b>Total Equity</b>		<b>10,83,73,631.74</b>	<b>11,47,73,683.81</b>
<b>LIABILITIES</b>			
<b>(2) Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	5,42,76,131.38	3,54,40,519.91
<b>Total Non-current Liabilities</b>		<b>5,42,76,131.38</b>	<b>3,54,40,519.91</b>
<b>(3) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	4,97,18,851.15	8,33,65,991.91
(ii) Trade Payables			
-total outstanding dues of micro enterprises and small enterprises	17	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	17	2,53,47,274.15	2,88,34,942.89
(iii) Other Financial Liabilities	18	10,98,524.00	28,97,711.00
(b) Other current liabilities	19	1,23,64,308.61	69,17,557.34
(c) Provisions	20	27,85,177.00	39,11,924.00
(d) Current Tax Liabilities (Net)		-	26,720.00
<b>Total Current Liabilities</b>		<b>9,13,14,134.91</b>	<b>12,59,54,847.14</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>25,39,63,898.03</b>	<b>27,61,69,050.86</b>

Notes to Accounts and Significant Accounting Policies  
Note No. 30 forms an integral part of these Financial Statements

1,2,3

Sd/-  
(NISHANT MITTAL)  
Managing Director  
(Din : 02766556)  
Flat No.603, Tower-2, Orange County,  
Ahinsa Khand-1, Near Aditya Cinemas,  
Indirapuram, Shipra Sun City,  
Ghaziabad - 201014 (U.P.)

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

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

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 : 21074041AAAAES7612

PLACE : Muradnagar  
DATE : 25th May, 2021

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>REVENUE</b>			
<b>I. Revenue from Operations</b>			
Sales of products	22	9,12,34,719.86	18,47,21,354.50
		<u>9,12,34,719.86</u>	<u>18,47,21,354.50</u>
<b>II. Other Income</b>	23	22,68,295.00	71,95,472.15
<b>III. Total Revenue (I+II)</b>		<u><b>9,35,03,014.86</b></u>	<u><b>19,19,16,826.65</b></u>
<b>EXPENSES</b>			
Cost of material consumed	24	8,17,18,744.19	14,18,78,965.27
Purchases of Stock-in-Trade	24	-	-
Changes in inventories of finished goods, work-in-progress and stock-in trade	25	(42,69,971.00)	65,63,350.00
Manufacturing & Operating Cost	26	34,92,579.60	1,87,25,140.35
Employee benefits expenses	27	85,07,785.07	2,41,95,304.02
Finance Costs	28	1,21,50,002.74	1,07,72,386.37
Depreciation and Amortization Expenses	4	53,05,286.00	54,36,636.00
Other expenses	29	35,64,652.33	88,11,208.74
<b>IV. Total Expenses</b>		<u><b>11,04,69,078.93</b></u>	<u><b>21,63,82,990.75</b></u>
<b>V. Profit before exceptional items and Tax (III-IV)</b>		(1,69,66,064.07)	(2,44,66,164.10)
<b>VI. Exceptional Items</b>		1,54,34,846.00	2,46,05,040.99
<b>VII. Profit before Tax (PBT) (V ±VI)</b>		<u><b>(15,31,218.07)</b></u>	<u><b>1,38,876.89</b></u>
<b>VIII. Tax Expense of continuing operations</b>			
Current Tax		-	-
MAT Credit Entitlement		-	26,720.00
Deferred Tax		45,23,714.00	(25,37,229.00)
<b>IX. Profit/(loss) for the period [Profit After Tax (PAT)] (VII-VIII)</b>		(60,54,932.07)	26,49,385.89
<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>		(60,54,932.07)	26,49,385.89
<b>XII. Earnings per equity share (for continuing)</b>			
(1) Basic		(0.66)	0.29
(2) Adjusted Basic		-	-
(3) Diluted		-	-
<b>Notes to Accounts and Significant Accounting Policies</b>	<b>1,2,3</b>		
<b>Note No. 30 forms an integral part of these Financial</b>			

Sd/-  
**(NISHANT MITTAL)**  
 Managing Director  
 (Din : 02766556)  
 Flat No.603, Tower-2, Orange County,  
 Ahinsa Khand-1, Near Aditya Cinemas,  
 Indirapuram, Shipra Sun City,  
 Ghaziabad - 201014 (U.P.)

