



## SKN INDUSTRIES LIMITED

Registered office: 12, Forest Lane, Ghitorni Village, New Delhi - 110030  
E-mail: info@sknindustries.in, CIN: L74999DL1992PLC050472

### NOTICE OF POSTAL BALLOT

Dear Members,

(Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

Dear Member(s),

**NOTICE** is hereby given pursuant to the provisions of section 110 and other applicable provisions, if any, of the Companies Act, 2013, (**Companies Act**), read with rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Secretarial Standard-2 issued by the Institute of Company Secretaries of India, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and other applicable laws and regulations, that it is proposed to seek the approval of the members ("**Members**") of SKN Industries Limited (hereinafter referred to as the "**Company**"), for the resolution appended below, through postal ballot including remote electronic voting ("**E-voting**").

#### **SPECIAL BUSINESS**

##### **Item no. 1**

##### **Issue of 40,00,000 no(s) of equity shares on a preferential basis to the Promoter:**

To consider, and if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 23, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, as amended ("**Companies Act**") read with the Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendment or statutory modification(s) or re-enactment thereof, for the time being in force), as amended and as per the provisions of Memorandum and Articles of Association of the Company and the rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, the Reserve Bank of India, provisions of Chapter V of Securities and Exchange Board of India (issue of Capital and disclosure requirements) regulations, 2018, as amended from time to time

("SEBI (ICDR) Regulations") and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Code**") having exception of certain regulations of Takeover Code governed through Para 4(c)(ii) of SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 and all other applicable provisions of SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 and any other guidelines and clarifications issued by any other competent authority, whether in India or abroad, from time to time, to the extent applicable including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") and all other applicable provisions of BSE Limited for the Exclusively Listed Companies (ELC) at its Dissemination Board (DB) and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**"), which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer, and allot from time to time in one or more tranches, up to 40,00,000 (Forty Lacs) fully paid up Equity shares of the Company having face value of Rs. 10/- each ("**Equity Shares**") or at a price as may be arrived at in accordance with Chapter V of SEBI (ICDR regulations) being not less than price determined in accordance with the provisions of the SEBI (ICDR Regulations), whichever is higher, aggregating of Rs 4,00,00,000/- (Rupees Four Crores Only), to the following Promoter (hereinafter referred to as the Proposed Allottee") on a preferential basis for cash and in such form and manner and in accordance with the provisions of Chapter V of the SEBI (ICDR Regulations), 2018 at such time or times and on such terms and conditions and in such manner as the Board may think fit and proper and its absolute discretion in this regard.

S. No.	Name of Proposed Allottees	Address	No of Equity Shares to be allotted	Category
1	Satish Chopra	40,00,000	Promoter (Individual)	AADPC4601Q

**RESOLVED FURTHER THAT** the issue and allotment of equity shares to the allottee shall be on the following terms and conditions:-

- in accordance with Regulation 161 of the SEBI ICDR Regulations, the "Relevant Date", for determining the minimum price for the issue of 40 Lakh Equity shares to the Proposed Allottee on a preferential basis, is **Friday, August 30, 2019**,

being the date which would be 30 (Thirty) days prior to the last date of Postal Ballot i.e., **Monday, September 30, 2019** and the minimum price calculated as per ICDR Regulations 2018 is of Rs. 10/- (Rupees Ten each)

- the price determined for preferential issue shall be subject to appropriate adjustments, if any in accordance with the provisions of regulation 166 of the SEBI ICDR Regulations.

## RESOLVED FURTHER THAT

- The Equity shares to be issued and allotted pursuant to this resolution shall be listed and traded on the MSEI stock exchange upon being listed on MSEI Stock Exchange. Presently the company is on the Dissemination board of BSE, hence the company shall be required to obtain prior In-principal approval for the proposed preferential allotment from BSE.
- The equity shares allotted to allottee shall rank pari-passu with the existing equity shares of the company in all respect including as to dividend subject to the relevant provisions contained in the Articles of Association of the Company.
- The equity shares allotted on preferential basis shall remain locked for the certain period as prescribed under regulation 167 of SEBI ICDR Regulations;
- The Board be and is hereby authorized to accept any modification(s) to or modify the terms of issue of equity shares including reduction of the size of the issue, subject to the provisions of CA, 2013 and ICDR Regulation, without being required to seek any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the certificate issued by the Statutory Auditors of the Company certifying that the above issue of equity shares is being made in accordance with the SEBI (ICDR) Regulation 2018, be and is hereby noted.

