



Gopesh Sahu

Practicing Company Secretary
M. Com, L.L.B., F.C.S.

Ref.

Dated.....

UDIN: F007100E000314541

ANNUAL SECRETARIAL COMPLIANCE REPORT
(Pursuant to the SEBI Circular No. CIR/CFD/CMDI/27/2019 dated 8th February, 2019)

OF

SULABH ENGINEERS AND SERVICES LIMITED
For the year ended 31.03.2023

I, **CS Gopesh Sahu**, Proprietor of M/s Gopesh Sahu, Company Secretaries have examined:

- All the documents and records made available to me and explanation provided by the Management of the company **SULABH ENGINEERS AND SERVICES LIMITED**, (CIN L28920MH1983PLC029879) ("the Listed Entity")
- The filings/ submissions made by the listed entity to the BSE Ltd.,
- Website of the Sulabh Engineers and Services Limited,
- Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended **31st March, 2023** ("Review Period") in respect of compliance with the provisions of:

- The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder 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:-

- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- SEBI (Buyback of Securities) Regulations, 2018
- SEBI (Share Based Employee Benefits) Regulations, 2014;
- SEBI (Issue and Listing of Debt Securities) Regulations, 2008;



(g) SEBI (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;

(h) SEBI (Prohibition of Insider Trading) Regulations, 2015;

(i) Circulars/ guidelines issued there under; and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under as applicable to it. However, the regulations mentioned above under (b) and (d) to (g) is not applicable for reporting period.

The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from my examination of those records.

(b) 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 there under:

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.	Management Response	Remarks
01	SEBI	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (SEBI PFUTP Regulations)	The General Manager, Enforcement Department, SEBI had issued Show Cause Notice (SCN) dated 31-07-2017 to 150 Noticees under Section 11B of the SEBI Act in the matter of Company for alleged violation of SEBI PFUTP Regulations. The period of investigation was 01-12-2011 to 07-01-2015. The Ld. Whole Time Member of SEBI vide Order dated 03-09-2020 and corrigendum dated 07-09-2020 to the Order	The Hon'ble Securities Appellate Tribunal has passed an Order dated 29.04.2022 in the matter of appeals filed against Order dated 03 rd September, 2020 read with Corrigendum Order dated 07 th September, 2020. After passing of the said Order, Mr. Manoj Agarwal has immediately resigned from the post of Director of the Company.	14 Noticee including the --- Company, its Promoters and/or Directors challenged the Order of the Hon'ble SAT before the Hon'ble Supreme Court of India by filing Civil Appeals. The Hon'ble Supreme Court of India dismissed the Civil Appeals	



dated 03-09-2020 exonerated 48 Noticees (one deceased) from the allegation made in the SCN. The Ld. WTM has further passed Order against 102 Noticees and found them guilty of violation of SEBI PFUTP Regulations. The Ld. WTM has debarred 102 Noticees from accessing the securities market for a period ranging from 1 year to 7 years.

These 102 Noticee includes the Company (debarred for 1 year), its Promoters and Directors namely Mrs. Deepa Mittal Mr. Manoj Kumar Agarwal (both debarred for 7 years) Mr. Santosh Kumar Agarwal (debarred for 5 years), Promoters of the Company namely Mrs. Sandhya Agarwal, Mrs. Ruchi Agarwal, Mrs. Krishna Agarwal and Mr. Manish Agarwal (all debarred for 5 years).

Further, 2 Noticees namely Mrs. Deepa Mittal and Mr. Manoj Kumar Agarwal has prohibited from being associated with any listed company or SEBI registered intermediary, in any capacity including as a director

of 12 Noticees including Company, and issued Notice in case of 2 Noticees.



and key managerial person, directly or indirectly for a period of 7 years.

Thereafter, 67 Notices out of 102 Notices including Company, its Promoters and/or Directors filed Appeals before the Hon'ble Securities Appellate Tribunal and challenged the Order of the Ld. WTM dated 03-09-2020.

The Hon'ble Tribunal after hearing the Appeals of the Notices vide Order dated 29-04-2022 set aside the Order of the Ld. WTM qua 32 Notices and remanded back the matters to SEBI for passing fresh Order in accordance to the law, quashed order qua Mr. Santosh Agarwal completely and dismissed the Appeals of remaining 34 Notices including the Company its Promoters and/or Directors.