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

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

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: : 21074041AAAAES7612

PLACE : Muradnagar  
 DATE : 25th May, 2021



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

Prepared pursuant to Listing Agreement

	2020-2021 AMOUNT(Rs.)	2019-2020 AMOUNT(Rs.)
<b>A. CASH FLOW FROM OPERATION ACTIVITIES:</b>		
<b>Net Profit before Tax and Extraordinary items</b>	(1,69,66,064.07)	(2,44,66,164.10)
<b>Adjustment for:</b>		
Depreciation	53,05,286.00	54,36,636.00
Finance Charges	<u>1,10,88,789.00</u>	<u>1,06,31,180.82</u>
	1,63,94,075.00	1,60,67,816.82
<b>Adjustment for:</b>		
Rental Income	(3,00,000.00)	(3,00,000.00)
Interest received	(13,40,257.00)	(4,99,929.00)
Profit on Sale of Fixed Assets	<u>-</u>	<u>-</u>
	(16,40,257.00)	(7,99,929.00)
<b>Adjustment For Previous Year:</b>		
Previous year adjustments	<u>(7,395.00)</u>	<u>(39,269.00)</u>
	(7,395.00)	(39,269.00)
<b>Cash Flow From Exceptional items</b>	1,54,34,846.00	2,46,05,040.99
	<u>1,32,15,204.93</u>	<u>1,53,67,495.71</u>
<b>Operating Profit before Working Capital Changes</b>		
<b>Adjustment for:</b>		
Trade receivables	1,27,10,251.71	2,36,61,686.44
Loans & Advances	28,34,943.90	(32,640.88)
Inventories	(50,08,555.00)	76,47,361.00
Other current assets	(9,60,632.37)	27,06,228.29
Trade Payable	(34,87,668.74)	(1,30,96,396.22)
Short-term borrowings	(3,36,47,140.76)	(2,23,76,912.45)
Other Financial Liabilities	(17,99,187.00)	(17,40,115.00)
Other current liabilities	54,46,751.27	(25,05,572.10)
Long-term provisions	-	-
Current Tax Liabilities (Net)	(26,720.00)	26,720.00
Short-term provisions	<u>(11,26,747.00)</u>	<u>(6,02,517.00)</u>
	(2,50,64,703.99)	(63,12,157.92)
Cash generated from operations	(1,18,49,499.06)	90,55,337.79
Taxes Paid	<u>45,23,714.00</u>	<u>(25,10,509.00)</u>
Cash flow from operating activities	(1,63,73,213.06)	1,15,65,846.79
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Interest received	13,40,257.00	4,99,929.00
Rental Income	3,00,000.00	3,00,000.00
Sale of Fixed Assets	28,63,654.00	75,92,160.01
Purchase/Sale of Investments	-	-
Purchase of Assets (including Capital Work in progress)	(1,45,552.41)	(18,74,807.96)
Net Cash used in Investing activities	<u>43,58,358.59</u>	<u>65,17,281.05</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Equity Share Capital (including share application money)	-	-
Amalgamation Reserve	-	-
Borrowings/(Repayment) of Loans	1,88,35,611.47	(49,38,432.32)
Finance Charges	(1,10,88,789.00)	(1,06,31,180.82)
Deferred tax liabilities	<u>45,23,714.00</u>	<u>(25,37,229.00)</u>
	2,55,682.00	(23,714.30)
Opening Bal. of Cash and Cash equivalents	54,60,997.78	54,84,712.08
Closing Bal. of Cash and Cash equivalents	<u>57,16,679.78</u>	<u>54,60,997.78</u>
	2,55,682.00	(23,714.30)
	<u>0.00</u>	<u>(0.00)</u>

For and on behalf of Board of Directors

Sd/-  
**(NISHANT MITTAL)**  
Managing Director  
(Din : 02766556)  
Flat No.603, Tower-2,  
Orange County, Ahinsa Khand-1,  
Near Aditya Cinemas,  
Indirapuram, Shipra Sun City,  
Ghaziabad - 201014 (U.P.)