**RESOLVED FURTHER THAT** pursuant to the provisions of Companies Act, 2013 the name of allottee be recorded for the issue of invitation to subscribe to the equity shares and private placement offer letter in PAS-4 together with an application form be issued to the allottee inviting the allottee to subscribe to the equity shares, as per the draft tabled at the meeting and duly initialed by the Chairman for the purpose of identification and consent of the Company be and is hereby accorded to the issuance of the same to the allottee inviting the allottee to subscribe to the equity Shares.

**RESOLVED FURTHER THAT** the monies received by the Company from the allottee for allotment of Equity shares pursuant to this private placement shall be kept by the Company in a separate bank account opened by the Company with HDFC Bank Limited, Galleria market, Gurugram branch and shall be utilized by the Company in accordance with section 42 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Equity Shares shall be issued and allotted by the Company to the Investor in Dematerialized form within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval or such other extended period as may be permitted under the SEBI (ICDR) Regulations.

**RESOLVED FURTHER THAT** Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals from the respective authorities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to vary, modify or

alter any of the relevant terms and conditions, including size of the preferential issue, the number of equity shares to be allotted, finalising the terms of agreement(s) and other related document(s), if any, to be executed including amendments thereto, provide any clarifications related to offer, issue and allotment Equity Shares, listing of Equity Shares on Stock Exchanges and authorise to preparation, execution and entering into arrangement / agreements, offer letter, letter of allotment, all writings, instruments and such other documents (including documents in connection with appointment of agencies, intermediaries and advisors), utilisation of proceeds of issue and further to authorise all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion deem of, to do all such acts, deeds and things as also to execute such documents as may be necessary to give effect to the aforesaid resolution, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

**For & Behalf of the Board of Directors  
SKN Industries Limited**

**Sd/-  
Satish Chopra  
(Managing Director)  
DIN: 01171175  
Regd Office : 12, Forest Lane,  
Farm Houses, Ghitorni Village,  
Delhi- 110030**

**Place : New Delhi**

**Date : 24/08/2019**

## NOTES:

1. The Explanatory Statement as required under Section 102 and 110 of the Companies Act stating all material facts and the reasons for the proposals is annexed herewith. A Postal Ballot Form is also enclosed. A copy of the Notice and the Postal Ballot Form is also available on the website of the Company - [www.sknindustries.in](http://www.sknindustries.in).
2. Members shall have the option to vote either through E-voting or through Postal Ballot Form. In compliance with the provisions of Section 108 & 110 of the Companies Act and Rule 20 & Rule 22 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, SS-2 and Regulation 44 of the SEBI Listing Regulations, the Company is offering 'E-voting' facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited ("CDSL") to facilitate E-voting. E-voting is optional. The detailed procedure with respect to E-voting is mentioned later in the Notice.
3. The Company has appointed Mr. Ashutosh Kumar, Practicing Company Secretary (Membership No.: FCS -9621 Certificate of Practice 13369) as the Scrutinizer for scrutinizing the E-voting process as well as voting through Postal Ballot Form to ensure that the process is carried out in a fair and transparent manner.
4. The voting commences on **Sunday, September 01, 2019**. The Members are requested to note the following:

(a) Duly completed Postal Ballot Form should reach the Scrutinizer by 5:00 p.m. (IST) on **Monday, September 30, 2019** at the following:

To,

Mr. Ashutosh Kumar, Scrutinizer  
Practicing Company Secretary  
611, Vishal Tower, Janak Puri,  
District Centre, New Delhi-110058

(b) Postal Ballot Forms received after the said date and time will be strictly treated as if the reply from such Members has not been received.

(c) Similarly, the E-voting needs to be exercised by 5:00 p.m. (IST) on **Monday, September 30, 2019**. Please note that E-voting will be disabled for voting after the said date and time.

