

**SBEC SYSTEMS**  
**(INDIA) LIMITED**

**Sugar Bio-Energy & Control Systems**

05.09.2024

To,

**The Manager**  
**The BSE Limited,**  
**25<sup>th</sup> Floor, PJ Towers,**  
**Dalal Street,**  
**Mumbai-400001**

**SUB: Notice of 35<sup>th</sup> Annual General Meeting**

**STOCK CODE: 517360**

Dear Sir,

We hereby inform you that the 35<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Saturday, 28<sup>th</sup> September, 2024 at 02:00 P.M (IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM').

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, please find enclosed the Notice of the 35<sup>th</sup> Annual General Meeting of the Company.

The Notice is being sent by email only to those members whose email addresses are registered with the Company/RTA/Depository Participant. The requirements of sending physical copies of AGM Notice have been dispensed vide "MCA" and "SEBI" Circular(s).

The Notice of the 35<sup>th</sup> Annual General Meeting is also available on the website of the company viz., **www.sbecsistemas.in**.

You are requested to take the above on your records.

**Thanking you,**

**Yours Faithfully,**

**For SBEC Systems (India) Limited**

**Priyanka Negi**  
**Company Secretary & Compliance Officer**

**Encl: A/a**

# SBEC SYSTEMS (INDIA) LIMITED

CIN: L74210DL1987PLC029979

Regd Offc: 1400, Hemkunt Tower, 98, Nehru Place, New Delhi-110019

T.: 011-42504954, Email id: [sbecsystems@rediffmail.com](mailto:sbecsystems@rediffmail.com), Website: [www.sbecsystems.in](http://www.sbecsystems.in)

## NOTICE

Notice is hereby given that the 35th Annual General Meeting ('AGM') of the Members of **SBEC SYSTEMS (INDIA) LIMITED** will be held on Saturday, September 28, 2024 at 02:00 P.M. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

### **ORDINARY BUSINESS**

**1. To receive, consider and adopt:-**

- a) The Audited Standalone financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors' thereon; and
- b) The Audited Consolidated financial statements of the Company for the financial year ended March 31, 2024 and the Auditors' Reports thereon.

**2. To appoint Mr. Shiv Shankar Agarwal (DIN: 00004840), who retires by rotation and being eligible, offers himself for re-appointment as a Director.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shiv Shankar Agarwal (DIN: 00004840), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation.

**3. To re-appoint the Statutory Auditors of the Company, and to fix their remuneration.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Board, M/s. Thakur Vaidyanath Aiyar & Co, Chartered Accountants, (FRN: 000038N) be and is hereby re-appointed as the Statutory Auditors of the Company, to hold office for a period of 5 (five) consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the financial year 2028-2029, at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses as may be recommended by the Audit Committee and as mutually agreed between the Board of Directors and the Statutory Auditors."

### **SPECIAL BUSINESS**

**4. To approve alteration of Articles of Association.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions, if any, consent of the Members of the Company be and is hereby accorded to alter Clause 97 of the Articles of Association of the Company in the following manner:-

The existing Clause no. 97 of the Articles of Association of the Company be and is hereby deleted and the following new Clause no. 97 be and is hereby substituted in lieu of the deleted Clause.

97. The Directors shall be paid a sitting fee not exceeding Rs.1000/- (Rupees one thousand only) for attending each meeting of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**5. Re-appointment of Mr. Vijay Kumar Modi (DIN: 00004606) as Non-Executive Non-Independent Director of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the SEBI Listing Regulations') (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee, consent of the Members be and is hereby accorded for continuation of appointment of Mr. Vijay Kumar Modi (DIN: 00004606) as Director (designated as Non-Executive Non-Independent Director) of the Company and his next re-appointment shall be due in the Annual General Meeting to be held in the year 2028 and his office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, appointment of Mr. Vijay Kumar Modi (DIN: 00004606) be continued as a Non-Executive Non Independent Director of the Company, notwithstanding that on December 01, 2025 Mr. Vijay Kumar Modi attains the age of 75 years."

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**6. Appointment of Mr. Ajay Kumar Aggarwal (DIN: 00632288) as an Independent Director of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI Listing Regulations") (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Ajay Kumar Aggarwal (DIN: 00632288), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 14, 2024 and who holds office till the conclusion of this 35th AGM in terms of Section 161 of the Companies Act, 2013, be appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) years with effect from August 14, 2024.

**RESOLVED FURTHER THAT** any Director, Mr. Lakhmi Chand Sharma, Chief Financial Officer and Ms. Priyanka Negi, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

**7. Appointment of Mr. Shyam Lal Agarwal (DIN: 00003517) as an Independent Director of the Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI Listing Regulations") (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Shyam Lal Agarwal (DIN: 00003517), who was appointed as an Additional Director in the capacity of an Independent Director with effect from August 14, 2024 and who holds office till the conclusion of this 35th AGM in terms of Section 161 of the Companies Act, 2013, be appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) years with effect from August 14, 2024.

**RESOLVED FURTHER THAT** any Director, Mr. Lakhmi Chand Sharma, Chief Financial Officer and Ms. Priyanka Negi, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

**8. To Approve Borrowing Limits of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force, consent of members be and is hereby accorded for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 150 Crores [including the money already borrowed by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorized to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

**9. To approve powers of the Board U/s 180(1)(a) of the Companies Act, 2013.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the "Act") and any other applicable provisions, if any of the Act, or any amendment or modifications thereof and pursuant to the provisions of the Articles of Association of the Company, consent of members be and is accorded to sell, lease or dispose of in any manner including but not limited to mortgaging, hypothecating, pledging or in any manner creating charge on all or any part of the present and future moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company of every nature and kind whatsoever (hereinafter referred to as the "Assets") and/or creating a floating charge on the Assets to or in favour of banks, financial institutions, investors, debenture trustees or any other lenders to secure the amount borrowed by the company or associate or group entity, from time to time, for the due re-payment of principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any such entity in respect of such borrowings provided that the aggregate indebtedness so secured by the assets do not at any time exceed the Rs. 150 Crores.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of sale, lease, creation of security or any other dispositions, filing of necessary forms, returns, applications, submissions under the Act."

**10. To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013.**

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of the Section 186 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise the securities of any other body corporate (together referred to as “Loans/Investments”), as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the Loans/Investments along with the Loans/Investments, proposed to be given or made by the Company, from time to time, shall not exceed, at any time, Rs. 150 Crores (Rupees One Hundred Fifty Crores only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby severally authorized to take, from time to time, all decisions and steps in respect of the Loans/Investments including the timing, amount and other terms and conditions of such Loans/Investments and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

**11. Approval for Material Related Party Transactions.**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Section 188 to the extent applicable and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014, the Company’s policy on Related party transactions and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and recommendation of the Audit Committee & Board of Directors, consent of the shareholders of the Company be and is hereby accorded to enter/continue to enter into the material related party transactions (whether by way of individual transaction or transactions together) with entities falling within the definition of ‘Related Party’ under Regulation 2(1)(zb) of the SEBI (LODR) Regulations, 2015 for each financial year in the ordinary course of its business with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, giving and taking of ICD’s and creation of Charge in favour of Related Parties on such terms and conditions as may be mutually agreed upon between the Board of Directors of the company and the related parties, such that the maximum value of the related party transactions with such parties, in aggregate does not exceed the value specified under each category in the explanatory statement, provided that the related party transaction shall be carried out at in ordinary course of business and at arm’s length basis.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things; to finalize or vary the terms and conditions of the transactions with the aforesaid parties; and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and / or expedient for giving effect to this resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution for the purpose of giving effect to this Resolution.”

**12. Approval for Reduction of Share Capital of the Company.**

To consider and if thought fit, to give assent / dissent to the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 66 and other applicable provisions, if any, of the Companies Act, 2013 read with rules, circulars, notifications, if any made there under, (including any statutory modification, amendment or re-enactment thereof for the time being in force), and pursuant to the Article 48 of the Articles of Association of the Company and pursuant to the relevant provisions of the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 . based on the report of Audit Committee and Independent Directors and No Objection Letter dated July 24, 2024 issued by the office of BSE Limited and subject to the confirmation by the Hon’ble National Company Law Tribunal, (NCLT), Delhi Bench and subject to such other consents, approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such terms, conditions or modifications as may be prescribed or imposed by the Hon’ble NCLT or by any statutory or regulatory authorities, while granting such approvals, consents or permissions and which may be agreed to or accepted by the Board of Directors of the Company (herein after referred to as “the Board” which term shall deem to mean and include any Committee duly constituted/ to be constituted by the Board and/or any director or any other person nominated or authorized by it to exercise its powers including the powers conferred by this resolution) consent and approval of the members be and is hereby accorded for reducing 20.40% of the Subscribed, Issued and Paid up Equity Capital of the Company (ii) the subscribed, issued and paid-up Capital shall stand reduced or otherwise altered from Rs. 10,00,00,000 /-(Rupees Ten Crores only) divided into 1,00,00,000 (One Crores) equity shares of Rs. 10/- (Rupees Ten) each to Rs. 7,96,00,000/- ( Seven Crores Ninety Six Lacs only) divided into 79,60,000 (Seventy Nine lakhs Sixty Thousand) equity shares of Rs.10/- (Rupees Ten) each held by SBEC Systems Limited, UK (hereinafter referred to as the “Dissolved Promoter”) without payment of any consideration.

**RESOLVED FURTHER THAT** upon the reduction of Capital being confirmed by the NCLT and becoming effective and operative, without any further act or deed by the equity shareholders (including but not limited to surrendering of share certificates), 20,40,000 (Twenty Lacs Forty Thousand) equity shares of Rs. 10/- (Rupees Ten) each of the Company held by the Dissolved Promoter shall stand cancelled and extinguished and rendered invalid.

**RESOLVED FURTHER THAT** upon the reduction of Capital being confirmed by the NCLT and becoming effective and operative and/or the receipt of such other approvals as may be required, share capital representing 20,40,000 (Twenty Lacs Forty Thousand) equity shares of the

Company i.e. Rs. 2,04,00,000/- (Rupees Two Crores Four Lacs only) shall be cancelled, with adjustments by way of debit to: (i) the paid-up equity share capital for Rs. 2,04,00,000/- and (ii) the securities premium account of the Company for Rs. 51,00,000/- (Rupees Fifty-One Lacs Only) and corresponding credit to reserve and surplus account in compliance with the generally accepted accounting principles in India.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, and/or Mr. Lakhmi Chand Sharma, Chief Financial Officer of the Company and/or Ms. Priyanka Negi, Company Secretary of the Company be and are hereby severally authorized to take all necessary steps and do all such acts, deeds, matters and things, as they may in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its members in connection with and relating to the Capital Reduction, including any directions for settling any questions or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the Capital Reduction, or to any modification thereof, including but not limited to:

- a) Finalizing, amending and settling the draft scheme, application/petition, and assent to such alterations, conditions and modifications, if any or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;
- b) Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the BSE Limited, SEBI, the Registrar of Companies, the Regional Director or such authority as may be required in connection with the proposed reduction of Capital or its sanction thereof and to all such acts and deeds as may be deemed necessary in connection therewith and incidental thereto;
- c) Making such alterations and changes in the scheme, application to be made to NCLT as may be expedient or necessary or satisfying the conditions/requirement imposed by NCLT, SEBI and/or any other statutory/regulatory authorities, as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.
- d) To engage any Lawyer, counsel, consultant firms, advisors, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favor of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized, in their absolute discretion, to make the reduction and cancellation of the share capital on such terms and conditions as they may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate bodies while according their confirmation to the proposed reduction of share capital of the Company."

