

28th
Annual Report
2019-2020



AN ISO 9001:2008
CERTIFIED COMPANY

BOARD OF DIRECTORS:

SHRI SATISH CHOPRA	MANAGING DIRECTOR
SHRI SUNIL SHARMA	INDEPENDENT DIRECTOR
SHRI RAJESH KHANNA	INDEPENDENT DIRECTOR
SHRI GAUTAM KAPUR	INDEPENDENT DIRECTOR
MRS. SONIA CHOPRA	NON EXECUTIVE DIRECTOR

CHIEF FINANCIAL OFFICER:

SHRI PARDEEP KUMAR DHAMIJA

COMPANY SECRETARY

AKASH PHALSWAL

REGISTERED OFFICE:

SKN FARM HOUSE,
12, FOREST LANE, GHITORNI
VILLAGE, NEW DELHI-110030

AUDITOR:

M/s M.A.R.S. & ASSOCIATES
CHARTERED ACCOUNTANTS
LIG FLAT NO. 27, GROUND
FLOOR, ASHOKA PAHARI,
FAIZ ROAD, KAROL BAGH,
NEW DELHI-110005

BANKERS:

HDFC BANK

UNIT-I

12/3, MILE STONE, DELHI-MATHURA ROAD
FARIDABAD-121003, HARYANA

UNIT-II

DELHI-JAIPUR HIGHWAY,
DHARUHERA, REWARI-123401, HARYANA

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.
NOBLE HEIGHTS, 1ST FLOOR, C-1 BLOCK,
NEAR SAVITRI MARKET
JANAKPURI, NEW DELHI – 110058,

SKN INDUSTRIES LIMITED

(CIN: U74999DL1992PLC050472)

Registered Office: 12, Forest Lane, Ghitorni Village, New Delhi-110030

Email: info@sknindustries.in, Website: www.sknindustries.in

Phone: 0124-4272107

NOTICE

Notice is hereby given that 28th Annual General Meeting of the Members of **SKN Industries Limited** (CIN:- U74999DL1992PLC050472) will be held on Tuesday, September 29, 2020 at 10.30 AM through video Conferencing (VC) or other Audio Visual Means (OAVM) as per frame work issued by Ministry of Corporate Affairs (MCA) vide General Circular 20/2020 dated 05th May 2020 read with general circular No. 14/2020 dated 08th April 2020 and also General Circular No. 17/2020 dated 13th April 2020, to transact the following business:-

ORDINARY BUSINESS:

Item no. 1: **Adoption of audited financial statements of the Company for the financial year ended March 31, 2020.**

“**RESOLVED THAT** audited Financial Statements of the Company for the financial year ended 31st March 2020 along with Board’s Report, Independent Auditors’ Report thereon and Secretarial Auditor’s report be and are hereby received, considered, approved and adopted.”

Item no. 2: **Re-appointment of Mr. Satish Chopra**

“**RESOLVED THAT** Mr. Satish Chopra (DIN 01171175), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation.

Item no. 3: **Re-appointment of Mrs. Sonia Chopra**

“**RESOLVED THAT** Mrs. Sonia Chopra (DIN 05198748), who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation.

SPECIAL BUSINESS:

Item no. 4: Appointment of Mr. Gautam Kapur as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152, and any other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Schedule IV to the Act, Mr. Gautam Kapur (DIN: 05308409), who were appointed as an Additional Director of the Company in the category of Independent Director pursuant to the provisions of Section 149 and 161 of the Act and the Articles of Association of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office till August 27, 2025.”

“**RESOLVED FURTHER** that the Board of Directors of the Company be and is hereby authorized to do all such acts,

deeds, matters and things as it may deem necessary, proper and expedient to give effect to this resolution.”

By Order of the Board of
SKN Industries Ltd

Sd/-

Akash Phalswal

Company Secretary

M No. 45233

Place: New Delhi

Dated: 28th August, 2020

NOTES:

In view of the spread of COVID-19 pandemic, the movement is restricted and considering the urgency of the matter, the board of directors of the company are convening this Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in terms of the framework prescribed by the General Circular No. 20/2020 dated 05th May, 2020 read with General Circular No. 14/2020 dated 08th April, 2020 and also the General Circular No. 17/2020 dated 13th April, 2020 issued by Ministry of Corporate Affairs (MCA) (hereinafter referred as “MCA Circulars”). The facility of VC or OAVM and also casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by Link In Time Private Limited. The framework prescribed by MCA in said circulars would be available to the members for effective participation in following manner:

- Company is convening 28th Annual General Meeting (AGM) through VC / OAVM and no physical presence of members, directors, auditors and other eligible persons shall be required for this annual general meeting.
- VC / OAVM facility provided by the Company, is having a capacity to allow at least 1000 members to participate the meeting on a first-come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, KMPs, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors etc. may be allowed to attend the meeting without restriction on account of first-come-first-served principle.
- Notice of 28th AGM and financial statements (including Board’s report, Auditor’s report or other documents required to be attached therewith) for FY 2019-20, are being sent only through email to all members as on August 28, 2020 (i.e. Benepose Date immediately after board meeting in which notice would be approved) on their registered email id with the company and no physical copy of the same would be dispatched. 28th Annual Report containing Notice, financial statements and other documents are available on the on the website of the Company (www.sknindustries.in).
- Company is providing two way teleconferencing facility or webex for the ease of participation of the members. Link for joining the meeting is being given separately.
- Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be

maintained in safe custody of the Company. The registered office of the company shall be deemed to be the place of meeting for the purpose of recording of the minutes of the proceedings of this AGM.

- f. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- g. Participants i.e. members, directors, auditors and other eligible persons to whom this notice is being circulated are allowed to submit their queries / questions etc. before the general meeting in advance on the e-mail address of the company at info@sknindustries.in. Further, queries / questions may also be posed concurrently during the general meeting at given email id.
- h. Members, directors, auditors and other eligible persons to whom this notice is being circulated can attend this annual general meeting through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time.
- i. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 - a. Pursuant to Section 91 of the Act, the Register of Members and the Share Transfer books of the Company will remain closed from Wednesday, September 23, 2020 to Tuesday, September 29, 2020 (both days inclusive) for the purpose of 28th AGM of the Company.
 - b. The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
 - c. **SEBI had also mandated that requests for effecting transfer of securities (except transmission or transposition of securities) shall not be processed after March 31, 2019, unless the securities are held in dematerialized form. Hence, the Members holding shares in physical form are requested to convert their holdings to dematerialized form at the earliest**

Process for those shareholders whose email ids are not registered

For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) and request letter (duly signed) by email to Company (info@sknindustries.in) / RTA (rnt.helpdesk@linkintime.co.in).

For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company (info@sknindustries.in) / RTA (rnt.helpdesk@linkintime.co.in)

Members are requested to notify immediately any change of address to their Depositories Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company in respect of their physical share folios, if any.

Members are requested to send their queries, if any, at least seven (7) days in advance of the meeting so that the information can be made available at the meeting.

Voting through electronic means

- a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and any other applicable provisions, the Company is Pleased to provide members the facility to exercise their right to vote at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Link In Time.
- b. A member may exercise his vote at any general meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 read with the MCA circulars.
- c. During the remote e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. Tuesday, September 22, 2020, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.
- d. The remote e-voting period commences at 9:00 a.m. (IST) on Saturday, September 26, 2020 and ends at 5:00 p.m. (IST) on Monday, September 28, 2020. The e-voting module shall be disabled by Link in time for voting thereafter.
- e. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- f. The facility for voting, through electronic voting system, shall also be made available during the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- g. The Member(s) requiring any assistance with regard to use of technology for remote e-voting or during the 28th AGM may contact Mr..Rajiv Ranjan (AVP) at the designated email ID: rajiv.ranjan@linkintime.co.in or contact at 022-49186000.

- h. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED"

Remote e-Voting Instructions for shareholders:-

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of Link Intime e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:-

A. User ID: Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Event No + Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company – in DD/MM/YYYY format).

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above.**
- Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above.**
- Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of Link Intime: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under 'SHARE HOLDER' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of Link Intime at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

If you have forgotten the password:

9. Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
10. Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
11. In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address
12. Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
13. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
14. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

General Guidelines for shareholders:

15. For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.
16. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
17. Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
18. In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

Shareholders/Members are entitled to attend and participate in the Annual General Meeting through VC/OAVM Facility being provided by Link Intime by following the below mentioned process:

A. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and shall be kept open till the expiry of 15 minutes after the schedule time on first come first basis.

B. Up to 1,000 members will be able to join on a first come first served basis to the AGM.

Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first come first basis.

C. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Members shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL:

<https://instameet.linkintime.co.in> □ Select the “Company” and ‘Event Date’ and register with your following details: -

A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

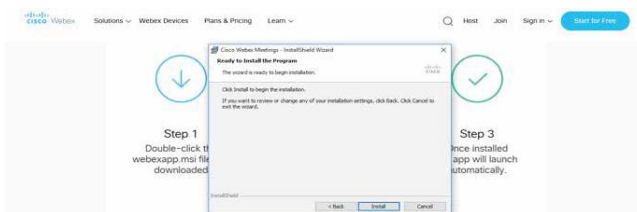
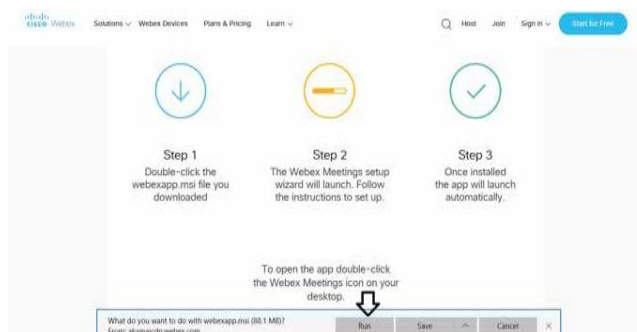
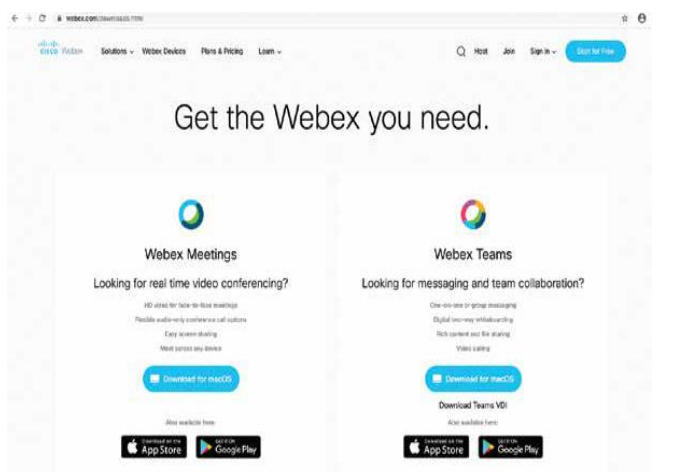
D. **Email ID:** Enter your email id, as recorded with your DP/Company. □ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer below instructions for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you hereunder/ InstaMEET website.

Guidelines to attend the AGM proceedings of the Company at InstaMEET of Link Intime India Pvt. Ltd.

For a smooth experience of viewing the AGM proceedings at InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



Or

a) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1: Enter your First Name, Last Name and Email ID and click on Join Now.

1 (A) : If you have already installed the Webex application on your device, join the meeting by clicking on Join Now

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

1 (B) : If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary Application.

Event Information:

Event status:
Date and time:

Duration:
Description:

By joining this event, you are accepting the Cisco Webex Terms of Service and Privacy Statement

Join Event Now

You cannot join the event now because it has not started.

First name:
Last name:
Email address:
Event password:

Mention your first name, last name and email address

Join by browser

If you are the host, start your event

Instructions for Shareholders to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 5 days in advance with the Company on the Email Id. info@sknindustries.in.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
- b. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
- c. After successful login, you will see “Resolution Description”

and against the same the option “Favour/ Against” for voting.

- d. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- e. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

FOR ATTENTION OF SHAREHOLDERS:

1. As per provisions of the Companies Act, 2013 read with relevant Rules thereof, facility for making nomination is available to individuals holding shares in the Company. Members holding shares in physical form may obtain Nomination Form No. SH-13 from the Company's RTA. Members holding shares in electronic form are required to approach their DPs for the nomination.
2. The Company has created an Email Id. 'info@sknindustries.in', which is being used exclusively for the purpose of redressing the complaints of the investors.
3. Members should quote their Folio No. / DP Id-Client Id, email addresses, telephone / fax numbers to get a prompt reply to their communications.
4. The annual accounts and other related documents are available at the website of the Company and will be made available to any member of the Company who may be interested in obtaining the same.
5. Mr. Manish Kumar, Practicing Company Secretary holding Certificate of Practice No. 48853 has been appointed as the Scrutinizer to scrutinize the voting and

remote e-voting process in a fair and transparent manner. The Board has also authorised Chairman to appoint one or more scrutinizers in addition to and/or in place of Mr. Manish Kumar. The Scrutinizer shall after the conclusion of e-Voting at the 28th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 28th AGM, who shall then countersign and declare the result of the voting forthwith.

6. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sknindustries.in and on the website of Link In Time immediately after the result is declared by the Chairman;
7. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and all documents referred to in the Notice are available at the Registered Office of the Company, for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2020. Members seeking to inspect such documents can send an email to info@sknindustries.in.
8. Mandatory updating of PAN and Bank details against your physical holding, The Securities and Exchange Board of India (SEBI) vide its circular SEBI/HO/DOP1/CIR/P/2018/73 dated 20th April, 2018, mandated that the companies through their Registrar and Transfer Agents ("RTA") should take special efforts for collecting copies of PAN and bank account details for the security of the holders holding securities in physical form. Those security holders whose folio(s) do not have complete details relating to their PAN and Bank Account, or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to RTA/ Company for registration /updating.