5. A Member can opt for only one mode of voting i.e. either through Postal Ballot Form or E-voting. If a Member casts votes by both modes, then the voting done through E-voting shall prevail and the Postal Ballot Form shall be treated as invalid.
6. A person, whose name is recorded in the Register of Members/Beneficial Owners list maintained by the RTA/depositories as on cut-off date i.e. **Friday, August 23, 2019** ("cut-off date") only shall be entitled to avail the facility of voting through Postal Ballot Form or E-voting.
7. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
8. The Notice of postal Ballot is being sent to all the Members whose names appear in the Register of Members / Beneficial Owners as per the records maintained by the RTA/depositories as on the cut-off date. The Postal Ballot Notice is being sent to the Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage prepaid self addressed Business Reply Envelope. The Postal Ballot Notice will be available on the Company's website [www.sknindustries.in](http://www.sknindustries.in)
9. The Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
10. Voting rights shall be reckoned on the paid up value of the shares registered in the names of the Members as on the cut-off date.
11. A Member cannot exercise his vote by proxy on postal ballot.
12. In case any eligible Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, such Member may write to the Company or send an email to [info@sknindustries.in](mailto:info@sknindustries.in). The Company shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member. The Postal Ballot Notice and Postal Ballot Form are also available on the website of the Company- [www.sknindustries.com](http://www.sknindustries.com) and website of CDSL-[www.evotingindia.com](http://www.evotingindia.com).
13. In the event of any grievance relating to E-voting, the Members / Beneficial Owners may contact the following: Mr. Anand Tirodkar / Mr. Ankit Bandivadekar, at A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013, email: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com), Helpdesk: 1800 22 5533.

14. The resolutions passed by the members through postal ballot are deemed to have been passed as if they have been passed at a general meeting of Members.

15. The resolution, if passed by the requisite majority, shall be deemed to have been passed on **Monday, September 30, 2019** i.e., last date specified for receipt of duly completed postal ballot forms or evoting.

16. All the material documents referred to in the explanatory statement are available for inspection at the registered office of the Company on any working day, except Saturday and holiday, between 11:00 a.m. (IST) to 1:00 p.m. (IST) from the date of dispatch of notice till **Monday, September 30, 2019**.

### Instruction for voting

#### Voting through Postal Ballot Form

1. Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed with the assent (for) or dissent (against), in the enclosed postage prepaid self-addressed Business Reply Envelope, so as to reach the Scrutinizer as detailed above, by 5:00 p.m. (IST) on **Monday, September 30, 2019**, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. The postage will be borne and paid for by the Company, if posted in India in the postage prepaid self-addressed Business Reply Envelope.
2. Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. Envelopes containing Postal Ballot Form if deposited in person or sent by courier or by registered / speed post at the expense of the Members will also be accepted.
3. Please note that the Postal Ballot Forms shall be considered invalid if (i) it is not possible to determine without any doubt the assent or dissent of the Member, and/ or (ii) a competent authority has given directions in writing to the Company to freeze the voting rights of the Member, and/ or (iii) it is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and/ or (iv) the Member has made any amendment to the resolution set out herein or imposed any condition while exercising his vote.

#### Procedure for voting through electronic means

The procedure and instructions for the same are as follows:-

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 and Section 110 of the Companies Act, 2013 read with the related rules and as per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015. The Company has engaged the service of CDSL for the purpose of providing e-voting facility to all its Members.

#### The instructions for shareholders voting electronically are as under:

- i. The voting period commences on **Sunday, September 01, 2019** from 9.00 am (IST) and ends on **Monday, September 30, 2019** at 5:00 p.m. (IST). During this period, the Member whose name is recorded in the Register of Members / Beneficial Owners as per the records maintained by the depositories as on cut-off date i.e. **Friday, August 23, 2019**, may cast the vote electronically. The E-voting shall be disabled by CDSL for voting thereafter.