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

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

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 : 21074041AAAES7612

PLACE : Muradnagar  
DATE : 25th May, 2021

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1. COMPANY OVERVIEW

Sybly Industries Limited (referred to as "Sybly" or "the Company") is engaged in manufacturing and selling of yarn and trading of fabrics. The Company is a public limited Company incorporated in India and has its registered office at 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 May, 252021.

#### (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 of yarn and trading of 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 : FIXED ASSETS**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Original as at 31.03.2020	Addition during the Year	Deletion during the Year	Total Cost as at 31.03.2021	Depreciation upto 31.03.2020	Depreciation on Sale	Depreciation for the Year	Depreciation upto 31.03.2021	As At 31.03.2021	As At 31.03.2020
Land	86687015.00	0.00	186582.00	86500433.00	-	-	-	-	86500433.00	86687015.00
Building	93379448.66	0.00	105703.00	93273745.66	44178011.00	49548.00	3143188.00	47271651.00	46002094.66	49201437.66
Plant & Machinery	226819973.47	0.00	27299641.00	199520332.47	217100198.39	24740340.00	1639049.00	193998907.39	5521425.08	9719775.08
Computers	3936434.00	53808.48	-	3990242.48	3932654.00	-	7177.00	3939831.00	50411.48	3780.00
Furniture & Fixtures	1387219.39	0.00	-	1387219.39	1307100.72	-	8535.00	1315635.72	71583.67	80118.67
Vehicles	7805032.07	0.00	785292.00	7019740.07	4761355.87	723676.00	755499.00	4793178.87	2226561.20	3043676.20
Office Equipments	1426700.85	91743.93	-	1518444.78	1090810.86	-	89563.00	1180373.86	338070.92	335889.99
<b>Total</b>	<b>421441823.44</b>	<b>145552.41</b>	<b>28377218.00</b>	<b>393210157.85</b>	<b>272370130.84</b>	<b>25513564.00</b>	<b>5643011.00</b>	<b>252499577.84</b>	<b>140710580.01</b>	<b>149071692.60</b>

Depreciation to be Charged to Revaluation Reserve 337725.00  
 Depreciation adjusted against Retained Earnings 0.00  
 Net Depreciation to be Charged to P & L. A/c 5305286.00



**NOTES TO THE ACCOUNTS**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>NOTE - 5 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
A Capital advances	39,99,859.99	39,99,859.99
B Security deposits	8,99,853.00	37,13,453.00
C Balances with Government Authorities	-	-
D Others		
Advance to Suppliers	19,07,422.31	19,07,422.31
<b>TOTAL (A+B+C+D)</b>	<b>68,07,135.30</b>	<b>96,20,735.30</b>
<b>NOTE - 6 INVENTORIES</b>		
Raw Material	20,98,640.00	12,79,968.00
Stores and Spare Parts	17,800.00	47,700.00
Packing Material	35,300.00	68,300.00
Fuels	-	17,188.00
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>TOTAL</b>	<b>2,32,25,395.00</b>	<b>1,82,16,840.00</b>
<b>NOTE - 7 TRADE RECEIVABLES</b>		
(Unsecured)		
Trade Receivables - Considered Good	6,48,32,427.82	7,75,42,679.53
<b>TOTAL (A+B)</b>	<b>6,48,32,427.82</b>	<b>7,75,42,679.53</b>
<b>NOTE - 8 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	3,15,044.00	3,93,785.00
<b>TOTAL</b>	<b>3,15,044.00</b>	<b>3,93,785.00</b>
<b>NOTE - 9 BANK BALANCES</b>		
<b>A Balance with Banks</b>		
(i) In Deposit Accounts	84,351.78	59,351.78
<b>B Cheques, drafts on hand</b>		
(i) Cheques on hand	-	-
<b>TOTAL (A+B)</b>	<b>84,351.78</b>	<b>59,351.78</b>
<b>NOTE - 10 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
A Loans and advances to Employees	31,058.00	-
B Prepaid Expenses	1,61,154.00	1,67,507.00
C Others (Advance to Suppliers)	10,24,900.50	10,70,949.40
<b>TOTAL (A+B+C+D+E)</b>	<b>12,17,112.50</b>	<b>12,38,456.40</b>
<b>NOTE - 11 OTHER FINANCIAL ASSETS</b>		
Bank Deposits Having Maturity more than 12 Months from date of deposit	53,17,284.00	50,07,861.00
	<b>53,17,284.00</b>	<b>50,07,861.00</b>
<b>NOTE - 12 OTHER CURRENT ASSETS</b>	25,65,535.62	16,04,903.25
<b>TOTAL</b>	<b>25,65,535.62</b>	<b>16,04,903.25</b>

