

# P. SHARMA & CO.

COMPANY SECRETARIES

St. No. 13, Dhobiana Road,

Bathinda

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## Secretarial Compliance Report of SEL Manufacturing Company Limited having CIN L51909PB2000PLC023679 for the year ended 31.03.2020

We, M/s P. Sharma & Co., have examined:

- (a) all the documents and records made available to us and explanation provided by SEL Manufacturing Company Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) other relevant documents/filing which has been relied upon to make this certification,

For the year ended 31.03.2020 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The Specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018/ Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;



- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as applicable

and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period:

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

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 17(1) and 24(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	<p>1) The Board of the Company does not consist to have atleast half of the Board of Independent Directors, optimum combination, as per the requirement under said clause of the Listing Regulations.</p> <p>Futher consequent to resignation of Independent Director the Company does not have one Independent Director on its board which also shall be on the board of its</p>	<p>1. The Company has not been able to appoint/replace new Independent Director(s) within the prescribed time, in place of Independent Director(s) who have resigned earlier from the Board of the Company.</p> <p>(Note: As provided under Sub-Regulation 2A and 2B in Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions as specified in Regulation 17,18,19,20 and 21 of the SEBI (LODR) Regulations, shall not be applicable during the insolvency resolution process</p>



2	Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	unlisted material subsidiary. 2) Non-submission of Financial Results under Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter and half year period ended 30 <sup>th</sup> September, 2019 and for the quarter and nine months period ended 31 <sup>st</sup> December, 2019 respectively.	period in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency code). 2. The Exchanges were informed by the Company, interalia, of the Corporate Insolvency Resolution Process ("CIRP") of SEL Manufacturing Company Ltd. and that due to stringent timelines of activities to be completed under CIRP, operational difficulties, sufficient time could not be made available for book closure process, hence financial results of the Company for the quarter(s) ended 30 <sup>th</sup> September 2019 and 31 <sup>st</sup> December 2019 respectively could not be prepared/finalized and hence the requirement under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 could not be complied with.
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:



Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	Stock Exchanges	Non-submission of Financial Results in time under Regulation 33 (3) of the SEBI (LODR) Regulations, 2015 for quarter and half year period ended 30 <sup>th</sup> September, 2019 and for the quarter and nine months period ended 31 <sup>st</sup> December, 2019 respectively.	Under Standing Operating Procedure with respect to non-compliance of certain listing regulations, fine was imposed upon the Company by the Exchanges i.e. BSE Ltd. and The National Stock Exchange of India Ltd., respectively.	The Exchanges were informed by the Company, interalia, of the Corporate Insolvency Resolution Process ("CIRP") of SEL Manufacturing Company Ltd. and that due to stringent timelines of activities to be completed under CIRP, operational difficulties, sufficient time could not be made available for book closure process, hence financial results of the Company for the quarter(s) ended 30 <sup>th</sup> September 2019 and 31 <sup>st</sup> December 2019 respectively could not be prepared/finalized and hence the requirement under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 could not be complied with.



(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Regulation 17 (1) (b) of SEBI (LODR) Regulations, 2015, The Board of the Company does not consist to have atleast half of the Board of Independent Directors as per the requirement under said clause of the Listing Regulations.	For the year ended 31.03.2019	None	None: SEL Manufacturing Company Limited is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016, vide order of the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), dated 11 <sup>th</sup> April 2018. The Interim Resolution Professional, Mr. Navneet Kumar Gupta, was appointed by the Hon'ble NCLT vide order dated 25 <sup>th</sup> April 2018.

**Note:** SEL Manufacturing Company Limited is under Corporate Insolvency Resolution Process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016, vide order of the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), dated 11<sup>th</sup> April 2018. The Interim Resolution Professional, Mr. Navneet Kumar Gupta, was appointed by the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), vide order dated 25<sup>th</sup> April 2018.

Date: 18.06.2020  
Place: Bathinda

**UDIN number A015148B000354124**

**For: P. Sharma & Co.  
Company secretaries**

  
(Pawan Sharma)  
Prop.

ACS No.15148

C.P. No: 12316