- ii. The shareholders should log on to the e-voting website at [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on Shareholders/ Members.
- iv. Enter your User ID which is:
  - a. **For CDSL:** 16 digits beneficiary ID,
  - b. **For NSDL:** 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter **Folio Number** registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- vii. If you are a **first time user** follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both i.e., shares held in demat form as well as well as physical form)
	<ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field which is printed on Postal Ballot form.</li> </ul>
<b>Dividend Bank Details or Date of Birth</b>	Enter the Dividend Bank Details or Date of Birth (in dd/ mm/ yyyy format) as recorded in your demat account or in the Company records in order to Login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the Company / Depository Participant please enter the DP ID and Client ID / Folio Number in the dividend bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on **“SUBMIT”** tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach **‘Password Creation’** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the **Electronic Voting Sequence Number (EVSN)** of SKN Industries Limited.
- (xii) On the voting page, you will see **“RESOLUTION DESCRIPTION”** and against the same the option **“YES/NO”**

for voting. Select the option **YES** or **NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution you have decided to vote on, click on **“SUBMIT”**: A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**; else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
  - (xv) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take out print of the voting done by you by clicking on **“Click here to print”** option on the Voting page.
  - (xvii) If Demat account holder has forgotten the same password then Enter the **User ID** and the image verification code and click on Forgot Password& enter the details as prompted by the system.
  - (xviii) Members can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store, Apple Store and Windows Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xix) **Note for Non – Individual Shareholders and Custodians:**
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate and Custodians respectively.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a compliance user, using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY:**
- (A) Please follow all steps above to cast vote.
  - (B) The voting period begins on Sunday, September 01, 2019 at 9.00 am and end on Monday, September 30, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at 1800 22 5533.

## Declaration of Results:

Upon completion of the scrutiny of the post ballot forms and considering the e-voting, the Scrutinizer will submit his report to the Chairman of the Company or any other person authorized by the Board.

1. The Scrutinizer shall submit the Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes, if any, to the Chairperson of the Company or a person authorized by him, who shall countersign the same. The results of the Postal Ballot, will be announced not later than 48 hours of conclusion of the voting through postal ballot.
2. The result of the postal ballot declared along with the Scrutinizer's Report, will be hosted on the website of the Company [www.sknindustries.in](http://www.sknindustries.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and will be displayed on the notice board of the Company at its registered office, published in Newspaper, immediately after the declaration of the result by the Chairperson or a person authorized by him in writing and communicated to the Stock Exchanges.

In the event, the Special Resolutions, as set out herein above, is assented to by the requisite majority of Members by means of Postal Ballot and e-voting, the date of announcement of the results of the Postal Ballot shall be considered to be the date of passing of the said Special Resolutions.

**For & Behalf of the Board of Directors  
SKN Industries Limited**

**Sd/-  
Satish Chopra  
(Managing Director)  
DIN: 01171175  
Regd Office : 12, Forest Lane,  
Farm Houses, Ghitorni Village,  
Delhi- 110030**

**Place : New Delhi  
Date : 24/08/2019**

## **EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 AND SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 ("SEBI ICDR REGULATIONS"), AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Company wants to raise long term funds to finance growth plans of the Company, market development, strengthen financial structure, enhancing liquidity, working capital resources and for general corporate purposes.

The following explanatory statements sets out all material facts relating to the business mentioned in the accompanying notice for the item no.1 and shall be taken as forming part of notice

### **Item No.: 1. Issue of Equity Shares to the Allottee on a Preferential Allotment / Private Placement**

The company propose to raise additional capital of Rs. 400,00,000/- (Rupees Four Crores Only) against 40,00,000 (Forty Lakh) Equity shares at face value of Rs. 10/- each to be issued to Mr. Satish Chopra ("Promoter"), pursuant to a preferential allotment ("Preferential Allotment").

