

**SBEC SYSTEMS**  
(INDIA) LIMITED

Sugar Bio-Energy & Control Systems

31.07.2020

To,  
The Manager  
Bombay Stock Exchange Limited  
25<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai-400001

Sub: Re-submission of Annual Secretarial Compliance Report for the year ended March 31, 2020.

Scrip Code: 517360

Dear Sir(s),

With respect to the submission of Annual Secretarial Compliance Report under regulation 24(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to state that the UDIN generated for the certificate was wrongly mentioned in the said certificate due to some inadvertence error. Accordingly, in order to rectify the said error and as per the requirements of regulation 24(A) of SEBI (Listing Obligations and Disclosure Requirements), regulation, 2015 we are sending herewith afresh copy of the Annual Secretarial Compliance Report of the Company for the year ended March 31, 2020, issued by Mr. Rahul Singhal, Proprietor of M/s R. Singhal & Associates Practicing Company Secretaries.

Request you to please take the same on your records.

Thanking You,

Yours faithfully

**For SBEC Systems (India) Limited**

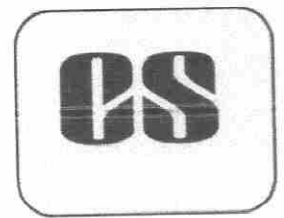
  
**Priyanka Negi**  
**Company Secretary & Compliance Office**

Encl. as above

# R. SINGHAL & ASSOCIATES

COMPANY SECRETARIES

95, SARASWATI MANDIR  
S.K. ROAD, MEERUT-250001  
MOB. (+91) 98084 83964



Ref.

Date:

## SECRETARIAL COMPLIANCE REPORT OF SBEC SYSTEMS (INDIA) LIMITED FOR THE YEAR ENDED ON 31.03.2020

To,  
The Members,  
**SBEC SYSTEMS (INDIA) LIMITED**  
1400, Hemkunt, Tower 98,  
Nehru Place, New Delhi

We have examined:

- (a) all the documents and records made available to us and explanation provided by SBEC SYSTEMS (INDIA) LIMITED ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended on 31.03.2020 ("Review Period") in respect of compliance with the provisions of:
  - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there-under; and
  - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there-under and the Regulations, circulars, guidelines issued there-under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there-under, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the Review Period)**



- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;**(Not Applicable during the Review Period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;**(Not Applicable during the Review Period)**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**(Not Applicable during the Review Period)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;**(Not Applicable during the Review Period)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

Circular / guidelines issued there-under and based on the above examination, we hereby report that, during the Review Period:

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

S.No.	Compliance Requirement (Regulations! circulars! guidelines including specific clause)	Deviations	Unit Comment
1.	As per the Cir/ISD/ 3/2011, the shareholding of promoters and group of promoters to be 100% in dematerialized form.	The Shareholding of promoters and the promoter's group are dematerialized only to the extent of 60% shares as on 31.03.2020	Management informed us that M/s SBEC Systems Ltd. (U.K.) has dissolved on 19.06.2001. The dissolution certificate issued by the Registrar of Companies (UK) has been taken on record and Ms. Meghna Modi (Promoter) is in the process of getting her shares in dematerialised form.
2.	Regulation 3(5) of the SEBI (Prohibition of	As per examination of records and	The Company has all requisite documents and registers



	Insider Trading) Regulations, 2015	information available to us, the Company has not maintained the structured digital database as on the date of the signing of this report.	manually and is in process of digitalisation of the database of the Company.
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(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there-under in so far as it appears from our examination of those records.

(c) The following are the actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there-under:

1. The Securities Exchange Board of India on September 17, 2018 had issued directions to the Company and other promoters group of the Target Company (i.e.. SBEC Sugar Limited) namely, Shri. Umesh Kumar Modi, Kumkum Modi, Jayesh Modi, Longwell Investments Pvt. Ltd., A to Z Holdings Pvt. Ltd and Moderate Leasing and Capital Services Limited to severally or jointly make a public announcement to acquire the shares of the Target Company in accordance with the provisions of the Takeover Regulations, 2011, within a period of 45 days from the date of above mentioned order. The shareholding of the Promoter Group of the Target Company had increased from 54.46% (2,59,51,083 shares) as on June 30, 2014 to 63.86% (3,04,32,117 shares) as on September 30, 2014. Further, one of the lending promoter i.e.. Moderate Leasing & Capital Services Ltd. had also acquired 1.31% shares of the Target Company during March 18, 2015 to March 23, 2015, which increased the shareholding of the Promoter Group of Target Company to 65.17%.