Place: New Delhi  
Date: 14-08-2024

By order of the Board  
For SBEC Systems (India) Limited  
Sd/-  
Vijay Kumar Modi  
Chairman & Director  
DIN: 00004606

**NOTES:**

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In accordance with the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/ 2020 dated April 08, 2020, General Circular No. 17/ 2020 dated April 13, 2020 and General Circular No. 20/ 2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 28, 2023, permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 read with the MCA Circulars, SEBI Circular and pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Annual General Meeting (“AGM”) of the Company is scheduled to be held on Saturday, September 28, 2024, at 02:00 P.M. (IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM only through remote electronic voting process (“e-Voting”).
3. Pursuant to the provisions of the Companies Act, 2013 (“the Act”), a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Meeting will be held through VC/OAVM, in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The additional detail of Director retiring by rotation and appointments pursuant to Regulation 36(3) of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“the SEBI Listing Regulations”) and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as **Annexure-A** and forms part of this Notice.
5. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and the documents referred to in the Notice will be available for inspection by the shareholders during the AGM. The documents referred to in the Notice will also be available for inspection by the shareholders from the date of circulation of this Notice up to the date of AGM.
6. The Register of Members & Share Transfer Books of the Company will remain closed from September 22, 2024 to September 28, 2024 (both days inclusive).
7. The Securities and Exchange Board of India (the SEBI) has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 1st April, 2019. Accordingly, the Company and its Registrar and Transfer Agents (RTA) have stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization. Pursuant to SEBI circular dated 25th January, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website and on the website of the Company’s Registrar and Transfer Agents – Beetal Financial & Computer Services Pvt. Ltd. It may be noted that any service request can be processed only after the folio is KYC Compliant.

Further, SEBI vide its circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 introduced common and simplified norms for processing investor’s service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective 1st January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication is available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link <https://http://www.beetalfinancial.com/> or contact the Company’s RTA M/s Beetal Financial & Computer Services Pvt. Ltd at [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com) or assistance in this regard.

As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with RTA or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at [www.sbecosystems.in](http://www.sbecosystems.in)

8. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice. The deemed venue for the 35th AGM shall be the Registered Office of the Company.
9. 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.

10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
11. In line with the MCA Circulars and the SEBI Circulars, Annual Report for the financial year 2023-24 along with the Notice of 35th Annual General Meeting inter alia, indicating the process and manner of e-voting, is being sent through electronic mode to the Members whose email addresses are available with the Company/ Depositories/Depository Participants. The aforesaid documents are also available on the Company' website at [www.sbecosystems.in](http://www.sbecosystems.in) and on the websites of the BSE Limited at [www.bseindia.com](http://www.bseindia.com) and CSDL at [www.evotingindia.com](http://www.evotingindia.com) The Members whose email addresses are not registered with the Company are requested to do so by following the instructions given in this Notice.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sbecosystems.in](http://www.sbecosystems.in) The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. [www.evotingindia.com](http://www.evotingindia.com)).
13. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM, i.e. September 28, 2024.
14. In terms of the Listing Regulations, transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, has also mandated that listed companies shall, while processing investor service requests pertaining to issue of duplicate share certificate, claim from Unclaimed Suspense Account, renewal / exchange of share certificate, endorsement, sub-division / splitting / consolidation of share certificates, transmission, transposition etc. issue securities only in demat mode. In view of this as also to eliminate all risks associated with physical shares and to get inherent benefits of dematerialization, shareholders holding shares in physical form are advised to avail of the facility of dematerialisation.
15. SEBI vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number ("PAN") and Bank Account details for shareholders holding securities in physical form. Further SEBI vide its circular dated November 03, 2021 and December 14, 2021 has mandated shareholders holding securities in physical form to furnish PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFSC Code) and Specimen signature before they could avail any investor service. The relevant forms prescribed by SEBI for furnishing the above details are available on the website of the Company. The concerned shareholders are requested to register / update the above mentioned details by submitting the prescribed forms duly filled and signed by the registered holders, by submitting a physical copy thereof to the RTA, Beetal Financial & Computer Services (P) Ltd at Beetal House, 3rd Floor 99 Madangir, Behind Local Shopping Centre Near Dada Harsukhdas Mandir New Delhi – 110062.
16. Shareholders holding shares in dematerialised mode are requested to register / update their PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFSC Code) and Specimen signature with the relevant Depository Participant.
17. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Beetal Financial & Computer Services Pvt. Ltd.
18. Members desiring inspection of statutory registers during the AGM may send their request at least 7 (seven) days before in writing to the Company at [sbecosystems@rediffmail.com](mailto:sbecosystems@rediffmail.com) and Members who wish to inspect the relevant documents referred to in the notice can send email to [sbecosystems@rediffmail.com](mailto:sbecosystems@rediffmail.com) up to the date of the AGM.

#### **Remote E-voting / AGM through VC / E-voting at the AGM**

19. The facility of attending AGM through VC is being provided by Central Depository Services (India) Limited ('CDSL'). The facility of casting votes by a shareholder using 'remote e-voting' and 'e-voting during the AGM' ("e-voting") is also being provided by CDSL. The procedure for attending the AGM through VC and for e-voting is given in the Notes below.
20. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA/ Depositories as on the Cut-off Date, i.e. Friday, August 30, 2024 only shall be entitled to avail the facility of e-voting. A person who is not a shareholder as on the Cut-off Date, should treat the Notice for information purpose only. Voting rights of a shareholder shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the Cut-off date. Any person who becomes a shareholder of the Company after Friday, August 30, 2024 and holds shares on the Cut-off Date may exercise his voting rights through e-voting and attend the AGM by following the procedure given below.
21. The remote e-voting period will commence at 9:00 a.m. (IST) on Wednesday, September 25, 2024 and end at 5:00 p.m. (IST) on Friday, September 27, 2024. The e-voting module shall be disabled by CDSL for remote e-voting thereafter. During the remote e-voting period, shareholders of the Company, holding shares either in physical form or dematerialized form, as on the Cut-off date may cast their vote electronically.

22. Shareholders attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their vote at the AGM. The shareholders who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
23. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
24. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution/ Power of Attorney / Authority letter, etc. to the Company by email through registered email address at [sbecsystems@rediffmail.com](mailto:sbecsystems@rediffmail.com).
25. Members desiring any information as regards to accounts are requested to address their questions to the Company Secretary at least 7 days before the date of the meeting so that the required information is made available at the meeting.
26. Pursuant to SEBI Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, Shareholders in case of any grievance shall first take up his/her/their grievance with the RTA i.e., M/s Beetal Financial & Computer Services Pvt. Ltd. at [beetalrta@gmail.com](mailto:beetalrta@gmail.com) by lodging a complaint directly with them. If the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. After exhausting all available options for resolution of the grievance, if the shareholder is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution Portal. The detailed SEBI Circular is available on the website of the Company at [www.sbecsystems.in](http://www.sbecsystems.in).

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

27. Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.  
Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
  - (i) The voting period begins on <September 25, 2024 at 09:00 A.M. and ends on September 27, 2024 at 05:00 P.M. 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 August 30, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.  
  
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.  
  
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.  
  
Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:



| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>                               | <ol style="list-style-type: none"> <li>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.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>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></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers</li> </ol>  |
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>                               | <ol style="list-style-type: none"> <li>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.</li> <li>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></li> <li>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</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | 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 abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

| Login type  | Helpdesk details   |
|---|--|
| <b>Individual Shareholders holding securities in Demat mode with 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 toll free no. 1800 21 09911 |
| <b>Individual Shareholders holding securities in Demat mode with 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 : 022 - 4886 7000 and 022 - 2499 7000                  |

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) 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 e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

|  | <b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>  |
|--|---|
| PAN  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
| Dividend Bank Details<br><b>OR</b> 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. <ul style="list-style-type: none"> <li>• 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.</li> </ul>                 |

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant **<SBEC SYSTEMS (INDIA) LIMITED>** on which you choose to vote.
- (vi) 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.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) 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.

- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - 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 linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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 mandatory 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; [sbecsystems@rediffmail.com](mailto:sbecsystems@rediffmail.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ([sbecsystems@rediffmail.com](mailto:sbecsystems@rediffmail.com)). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ([sbecsystems@rediffmail.com](mailto:sbecsystems@rediffmail.com)). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**VOTING THROUGH ELECTRONIC MEANS:**

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (mandatory for all listed Companies), the Company is pleased to provide its Members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by the Central Depository Services (India) Limited (CDSL).
2. The Board of Directors has appointed M/s Soniya Gupta & Associates, Company Secretaries, 135 LGF, SS Plaza, Palam Dabri Road, Mahavir Enclave, New Delhi - 110045, as a Scrutinizer to process the e-voting and submit a report to the Chairman. The results of voting shall be declared within two (2) days of the 35th Annual General Meeting convened for the purpose. The results of voting so declared along with the Scrutinizer's Report shall be placed on the Company's Website ([www.sbecosystems.in](http://www.sbecosystems.in)) CDSL Website and shall also be communicated to the Stock Exchanges (BSE).
3. Ms. Priyanka Negi, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this 35th Annual General Meeting including e-voting his mail ID is [sbecosystems@rediffmail.com](mailto:sbecosystems@rediffmail.com).

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911

**For SBEC Systems (India) Limited**

**Sd/-**

**Vijay Kumar Modi**

**Chairman & Director**

**DIN: 00004606**

**Place: New Delhi**

**Date: 14.08.2024**

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

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

M/s. K.K. Jain & Co., Chartered Accountants, (Registration number: 002465N), have resigned from the office of Statutory Auditors of the Company w.e.f November 03, 2023, due to some health issues resulting into a casual vacancy in the office of Statutory Auditors of the Company as per section 139(8) of the Companies Act, 2013.

In order to fill up such casual vacancy, the company has appointed M/s Thakur Vaidyanath Aiyar & Co, Chartered Accountants, (Firm Registration No. 000038N), to conduct the audit in the Board Meeting held on November 6, 2023 and the members approved the same through postal ballot on December 28, 2023.

Further, the company has proposed their appointment in the item number 3 of the notice, for the period of 5 (five) years from the conclusion of the ensuing AGM until the conclusion of the 40th AGM to be held in the financial year 2028-2029.