Approval of the members by way of special resolution is required inter alia in terms of Sections 42 and 62(1)(c) of the CA 2013 and in accordance with the provisions of chapter V- "Preferential issue"

S. No.	Name of Proposed Allottees	Address	No of Equity Shares to be allotted	Category
1	Satish Chopra	40,00,000	Promoter (Individual)	AADPC4601Q

In terms of the provision of the Companies Act, 2013 read with rule 13(2) of the Companies (share capital and debentures) rule 2014 and regulation 163(1) of the ICDR Regulations 2018, the relevant disclosures are given below:-

#### **a) The Objects of the proposed preferential issue and details of utilization of proceed:**

The funds to be raised from the proposed Preferential Issue of equity shares will be utilized to finance the growth plans of the Company, market development, strengthen financial structure, enhancing liquidity, working capital resources and for General corporate purposes.

of the SEBI ICDR Regulations as amended. The proposed issue of capital is subject to the applicable regulations issued by the Securities and Exchange Board of India and any other government / regulatory approvals as may be required in this regard.

In order to enable the Company to access the capital market through a private placement basis, the approval of the Members is hereby sought pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the SEBI Listing Regulations, as amended. The Equity Shares created, offered, issued and allotted, if any, shall rank pari passu in all respects with the existing equity shares of the Company.

The Board has approved the creation, offer, issue and allotment of 40 lakh number of fully paid-up Equity Shares for an aggregate consideration of Rs. 400,00,000/- (Rupees Four Crores only), by way of Preferential Allotment to the Promoter pursuant to its resolution dated **July 31, 2019**.

Accordingly the Company proposes to issue and allot fully paid 40,00,000 Equity shares having face value of Rs. 10/- (Rupees Ten Only) each at or above the minimum price as determined as on relevant date, in accordance with Regulation 165 of the SEBI (ICDR) Regulation, 2018 to the proposed allottee as mentioned below:-

#### **b) The intention/ proposal of the promoter, directors or key management personnel of the Company to subscribe to the proposed Preferential Allotment**

The Company has received a letter of intent from the Mr. Satish Chopra, Promoter indicating his intention to subscribe 40 lakh equity shares at Rs. 10/- each of the proposed Preferential Allotment. Post allotment, the shareholding of Promoter & Promoter Group in the Company will be 70.42% of the post issue paid-up Equity Share capital of the Company. None of the Directors or KMPs intends to subscribe to the Preferential Allotment

**c) The total number of shares or other securities to be issued:**

The Company proposes to issue 40 lakh (Forty Lakh) Equity shares at the issue price of Rs. 10/- each to Mr. Satish Chopra, Promoter of the company.

**d) Issue Price and Relevant Date:**

The Equity Shares in the Preferential Allotment shall be allotted at a price of Rs. 10/- each as determined in accordance with the relevant provisions of Regulation 165 of SEBI (ICDR) Regulation, 2018 considering the Relevant Date as Friday, August 30, 2019 i.e., 30 days prior to the date on which the resolution is deemed to be passed i.e. the last date specified for receipt of duly completed Postal Ballot Forms or E-voting.

**e) Basis on which the price has been arrived at:**

After de-recognition of Delhi Stock Exchange, our Company has been shifted into Dissemination Board ("DB") of Bombay Stock Exchange (BSE). As per Regulation 165 of Chapter V of SEBI (ICDR) Regulations 2018, when the Equity shares are not frequently traded, the price determined by the issuer shall take into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such should be done by an Independent Qualified Valuer. The

Company has obtained a valuation report from **M/s Navigant Corporate Advisors Limited**, Merchant banker dated July 15, 2019 A copy of the Valuation report issued by Merchant banker shall be available for inspection at the registered office of the Company on all working days from 11:00 A.M. and 1:00 P.M. till the conclusion of this postal ballot **Monday, September 30,2019.**

The price per share has been determined in accordance with the provision 165 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations"). The shares of the company being infrequently traded, the price is determined taking into account valuation parameters including book value, comparable trading multiple etc. as amended ("ICDR Regulations") is obtained.