Thereafter, 14 Noticee including the Company, its Promoters and/or Directors challenged the Order of the Hon'ble SAT before the Hon'ble Supreme Court of India by filing Civil



Appeals. The Hon'ble Supreme Court of India dismissed the Civil Appeals of 12 Noticees and issued Notice in case of 2 Noticees.

In case of 32 Noticees whose case has been remanded back by the Hon'ble SAT to SEBI, SEBI has passed fresh Order dated 27-01-2023 and corrigendum dated 08-02-2023 to the Order dated 27-01-2023. In the said Order, SEBI exonerated 6 Noticees and passed adverse Order against remaining 26 Noticees. Out of these 26 Noticees, 22 Noticees have filed Appeals before the Hon'ble Tribunal challenging the Order of SEBI. The Hon'ble Tribunal vide its Order dated 25-04-2023 set aside the Order of SEBI in case of 17 Noticees and Appeals of 5 Noticees are still pending for hearing before the Hon'ble Tribunal.



2.	SCN issued under Section 15-I of the SEBI Act read with Rule 4 of the SEBI Adjudication Rules, 1995 by the Adjudicating Officer, SEBI	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (SEBI PFUTP Regulations)	<p>In the parallel proceeding, the Adjudicating Officer, SEBI had issued Show Cause Notice (SCN) dated 12-02-2018 to 150 Noticees under Section Rule 4 of the Adjudication Rules, 1995 in the matter of Company for alleged violation of SEBI PFUTP Regulations. The period of investigation was 01-12-2011 to 07-01-2015.</p> <p>The Adjudicating Officer, SEBI vide Order dated 30-08-2022 and corrigendum dated 04-10-2022 to the Order dated 30-08-2022 passed adverse order against 67 Noticees out of total 150 Noticees. The Ld. Adjudicating Officer in the said Order imposed penalties in the range of Rs. 1 Lakh to Rs. 20 Lakhs against 67 Noticees.</p> <p>The Ld. Adjudicating Officer has imposed a penalty of Rs. 20 Lakh each against the Company and its Promoters and /or Directors namely Mrs. Deepa Mittal, Mr. Manoj Kumar Agarwal Mr. Santosh Kumar Agarwal, Mrs. Sandhya Agarwal, Mrs. Ruchi</p>	<p>The Company and its Promoters and/or Directors have challenged the Adjudication Order before the Securities Appellate Tribunal, Mumbai.</p> <p>The matter is pending before the Hon'ble Tribunal for final hearing.</p>	<p>The Hon'ble Tribunal admitted the Appeals and now the matter is pending before the Hon'ble Tribunal for final hearing.</p>
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Agarwal, Mrs. Krishna
Agarwal and Mr.
Manish Agarwal.

The Company and its
Promoters and /or
Directors namely Mrs.
Deepa Mittal, Mr.
Manoj Kumar Agarwal
Mr. Santosh Kumar
Agarwal, Mrs. Sandhya
Agarwal, Mrs. Ruchi
Agarwal, Mrs. Krishna
Agarwal and Mr.
Manish Agarwal filed
Appeals before the
Hon'ble Securities
Appellate Tribunal and
challenged the Order of
the Ld. Adjudicating
Officer.

The matter is at present
pending before the
Hon'ble
Tribunal for final
hearing.



3.	<p>The Ld. Adjudicating Officer, SEBI had issued a Show Cause Notice dated 13-08-2021 (SCN) under Section 15-I of the SEBI Act read with Rule 4(1) of the SEBI Adjudication Rules, 1995 for alleged violation of SEBI PFUTP Regulation. The SCN had been issued to 43 Noticees including the Company and its Promoters.</p>	<p>In the SCN, it is alleged that the Company had self-financed in its own preferential allotment of 28,00,000 shares on 28.03.2011 and 70,00,000 shares on 23.03.2012 to 27 and 46 promoter and non-promoter entities.</p>	<p>In conclusion of the proceedings, the Ld. Adjudicating Officer, SEBI vide Adjudication Order MC/RM/2022-23/23027-23069 dated 23-01-2023 disposed off the proceedings initiated against all the 43 Noticees including the Company and its Promoters without passing any adverse Order as the allegation made in the SCN did not find to be true.</p>	Matter closed	Matter closed -
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(c) 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	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity	Management Response	Remarks
1.	The Hon'ble Securities Appellate Tribunal has passed an Order dated 29.04.2022 in the matter of Appeals filed against Order dated 03 rd September, 2020 read with Corrigendum Order dated 07 th September, 2020. The said Order has been uploaded on the website of Hon'ble Securities Appellate Tribunal i.e. sat.gov.in on 04 th May, 2022.	The Hon'ble Securities Appellate Tribunal has passed an Order dated 29.04.2022 in the matter of appeals filed against Order dated 03 rd September, 2020 read with Corrigendum Order dated 07 th September, 2020. After passing of the said Order, Mr. Manoj Agarwal has immediately resigned from the post of Director of the Company.	After passing of the said Order, Mr. Manoj Agarwal has immediately resigned from the post of Director of the Company. Company, its Promoters and/or Directors filed Appeals before the Hon'ble Securities Appellate Tribunal and challenged the Order of the Ld. WTM	The Hon'ble Supreme Court of India dismissed the Civil Appeals of 12 Noticees including Company & Appeals of 5 Noticees are still pending for hearing before the Hon'ble Tribunal.	Necessary action taken.	--



