



**SULABH**  
Engineers And Services Limited

CIN: L28920MH1983PLC029879

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Date: May 30, 2016

To

The General Manager  
Department of Corporate Services,  
BSE Limited,  
1<sup>st</sup> Floor, P.J. Towers, Dalal Street,  
Mumbai-400001

(Scrip Code: 508969)

**Sub: Outcome of Board Meeting held on 30 May 2016**

Ref: Regulation 30 and 33 read with Para A of Part A of schedule III of the SEBI Listing  
Obligation and Discloser Requirements Regulation 2015

Dear Sir,

This is to inform you that in Meeting of Board of Directors held today, i.e. on 30 May 2016, the Board inter-alia took the following decisions.

1. Considered and approved Audited financial results (Standalone & Consolidated) for the Year ended 31st March 2016.
2. Considered and approved Standalone Audited financial for the Quarter ended 31st March 2016.

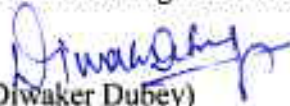
**Enclosed herewith please find the following documents:**

- I. Audited Financial results for the quarter and year ended 31 March 2016
- II. Auditors report on Financial Result.
- III. Declaration that the Audit reports so provided by the auditors of the Company for the financial year ended 31<sup>st</sup> March 2016 is UNMODIFIED.

The extract of audited financial results would be published as per the requirement of SEBI Listing Obligation and Discloser Requirements Regulation 2015.

Board Meeting commenced at 0125 P.M. and concluded at 0720 P.M.

For Sulabh Engineers and Services Limited

  
(Diwaker Dubey)  
Company secretary

**ENCL: As stated**

**Add : Regd. off. :** 206, 2nd Floor, Apollo Complex Premises Cooperative Society Ltd., R.K. Singh Marg,  
Parsi Panchayat Road, Andheri (East), Mumbai-400069  
**Tel. :** +91 22-67707822 **Fax -** +91 22-67707822  
**Corp. off. :** 17/11, The Mall, Kanpur - 208 001  
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**SULABH ENGINEERS & SERVICES LIMITED**

**Statement of Standalone and Consolidated Annual Audited Financial Results for the Half year and year ended on 31st March 2016**

All amounts are in Rs. Lacs unless stated otherwise

Particulars	Quarter ended (Standalone)		Year ended (Standalone)		Year Ended (Consolidated)	
	31/03/2016	31/12/2015	31/03/2015	31/03/2015	31/03/2016	31/03/2015
	(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Income from Operations						
(a) Net Sales/Income From Operations	8.91	20.36	23.47	75.67	181.99	176.96
(b) Other Operating Income	24.71	0.00	12.80	24.85	28.08	13.62
<b>Total</b>	<b>33.62</b>	<b>20.36</b>	<b>36.27</b>	<b>100.52</b>	<b>210.07</b>	<b>190.58</b>
Expenditure						
a. Operating Expenses	6.81	2.20	3.52	17.14	40.45	35.70
b. Purchase of stock in trade		0.00	0.00	0.00	0.00	0.00
c. Increase/Decrease in stock in trade and work in progress	0.00	0.00	0.00	0.00	-60.04	-76.43
d. Employees Cost	1.73	2.28	2.29	8.28	73.39	73.84
e. Depreciation	2.86	0.00	0.80	3.66	8.48	12.06
f. Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
<b>g. Total</b>	<b>11.40</b>	<b>4.48</b>	<b>6.61</b>	<b>29.08</b>	<b>62.28</b>	<b>45.17</b>
(Any item exceeding 10% of the total expenditure to be shown separately)						
Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	22.22	15.88	29.66	71.44	147.79	145.41
Other Income	0.05	0.00	0.00	0.05	0.00	0.00
Profit before Interest & Exceptional Items (3+4)	22.27	15.88	29.66	71.49	147.79	145.41
Interest	0.08	0.00	0.60	0.16	72.65	63.46
Profit after Interest but before Exceptional Items (5-6)	22.19	15.88	29.06	71.33	75.14	81.95
Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
Profit(+)/Loss(-) from ordinary Activities before tax (7+8)	22.19	15.88	29.06	71.33	75.14	81.95
Tax expenses	6.94	4.71	10.10	21.65	19.69	27.20
Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)	15.25	11.17	18.96	49.68	55.45	54.75



Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.63
Net Profit (+)/Loss(-) for the period	15.25	11.17	18.96	49.68	51.42	55.45	53.12	53.12	53.12
Paid up equity share capital (Face value of the share shall be indicated)	1004.75	1004.75	1004.75	1004.75	1004.75	1004.75	1004.75	1004.75	1004.75
Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year	1220.97	1205.73	1139.06	1220.97	1171.29	1244.8	1192.18	1192.18	1192.18
Earnings Per Share (EPS)									
(a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	0.01	0.01	0.02	0.05	0.05	0.06	0.05	0.05	0.05
(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	0.01	0.01	0.02	0.05	0.05	0.06	0.05	0.05	0.05