**f) The class or classes of persons to whom allotment is proposed to be made:-**

Allotment of shares under the preferential allotment shall be made to Mr. Satish Chopra Promoter of the Company

**g) The shareholding pattern of the issuer Company before and after the preferential issue;**

The shareholding pattern before and after the proposed preferential issue would be as under:

SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER PROPOSED ISSUE OF EQUITY SHARES					
S. No.	Category & Name of the Members	Pre-Issue		Post-Issue	
		No. of Shares held	% of shares held	No. of Shares held	% of shares held
<b>A.</b>	<b>Promoter &amp; Promoter Group:</b>				
(1)	Indian				
	Individual	861520	12.78	4861520	45.27
	Body Corporate	2700680	40.08	2700680	25.15
	Sub-total (A)(1)	3562200	52.86	7562200	70.42
(2)	Foreign	-	-	-	-
	Sub-total (A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	<b>3562200</b>	<b>52.86</b>	<b>7562200</b>	<b>70.42</b>
<b>B.</b>	<b>Public Shareholdings</b>				
(1)	Institutional Investors	4800	0.07	4800	0.04
(2)	Private Corporate Bodies	102302	1.52	103202	0.95
(3)	Others (Including NRIs)	3176900	47.14	3176900	29.58
	<b>Total Shareholding of Public (B)=(B)(1)+(B)(2)+ (B)(3)</b>	<b>3176900</b>	<b>47.14</b>	<b>3176900</b>	<b>29.58</b>
	<b>Grand Total (A+B)</b>	<b>6739100</b>	<b>100.00</b>	<b>10739100</b>	<b>100.00</b>

\*The above shareholding is based on the shareholding pattern as on June 30, 2019 and new proposed issue of Equity Shares of the face value Rs.10/- each. Further above shareholding pattern may change upon transfer of shares by existing shareholders of the Company from time to time.

\*\*Directors and relatives are not shown separately as they are covered in **Indian Individual Promoter heading.**

**h) Proposed time within which allotment will be completed:**

The Company will complete the allotment of Equity Shares within a period of 15 days from the date of passing of the

special resolution by the shareholders granting consent for issue and allotment of the Equity shares or where the allotment on preferential basis requires any approval by any regulatory authority or Central Government, the allotment of Equity Shares will be completed within 15 days from the date of such approval or such other extended period as may be permitted under the SEBI (ICDR) Regulations.

- i) **The identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and / or who ultimately control the proposed allottees, the percentage of post-Preferential Allotment capital that may be held by them and change in control, if any, in the Company, consequent to the Preferential Allotment:**

Name of proposed allottee	Category of allottee	Pre issue % Holding	Number of equity shares proposed to be allotted	Post issue % holding	Beneficial ownership
Satish Chopra	Promoter	1.97%	40,00,000	38.48%	Self (Mr. Satish Chopra)

**j) Change in Control:**

The existing promoters of the company will continue to be in control of the company and there will be no changes in the management/control of the company as a result of the proposed Preferential Allotment.

**k) Details of the number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**

No such allotment has been made.

**l) Lock In period:**

- The Equity Shares to be allotted on a preferential basis to the Promoter shall be locked-in for a period of 3 years from the date of trading approval granted for the Equity Shares being issued pursuant to the proposed Preferential Allotment, in accordance with Regulation 167 of the SEBI ICDR Regulations.
- The entire pre-Preferential Allotment shareholding of the Promoter shall be locked-in from the relevant date up to a period of 6 months from the date of trading approval granted for the Equity Shares to be allotted pursuant to the proposed Preferential Allotment, in accordance with Regulation 167(6) of the SEBI Regulations.2018

**m) Listing:-**

After de-recognition of Delhi Stock Exchange, Company has been shifted into Dissemination Board (“DB”) of Bombay Stock Exchange (BSE) and therefore company proposes to list the shares (existing and new shares) of the Company at Metropolitan Stock Exchange of India (MSEI) under the secondary listing. The shares once allotted will rank pari-passu with the existing equity shares of the company in all respect including dividend.

**n) Terms of payment:**

The entire consideration against the allotment of the Equity Shares shall be received by the Company from the allottees before the said allotment. In case allottee pays consideration in less than the amount as agreed, the company shall issue shares on proportionate basis.

**o) Undertaking to re-compute the price:**

The issuer Company undertakes that they shall re-compute the price of the Equity Shares in terms of the provision of SEBI (ICDR) Regulations, as amended thereof where it is require to do so. The issuer Company also undertakes that if the amount payable on account of the re-computation of price if not paid within the time stipulated in these regulations, the specified Equity Shares shall continue to be lock-in till the time such amount is paid by the allottee(s).