As per the said impugned order, the Promoter Group have violated the provisions of Regulation 3(2) of the Takeover Regulations, 2011 by acquiring shares in excess of the prescribed limit without making an public announcement under the Takeover Regulations. Although SBEC Systems (India) Ltd., did not acquired even a single share nor acted as persons acting in concert with the other promoters regarding above mentioned acquisition adjustment of loan against the Target Company's shares.



Against the said impugned SEBI order, the Company had filed appeal No.1 (No.443/2018) before the Securities Appellant Tribunal, Mumbai. Whereas, the Promoter Group namely (Shri. Umesh Kumar Modi, Kumkum Modi, Jayesh Modi, Longwell Investments Pvt. Ltd, A to Z Holdings Pvt. Ltd and Moderate Leasing and Capital Services Limited) had filed appeal No.2 (No.444/2018) before the Securities Appellant Tribunal, Mumbai

The Securities Appellant Tribunal vide its order dated 29.01.2020, has allowed the Appeal No.1 (No.443/2018) filled by M/s. SBEC Systems (India) Limited and also set aside the directions issued by the SEBI qua open offer.

Further, the Securities Appellant Tribunal has partly allowed Appeal No.2 (No.444/2018), whereby, the directions issued by SEBI for open offer qua Appellant nos. 1-4 i.e. Shri. Umesh Kumar Modi, Smt. Kumkum Modi, Shri. Jayesh Modi and M/s. Longwell Investment Private Limited has been set aside and the directions for Open Offer issued qua the Appellants no. 5 & 6 i.e. A to Z Holdings Pvt. Ltd. and Moderate Leasing & Capital Services Ltd. (the acquirer of the shares) has been modified in terms of Regulation 32(1)(b) and they have been directed to sell the shares acquired in violation of the SAST Regulation and to transfer the proceeds of the same to the Investor Protection Fund established under the SEBI (Investor Protection and Education Fund), 2009 within a period of 6 (Six) months from the date of the order i.e. from 29.01.2020.

2. The BSE Limited had imposed a penalty of Rs. 11,800/- (Eleven Thousand Eight Hundred Only) on a Company for delay filing of its Financial Results for the quarter ended 31<sup>st</sup> December 2019, as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The meeting of the Board of Director of the Company was scheduled on 14<sup>th</sup> February, 2020 to consider and approve the unaudited Financial Results for the quarter and nine months ended 31<sup>st</sup> December 2019 and Intimation & Publication of Board Meeting was also Given to the BSE Limited but the required quorum for the Board Meeting was not present in the prescribed time, therefore the Board Meeting stand adjourned and with the approval of all the Directors present, it was decided to hold the adjourned meeting on 18<sup>th</sup> February, 2020.

The Company has paid the said fine of Rs. 11,800/- vide cheque no. 000734, dated 13<sup>th</sup> March 2020.

*Observations in the report for the previous year and the actions taken by the listed entity.*



The Company was suspended from the stock exchange during 2001 and thereafter due to penal provision on account of non-compliance with various clauses / regulation of erstwhile Listing Agreement / Listing Regulation, 2015.

Subsequently, after complying with all the formalities with the Bombay Stock Exchange, the Company had received approval for revocation of suspension in trading of equity shares from the BSE on 23<sup>rd</sup> December, 2019.

The observation/deviations reported in the previous years are persisting as on date of reporting for the year ending 31.3.2020. The Company is advised to initiate action for due compliance at the earliest.

**For R. Singhal & Associates  
Company Secretaries**



**(Rahul Singhal)  
Proprietor  
Mem.No.: 29599  
C P No.: 10699**



**Place: Meerut  
Date: 23.07.2020  
UDIN: A029599B000539922**