**NOTES:-**

- The above financial result, reviewed by the Audit Committee, and approved by the Board of Directors in their respective meeting held on 30th May 2016.
- The Audit Report on standalone and consolidated Audited Financials Results, as required under Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by Statutory Auditors and their report does not contain any observation or opinion. i.e. states an unmodified opinion.
- The Consolidated Financial Results of the Company include the results of the following subsidiary:
  - Rodic Coffee Estates Private Limited.
- The Company is operating in single segment. The Company's main Business is to produce Agorbased products. All other activities revolve around the main business. The Company does not have any geographic segment. As such there are no separate reportable segment as per As per the Accounting Standard-17 on "Segment Reporting" notified under Companies (Accounting Standard) Rules, 2006.



For Sulabh Engineers & Services Limited

Rakesh Chand Agarwal  
Director

DIN : 03539915

**SULABH ENGINEERING AND SERVICES LIMITED**

**STATEMENT OF ASSETS AND LIABILITIES**

**All amounts are in Rs. Lacs unless stated otherwise**

**CONSOLIDATED**

**STANDALONE**

Particulars	CONSOLIDATED			
	As at 31.03.2016 Audited	As at 31.03.2015 Audited	As at 31.03.2016 Audited	As at 31.03.2015 Audited
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDER'S FUNDS:</b>				
(a) Capital	1004.75	1004.75	1004.75	1004.75
(b) Reserves and Surplus	1220.97	1171.29	1244.80	1192.18
© Minority interest			267.90	265.07
<b>LOAN FUNDS</b>	0.00	0.00	0.00	0.00
<b>NON-CURRENT LIABILITY</b>				
Deferred Tax Liability	0.00	0.00	0.00	0.00
Other Long Term Liability	0.00	0.00	974.80	974.37
<b>CURRENT LIABILITY</b>				
Short Term Borrowings	0.00	12.80	0.00	12.80
Trade Payable	0.00	0.00	0.00	0.00
Other current liabilities	4.70	3.64	20.11	13.69
Short Term Provisions	36.67	24.85	36.67	27.03
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2267.09</b>	<b>2217.33</b>	<b>3549.03</b>	<b>3489.89</b>
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Fixed Assets	6.67	10.30	1972.97	1981.42
Non-Current Investments	398.66	375.81	143.66	120.81
Deferred Tax Assets	1.97	1.62	1.62	1.49
Long Term Loans & Advances	1715.61	1764.58	850.66	899.63
Other Non-current Assets	0.00	0.00	0.00	0.00
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
(a) Inventories	0.00	0.00	413.67	353.63
(b) Sundry Debtors	0.00	0.00	0.86	0.00
(c) Cash and Bank balances	107.70	42.08	129.07	109.97
(d) Other Current Assets	1.99	6.47	1.99	6.47
(e) Loans and Advances	34.49	16.47	34.53	16.47



MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)	0.00	0.00	0.00	0.00
PROFIT AND LOSS ACCOUNT	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>2267.09</b>	<b>2217.33</b>	<b>3549.03</b>	<b>3489.89</b>

- 2 The above result reviewed by Audit Committee, the Board of Directors at its meeting held on 30th May, 2016 approved the above result and its release.
- 3 The Board of Directors have recommended no dividend for the year.
- 4 The consolidated results include the financial results of the subsidiary Rodic Coffee estates Private Limited (51%).
- 5 The Company is engaged primarily in the bussiness of financing and accordingly there are no separate reportable segments as per Accounting Standard-17 dealing with Segment Reporting.
- 6 The Company has complied with the prudential guidelines issued by the Reserve Bank of india in respect of Income Recognition and Provision for Non Performing Assets.
- 7 The figures for the last quarter of the current year and for the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to third quarter.
- 8 Figures of the previous period/year have been regrouped/recast whenever necessary, in order to make them comparable.



For Sulabh Engineers and Services Limited  
  
Rakesh Chand Agarwal  
Director  
DIN : 03539915

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**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company**  
**Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)**  
**Regulations, 2015**

To  
Board of Directors  
Sulabh Engineers & Services Limited

We have audited the quarterly financial results of Sulabh Engineers & Services Limited for the quarter ended on 31.03.2016 and the year to date results for the period 01.04.2015 to 31.03.2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit/ loss and other financial information for the quarter ended on 31.03.2016 as well as the year to date results for the period from 01.04.2015 to 31.03.2016.