**Auditor’s Certificate:**

A copy of the certificate from M/s M A R S & Associates, the Statutory Auditors of the Company, certifying that the

Preferential Allotment is being made in accordance with the requirements contained in Chapter V of the SEBI (ICDR) Regulations shall be available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11:00 a.m. to 1:00 p.m. upto the date of closing of e-voting or last date of receipt of Postal Ballot Forms i.e., Monday, September 30, 2019.

**Other disclosures:-**

- The issue is authorized by the Articles of Association of the Company
- All the documents referred to in the Notice and explanatory Statement are available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sunday and public holidays) between 11:00 a.m. to 01:00 p.m. upto the date of closing of e-voting or last date of receipt of Postal Ballot Forms i.e., Monday, September 30, 2019.
- None of the Company, the Promoter or the Directors has been declared as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- Details of class or classes of persons to whom the allotment is proposed to be made {as per Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 as mentioned in point no. f above.
- The Promoter and members of the Promoter Group have not sold Equity Shares of the Company in the 6 months preceding the Relevant Date.
- The Company has not made any preferential allotment of Equity Shares during the last financial year.
- The Company is in compliance with the conditions of continuous listing of equity shares as specified in the listing agreement with the Stock Exchange(s) where the Equity Shares of the Company are listed. The raising of capital pursuant to the proposed resolution is subject to force majeure circumstances and conducive capital market environment.
- The consent of the shareholders is sought for the issue of Equity Shares in terms of section 42, 62 (1) (c) and other applicable provisions if any of the Act and in terms of the provisions of SEBI (ICDR) Regulations and listing agreement entered into by the Company with stock exchange(s), where the Company’s Equity shares are listed.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities under the Act only after the approval of its shareholders by way of a special resolution has been obtained. Further in terms of Regulations 160 of SEBI (ICDR) Regulations, a special resolution needs to be passed by shareholders of a listed company prior to issue of specified securities on preferential basis.



The resolutions as set out in Item No. 1 and the terms stated therein and in the explanatory statement hereinabove shall be subject to the guidelines/ regulations issued/ to be issued by the Government of India or the Securities and Exchange Board of India or the Reserve Bank of India or the Ministry of Corporate Affairs or any other regulatory/ statutory authorities in that behalf and the Board shall have the absolute authority to modify the terms contained herein or in the said resolution, if required by the aforesaid regulatory/ statutory authorities or in case they do not confirm with the ICDR Regulations including any amendment, modification, variation or re-enactment thereof

The Promoter is interested in the proposed resolution to the extent of its shareholding in the Company. Further, (i) Mr. Satish Chopra is a managing Director on the Board of the Company; and (ii) Mrs. Sonia Chopra, a Director on the Board of the Company is relative (spouse) of Mr. Satish Chopra.

None of the other Directors, KMPs and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

The aforesaid proposal is in the interest of the Company and the Board thus recommends resolution at Item No. 1 for approval of the Members as a special resolution.

**For & Behalf of the Board of Directors  
SKN Industries Limited**

**Sd/-  
Satish Chopra  
(Managing Director)  
DIN: 01171175**

**Regd Office : 12, Forest Lane,  
Farm Houses, Ghitorni Village,  
Delhi- 110030**

**Place : New Delhi  
Date : 24/08/2019**



The Board of Directors  
SKN Industries Limited  
12, Forest Lane, Ghitorni village,  
New Delhi-110 030

Dear Sir/ Ma'am,

**Auditor's certificate on compliance with proposed preferential issue of equity shares by SKN Industries Limited in terms of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended**

1. This certificate is issued as per the requirement of sub-regulation 2 of regulation 163 under Chapter V of the Securities and Exchange Board of India ('SEBI') (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI Regulations').
2. As required, we have examined the compliance with the applicable regulations of Chapter V of the SEBI Regulations for preferential issue of equity shares of SKN industries Limited ('the Company') approved by the Board of Directors ('the Board') in its meeting dated 31.07.2019.
3. In terms of the aforesaid SEBI Regulations, the Corporation has issued a Postal Ballot notice dated 24/08/2019 along with explanatory statement ('the Notice') to convene the e-voting starting for the period 01/09/2019 to 30/09/2019 to the members of the Company. Pursuant to provisions of Section 23, 42, 62(1)(c) of the Companies Act, 2013 ('the Act') and other applicable provisions of the Act if any, the said notice seeks the consent of the members to approve, the proposed issue of 40,00,000 equity shares of face value of Rs 10/- each of the Company, fully paid up, on a preferential basis, at a price of Rs. 10/- per equity share as per Item No. 1 to the Notice.