M/s Thakur Vaidyanath Aiyar & Co, have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141 of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

**Pursuant to Regulation 36 of SEBI Listing Regulations, the following details are mentioned below for the information of Members**

|   |  |
|---|--|
| Proposed audit fee payable to auditors                  | The fees proposed to be paid to M/s Thakur Vaidyanath Aiyar & Co towards statutory audit is Rs. 65,000/- (Sixty Five Thousand Only) and for limited review report Rs. 4,000/- per quarter (Four Thousand Only) (excluding certifications, applicable taxes and out of pocket expenses) for the financial years 2024-25, with authority to Board to make changes as it may deem fit for the balance term.   |
| Terms of appointment                                    | M/s Thakur Vaidyanath Aiyar & Co. is proposed to be appointed as Statutory Auditors for one term of five years i.e., from the conclusion of 35th AGM till the conclusion of 40th AGM.  |
| Material change in fee payable (in case of new Auditor) | NA   |
| Basis of recommendation and auditor credentials         | M/s Thakur Vaidyanath Aiyar & Co is one of reputed audit firms. Given the nature, size and spread of Company's operations, it is required to have competent audit firm. The recommendations made by the Audit Committee, and the Board of Directors of the Company, are in fulfilment of the eligible criteria as prescribed under the Companies Act, 2013 and the applicable rules made thereunder.   |
| Brief Profile of Statutory Auditor                      | M/s. Thakur Vaidyanath Aiyar & Co., Chartered Accountants, is a Partnership Firm which was established on 1970, having Firm Registration No, 000038N. The Firm is a peer reviewed firm (Peer Review Certificate No.: 015049). The office of the firm is situated at 221-223, Deen Dayal Marg New Delhi-110002. The firm is registered with the Institute of Chartered Accountants of India ("ICAI") with Registration No. 000038N.<br><br>The firm has over 53 years of experience. Currently there are 11 Partners and partners are supported by a professional team of comprising qualified Chartered Accountants, experienced associates, trainees and support personnel. Over the past five decades, the firm has carried out a variety of audit, investigation and consultancy assignments. |

The Board of Directors recommends the ordinary resolution as set out at item no.3 of the Notice for the approval of the Members

None of the Directors, Key Managerial Personnel or their relatives are, financially or otherwise, concerned or interested in the said resolution.

### **ITEM NO. 4:**

As per the provisions of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a company may pay a sitting fee to a director for attending meetings of the Board or committees thereof, such sum as may be decided by the Board of directors thereof which shall not exceed one lakh rupees per meeting of the Board or committee thereof, provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

Presently as per Clause 97 of Articles of Association of Company the Directors shall be paid a sitting fee not exceeding Rs.250/- (Rupees two hundred fifty) each for attending each meeting of the Board of Directors or any Committee thereof. Considering the increase in the

activities of the Company, it is proposed to authorize the Board of Directors to fix the sitting fees payable to Directors for attending each meeting of the Board or Committee thereof of an amount not exceeding Rs.1000/- (Rupees One Thousand only).

In terms of Section 14 of the Companies Act, 2013, alteration of the Articles of Association can be effective only by passing a Special resolution and accordingly the Board of Directors recommends alteration in the Articles of Association as stated in the proposed Special Resolution for approval of the shareholders. Accordingly, consent of the members is sought for passing Special resolution as set out at Item No. 4 of the Notice for alteration of Articles of Association of the Company

The specimen of the amended Articles of Association is available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sunday between 11.00 a.m. to 01.00 p.m. up to the date of Annual General Meeting of the Company.

#### **ITEM NO. 5**

As per Regulation 17(1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with effect from April 01, 2024, the continuation of a director serving on the Board of the Company shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment.

Mr. Vijay Kumar Modi (DIN: 00004606) was appointed as a Non-Executive Non-Independent Director of the Company w.e.f. September 29, 2004 not liable to retire by rotation and presently he is the Chairman of the Board of the Company.

In accordance with the said regulations, it is necessary to approve continuation of his directorship on the Board of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on August 14, 2024 have recommended the continuation of directorship of Mr. Vijay Kumar Modi as a "Non-Executive Non-Independent Director" of the Company, considering his rich experience and expertise.

Also Mr. Vijay Kumar Modi will be attaining the age of 75 years on 01/12/2025, accordingly, to comply with the provisions of Regulations 17(1A) of the SEBI LODR Regulations, Company is also seeking approval of the Members through Special Resolution.

A brief justification for his continuation as Non-executive Non-Independent Director on the Board of the Company is as under:-

The Board is of the opinion that Mr. Vijay Kumar Modi rich and diverse experience and is a valuable asset to the Company which adds value and enriched point of view during Board discussions and decision making. He is also a person of integrity who possesses required expertise and his association as Non-Executive Non Independent Director and will be beneficial to the Company.

The Board recommends passing of the resolution set out in Item No.5 as a Special Resolution

The details of Mr. Vijay Kumar Modi as required under Secretarial Standard – 2 and Regulation 36 of the SEBI Listing Regulations, as applicable, are provided in '**Annexure A**' to the Notice.

Save and except Mr. Vijay Kumar Modi and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM NO. 6**

In compliance with the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations"), the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Ajay Kumar Aggarwal (DIN: 00632288), as an Additional Non-Executive Independent Director on the Board of the Company w.e.f. August 14, 2024 to hold office up-to the date of the ensuing Annual General Meeting. Your directors have proposed the appointment of Mr. Ajay Kumar Aggarwal, as a Non-Executive Independent Director of the Company for 1st term of 5 years, w.e.f. August 14, 2024 and a resolution to that effect has been set out as Item No. 6 of this Notice.

Further, Mr. Ajay Kumar Aggarwal has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and has given a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 & Regulation 16(1)(b) of the SEBI (LODR) Regulations as amended from time to time, has not debarred from holding the office of Director by virtue of any

SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as an Independent Director of the Company and he has given his consent to act as a Director of the Company.

A brief profile of Mr. Ajay Kumar Aggarwal is mentioned hereunder:

Mr. Ajay Kumar Aggarwal aged 64 years is a Chartered Mechanical Engineer and a Fellow of the Institution of Engineers, having diverse background and more than 30 years of rich intensive entrepreneurial experience in general administration and management. He is a powerhouse of industry and policy knowledge. He has held Directorship in other Companies and is a member of various industry associations. He has been involved in the different businesses, and has deep understanding of business dynamics.

Except Mr. Ajay Kumar Aggarwal, being the appointee, none of the other Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise in the proposed resolution.

Disclosures under regulation 36(3) of the Listing Regulations are set out in the '**Annexure-A**' to the Explanatory Statement.

#### **ITEM NO. 7**

In compliance with the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations"), the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Shyam Lal Agarwal (DIN-00003517), as an Additional Non-Executive Independent Director on the Board of the Company w.e.f. August 14, 2024 to hold office up-to the date of the ensuing Annual General Meeting. Your directors have proposed the appointment of Mr. Shyam Lal Agarwal, as a Non-Executive Independent Director of the Company for 1st term of 5 years, w.e.f. August 14, 2024 and a resolution to that effect has been set out as Item No. 7 of this Notice.

Further, Mr. Shyam Lal Agarwal has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and has given a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 & Regulation 16(1) (b) of the SEBI (LODR) Regulations as amended from time to time, has not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as an Independent Director of the Company and he has given his consent to act as a Director of the Company.

A brief profile of Mr. Shyam Lal Agarwal is mentioned hereunder:

Mr. Shyam Lal Agarwal aged 78 years is a Chartered Accountant and a member of the ICAI, having diverse background and more than 50 years of rich intensive entrepreneurial experience in field of financial services and consulting. He has been involved in the different businesses, and has deep understanding of business dynamics.

Except Mr. Shyam Lal Agarwal, being the appointee, none of the other Directors and/or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise in the proposed resolution.

Disclosures under regulation 36(3) of the Listing Regulations are set out in the '**Annexure-A**' to the Explanatory Statement.

#### **ITEM NO. 8**

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds, for this purpose, the Company may require finance from various banks or financial institution and or lending institutions or Bodies corporate or individuals or such other persons as may deem fit by Company together with money already borrowed by the Company (apart from temporary loans obtained from the Company from ordinary course of business) may exceed the aggregate of paid up capital and free reserves of the Company.

Hence it is proposed to increase the maximum borrowing limits up-to Rs. 150 Crores (One Hundred Fifty Crores Only). Pursuant to section 180(1)(c) of the Companies Act, 2013, Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any time except with the consent of the members by way of special resolution.

The Board of Directors recommends the resolution set forth in item No. 8 for approval of members as a Special resolution.

None of the Directors, key managerial personnel of the Company or their relatives are in any way, concerned or interested financially, or otherwise in the resolution except to the extent of their shareholding, if any

#### **ITEM NO. 9**

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors have the powers to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings; also in order to facilitate securing the borrowings to be made by the Company in item no. 8, it would be necessary to create charge on the assets or whole of the undertaking of the Company.

Keeping in view the future plans of the Company and to fulfill long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held on August 14, 2024 has, subject to the approval of shareholders of the Company, proposed and approved for seeking the shareholder approval for setting up limit up to an aggregate limit of Rs.150 Crores.

The Board of Directors recommends the resolution set forth in item No. 9 for approval of members as a Special resolution.

None of the Directors, key managerial personnel of the Company or their relatives are in any way, concerned or interested financially, or otherwise in the resolution except to the extent of their shareholding, if any.

#### **ITEM NO. 10**

Pursuant to Section 186 of the Companies Act, 2013 a company can, give or make Loans/Investments, directly or indirectly, for a sum exceeding 60% of the aggregate of paid-up share capital, free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account, whichever is higher, only upon obtaining approval of the members of the Company by a Special Resolution.

There is no current loans and investments by the Company, it was thought expedient by the Board that as a measure of achieving greater financial flexibility and to enable optimal financial structuring and to keep sufficient safeguard, the said limits specified under Section 186 be increased to Rs. 150 Crores (Rupees One Hundred & Fifty Crores Only) with the approval of shareholders.

Accordingly, consent of the members by way of a Special Resolution as set out in Item No. 10, is sought, to authorize the Board to give or make Loans/Investment over and above the limits provided under Section 186 of the Act.

The Board of Directors recommends the resolution set forth in item No. 10 for approval of members as a Special resolution.

None of the Directors, key managerial personnel of the Company or their relatives are in any way, concerned or interested financially or otherwise in the resolution except to the extent of their shareholding, if any.

#### **ITEM NO. 11**

Pursuant to Regulation 23(4) of SEBI (LODR) Regulations, 2015 read with Company's policy on related party transactions, the material related party transactions with related parties, which either individually or taken together with previous transaction(s) during a financial year, exceed Rs. 1,000 Crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower, requires approval of the Members of the Company.

The Company, in order to further its business interests enters into various transactions with the related parties, the estimated value of transactions with following related parties, who are the related parties under Regulation 2(1) (zb) of the SEBI (LODR) Regulations, 2015, during the financial year 2024-25 are expected to exceed the materiality threshold.

