

**P. Sharma & Co.**

COMPANY SECRETARIES

St. No. 13, Dashmesh Marg,

Dhobiana Road, Bathinda

98143-04159, 0164-2220060

e-mail: pawansharmacs@gmail.com



**Pawan Sharma**

M.Com., L.L.B., ACS, IP

Ref. No. **PS/06--2021-22/002**

Dated **12-6-2021**

**Secretarial Compliance Report of SEL Manufacturing Company Limited  
for the year ended 31.03.2021**

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 31.03.2021 ("Review Period") in respect of compliance with the provisions of:

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

The Specific Regulations, whose provisions and the circulars/ guidelines issued 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



- (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.	1) The Board of the Company does not consist to have atleast half of the Board of Independent Directors, optimum combination, woman director, as per the requirement under said clause of the Listing Regulations.	1. SEL Manufacturing Company Limited was 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,



	<p>2 Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p>	<p>2) Non-submission of Financial Results within prescribed time under Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter and financial year ended 31<sup>st</sup> March, 2020, for the quarter ended 30<sup>th</sup> June, 2020, for the quarter and half year period ended 30<sup>th</sup> September, 2020, and for the quarter and nine months period ended 31<sup>st</sup></p>	<p>Mr. Navneet Kumar Gupta, was appointed by the Hon'ble NCLT vide order dated 25<sup>th</sup> April 2018.</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 period in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency code).</p> <p>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 and</p>
--	--	---	--



3	Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	3) Non submission of Annual Report for the Financial year ended March, 2020.  December, 2020 respectively.	financial year ended 31 <sup>st</sup> March, 2020, for the quarter ended 30 <sup>th</sup> June, 2020, for the quarter and half year period ended 30 <sup>th</sup> September, 2020, and for the quarter and nine months period ended 31 <sup>st</sup> December, 2020 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.  3) The Exchanges were informed by the Company, inter alia, 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, situation of COVID-19 pandemic, operational difficulties, sufficient time could not be made available for book closure process, hence financial results of the Company for the quarter and financial year ended 31 <sup>st</sup> March, 2020, could not be prepared/finalized. Accordingly, the company was unable to submit the Audited financial results for the quarter and financial year ended March 31 <sup>st</sup> , 2020 within time and as such the Annual Report
---	--	--	--



				for the Financial year ended 31 <sup>st</sup> March, 2020 could not be prepared as well and hence the requirement under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 could not be complied with.
--	--	--	--	---

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under 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 the quarter and financial year ended 31 <sup>st</sup> March, 2020, for the quarter ended 30 <sup>th</sup> June, 2020, for the quarter and half year period ended 30 <sup>th</sup> September, 2020, and for the quarter and nine months period ended 31 <sup>st</sup>	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, inter alia, 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 and financial year ended 31 <sup>st</sup> March, 2020, for the quarter ended 30 <sup>th</sup> June, 2020, for the quarter and half year



		<p>December, 2020 respectively.</p> <p>Non-submission of Annual Report under Regulation 34 of the SEBI (LODR) Regulations, 2015 for the financial year ended 31<sup>st</sup> March, 2020.</p>		<p>period ended 30<sup>th</sup> September, 2020, and for the quarter and nine months period ended 31<sup>st</sup> December, 2020 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.</p> <p>Further as the financial results of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2020, could not be prepared/finalized, the Annual Report for the Financial year ended 31<sup>st</sup> March, 2020 could also not be prepared as well and hence the requirement under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 could not be complied with.</p>
--	--	---	--	---

(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) and 24(1) of Securities and	For the year ended 31.03.2020	None	None: SEL Manufacturing Company Limited



Exchange Board of India (Listing Obligations and Disclosure Requirements) 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.

was 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: 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



2	<p>Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p>	<p>For the year ended 31.03.2020</p>	<p>Financial Results 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 were submitted by the Company to Exchanges dated 31.10.2020.</p>	<p>during the insolvency resolution process period in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency code).</p> <p>The Exchanges were informed by the Company, inter alia, 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</p>
	<p>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.</p>			





				<p>and hence the requirement under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 could not be complied with.</p> <p>However the Company later submitted the same on 31.10.2020 respectively.</p>
--	--	--	--	--

**Note:**

Pursuant to an application filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") by State Bank of India against SEL Manufacturing Company Limited ("**Corporate Debtor**"), under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("**Code**"), the NCLT vide its order ("**Admission Order**") dated April 11, 2018 ("**Insolvency Commencement Date**") had admitted the application for the initiation of the corporate insolvency resolution process ("**CIRP**") of the Corporate Debtor. Subsequently, the NCLT vide its order dated April 25, 2018 ("**IRP Order**") appointed Mr. **Navneet Kumar Gupta** (Regn No: IBBI/IPA-001/IP-P00001/2016-17/10009) as the interim resolution professional of the Corporate Debtor ("**IRP**") who was later confirmed as Resolution Professional of the Company.

Subsequently, a petition was filed by one of the promoters and directors of the Corporate Debtor, before the High Court ("**Petition**") wherein the High Court, vide its interim order dated June 22, 2018, directed the CIRP of the Corporate Debtor to be kept in abeyance. This Petition was transferred to the Hon'ble Supreme Court ("**Transferred Case**"). The Hon'ble Supreme Court vide its order dated September 6, 2019 as prayed for, dismissed the Transferred Case as withdrawn ("**Withdrawal Order**"). A copy of the Withdrawal Order was published on September 11, 2019 ("**Publication Date**"). Accordingly, on and from the Publication Date, the CIRP of the Corporate Debtor stood restored and the Resolution Professional had resumed his position i.e. the Resolution Professional had again assumed control over the



management of the affairs of the Corporate Debtor and the powers of the board of directors of the Corporate Debtor.

We may further state here that 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 period in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency code.

Further the Hon'ble National Company Law Tribunal, Chandigarh Bench on February 10, 2021 approved the Resolution plan submitted by Consortium of Arr Ess Industries Private Limited and Leading Edge Commercial FZE ("**Consortium**" or "**Resolution Applicant**") in respect of SEL Manufacturing Company Limited ("**Company**") and the Monitoring Committee ("**MC**") of the Company (constituted in terms of the Resolution Plan) in its meeting held on March 13, 2021 duly appointed the nominees of the Resolution Applicant as Directors of the Company and approved the reconstitution of the Board of Directors of the Company ("**Reconstituted Board**"). The Reconstituted Board has just been formed on March 13, 2021.

Date: 12.06.2021  
Place: Bathinda

For: P. Sharma & Co.  
Company Secretaries



(Pawan Sharma)  
Partner  
ACS No.15148  
C.P. No: 12316

UDIN: A015148C000451617