**For Satish Soni & Co.**  
**Chartered Accountants**  
**FRN: 109333w**


**Satish Soni**  
**Proprietor**  
**Membership No.:44391**

Place: Mumbai  
Date: 30.05.2016

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## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

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To,  
The Members,  
SULABH ENGINEERS & SERVICES LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SULABH ENGINEERS & SERVICES LIMITED ("the Holding Company") and its subsidiary (Collectively referred to as "the Company" or "the Group") which comprises the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for preparation of the Consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of Consolidated Financial Statements by the Directors of Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit/loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1) As required by section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books.
- c) The consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the aforesaid consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March 2016 and taken on record by the Board of Directors of the Holding Company and the report of the auditors of the subsidiary company incorporated in India, none of the directors of the group companies incorporated in India is disqualified as on 31st March 2016 from being appointed as a director in terms of sub section (2) of Section 164 of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Group does not have any pending litigations which would impact its financial position.
  - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and subsidiary company incorporated in India.

**For Satish Soni & Co.**  
**Chartered Accountants**



**Satish Soni**  
**Proprietor**  
**FRN: 109333w**  
**M. No. 044391**

Place : MUMBAI  
Date : 30/05/2016



## Annexure-A to the Auditor's Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of SULABH ENGINEERS & SERVICES LIMITED ("the holding company") and its subsidiary company which are companies incorporated in India, as of the date;

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its Subsidiary Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control system over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

# SATISH SONI & CO.

Chartered Accountants  
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Shahid Bhagat Singh Road,  
Colaba, Mumbai – 400001, India

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## Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Satish Soni & Co.  
Chartered Accountants**



**Satish Soni  
Proprietor  
FRN: 109333w  
M. No. 044391**

Place : MUMBAI  
Date : 30/05/2016

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## INDEPENDENT AUDITOR'S REPORT

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To,  
The Members,  
SULABH ENGINEERS & SERVICES LIMITED

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of SULABH ENGINEERS & SERVICES LIMITED ("the Company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit/loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.
- 2) As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of sub section (2) of Section 164 of the Companies Act, 2013.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would impact its financial position.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Satish Soni & Co.  
Chartered Accountants



Satish Soni  
Proprietor  
FRN: 109333w  
M. No. 044391

Place : MUMBAI  
Date : 30/05/2016

## Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- i. In respect of its fixed assets :
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, at present no immovable property is owned by the Company. Accordingly, clause (c) of paragraph 3 (i) of the Order is not applicable.
- ii. The Company is a Non-Banking Financial Company (NBFC) under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in lending and related activities and does not hold any physical inventories during the year. Therefore, provision of clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- iii. As per the records produced before us and explanations given to us, the Company has not granted any loans, secured and unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore, the relevant provisions of the Companies (Auditor's Report) order, 2016, are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to loans and investments made.
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, therefore, the relevant provisions of the Companies (Auditor's Report) order, 2016, are not applicable to the Company.
- vi. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 in respect of business activities of the Company.
- vii. (a) Based on the records produced before us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of outstanding statutory dues were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable;  
  
(b) The details of disputed statutory dues, which have not been deposited by the Company, are NIL.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company does not have any loans or borrowings from Banks, Financial Institutions Government or debenture holders during the year.

- ix. The Company did not raise any money by way of Initial Public offer or further Public Offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is a Non-banking Financial Company (NBFC) registered under section 45-IA of the Reserve Bank of India Act 1934.

For Satish Soni & Co.  
Chartered Accountants



Satish Soni  
Proprietor  
FRN: 109333w  
M. No. 044391

Place : MUMBAI  
Date : 30/05/2016

## **Annexure-B to the Auditor's Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")**

We have audited the internal financial controls over financial reporting of SULABH ENGINEERS & SERVICES LIMITED ("the Company") as of 31 March, 2016 in the conjunction with our audit of standalone financial statements of the company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control system over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Satish Soni & Co.  
Chartered Accountants



Satish Soni  
Proprietor  
FRN: 109333w  
M. No. 044391

Place : MUMBAI  
Date : 30/05/2016





**SULABH**  
Engineers And Services Limited

CIN: L28920MH1983PLC029879

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## DECLARATION

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 dated 25<sup>th</sup> May, 2016 read with SEBI Circular CIR/CFD/CMD/56/2016 having effect from 01<sup>st</sup> April 2016 we hereby declare that the Audit reports so provided by the auditors of the Company for the financial year ended 31<sup>st</sup> March 2016 is UNMODIFIED.

**FOR SULABH ENGINEER AND SERVICES LIMITED**

**RAKESH CHAND AGARWAL**

(DIRECTOR)

DIN: 03539915

Place: Kanpur

Date: 30.05.2016

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