**Management's responsibility**

4. The compliance with the aforesaid SEBI Regulations for the preferential allotment of equity shares and preparation of the aforesaid Notice, including its content in respect of Item No. 1 of the Notice is the responsibility of the management of all accounting and other relevant supporting records and documents.
5. The management is also responsible for providing all relevant information to relevant authorities.

**Auditor's responsibility**

6. We have not performed an audit, the objective of which would be expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.
7. For the purpose of this certificate, we have planned and performed the following procedures to determine whether anything has come to our attention that causes us to believe that the proposed preferential issue of equity shares as set out in item No. 1 of the Notice is not in accordance with regulation 159, 160, 163, and 165 of the aforesaid SEBI Regulations:
  - a) With respect to conditions specified in regulation 159(1) of the SEBI Regulations, we have performed the following procedures to confirm the compliance with required conditions:
    - Examined the Notice issued by the Corporation and confirmed that the special resolution for the proposed preferential issue of equity share is included in the same. Compliance with Regulation 160 will be subject to special resolution being passed by the members of the Company on Monday, September 30, 2019;
    - Obtained confirmation from the Registrar and Transfer Agent and confirmed the pre-preferential holding of equity shares of the Company held by the allottees, if any and such 'pre-preferential holding' is held in the dematerialized form;
    - Enquired with the management of the Company and obtained representation to confirm that the Company has adhered to conditions for continuous listing of equity shares as specified in the listing agreement with the recognised stock exchange where the equity shares of the Company are listed;
    - Verified that the Company has obtained Permanent Account Number ('PAN') of the proposed allottees. The Corporation has relied on the undertaking provided by the proposed allottees for the PAN number;
  - b) With respect to regulation 159 of SEBI Regulations, we have verified that the Company has obtained requisite undertaking from proposed allottees to ensure that they have not sold any equity shares of the Company during the six months preceding the relevant date of Tuesday, August 13, 2019 determined in accordance with SEBI regulations;
  - c) Read the aforesaid Notice and verified that the following relevant disclosures are made in accordance with regulation 163 of the SEBI Regulations:
    - the objects of the preferential equity issue is included in the Notice;
    - the proposal of the promoters, directors, or key management personnel of the issuer to subscribe the offer is included in the Notice;
    - the shareholding pattern of the issuer before and after the preferential equity issue is disclosed in the Notice;
    - the time within which the preferential equity issue shall be completed is disclosed in the Notice;

**Auditor's responsibility (Continued)**

- d) With respect to compliance with the minimum price for preferential equity issue in accordance with regulation 165 of the aforesaid SEBI Regulations, we have verified whether the equity shares would be issued at a price equal to the price derived in accordance with the requirements of the aforesaid SEBI Regulations.
8. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

**Conclusion**

9. Based on the procedures performed as mentioned in paragraph 7 above, evidence obtained and information and explanations and representations provided by the Company's management, nothing has come to our attention that causes us to believe that the proposed preferential issue of equity shares of the Corporation is not in accordance with the relevant aforesaid SEBI Regulations.

**Restriction of use**

10. This certificate has been issued at the request of the Company and is intended solely for the information and use of the Board of Directors and members of the Company in connection with the proposed preferential issue of equity shares and listing thereof and as a result, this certificate may not be suitable for any other purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior written consent.

**For M A R S & Associates**  
Chartered Accountants  
Firm's Registration No: 010484N

**Vipul Kumar Gupta**  
Partner  
Membership No. 522310

Place : New Delhi  
Date : 24/08/2019