

**SBEC SYSTEMS
(INDIA) LIMITED**

Sugar Bio-Energy & Control Systems

12.08.2023

To,
The Manager
BSE Ltd.
25th floor, P.J. Towers,
Dalal Street, Mumbai – 400 001

Subject : Disclosure of continuing event pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Scrip Code: 517360

Dear Sir/Madam,

This disclosure is being made pursuant to the amendments to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“LODR”) dated 14th June 2023, which came into effect from 14th July 2023.

Pursuant to the amendment, we are required to disclose “Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity” including any continuing event or information which becomes material pursuant to notification of the amendment within thirty days from the effective date of the amendment.

Brief detail of the litigation is attached as Annexure – 1.

This is for your information and record.

Thanking you,

For SBEC Systems (India) Limited

**Priyanka Negi
Company Secretary & Compliance Officer**

Encl: A/a

ANNEXURE – 1

Details as required under Regulation 30 of the Listing Regulations read with SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July 2023.

S No.	Particulars	Details
1.	Brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/ litigation	<p>The Securities and Exchange Board of India on September 17, 2018 had issued directions to the Promoter group of the Company (namely Shri Umesh Kumar Modi, Kumkum Modi, Jayesh Modi, Longwell Investments Private Limited, A to Z Holdings Pvt. Ltd., Moderate Leasing and Capital Services Limited and SBEC Systems (India) Limited), severally or jointly to make a public announcement to acquire the shares of Target Company (i.e. SBEC SUGAR LIMITED) in accordance with the provisions of the Takeover Regulations, 2011, within a period of 45 days from the date of the above mentioned order. The shareholding/ voting rights of the promoter group 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. In addition to the aforesaid acquisition, one of the lending promoters i.e. Moderate Leasing and Capital Services limited had also acquired 1.31% of SBEC Sugar Limited during March 18, 2015 to March 23, 2015, which increased the shareholding of promoter group 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 announcement for open offer.</p> <p>The Hon'ble Securities Appellate Tribunal upon hearing the said Appeal vide its order dated January 29, 2020 has allowed the Appeal No. 1 (Appeal No.443 of 2018) and partly allowed Appeal No. 2 (Appeal No.444 of 2018), whereby, the directions issued by SEBI for open offer vide order dated September 17, 2018 qua promoters namely SBEC System (India) Limited, Shri. Umesh Kumar Modi, Smt. Kumkum Modi, Shri. Jayesh Modi and Longwell Investment Private Limited has been set aside, however, the directions issued by SEBI for Open Offer vide order dated September 17, 2018 issued qua the promoters namely 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 had 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.</p>

		In the meantime, the Securities Exchange Board of India filed a Civil Appeal before the Hon'ble Supreme Court of India on July 29, 2020 against the order dated January 29, 2020 passed by Hon'ble Securities Appellate Tribunal.
	Expected financial implications, if any, due to compensation, penalty etc.	There has been no material impact on the business operations of the Company. Based on the legal advice Company believes to have good case on merits and therefore, does not expect any material financial implications considering the size of its operations.
	Quantum of claims, if any	The Quantum of claims is not identified at present; the same will be identified after the decision of court.