Particulars	As at 31.03.2021	As at 31.03.2020
<b>NOTE - 13 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)	28,76,00,000.00	28,76,00,000.00
<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 on 31.03.2021	Number of shares as on 31.03.2020
1	MAHESH CHAND MITTAL	16,51,061	16,51,061
2	SUMAN MITTAL	19,92,842	16,09,866
3	NISHANT MITTAL	8,49,852	8,46,552
4	MAHESH CHAND MITTAL - HUF	6,83,581	6,83,581

**NOTE - 14 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	5,35,87,121.42	5,39,24,846.42
Add : Addition on revaluations during the year	-	-
Less : Utilised during the year	3,37,725.00	3,37,725.00
Closing Balance	<b>5,32,49,396.42</b>	<b>5,35,87,121.42</b>

**C Surplus (Profit and Loss Account)**

Opening Balance	(3,03,79,967.61)	(3,29,90,084.50)
Add : Profit / (Loss) for the year	(60,54,932.07)	26,49,385.89
Less : Amalgamation Reserve	-	-
Less : Previous year adjustments	7,395.00	39,269.00
Closing Balance	<b>(3,64,42,294.68)</b>	<b>(3,03,79,967.61)</b>

**TOTAL (A+B+C)**

<b>1,68,07,101.74</b>	<b>2,32,07,153.81</b>
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Particulars	As at 31.03.2021	As at 31.03.2020
<b>NOTE - 15 LONG TERM BORROWINGS</b>		
<b>Secured borrowings</b>		
<b><u>Term loans from banks</u></b>		
Term Loan for Car	-	-
Term Loan - WCTL	1,50,00,000.00	-
	<u>1,50,00,000.00</u>	<u>-</u>
<b>Unsecured borrowings</b>		
Loans and advances from Directors/Promoters	3,47,54,691.38	3,54,40,519.91
Loans and advances from Corporate Bodies	45,21,440.00	-
	<u>3,92,76,131.38</u>	<u>3,54,40,519.91</u>
<b>TOTAL</b>	<b><u>5,42,76,131.38</u></b>	<b><u>3,54,40,519.91</u></b>

**Nature of Security and terms of repayments for Long Term secured borrowings :**

Nature of Security	Terms of Repayment
i. Additional Working Capital Term Loan from Bank of Baroda, Modinagar amounting to Rs. 60.00 lakh (March 31, 2020 Rs. Nil) is secured by way of extending Existing Primary/Collateral securities with Bank of Baroda against existing credit facilities.	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.
ii. Additional Working Capital Term Loan from Bank of Baroda, Modinagar amounting to Rs. 90.00 lakh (March 31, 2020 Rs. Nil) is secured by way of extending Existing Primary/Collateral securities with Bank of Baroda against existing credit facilities.	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.