Details of transactions with related parties pursuant to SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are given hereunder:



| S.NO.  | RELATED PARTY   | JAYESH TRADEX PRIVATE LIMITED   | G S PHARMBUTOR PRIVATE LIMITED   | T C HEALTHCARE PRIVATE LIMITED   |
|--------|---|---|--|--|
| (i)    | Nature of Relationship  | Promoter is related to the Company  | Director is related to the Company   | Director is related to the Company   |
| (ii)   | Nature & material terms of the transaction  | 1) Lease Rent<br>2) Purchase of Stationery and other items<br>3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Lease Rent<br>2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Lease Rent<br>2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. |
| (iii)  | Tenure of the Transaction   | FY 24-25  | FY 24-25   | FY 24-25   |
| (iv)   | Value of Transaction  | 10.00 Crore   | 10.00 Crore  | 10.00 Crore  |
| (v)    | Details of Loan   | NA  | NA   | NA   |
| (vi)   | Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction | 31.4%   | 31.4%  | 31.4%  |
| (vii)  | Justification as to why the related party transaction is in the interest of the Company   | This transaction is beneficial to the Company.  | This transaction is beneficial to the Company.   | This transaction is beneficial to the Company.   |
| (viii) | Details of valuation or other external party report, if such report has been relied upon  | NA  | NA   | NA   |
| (ix)   | Any other   | The transaction with related parties is on 'arm's length' basis.  | The transaction with related parties is on 'arm's length' basis.   | The transaction with related parties is on 'arm's length' basis.   |

| S.NO. | RELATED PARTY                              | DAYAWATI MODI PUBLIC SCHOOL (A UNIT OF DAYA CHARITABLE TRUST)  | KUMKUM MODI PUBLIC SCHOOL (A UNIT OF DAYA CHARITABLE TRUST)  | MODI HOSPITAL (A UNIT OF DAYA CHARITABLE TRUST)  |
|-------|--|--|--|--|
| (i)   | Nature of Relationship                     | Promoter is Trustee  | Promoter is Trustee  | Promoter is Trustee  |
| (ii)  | Nature & material terms of the transaction | 1) Lease Rent<br>2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Lease Rent<br>2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Lease Rent<br>2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. |
| (iii) | Tenure of the Transaction                  | FY 24-25   | FY 24-25   | FY 24-25   |
| (iv)  | Value of Transaction                       | 10.00 Crore  | 10.00 Crore  | 10.00 Crore  |
| (v)   | Details of Loan                            | NA   | NA   | NA   |

|        |   |  |  |  |
|--------|---|--|--|--|
| (vi)   | Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction | 31.4%  | 31.4%  | 31.4%  |
| (vii)  | Justification as to why the related party transaction is in the interest of the Company   | This transaction is beneficial to the Company.                   | This transaction is beneficial to the Company.                   | This transaction is beneficial to the Company.                   |
| (viii) | Details of valuation or other external party report, if such report has been relied upon  | NA   | NA   | NA   |
| (ix)   | Any other   | The transaction with related parties is on 'arm's length' basis. | The transaction with related parties is on 'arm's length' basis. | The transaction with related parties is on 'arm's length' basis. |

| S.NO.  | RELATED PARTY   | MODI INDUSTRIES LIMITED (MODI ARC ELECTRODES CO.)  | MODI MOTORS PRIVATE LIMITED (MM Printers)  | WIN MEDICARE PRIVATE LIMITED  |
|--------|---|--|--|---|
| (i)    | Nature of Relationship  | Promoter is related to the Company   | Promoter is Director & Shareholder   | Promoter is related to the Company  |
| (ii)   | Nature & material terms of the transaction  | 1) Lease Rent<br>2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Lease Rent<br>2) Printing of Annual Report<br>3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Lease Rent<br>2) Support Services<br>3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. |
| (iii)  | Tenure of the Transaction   | FY 24-25   | FY 24-25   | FY 24-25  |
| (iv)   | Value of Transaction  | 10.00 Crore  | 10.00 Crore  | 10.00 Crore   |
| (v)    | Details of Loan   | NA   | NA   | NA  |
| (vi)   | Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction | 31.4%  | 31.4%  | 31.4%   |
| (vii)  | Justification as to why the related party transaction is in the interest of the Company   | This transaction is beneficial for the Company.  | This transaction is beneficial for the Company.  | This transaction is beneficial for the Company.   |
| (viii) | Details of valuation or other external party report, if such report has been relied upon  | NA   | NA   | NA  |
| (ix)   | Any other   | The transaction with related parties is on 'arm's length' basis.   | The transaction with related parties is on 'arm's length' basis.   | The transaction with related parties is on 'arm's length' basis.  |

| S.NO.  | RELATED PARTY   | MODI-MUNDIPHARMA PRIVATE LIMITED  | MODI-MUNDIPHARMA BEAUTY PRODUCTS PRIVATE LIMITED  | SBEC SUGAR LIMITED  |
|--------|---|---|---|---|
| (i)    | Nature of Relationship  | Promoter is related to the Company  | Promoter is related to the Company  | Associate Company   |
| (ii)   | Nature & material terms of the transaction  | 1) Lease Rent<br>2) Support Services<br>3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Lease Rent<br>2) Support Services<br>3) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. | 1) Royalty Income<br>2) Technical Consultancy<br>3) Lease Rent<br>4) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. |
| (iii)  | Tenure of the Transaction   | FY 24-25  | FY 24-25  | FY 24-25  |
| (iv)   | Value of Transaction  | 10.00 Crore   | 10.00 Crore   | 10.00 Crore   |
| (v)    | Details of Loan   | NA  | NA  | NA  |
| (vi)   | Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction | 31.4%   | 31.4%   | 31.4%   |
| (vii)  | Justification as to why the related party transaction is in the interest of the Company   | This transaction is beneficial to the Company.  | This transaction is beneficial to the Company.  | This transaction is beneficial to the Company.  |
| (viii) | Details of valuation or other external party report, if such report has been relied upon  | NA  | NA  | NA  |
| (ix)   | Any other   | The transaction with related parties is on 'arm's length' basis.  | The transaction with related parties is on 'arm's length' basis.  | The transaction with related parties is on 'arm's length' basis.  |

| S.NO.  | RELATED PARTY   | BIHAR SPONGE IRON LIMITED  |
|--------|---|--|
| (i)    | Nature of Relationship  | Promoter is related to the Company   |
| (ii)   | Nature & material terms of the transaction  | 1) Lease Rent<br>2) Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions. |
| (iii)  | Tenure of the Transaction   | FY 24-25   |
| (iv)   | Value of Transaction  | 10.00 Crore  |
| (v)    | Details of Loan   | NA   |
| (vi)   | Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction | 31.4%  |
| (vii)  | Justification as to why the related party transaction is in the interest of the Company   | This transaction is beneficial to the Company.   |
| (viii) | Details of valuation or other external party report, if such report has been relied upon  | NA   |
| (ix)   | Any other   | The transaction with related parties is on 'arm's length' basis.   |

The above transactions were approved by the Audit Committee at its meeting held on August 14, 2024 and recommended by the Board of Directors to the unrelated members of the Company for their approval.

As per section 188 of the Companies Act, 2013, and Regulation 23 of the Listing Regulations, 2015, all entities/persons that are directly/indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approvals of Material Related Party Transactions is sought from members. Accordingly, all related parties of the Company, will not vote on this resolution.

Except Independent Director and their relative all the other Director or their relatives are interested in this resolution.

## **ITEM NO.12**

### **BACKGROUND**

The proposed Reduction of the Equity Share capital is being undertaken in accordance with the provisions of Section 66 read with section 52 of the Act and other applicable provisions of the Act, if any and the rules made thereunder ("the Rules"), National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 ("NCLT Rules"), and specifically the Rules, which permit a Company to undertake a reduction of share capital in any manner, read with the Listing Regulations and the SEBI Circulars as amended time to time.

### **RATIONALE OF THE SCHEME**

- a) The Company has paid-up share Capital of Rs. 10,00,00,000/- (Rupees Ten crores only) consisting of 1,00,00,000 (One Crore) equity shares of Rs. 10/-(Rupees Ten) each in which one of the promoter shareholder namely SBEC Systems Limited (UK) (hereinafter referred to as the Dissolved Promoter) holds 20.40% of the total paid-up share Capital of the Company i.e Rs. 2,04,00,000/- (Two Crore Four Lakhs only) consisting of 20,40,000 (Twenty lacs Forty Thousand ) equity shares of Rs. 10/- each.
- b) The name of the SBEC Systems Limited (UK) was struck off from the Register of Registrar of Companies on October 2, 2001 and stand dissolved by notice in the London Gazette dated October 9, 2001 and its legal existence is terminated.
- c) The Company came to know about the dissolution status of the SBEC Systems Limited (UK) in 2018, wherein the Company has approached them for the lock-in certificate required for the purpose of revocation of suspension in trading of securities of the Company.
- d) The Dissolved Promoter Company has not attended any AGM/EGM for the last 10 years in spite of giving regular notices as required under the Companies Act, 2013 at the address available with the Company. The Company is still showing it as a shareholder in its records whereas legal existence of SBEC Systems Limited (UK) has been terminated.
- e) To show the true and fair value of the accounts of the Company, considering the future prospects of growth and value addition to the shareholders, it is proposed to re-align the relationship between its capital and assets in accordance with the provisions of the Companies Act, the Board of Directors has examined and analyzed various options available with them and after detailed deliberations came to the conclusion that reduction of equity share capital in accordance with Section 66 of the Act read with National Company Law Tribunal (Procedure for Reduction of Share Capital of the Company) Rules 2016 and other applicable laws would be the most appropriate option in the present facts and circumstances of the case.
- f) Rationalization of capital structure would have advantage of reducing the number of equity shares represented by Dissolved Promoter.
- g) In light of above facts, Board of Directors has approved cancellation of 20,40,000 (Twenty lacs Forty Thousand) equity shares of Rs. 10/-each held by dissolved promoter SBEC Systems Limited (UK) without payment of any consideration.
- h) By virtue of Article 48 of Articles of Association of the Company, the Company is authorized to reduce its share capital in any manner and in accordance with the provisions of the Act.
- i) The Company is contemplating to rationalize its capital structure by reducing its equity shares by way of capital reduction.
- j) The Scheme does not provide any cash pay out to affect the Reduction of Capital, therefore the scheme will not adversely affect the liquidity and/or financial position of the Company.

### **EFFECTS AND BENEFITS OF THE PROPOSED REDUCTION:**

The proposed Scheme of Capital Reduction of the Company also has the following benefits:

- a) Under this Scheme, if approved, the books of the Company would better represent its financial position which would help the Company position itself better in the market and undertake business activities efficiently. This would be value accretive to the Shareholders as well, as their holdings would yield better results.
- b) The adjustment would not have any impact on the shareholding pattern and the capital structure of the Company.
- c) The proposed Scheme would be for the overall benefit of the Company, its creditors, its Shareholders and all other stakeholders.