dated 03-09-2020.

The Hon'ble Tribunal dismissed the Appeals of remaining 34 Noticees including the Company its Promoters and/or Directors.

Thereafter, 14 Noticee including the Company, its Promoters and/or Directors challenged the Order of the Hon'ble SAT before the Hon'ble Supreme Court of India by filing Civil Appeals. The Hon'ble Supreme Court of India



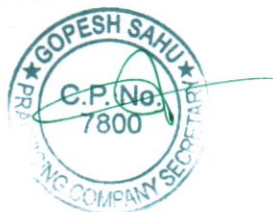
dismissed the Civil Appeals of 12 Noticees including Company and issued Notice in case of 2 Noticees. In case of 32 Noticees whose case has been remanded back by the Hon'ble SAT to SEBI, SEBI has passed fresh Order dated 27-01-2023 and corrigendum dated 08-02-2023 to the Order dated 27-01-2023. In the said Order, SEBI exonerated 6 Noticees and passed adverse Order against remaining 26 Noticees.



			<p>Out of these 26 Noticees, 22 Noticees have filed Appeals before the Hon'ble Tribunal challenging the Order of SEBI. The Hon'ble Tribunal vide its Order dated 25-04-2023 set aside the Order of SEBI in case of 17 Noticees and Appeals of 5 Noticees are still pending for hearing before the Hon'ble Tribunal.</p>			
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I further report that during the review period there was appointment of M/s. Satish Soni & Co., Chartered Accountants as Statutory Auditors of the company, in place of M/s. Soni Sunil & Co., Chartered Accountants, to hold office for a period of Five consecutive financial years ending on 31st March, 2027, and was in compliance with Para 6(A) and 6(B) of SEBI Circular No. CIR/CFD/CMDI/114/2019 dated October 18, 2019.

I also report that in terms of the circulars issued by BSE Limited on March 16, 2023 respectively, I also affirm the following(s):



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	<p><u>Secretarial Standard</u></p> <p>The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)</p>	YES	--
2.	<p><u>Adoption and timely Updation of the Policies:</u></p> <p>All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company.</p> <ul style="list-style-type: none"> • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per , the regulations/ circulars/ guidelines issued by SEBI. 	YES	--
3.	<p><u>Maintenance and disclosures on Website:</u></p> <p>The Company is maintaining a functional website</p>	YES	--
4.	<p><u>Disqualification of Director:</u></p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013.</p>	YES	--
5.	<p><u>To examine details related to Subsidiaries of listed entities:</u></p> <p>(a) Identification of material subsidiary companies;</p> <p>(b) Requirements with respect to disclosure of material as well as other subsidiaries.</p>	YES	--
6.	<p><u>Preservation of Documents:</u></p> <p>The Company is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015</p>	YES	--
7.	<p><u>Performance Evaluation:</u></p> <p>The Company has conducted performance evaluation of the Board, Independent Directors and the Committees at the start</p>	YES	--



	of every financial year as prescribed in SEBI Regulations		
8.	<u>Related Party Transactions:</u> (a) The Company has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the Company shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee	YES	--
9.	<u>Disclosure of events or information:</u> The Company has provided all the Required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	--
10.	<u>Prohibition of Insider Trading:</u> The Company is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	--
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the Company/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	YES	The information pertaining to action taken by SEBI is as reported in the para (i) (b) of this compliance report.
12.	<u>Additional non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/ circular/ guidance note etc.	YES	--

Place: Kanpur
Date: 16.05.2023



CS GOPESH SAHU

FCS No.:7100

CP No.: 7800

Peer Review Certificate No. : 1515/2021