**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 - 16 SHORT-TERM BORROWINGS**

<b>Secured borrowings</b>		
<b>A Loans payable on demand</b>		
Working Capital Loans from Banks	4,97,18,851.15	8,33,65,991.91
<b>Unsecured borrowings</b>		
<b>B Loans and advances from Others</b>	-	-
<b>TOTAL (A+B)</b>	<b><u>4,97,18,851.15</u></b>	<b><u>8,33,65,991.91</u></b>

Working Capital Loans of Rs. 497.19 lacs (Previous year Rs. 833.66 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.

**NOTE - 17 TRADE PAYABLES**

Dues of Micro and small enterprises	-	-
Dues of other than Micro and small enterprises	2,53,47,274.15	2,88,34,942.89
	<u>2,53,47,274.15</u>	<u>2,88,34,942.89</u>

**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, 2021 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 31.03.2021	As at 31.03.2020
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
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 2020: Rs. NIL)

**NOTE - 18 Other Financial Liabilities**
**Current maturities of long term debt**
**(Repayable in FY 2021-2022)**

FITL from Bank of Baroda - 3,54,956.00

**Other Payables**

Others 10,98,524.00 25,42,755.00

**10,98,524.00 28,97,711.00**

**NOTE - 19 OTHER CURRENT LIABILITIES**
**Other Payables**

Statutory remittances 1,38,905.00 7,21,006.00

Advances from customers 20,012.00 -

Advances from customers - Capital Goods 1,18,97,920.00 10,50,000.00

Others 3,07,471.61 51,46,551.34

**TOTAL 1,23,64,308.61 69,17,557.34**

**NOTE - 20 SHORT TERM PROVISION**

Provision for Income Tax - 26,720.00

Provision for Gratuity 27,85,177.00 39,11,924.00

**TOTAL 27,85,177.00 39,38,644.00**

**NOTE - 21 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 2019-20, 2020-21 & 2021-22.

(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 Cusotm 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) The Trade Tax assessments of the Company for the assessment year 2017-18 (April 2017 to June 2017) is pending but the Company does not envisage any liability for these years other than what has been paid or provided.

(v) The Goods and Service Tax (GST) assessment of the Company for the assessment years 2017-18 (July 2017 to March 2018), 2018-19 and 2019-20 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.

-----NIL-----

(d) Bills discounted with banks

**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 31.03.2021	As at 31.03.2020
<b>NOTE - 22 REVENUE FROM OPERATIONS</b>		
Sale of Products	9,12,00,149.86	18,43,41,160.50
Job Work	10,030.00	1,33,194.00
Sale of Waste	24,540.00	2,47,000.00
<b>TOTAL</b>	<b>9,12,34,719.86</b>	<b>18,47,21,354.50</b>
<b>NOTE - 23 OTHER INCOME</b>		
Rental Income	3,00,000.00	3,00,000.00
Interest Received	13,40,257.00	4,99,929.00
Other Income	6,28,038.00	63,95,543.15
<b>TOTAL</b>	<b>22,68,295.00</b>	<b>71,95,472.15</b>
<b>NOTE - 24 COST OF MATERIAL CONSUMED</b>		
Raw Material Consumed	8,17,18,744.19	14,18,78,965.27
Purchase of Traded Goods	-	-
<b>TOTAL</b>	<b>8,17,18,744.19</b>	<b>14,18,78,965.27</b>

**NOTE - 25 CHANGES IN INVENTORIES OF FINISHED GOODS,  
WORK-IN-PROGRESS AND STOCK-IN-TRADE**
**Closing Stock:**

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>

**Opening Stock:**

Finished Goods	1,21,62,729.00	1,41,11,354.00
Stock in Process	39,76,975.00	88,20,680.00
Scrap & Waste	6,63,980.00	4,35,000.00
	<b>1,68,03,684.00</b>	<b>2,33,67,034.00</b>

**Net (Increase) / Decrease**

	<b>42,69,971.00</b>	<b>(65,63,350.00)</b>
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**NOTE - 26 MANUFACTURING & OPERATING COST**