- d) The reduction of the Paid—up share capital of the Company by way of adjustment/set off of the Accumulated Losses against the paid-up share capital of the Company. It does not result in extinguishing of any liability or diminution of any liability.
- e) The reduction of capital in the manner proposed would enable the Company to have commensurate with its remaining business and assets.
- f) The Capital Reduction in pursuance to this Scheme does not in any manner alter, vary or affect the payment of any dues or outstanding amounts including all or any of the statutory dues payable or outstanding.
- g) The Scheme is only for reduction of Share Capital of the Company and it does not envisage transfer or vesting of any properties and /or liabilities to or in favor of the Company.

#### **IMPACT OF THE SCHEME ON THE PUBLIC SHAREHOLDERS**

Upon Confirmation of the Scheme by the NCLT, there will be cancellation and extinguishment of 20,40,000 (Twenty Lakhs Forty thousand) fully paid-up equity shares of Rs. 10 (Rupees Ten) each of the Company held by SBEC Systems Limited (UK) for the sole benefit of the Company without payment of any consideration to SBEC Systems Limited (UK).

Upon this Scheme becoming effective, the Company shall, without any further application, act, instrument or deed, give effect to the Capital Reduction and the revised structure of the share capital of the Company shall be reflected in the books of accounts of the Company in the following manner as on the effective date.

#### **CAPITAL STRUCTURE OF THE COMPANY (Pre and Post Reduction of Capital)**

| Particulars   | Pre-Reduction  | Particulars   | Post-Reduction |
|---|----------------|---|----------------|
| Authorized Share Capital                              |                | Authorized Share Capital                              |                |
| 1,50,00,000 Equity Shares of Rs. 10/- each            | 15,00,00,000/- | 1,50,00,000 Equity Shares of Rs. 10/- each            | 15,00,00,000/- |
| <b>Total</b>  |                |   |                |
| Issued, Subscribed and Paid-up Capital of the Company |                | Issued, Subscribed and Paid-up Capital of the Company |                |
| 1,00,00,000 Equity Shares of Rs. 10/- each            | 10,00,00,000/- | 79,60,000 Equity Shares of Rs. 10/- each              | 7,96,00,000/-  |

#### **SHAREHOLDING PATTERN OF THE COMPANY (Pre and Post Reduction of Capital)**

| Category  | Prior to Reduction |               | Post Reduction   |               |
|---|--------------------|---------------|------------------|---------------|
|   | No. of shares      | % of holding  | No. of shares    | % of holding  |
| <b>Promoter and Promoter's Group</b>            |                    |               |                  |               |
| Mr. Umesh Kumar Modi                            | 20,79,560          | 20.80%        | 20,79,560        | 20.80%        |
| Ms. Meghna Modi                                 | 200                | 0.00%         | 200              | 0.00%         |
| SBEC Systems Limited (UK)                       | 20,40,000          | 20.40%        | -                | -             |
| Longwell Investments Private Limited            | 5,50,000           | 5.50%         | 5,50,000         | 5.50%         |
| Abhikum Leasing and Investments Private Limited | 2,20,000           | 2.20%         | 2,20,000         | 2.20%         |
| Kumabhi Investment Private Limited              | 2,10,000           | 2.10%         | 2,10,000         | 2.10%         |
| <b>Total (A)</b>                                | <b>50,99,760</b>   | <b>51.00%</b> | <b>30,59,760</b> | <b>38.44%</b> |
| <b>Public Shareholding (B)</b>                  | <b>49,00,240</b>   | <b>49.00%</b> | <b>49,00,240</b> | <b>61.56%</b> |
| <b>Grand Total (A+B)</b>                        | <b>1,00,00,000</b> | <b>100%</b>   | <b>79,60,000</b> | <b>100%</b>   |

#### **Impact on the Net-Worth of the company (Pre-Post Reduction of Share Capital)**

As on March 31, 2024

(Amount in Rs.)

| S.No. | Particulars                | Prior to Reduction | Increased by / (Reduced by) | Post Reduction |
|-------|----------------------------|--------------------|-----------------------------|----------------|
| 1.    | Equity Share Capital       | 10,00,00,000       | 20,40,000                   | 7,96,00,000    |
| 2.    | Share Premium Reserve      | 1,92,61,774        | 51,00,000                   | 1,41,61,774    |
| 3.    | Capital redemption reserve | -                  | (2,55,00,000)               | 2,55,00,000    |
| 4.    | Retained Earning           | (12,34,37,783)     | -                           | (12,34,37,783) |
| 5.    | Other Equity               | (10,41,76,008)     | -                           | (8,37,76,008)  |
| 4.    | Net Worth                  | (41,76,008)        | -                           | (41,76,008)    |

There is no detrimental impact on the shareholders of the Company, as upon confirmation of the scheme, there will only be the reduction in the shareholding of Promoter Category. The proposed reduction of Capital would help in improving the financial position of the Company. Further, the proposed capital reduction shall result in an increase in proportionate shareholding of other shareholders of the Company, including public shareholders. The Capital Reduction Scheme would not affect any legal or other proceedings by or against the Companies.

**CAPITAL STRUCTURE OF THE COMPANY (Pre and Post Reduction of Capital)**

| S.No. | Name of Shareholder                       | Original Shares | IPO 25-01-94 (Shares) | SHARE AFTER IPO | RIGHT ISSUE 07-01-95 | SHARE TRANSFER ON 02.06.2008 | Post-Reduction |
|-------|---|-----------------|-----------------------|-----------------|----------------------|------------------------------|----------------|
| 1.    | Abhikum Leasing and Investments Pvt. Ltd. | -               | 1,10,000              | 1,10,000        | 1,10,000             | -                            | 2,20,000       |
| 2.    | Kumabhi Investment Pvt. Ltd.              | -               | 105,000               | 105,000         | 105,000              | -                            | 2,10,000       |
| 3.    | Longwell Investments Pvt. Ltd.            | -               | 275,000               | 275,000         | 275,000              | -                            | 5,50,000       |
| 4.    | Umesh Kumar Modi                          | 59,780          | -                     | 59,780          | 59,780               | 19,60,000                    | 20,79,560      |
| 5.    | Meghna Modi                               | 100             | -                     | 100             | 100                  | -                            | 200            |
| 6.    | SBEC Systems Limited UK                   | 40,000          | 9,80,000              | 10,20,000       | 10,20,000            | -                            | 20,40,000      |
| 7.    | SBEC Systems Limited Channel Island       | -               | 9,80,000              | 9,80,000        | 9,80,000             | (19,60,000)                  | -              |
| 8.    | Other (Public)                            | 120             | 24,50,000             | 24,50,120       | 24,50,120            | -                            | 4,90,0240      |
|       | Total                                     | 1,00,0000       | 49,00,000             | 50,00,000       | 50,00,000            | -                            | 1,00,00,000    |

**Details of Pre-Post Capital Reduction Assets and Liabilities of the Company as on March 31, 2024**

| Particulars                    | Pre- Capital Reduction | Post-Capital Reduction |
|--------------------------------|------------------------|------------------------|
| <b>ASSETS</b>                  |                        |                        |
| <b>Non-Current Assets</b>      |                        |                        |
| Property                       | 1,83,616               | 1,83,616               |
| Investments                    | 14,23,11,340           | 14,23,11,340           |
| Other Non-Current Assets       | 1,48,31,194            | 1,48,31,194            |
| <b>Financial Assets</b>        |                        |                        |
| Trade Receivables              | 90,1,0872              | 90,10,872              |
| Cash                           | 3,94,067               | 3,94,067               |
| Loans& Advances                | 9,21,551               | 9,21,551               |
| Other Bank Balances            | 40,000                 | 40,000                 |
| <b>TOTAL</b>                   | <b>16,76,92,640</b>    | <b>16,76,92,640</b>    |
| <b>EQUITY AND LIABILITIES</b>  |                        |                        |
| <b>Equity</b>                  |                        |                        |
| Equity Share Capital           | 10,00,00,000           | 7,96,00,000            |
| <b>Other Equity</b>            |                        |                        |
| Share Premium Reserve          | 1,92,61,774            | 1,41,61,774            |
| Capital Redemption Reserve     | 0                      | 2,55,00,000            |
| Retained Earnings              | -12,34,37,783          | -12,34,37,783          |
| Total Other Equity             | -10,41,76,008          | -8,37,76,008           |
| Net Equity                     | -41,76,008             | -41,76,008             |
| <b>Liabilities</b>             |                        |                        |
| <b>Non-Current Liabilities</b> |                        |                        |
| Borrowings                     | 9,30,29,245            | 9,30,29,245            |
| Provisions                     | 3,15,773               | 3,15,773               |
| <b>Current Liabilities</b>     |                        |                        |
| Borrowings                     | 7,43,90,255            | 7,43,90,255            |
| Trade Payable                  | 4,07,027               | 4,07,027               |
| Other Current liabilities      | 37,26,348              | 37,26,348              |
| <b>Total</b>                   | <b>16,76,92,640</b>    | <b>16,76,92,640</b>    |

Subject to the confirmation by the NCLT, Delhi Bench, the Company shall not be required to use the words "AND REDUCED" as part of its name and such use is dispensed with accordingly.

**IMPACT OF THE SCHEME ON THE CREDITORS**

The Capital Reduction will not cause any prejudice to the creditors of the Company. The creditors of the Company are in no way affected by the proposed Capital Reduction, as there is no reduction in the amount payable to any of the creditors. Further, the proposed Capital Reduction will not have any impact on the operations of the Company or the ability of the Company to honor its commitment or to pay its debts in the ordinary course of business.

**EFFECTIVE DATE OF REDUCTION OF SHARE CAPITAL**

After receipt of approval of the public shareholders, the Company will take steps to file the requisite application with the National Company Law Tribunal (NCLT), Delhi in accordance with the provisions of Section 66 and other applicable provisions of the Act and the NCLT Rules, seeking confirmation of the Reduction of Capital as per the Scheme. Pursuant to section 66(5) of the Act, this resolution will be effective on the date when the Registrar of Companies, Delhi registers the NCLT order approving the Reduction of Capital as per the Scheme and issues a certificate to that effect.

**AUDITOR CERTIFICATE**

M/s. Sarat Jain & Associates, Chartered Accountants, have issued a Certificate dated February 14, 2024 stating that the Accounting Treatment proposed by the Company for the Reduction of Capital as per the Scheme is in conformity with the Accounting Standards specified in the Act and the Generally Accepted Accounting Principles.

**FAIRNESS OPINION**

The requirement for valuation report as mentioned in Para 1(A)(4)(a) of Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI/HO/CFD/DIL 1 /CIR/P/2021/0000000665 dated November 23, 2021 as amended time to time is not applicable to the proposed Reduction of Capital as per the Scheme of the Company since there is only proportionate change in the shareholding pattern of the Listed Entity. Further, no consideration shall be paid by the Company to the Dissolved Promoter with respect to the proposed Capital Reduction, hence, no separate valuation of shares is necessary in determining the fair value of the said shares of the Company for the purposes of the proposed Capital Reduction and therefore, the need for a valuation report for the purpose of the proposed Capital Reduction is dispensed off.

