

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On Application No. 3448 of 2018

Filed by Moderate Leasing & Capital Services Limited [PAN: AAACM6945K]; A to Z Holdings Pvt. Limited [PAN: AAECA0001A]; Longwell Investments Pvt. Limited [PAN: AAACL3163G]; SBEC Systems (India) Limited [PAN: AAACS8692P]; Mr. Umesh Kumar Modi [PAN: AAPPM6795H]; Ms. Kumkum Modi [PAN: AAAPM4518P] and Mr. Jayesh Modi [PAN: BBHPM1522Q]

in the matter of SBEC Sugar Limited

1. Moderate Leasing & Capital Services Limited; A to Z Holdings Pvt. Limited; Longwell Investments Pvt. Limited; SBEC Systems (India) Limited; Mr. Umesh Kumar Modi; Ms. Kumkum Modi and Mr. Jayesh Modi (hereinafter referred to as ‘applicants’) filed a common settlement application in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (“Settlement Regulations”), without admitting or denying the findings of fact and conclusions of law, proposing to settle, through a settlement order, the proposed adjudication proceedings intimated vide Notice of Approved Enforcement Action dated May 16, 2017, for the delayed compliance of Regulation 29(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (delay in making disclosure of change in shareholding of Moderate Leasing & Capital Services Limited along with PACs and A to Z Holding Pvt. Limited). In addition to the same, the applicants *suo moto* sought for settlement of the delayed compliance with Regulation 13(4A) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (i.e. delay in making disclosure of change in shareholding of Moderate Leasing & Capital Services Limited along with PACs and A to Z Holding Pvt. Limited).
2. The authorised representatives of the applicants had a meeting with the Internal Committee of SEBI on April 24, 2018, wherein the settlement terms were deliberated. Thereafter, the applicants, vide letter dated April 30, 2018, proposed the revised settlement terms to settle the defaults mentioned above.
3. The High Powered Advisory Committee (‘HPAC’) in its meeting held on May 14, 2018 considered the settlement terms proposed and recommended the case for settlement upon payment of ₹5,13,434/- (Rupees Five Lakh Thirteen Thousand Four Hundred Thirty Four only) by the applicants towards settlement charges for the aforementioned defaults. The Panel of Whole Time Members of SEBI accepted the said recommendation of the HPAC and the same

was communicated to the applicants vide e-mail dated June 15, 2018.

4. The applicants vide Demand Draft number 116301 dated July 24, 2018 drawn on Axis Bank has remitted ₹5,16,810/- (Rupees Five Lakh Sixteen Thousand Eight Hundred Ten only) towards the settlement charges (amount included the interest @ 6% per annum for the delay in remitting the payment).
5. Accordingly, the proposed adjudication proceedings for the alleged default and the proceedings that could have been initiated for the defaults as discussed in paragraph 1 above, are settled *qua* the applicants as per the above terms, by way of this order and SEBI shall not initiate any enforcement action against the applicants for the said defaults.
6. In view of the above, in terms of regulations 15 and 19 of the Settlement Regulations, it is hereby ordered that:
 - i. this order disposes of the said proposed adjudication proceedings and the proceedings that may be initiated in respect of the applicants for the defaults as mentioned above and;
 - ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicants, if SEBI finds that:
 - a. any representation made by the applicants in the present settlement proceedings is subsequently discovered to be untrue;
 - b. the applicants has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
7. This settlement order is passed on this 16th day of August, 2018 and shall come into force with immediate effect.
8. In terms of regulation 17 of the Settlement Regulations, a copy of this order shall be sent to the applicants and shall also be published on the website of SEBI.

-Sd-

S.K. MOHANTY
WHOLE TIME MEMBER

-Sd-

ANANTA BARUA
WHOLE TIME MEMBER