Power & Fuel	28,17,261.00	1,73,72,311.00
Packing Material	4,26,162.60	13,34,104.35
Freight Inward	2,49,156.00	-
Chemicals	-	18,725.00
<b>TOTAL</b>	<b>34,92,579.60</b>	<b>1,87,25,140.35</b>

**NOTE - 27 EMPLOYEE BENEFIT EXPENSES**

Salaries, Wages & Incentives	80,30,790.00	2,20,99,087.00
Bonus	2,01,145.00	4,53,311.00
Gratuity	(90,142.00)	3,36,958.00
Contributions to Provident Fund	2,57,997.00	5,50,212.00
Contributions to Employees State Insurance (ESI)	97,489.00	4,36,380.00
Staff & Labour Welfare	10,506.07	3,19,356.02
<b>TOTAL</b>	<b>85,07,785.07</b>	<b>2,41,95,304.02</b>

**NOTE - 28 FINANCE COSTS**
**Interest on :**

Term Loans	9,12,130.00	68,982.00
Bank Borrowings & Others	1,01,76,659.00	1,05,62,198.82
Bank Charges & Others	10,61,213.74	1,41,205.55
<b>TOTAL</b>	<b>1,21,50,002.74</b>	<b>1,07,72,386.37</b>

**NOTE - 29 OTHER EXPENSES**

Repairs - Plant & Machinery	3,28,492.26	19,78,087.02
Repairs - Factory Building	1,93,575.00	1,80,789.00
Repairs - Others	99,650.29	1,82,402.18
Printing & Stationery	37,395.20	1,04,861.92
Communication Expenses	59,790.15	1,96,886.72
Travelling & Conveyance	43,789.00	3,12,755.87
Vehicle Running & Maintenance	1,27,438.65	2,47,213.40
Insurance Charges	1,87,017.00	1,75,711.00
Legal & Professional Charges	9,46,555.00	32,26,723.55
Rates & Taxes	44,202.00	27,263.59
Auditors Remuneration	50,000.00	50,000.00
Advertisement & Publicity	56,040.49	62,767.93
Freight & Forwarding	6,41,660.00	10,96,781.50
Membership & Subscription	12,100.00	16,350.00
Secretarial Expenses	5,30,454.62	7,45,651.63
Charity & Donation	2,01,350.00	1,74,050.00
General Expenses	5,142.67	32,913.43
<b>TOTAL</b>	<b>35,64,652.33</b>	<b>88,11,208.74</b>

**Note - 30 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 2020-2021 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 IndAs-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:

Salaries / Perks	Current Year Rs. in Lacs 12.10	Previous Year Rs. in Lacs 13.20

- 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	2500
Production	M.Ton	528.661	1242.235
Purchases of Yarn	M.Ton	187.920	177.658
Captive Consumption	M.Ton	-	-
Turnover	M.Ton	691.446	1434.862
	Rs. (in Lacs)	912.00	1843.41
Opening Stock	M.Ton	29.313	44.282
	Rs. (in Lacs)	38.64	58.12
Closing Stock	M.Ton	54.448	29.313
	Rs. (in Lacs)	83.98	38.64

**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	82.99	NIL	NIL	NIL	NIL	66701.79	82.99
	(66701.79)	(82.99)	(NIL)	(NIL)	(NIL)	(NIL)	(66701.79)	(82.99)

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

	Current Year		Previous Year	
	Quantity	Rs. In Lacs	Quantity	Rs. In Lacs
Polyester Staple Fiber M.Ton	-	-	641.496	486.20
Polyester Yarn M.Ton	536.573	817.19	643.604	932.59
		817.19		1418.79
Indigenous Materials Consumed		817.19 100%		1418.79 100%
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>	NIL
(b) Earning in Foreign Exchange: (i) Exports of Goods calculated on F.O.B. Basis (ii) Interest Income	<b>NIL NIL</b>	NIL NIL