**PUBLIC SHAREHOLDING APPROVAL**

The Company hereby undertakes and confirms adherence to Para 15 of the Draft Scheme condition regarding public shareholding approval in terms of Para A(10)(b) of SEBI Master Circular dated June 20, 23. The Draft Scheme is annexed herewith as **Annexure-C**.

**GENERAL INFORMATION AND DISCLOSURES**

Article 48 of the Articles of Association of the Company provides that the company may subject to the provisions of Section 66 and other applicable provisions, if any, of the Companies Act, 2013, by special resolution reduce its capital in any manner for the time being authorized by law.

After the Capital Reduction coming into effect, with the above reduction the subscribe, issued, paid-up capital of the Company comprising of 1,00,00,000 equity shares of 10/-each shall be reduced to 79,60,000 equity shares of Rs. 10/- each fully paid-up.

No new equity shares will be issued by the Company to which the shareholders of the Company may be entitled in terms of Capital Reduction. Consequently, the order of NCLT approving the scheme would not attract any stamp duty in this regard under the applicable provisions of the Indian Stamp Act, 1899.

The Bombay Stock Exchange (BSE) has issued No Observation Letter dated 24th July, 2024, on the proposed Scheme of Reduction of Equity Share Capital of the Company. Copies of the aforesaid Observation Letter is enclosed as **Annexure-B** to this notice. As per the Observation Letters, the BSE have given "No objection" and "no adverse objection" to the Scheme. The Draft Scheme is annexed herewith as **Annexure-C**.

The Board of Directors of the Company based on the recommendation of the Audit Committee, at their meeting held on August 14, 2024 has taken the note of the Observation Letter No. DSC/AMAL/JP/R37/3269/2024-25 dated July 24, 2024 issued by the office of the BSE Limited and the Scheme of Capital Reduction of Issued, Subscribed and Paid-up Equity Share Capital between the Company and its Shareholders as per the terms set out in the Resolution.

All documents referred to in the accompanying Special Resolution and Explanatory Statement annexed thereto are made available on the Company's website at: [www.sbecosystems.in](http://www.sbecosystems.in) and would also be available for inspection to the members at the Registered Office of the Company between 10:00 A.M. (IST) and 1:00 P.M. (IST) on any working day, except Saturdays, Sundays and public holidays, till the last date for remote e-voting by the members.

No inquiry or investigation is pending against the Company under any provisions of Act.

Accordingly, the Board of Directors of the company recommends the resolution of Item No 12 for approval of members by way of a Special Resolution.

None of the directors and or Key Managerial Personnel of the company or their relatives are in any way concerned or interested in the said Resolution except to the extent of their holding in the equity share capital of the Company.

## ANNEXURE A

**INFORMATION ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT (PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATIONS & SECRETARIAL STANDARD - 2)**

## Item No. 2, 5, 6 &amp; 7

| Name of the Director  | Shiv Shankar Agarwal   | Vijay Kumar Modi   | Ajay Kumar Agarwal  | Shyam Lal Agarwal   |
|---|--|--|---|---|
| DIN   | 00004840   | 0004606  | 00632288  | 00003517  |
| Date of Birth/ Age  | 11/05/1941/ 83 years   | 01/12/1950/ 74 years   | 20/07/1960/ 64 years  | 30/11/1945/ 78 years  |
| Qualification   | Bachelor of Science & Bachelor of Laws   | B.Sc - Chemical Engineer   | Chartered Mechanical Engineer and a Fellow of the Institution of Engineers  | Chartered Accountant  |
| Expertise in specific field   | Expertise in the areas of administration and management.   | Expertise in the areas of operations, administration and management.   | He has diverse background and more than 30 years of rich intensive entrepreneurial experience in general administration and management  | Expertise in the areas Accountancy and Finance  |
| Date of first appointment   | 21/05/2015   | 29/09/2004   | 14/08/2024  | 14/08/2024  |
| No. of Shares Held  | Nil  | Nil  | Nil   | Nil   |
| Terms and conditions of appointment or reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable | Appointed as a Executive Director of the Company and will be paid sitting fees for attending Board and Committee meetings.   | Appointed as a Non-Independent Director of the Company and will be paid sitting fees for attending Board and Committee meetings.   | Appointed as an Independent Director of the Company and will be paid sitting fees for attending Board and Committee meetings.   | Appointed as an Independent Director of the Company and will be paid sitting fees for attending Board and Committee meetings. |
| Other Companies Directorship  | <ol style="list-style-type: none"> <li>SBEC Stockholding and Investment Ltd.</li> <li>Modi Hitech India Limited</li> <li>SBEC Bioenergy Ltd.</li> <li>Chandil Power Limited</li> </ol> | <ol style="list-style-type: none"> <li>Modilac Private Limited</li> <li>SBEC Sugar Limited</li> <li>G.S.Nutrition Private Limited</li> <li>Multibox Private Limited</li> <li>Sbec Bioenergy Limited</li> <li>Sbec Stockholding And Investment Limited</li> <li>Umesh Modi Real Estate Private Limited</li> <li>G S Pharmbutor Private Limited</li> </ol> | <ol style="list-style-type: none"> <li>SBEC Sugar Limited</li> <li>Bihar Sponge Iron Limited</li> <li>Madras Holdings Private Limited</li> <li>Bombay Holdings Private Limited</li> <li>Krishna Synthetics Limited</li> </ol> |   |



|  |      |   |      |      |
|--|------|---|------|------|
|  |      | 9. Modi Diagnostics Private Limited<br>10. Bihar Sponge Iron Limited<br>11. Chandil Power Limited<br>12. ABR Finlease & Holding Private Limited |      |      |
| Chairmanship /Membership of other Companies Committees                         | None | 3/5   | None | None |
| Relationship with other Directors, and Key Managerial Personnel of the company | None | None  | None | None |

\*Directorships and Committee memberships in SBEC Systems (India) Ltd are not included in the aforesaid disclosure. Also directorships in Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees and Stakeholders' relationship Committees of only public Companies have been included in the aforesaid table.

DCS/AMAL/JP/R37/3269/2024-25

July 24, 2024

The Company Secretary,  
SBEC SYSTEMS (INDIA) LTD  
1400, Modi Tower, 98 Nehru  
Place, New Delhi, Delhi, 110019

Dear Sir,

**Sub: Observation letter regarding the Scheme for Reduction of Share Capital between SBEC Systems(India) Limited and its shareholders under Section 66 read with Section 52 And Other applicable sections of The Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016**

We are in receipt of the Scheme for Reduction of Share Capital between SBEC Systems(India) Limited and its shareholders under Section 66 read with Section 52 and other applicable sections of The Companies Act, 2013 and National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37, 94(2) of SEBI LODR Regulations 2015 (LODR Regulations); SEBI vide its letter dated July 24, 2024 has inter alia given the following comment(s) on the draft scheme of reduction:

- a. "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "The Company shall ensure compliance with SEBI circulars issued from time to time."
- d. "The entities involved in the Scheme shall duly comply with various provisions of the SEBI master Circular dated June 20, 2023 and also ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to shareholders."
- h. "The Companies are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the

company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013

- i. Details of (pre and post scheme) assets and liabilities
  - ii. Capital Buildup of company since inception, highlighting shareholding buildup of SBEC Systems (India) Ltd
  - iii. Rationale of the Scheme and its impact of the scheme on the public shareholders.”
- i. “Company is advised that new equity shares proposed to be issued as part of the “scheme” shall mandatorily be in demat form only.”
  - j. “Company shall ensure that the “scheme” shall be acted upon subject to the complying with the relevant clauses mentioned in the scheme document.”
  - k. “Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
  - l. “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”
  - m. “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
  - n. “It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

*JL*  
In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any



contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

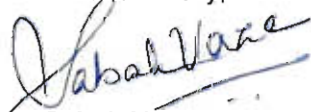
In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the**

**Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

TZ



**Sabah Vaze**  
Senior Manager



**Tanmayi Lele**  
Assistant Manager

**SCHEME FOR REDUCTION OF SHARE CAPITAL**

**BETWEEN**

**SBEC SYSTEMS(INDIA) LIMITED**

**AND**

**ITS SHAREHOLDERS**

**UNDER SECTION 66 READ WITH SECTION 52 AND OTHER APPLICABLE SECTIONS OF  
THE COMPANIES ACT, 2013 AND NATIONAL COMPANY LAW TRIBUNAL (PROCEDURE  
FOR REDUCTION OF SHARE CAPITAL OF COMPANY) RULES, 2016**

*Prigyanen Veri*



**INTRODUCTION**

**A. PREAMBLE**

This Scheme (as defined hereinafter) is presented under the provisions of the Section 66 read with Section 52 and other relevant provisions of the Act (as defined hereinafter) read with rules (as defined hereinafter) for the selective reduction of equity share capital of the Company as specified in this scheme.

**B. BACKGROUND AND RATIONALE TO THE SCHEME**

The background and reasons /rationale, commercial justification of the proposed scheme are as follows:

- a) The Company has paid-up share Capital of Rs. 10,00,00,000/- (Rupees Ten crores only) consisting of 1,00,00,000 (One Crore) equity shares of Rs. 10/-(Rupees Ten) each in which one of the promoter shareholder namely SBEC Systems Limited (UK) holds 20.40% of the total paid-up share Capital of the Company i.e Rs. 2,04,00,000/- (Two Crore Four Lakhs only) consisting of 20,40,000 (Twenty lacs Forty Thousand ) equity shares of Rs. 10/-each.
- b) The name of the SBEC Systems Limited (UK) was struck off from the Register of Registrar of Companies on October 2, 2001 and stand dissolved by notice in the London Gazette dated October 9, 2001 and its legal existence is terminated.
- c) The Company came to know about the dissolution status of the SBEC Systems Limited (UK) in 2018, wherein the Company has approached them for the lock-in certificate required for the purpose of revocation of suspension in trading of securities of the Company.

*Priyanka Negi*



- d) The Dissolved Promoter Company has not attended any AGM/EGM for the last 10 years in spite of giving regular notices as required under the Companies Act, 2013 at the address available with the Company. The Company is still showing it as a shareholder in its records whereas legal existence of SBEC Systems Limited (UK) has been terminated.
- e) To show the true and fair value of the accounts of the Company, considering the future prospects of growth and value addition to the shareholders, it is proposed to re-align the relationship between its capital and assets in accordance with the provisions of the Companies Act, the Board of Directors has examined and analyzed various options available with them and after detailed deliberations came to the conclusion that reduction of equity share capital in accordance with Section 66 of the Act read with National Company Law Tribunal (Procedure for Reduction of Share Capital of the Company) Rules 2016 and other applicable laws would be the most appropriate option in the present facts and circumstances of the case.
- f) The proposed reduction of the equity share capital of the Company is being undertaken in accordance with the provisions of Section 66 read with section 52 of the Act and the rules made thereunder and specifically the Rules, which permit a Company to undertake a reduction of share capital in any manner, read with the Listing Regulations (as defined hereinafter) and the SEBI Circular (as defined hereinafter)
- g) In light of above facts, the draft scheme is being produced before Board of Directors for approving cancellation of 20,40,000 (Twenty lacs Forty Thousand ) equity shares of Rs. 10/-each held by dissolved promoter SBEC Systems Limited (UK) without payment of any consideration.