**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
- ii. Relatives of Key Management Personnel  
Suman Mittal  
Rashi Mittal
- iii Common Key Management Personnel Company  
Space Incubatrix Technologies Ltd.  
(Common KMP Mr. Nishant Mittal & Mr. Mahesh Chand Mittal)

**b. Transactions /Balances outstanding with Related Parties.**

(Rs. in Lacs)

Particulars	Key Management Personnel	Relatives of Key Management Personnel	Enterprise having common Key Management Personnel	Total
	Amount	Amount	Amount	Amount
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Unsecured Loans Received	34.71	-	45.21	79.92
Unsecured Loans Refunded	35.57	6.00	-	41.57
Managerial Remuneration				
Salary / contribution to provident fund	12.10	17.70	-	30.80

**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.

SIGNATURE TO NOTES 1 TO 30

**For and on behalf of Board of Directors**

Sd/-

**(NISHANT MITTAL)**

Managing Director

(DIN : 02766556)

Flat No.603, Tower-2,Orange County,  
Ahinsa Khand-1, Near Aditya Cinemas,  
Indirapuram, Shipra Sun City, Ghaziabad -  
201014 (U.P.)

Sd/-

**(MAHESH CHAND MITTAL)**

Director

(DIN : 00284866)

Flat No.603, OC-2, Orange County, Ahinsa  
Khand-1, Indirapuram, Ghaziabad - 201014  
(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: : 21074041AAAAES7612

PLACE : Muradnagar  
DATE : 25<sup>th</sup> May, 2021



**Statement of Changes in Equity for the year 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

**Statement of Changes in Equity for the period ended 31st March 2020**
**A. Equity Share Capital**
**(In Rupees)**

Balance as at 1st April, 2019	Changes in Equity Share	Balance as at 31st March
91566530.00	-	91566530.00

**B. Other Equity**

	Reserves & Surplus			Revaluation Surplus	Total
	General Reserves	Securities Premium Reserves	Retained Earnings		
Balance as at 1st April, 2019	0.00	0.00	-32990084.50	53924846.42	20934761.92
Changes in accounting policy or prior period errors	0.00	0.00	-39269.00	0.00	-39269.00
Restated balance as at 1st April, 2019	0.00	0.00	-33029353.50	53924846.42	20895492.92
Total Comprehensive Income for the year	0.00	0.00	2649385.89	0.00	2649385.89
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, 2020	0.00	0.00	-30379967.61	53587121.42	23207153.81



**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**

**33<sup>rd</sup> ANNUAL GENERAL MEETING SEPTEMBER 30<sup>TH</sup>, 2021**

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 33<sup>rd</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 Thursday, the 30<sup>th</sup> day of September, 2021, at 11.30 A.M. or at any adjournment thereof in respect of such resolution as are indicated below:

Item 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, 2021 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. Nishant Mittal (DIN: 02766556) who retires by rotation and, being eligible, offers herself for re-appointment.		
<b>Special Business</b>			
3.	Ratification Of Cost Auditor's Remuneration.		
4.	Appointment of Mr. Sachin (Din: 09269555) As Independent Director of the Company.		
5.	Appointment of Mrs. Ankita Garg (Din: 09252403) As Independent Director of the Company.		
6.	Reappointment of Mr. Nishant Mittal (Din: 02766556) As Managing Director of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Affix Revenue Stamp
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Signature of shareholder  
 Signature of the Proxy Holder(s)

**Note:**

1. 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.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the notice of the 33<sup>rd</sup> Annual General Meeting.
3. 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.
4. Please complete all details including detail of member(s) in above box before submission.

**ATTENDANCE SLIP**

Folio No. /DP ID/Client ID:

Name & 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 Third Annual General Meeting of the Company on Thursday, 30<sup>th</sup> September, 2021 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:

1. Please fill and sign this attendance slip and hand it over at the venue of the meeting.
2. 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, 2021 at 11:30 A.M. at registered office of the Company at Pawan Puri, Muradnagar, Ghaziabad - 201206

Guiding Map For SYBLY INDUSTRIES LTD.