*Prityan Lal Negi*



- h) The proposed reduction of equity share capital of the company would not have any adverse effect on the creditors of the company or the Company's ability to fulfil its commitments or meet its obligations in the ordinary course of business as there is no payout resulting from the proposed capital reduction. Further, the proposed capital reduction shall result in an increase in proportionate shareholding of other shareholders of the Company, including public shareholders.

### C. PARTS OF THE SCHEME

The Scheme is divided into following parts: -

- a) PART-A deals with the Definitions, Interpretations, Capital Structure
- b) PART-B deals with the Selective Reduction of Equity share capital of the Company without consideration.
- c) PART-C deals with general Terms and conditions applicable to the Scheme.

*Rajendra Negi*





**PART-A**

**DEFINITIONS AND DETAILS OF THE COMPANY**

**1. DEFINITIONS**

For the purposes of this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings mentioned herein below:

- (a) **“Act”** means the Companies Act, 2013 and the rules, regulations, circulars and notifications issued thereunder, including without limitation the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, each as amended from time to time;
- (b) **“Board”** or **“Board of Directors”** means the board of directors of the Company including any duly constituted committee(s) thereof;
- (c) **“Capital Reduction”** means the selective reduction of 20,40,000 (Twenty lacs Forty Thousand) fully paid-up equity shares of face value Rs 10/- (Rupees Ten) each of the Company held by SBEC Systems Limited (UK), without payment of any consideration.
- (d) **“Company”** means SBEC Systems (India) Limited, a company incorporated under the Companies Act, 1956, having its registered office at 1400, Hemkunt Tower, 98, Nehru Place, New Delhi-110019
- (e) **“Dissolved Promoter”** means SBEC Systems Limited (UK) as per the London gazette notice dated October 9, 2001.
- (f) **“Effective Date”** means the date on which the certified copy of the order passed by the NCLT sanctioning the Scheme and minute of reduction is filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana;

*Priyanka Negi*



- (g) **"Ind AS"** means the Indian Accounting Standards prescribed under Section 133 of the Act;
- (h) **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- (i) **"RoC"** means the Registrar of Companies, National Capital Territory of Delhi and Haryana;
- (j) **"Rules"** means National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, as amended from time to time;
- (k) **"SEBI Circular"** means the SEBI Circular CFD/DIL3/CIR/201721 dated March 10, 2017, as amended from time to time, read with the SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-Rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time;
- (l) **"Scheme"** means this scheme of arrangement between the Company and its shareholders, pursuant to the provisions of Section 66 read with Section 52 and other applicable provisions of the Act, and rules made thereunder;
- (m) **"SEBI"** means the Securities and Exchange Board of India;
- (n) **"Stock Exchanges"** means the stock exchanges where the equity shares of the Company are listed and are admitted to trading, viz, BSE Limited
- (o) **"Tribunal" or "NCLT"** means the National Company Law Tribunal, Delhi bench. All terms and words not defined in the Scheme shall, unless repugnant or contrary to

*Prakash Negi*



the context or meaning thereof, have the same meaning ascribed to them under the Act, Securities and Exchange Board of India Act, 1992, Listing Regulations and other applicable laws, rules, regulations, bye laws, as the case may be or, any statutory modifications or re-enactment thereof from time to time.

## 2. DETAILS OF THE COMPANY

### 2.1 Incorporation of the Company

- a. The Company was originally incorporated as Private Limited Company on December 15, 1987, in Delhi under the provisions of the Companies Act, 1956, under the name 'SBEC Systems (India) Private Limited'. Subsequently, the Company has passed the special resolution on September 30, 1992 for conversion of Private Limited Company to Public Limited Company and received the fresh certificate of incorporation consequent upon change of name on January 8, 1993.
- b. The Registered Office of the Company is currently situated at 1400, Hemkunt Tower, 98, Nehru Place-110019.
- c. The Corporate Identity No. of the Company is L74210DL1987PLC029979
- d. The shares of the Company are currently listed on one Stock Exchange i.e the BSE Limited.
- e. The Company is, inter alia, engaged in the business of rendering scientific, technical, engineering, professional, commercial and all other types of skilled services and deal in designs, plans and specifications of all type of contracts turnkey or otherwise, assignments, process and undertake fabrication, erection, commissioning of projects and providing high-tech equipment to sugar and power industries.

### 2.2 Objects of the Company

*Priganta Negi*



The Memorandum of Association of the Company sets out inter alia the following objects: -

- a. To render scientific, technical, engineering, professional, commercial and all other types of skilled services such as placement of Know-how technology to and for the benefit of any individual, firm, trust, association, society, company, corporation, body corporate, organization, institution, public or local authority, government and government departments in India or abroad whether as advisers, consultants, trainers, developers or otherwise.
- b. To draw, create, make, undertake or in any other way deal in designs, plans and specifications of all types of contracts turnkey or otherwise, assignments, processes, and undertake fabrication, erection, commissioning of projects or expansion or renovation schemes or schemes for energy conservation or process optimization or generation of energy from surpluses of all types and of other services relation thereto including the import of technologies or employment of experts from any part of the world in execution of the aforesaid.
- c. To undertake, aid, promote or coordinate studies, collection of data, arrange collaboration, technical know-how and scientific information, extend technical assistance and services, prepare project reports, data acquisition and control systems, specific purpose studies, market research and studies, to make agreement and arrangement, to provide management personnel or production techniques, assist in finding market for manufactured goods of Indian and foreign origin, advise and to carry out research and product development and to develop indigenous technologies and processes, experimenting, testing and investigating on their behalf.
- d. To carry on the business of Industrial and Management consultants and for that purposes to undertake complete management of units under agreed terms and conditions, to survey analyse and propose solutions to specific industrial and

*Priyanka N...*



*management problems, to prepare and implement studies, proposal schemes, plans, lay-outs to arrange for personnel recruitment and training in India and abroad for special industrial applications or requirements, to propose, represent and follow up with the authorities whether government or otherwise on behalf of any person, firm, body corporate or association.*

### 2.3 Capital Reduction and Articles of Association of Company

Article 48 of the Articles of Association of the Company authorizes the Company by special resolution to reduce its share capital in any manner. Article 48 of the Articles of Association of the Company is set out hereunder: -

“The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules,

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any securities premium account; and/or
- (d) any other reserve in the nature of share capital “

### 2.4 Share Capital

The Share Capital structure of the Company as on March 31, 2023 is as under: -

| Share Capital   | Amount (INR '000) |
|---|-------------------|
| Authorised Share Capital<br>15,000,000 Equity Shares of Rs. 10/- each             | 1,50,000          |
| <b>Total</b>  | <b>1,50,000</b>   |
| Issued, Subscribed & Paid up Capital<br>10,000,000 Equity Shares of Rs. 10/- each | 1,00,000          |
| <b>Total</b>  | <b>1,00,000</b>   |

*P. Priguntes N...*



## 2.5 Financials

The Key aspects with respect to the financial performance of the Company for the financial year ended March 31, 2023:

| Particulars                | Financial year ended March 31, 2023<br>(Rs. In '000) |
|----------------------------|--|
| Total current assets       | 10,894   |
| Total Current Liability    | 90,356   |
| Profit/(Loss) for the year | 11,061   |

## 3. PROMOTERS AND DIRECTORS

3.1 The name of the promoters of the Company as on March 31, 2023 along with their addresses as set forth below

| S. No. | Name of Shareholder                     | Address   |
|--------|---|---|
| 1.     | Meghna Modi                             | 36, Amrita Shergill Marg, Delhi-110003                                    |
| 2.     | Abhikum Leasing And Investments Pvt Ltd | 184A, Garud Apartments Pocket-Iv, Mayur Vihar, Phase-I, New Delhi-110091. |
| 3.     | Kumabhi Investment Private Limited      | 184A, Garud Apartments Pocket-Iv, Mayur Vihar, Phase-I, New Delhi-110091. |
| 4.     | Longwell Investment Private Limited     | Modi Bhawan, Modi Nagar, U.P.-201204                                      |
| 5.     | Umesh Kumar Modi                        | Apartment 14, 5th Floor Enternace B, Yestrebetz Street, District Borovo,  |

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|    |                           |   |
|----|---------------------------|---|
|    |                           | Bulgaria.   |
| 6. | SBEC SYSTEMS LIMITED (UK) | Struck off from the Register of Registrar of Companies on October 2, 2001 and stand dissolved by notice in the London Gazette dated October 9, 2001 and its legal existence is terminated |

3.2 The name of the directors of the Company along with their addresses are set forth below as on date

| S. No. | Name of Director       | Address   |
|--------|------------------------|---|
| 1.     | Vijay Kumar Modi       | A-57 Sector-31, Noida Gautam Buddha, Nagar Up-201301        |
| 2.     | Shiv Shankar Agarwal   | 2539, Sector D - II, Vasant Kunj, New Delhi-110070          |
| 3.     | Jagdish Chander Chawla | L-21, Sarita Vihar, New Delhi, South Delhi-110076           |
| 4.     | Ritu Sikka             | B-4/151, Safdarjung Enclave, New Delhi-110029               |
| 5.     | Asha Agarwal           | 45, 3rd Floor NRI Complex, GK-4 New Delhi-11001             |
| 6.     | Salil Seth             | C-30, New Multan Nagar, Shakur Basti Depot, Ew Delhi-110019 |

4. OTHER DISCLOSURES

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- 4.1 No investigations or proceedings have been initiated and are pending against the Company under the Act.
- 4.2 The Company has not accepted any deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, the Company is not in arrears with respect to repayment of any deposits or interest thereon, as on the date of filing of this Scheme.
- 4.3 The Scheme will not have any adverse effect on any directors, key managerial personnel, promoters, non-promoter members, creditors and employees of the Company. The Company does not have any debenture holders. The Scheme will be in the best interest of all the stakeholders of the Company.
- 4.4. The benefits of the Scheme to the Company and its respective members, creditors and employees, as perceived by the Board, are mentioned in Part B of the introduction of this Scheme (Selective Reduction of Share Capital of the Company).

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## PART B

## SELECTIVE REDUCTION OF SHARE CAPITAL OF THE COMPANY

**5. BACKGROUND AND REDUCTION OF SHARE CAPITAL OF THE COMPANY**

The objective of the scheme is to undertake the Capital Reduction or otherwise alter issued, subscribed and paid-up share capital of the Company. As an integral part of the Scheme, upon the Scheme becoming effective after securing necessary approvals and permissions, without any further act, instrument or deed, the issued, subscribed and paid-up equity share capital of the Company shall be reduced by Rs. 2,04,00,000/- (Rupees Two Crores Four Lakhs only ) comprising of 20,40,000 (Twenty Lacs Forty Thousand) equity shares of Rs.10/- (Rupees Ten) each) .

**6. RE-ORGANISATION OF PAID-UP SHARE CAPITAL AND ITS IMPACT ON THE COMPANY**

6.1 Upon the Scheme becoming effective, 20,40,000 (Twenty Lacs Forty Thousand) fully paid-up equity shares of the Company of Rs/10/- (Rupees Ten) each of the Company held by SBEC Systems Limited (UK) (hereinafter referred as to Dissolved Promoter) shall be cancelled and extinguished and consequently, the paid-up equity share capital of the Company as on the Effective Date shall become Rs. 7,96,00,000/- (Rupees Seven Crores Ninety-Six Lacs only) divided into 79,60,000 (Seventy-Nine lacs Sixty Thousand) equity shares of Rs.10/- (Rupees Ten) each. Further, upon the Scheme becoming effective, the Company shall ensure compliance with applicable provisions of the Listing Regulations, including Regulation 31A of the Listing Regulations in relation to the de-classification of Dissolved Promoter as a part of the Promoter Group of the Company.

6.2 The share capital of the Company before and after the Capital Reduction in terms of this scheme shall be as under:


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| Particulars                     | As on date of approval of the scheme |              | Post Capital reduction in terms of this scheme |              |
|---------------------------------|--------------------------------------|--------------|--|--------------|
|                                 | Number of equity shares              | Amount (INR) | Number of equity shares                        | Amount (INR) |
| Authorised equity share capital | 1,50,00,000                          | 15,00,00,000 | 1,50,00,000                                    | 15,00,00,000 |
| Paid-up equity share capital    | 1,00,00,000                          | 10,00,00,000 | 79,60,000                                      | 7,96,00,000  |
|                                 |                                      |              |  |              |

6.3 The Capital Reduction and the consequent cancellation of the equity share capital as hereinabove, shall be effected as per the provisions of Section 66 read with Section 52 of the Act and other applicable provisions of the Act, rules (including the Rules) and regulations made thereunder upon the Scheme becoming effective.

6.4 The Capital Reduction does not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital.

6.5 The Capital Reduction will not cause any prejudice to the creditors of the Company as there will not be any reduction in the amount payable to the respective creditors. Further, in the absence of any payments to Dissolved Promoter pursuant to the Capital Reduction, it does not alter, vary or affect the rights of the creditors in any manner whatsoever. The liabilities with respect to payments due to the creditors will be discharged by the Company in accordance with the terms of their agreements with the Company, if any, or in the ordinary course of business, as the case may be.

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6.6 The Capital Reduction will not have any adverse impact on the employees and workers of the Company in any manner, and their service shall be continuous, and they will continue to enjoy the same benefits as they used to before the Capital Reduction.

6.7 The Scheme does not in any manner alter, vary or affect the payment of any dues or outstanding amounts, including all or any of the statutory dues payable or outstanding.

6.8 The Scheme does not envisage transfer or vesting of any of the properties and / or liabilities of the Company to any person or entity.

6.9 The Scheme is merely a Capital Reduction and does not involve any conveyance or transfer of any property of the Company and does not involve any issuance of shares. Consequently, the order of NCLT approving the Scheme will not attract any stamp duty.

**7. COMPLIANCE**

7.1 The consent of the members of the Company for the Capital Reduction and this Scheme shall be obtained through a special resolution under the provisions of Section 66 of the Act and any other applicable provisions.

7.2 The Scheme, if sanctioned, shall be fully in compliance with the Securities and Exchange Board of India Act, 1992, Listing Regulations and SEBI Circular. Upon the Scheme becoming effective, the Company shall ensure compliance with applicable provisions of the Listing Regulations, including Regulation 31A of the Listing Regulations in relation to the de-classification of SBEC Systems Limited (UK) as a part of the Promoter Group of the Company.

**8. ACCOUNTING TREATMENT**

Out of 20,40,000 number of equity shares 10,20,000/- number of equity shares were issued as right issue in the year 1994 at a premium of Rs 5/- per share.

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Upon the Scheme becoming effective, share capital representing 20,40,000 (Twenty Lacs Forty Thousand) equity shares of the Company held by Dissolved Promoter i.e Rs. 2,04,00,000/- (Rupees Two crores Four Lacs only) shall be cancelled, with adjustments by way of debit to: (i) the paid-up equity share capital for Rupees 2,04,00,000 and (ii) the securities premium account of the Company for Rs. 51,00,000 (Rupees Fifty-One Lacs Only) and corresponding credit to reserve and surplus account in compliance with the generally accepted accounting principles in India.

**9. MISCELLANEOUS**

Notwithstanding the reduction of the capital of the Company in pursuance of this Scheme, the Company shall not be required to add the words "And Reduced" to its name as the last words thereof.

**10. MINUTE**

The Form of Minute proposed to be registered under Section 66(5) of the Act and Rule 6(2) of the Rules is as follows:

"The issued, subscribed and paid-up capital of SBEC Systems (India) Limited is henceforth Rs.7,96,00,000/- (Rupees Seven Crores Ninety-Six Lakhs only) divided into 79,60,000 (Seventy-Nine Lakhs Sixty Thousand) equity shares of Rs. 10/- (Rupees Ten) each reduced from Rs.10,00,00,000/- (Rupees Ten Crores) comprising of 1,00,00,000 (One Crore) equity shares of Rs. 10 (Rupees Ten) each."

**11. LEGAL PROCEEDINGS**

The Scheme will not affect any legal or other proceedings by or against the Company, pending or arising, but the proceedings may be continued, prosecuted and enforced by or against the Company in the same manner and to the same extent as it would be or might

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SBEC SYSTEMS (INDIA) LTD.  
NEW DELHI  
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have been continued, prosecuted and enforced by or against the Company prior to the Scheme.

12. **CONDUCT OF BUSINESS BY COMPANY**

The Scheme does not involve any financial outlay / outgo, and therefore, will not affect the ability or liquidity of the Company to meet its obligations / commitments in the normal course of business. Further, this Scheme will also not in any way adversely affect the ordinary operations of the Company during the course, or after the approval, of the Scheme.

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**PART C**

**GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME**

**13. APPLICATION TO THE TRIBUNAL**

The Company shall make applications / petitions under Section 66 and other applicable provisions of the Act to the NCLT for the sanction of this Scheme, minute of reduction and all matters ancillary or incidental thereto.

**14. MODIFICATIONS/ AMENDMENTS TO THE SCHEME**

**4.1** The Company will be at liberty to apply to the NCLT from time to time for necessary directions in matters relating to this Scheme or any terms thereof, in terms of the Act.

**14.2** Subject to the provisions of the SEBI Circular, the Company through its Board, may assent to any modifications/ amendments to the respective section of this Scheme and/ or to any conditions or limitations, including such modifications/ amendments and/ or conditions or limitations that the Tribunal, the SEBI, the Stock Exchanges and/ or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Company, through its authorized representatives, be and is hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions that may arise in relation to the meaning or interpretation of the respective sections of this Scheme or implementation thereof or in any manner whatsoever connected therewith, whether by reason of any directive or order of the Tribunal or any other authority or otherwise, howsoever arising out of, under or by virtue of this Scheme and/ or any matters concerned or connected therewith and to do and execute all acts, deeds, matters and things necessary for giving effect to this Scheme.

**15. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

(a) the Scheme being approved by the members of the Company through special resolution and provided that the votes cast by the public shareholders in favour of the Scheme are

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more than the number of votes cast by the public shareholders against it through E-voting in terms of the SEBI Circular;

(b) the Scheme being approved by the creditors of the Company as prescribed under the Act and/or as may be directed by NCLT and/ or any other appropriate authority as may be applicable;

(c) the Company obtaining the observation letter / no-objection letter from - The BSE Limited for the implementation of the Scheme;

(d) the Scheme being sanctioned by the Tribunal under Section 66 and any other applicable provision of the Act;

(e) certified copy of the order of the Tribunal sanctioning this Scheme and the minute of reduction being filed with the RoC by the Company; and

(f) the requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

## 16. EFFECT OF NON-RECEIPT OF APPROVALS

16.1 In the event of any of the sanctions and approvals referred to in Para 15 above not being obtained and / or the Capital Reduction not being sanctioned by the Tribunal or such other appropriate authority, if any, this Capital Reduction shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Capital Reduction or as may otherwise arise in law and agreed between the relevant parties.

16.2 The Board shall be entitled to revoke, cancel and declare the Scheme or any part thereof to be of no effect and/ or to withdraw the Scheme or any part thereof and respective applications/ petitions filed with the Tribunal for any reason including if the Board is of view that the coming into effect of the Scheme or of any part thereof, in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an

adverse implication on the Company or in case any condition or alteration imposed by the Tribunal or any other authority or entity is not on terms acceptable to them.

**17 COSTS, CHARGES AND EXPENSES**

The Company shall bear all the costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto.

**18. MISCELLANEOUS**

**18.1** Notwithstanding the Capital Reduction, the listing benefits of the Company on all the Stock Exchange(s) shall continue, and the Company will comply with the applicable provisions of the listing agreement with the Stock Exchange(s) for listing and trading of shares of the Company.

**18.2** The designated stock exchange for interaction with SEBI in terms of the SEBI Circular shall be BSE Limited.

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# COMPANIES HOUSE

If you need to contact us regarding this notice, please quote reference

THE DIRECTORS  
SBEC SYSTEMS LIMITED  
54 OAKS ROAD  
SHIRLEY  
CROYDON  
SURREY CR0 5HL

DEF6/ 02010040

Date: 19 JUNE 2001

## COMPANIES ACT 1985 (Section 652)

The REGISTRAR OF COMPANIES gives NOTICE  
that, unless cause is shown to the contrary,  
at the expiration of 3 months from the  
above date the name of

SBEC SYSTEMS LIMITED

will be struck off the register and  
the company will be dissolved.



FILE COPY

COMPANIES HOUSE  
CARDIFF  
CF14 3UZ  
Tel: Cardiff 029 20 380830  
Fax 029 20 380900  
Dx 33050 CARDIFF



N.B. Upon dissolution all property and rights vested in, or held on trust for the company are deemed to be bona vacantia, and accordingly will belong to the crown.

\*002010040\*

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# DISSOLVED

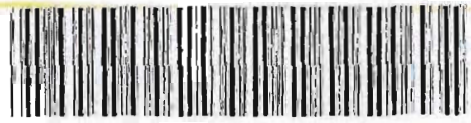
02010040 SBEC SYSTEMS LIMITED

This Company was struck off the Register under Section 652(5) of the Companies Act 1985 on 2 OCTOBER 2001 and dissolved by notice in the London Gazette dated 9 OCTOBER 2001

*S. M. Edwards*

Mrs. S.M. Edwards  
for Registrar

|            |          |
|------------|----------|
| DEF 1 SENT | 09/03/00 |
| DEF 2 SENT | 08/02/01 |
| DEF 3 SENT | 13/03/01 |
| FIRST GAZ  | 19/06/01 |



*[Handwritten signature]*

\*02010040\*