You are therefore requested to submit the following to update the records:

- KYC Format duly filled in and signed by all the shareholders.
- Self-attested copy of PAN Card of all the shareholders.
- Cancelled Cheque leaf with name (if name is not printed, self-attested copy of the pass book showing the name of the account holder) of the first holder.
- Address proof (self-attested Aadhar-card) of the first holder.
- Any change in the name of the holders.

Note: You are requested to Ignore this communication if you have already updated you details with RTA/ Company.

ADDITIONAL INFORMATION

The relevant details of directors seeking re-appointment under Items No. 2 & 3, as required under Regulation 36(3) of the

Listing Regulations, the Companies Act, 2013 and applicable Secretarial Standards are given herein below:

Name of Director	Mr. Satish Chopra
DIN	01171195
Brief Resume	Mr. Satish Chopra is a Managing Director of SKN Industries Limited. He holds a graduate degree from the reputed college. He has been leading and strategically guiding the company's overall growth sustainably. Mr. Satish Chopra is a Director on the Board of Luthra Metal Industries Pvt Ltd, Haryana City Gas Distribution Limited, .Haryana City Gas Distribution (Bhiwadi) Limited, SKN .Haryana City Gas Distribution Private Limited, Bentex Control & Switchgear(S) Private Limited and East Coast Natural Gas Distribution Private Limited. His rich experience includes setting up green-field projects from planning, investment to implementation. He is today steering the group towards strategic investments in the business that will align with the company's long-term growth plans and create various opportunities for diversification and expansion. He has been a major contributor to initiate the company's move towards investing in captive green wind power in its portfolio and is looking further to enhance its green energy portfolio. Mr. Satish Chopra is a member of Stakeholders Relationship Committee of the Company. He is neither a member of 10 Committees nor the Chairman of more than 5 Committees. Mr. Satish Chopra is not related to any other director except Mrs. Sonia Chopra or key managerial personal of the Company. Mr.. Chopra holds.
Date of birth	01/10/1956
Qualification	B.A
Experience and expertise in specific functional area	Corporate and business management
Terms and conditions of Appointment	Mr. Satish Chopra is Managing Director, liable to retire by rotation.
Details of remuneration and remuneration last drawn	Nil
Date on which first appointed on the Board	September 30, 2002
Details of shareholding in the Company (as on 31st March, 2020)	41,32,760 equity shares of the Company in his individual name and 5100 equity shares in Satish Chopra HUF
Relationship with other Directors/ Key Managerial Personnel (if any)	Husband of Mrs. Sonia Chopra, Non-executive director of the Company
Number of Board Meetings attended during the year 2019-20	4
Details of Directorships /	As detailed herein below

Committee Chairmanship and Memberships in other companies (as on 31st March, 2020)	
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Name of Director	Mrs. Sonia Chopra
DIN	05198748
Brief Resume	(b) Mrs. Sonia Chopra is non-executive Director of the Company. She is a graduate. Mrs. Sonia Chopra is a Director on the Board of Luthra Metal Industries Pvt Ltd, Haryana City Gas Distribution (Bhiwadi) Limited & Vijayalakshmi Associates Private Limited. She is a member of Audit committee, Nomination & Remuneration Committee of the Company. She is neither a member of 10 Committees nor the Chairman of more than 5 Committees. Mrs. Sonia Chopra is not related to any other director except Mr. Satish Chopra or key managerial personal of the Company. Mr. Chopra does not hold any shares of the Company in her individual name.
Date of birth	20/10/1970
Qualification	B.A
Experience and expertise in specific functional area	Corporate and business management
Terms and conditions of Appointment	Mrs. Sonia Chopra is non-executive Director, liable to retire by rotation.
Details of remuneration and remuneration last drawn	Nil
Date on which first appointed on the Board	July 21, 2016
Details of shareholding in the Company (as on 31st March, 2020)	Nil
Relationship with other Directors/ Key Managerial Personnel (if any)	Wife of Mr. Satish Chopra, Managing director of the Company
Number of Board Meetings attended during the year 2019-20	4
Details of Directorships / Committee Chairmanship and Memberships in other companies (as on 31st March, 2020)	As detailed herein below

the recommendation of the Nomination & Remuneration Committee, the Board of Directors had appointed Mr. Gautam kapur as an Additional Director under category of Independent Director with effect from August 28, 2020. In terms of Section 161(1) of the Companies Act, 2013 read with Article 83 of the Articles of Association of the Company, Mr. Kapur holds office as an Additional Director only up to the date of the this Annual General Meeting. At present, Mr. Kapur is also a Director on the Board of SKN Healthcare Private Limited, K2 Ventures Private Limited & Melius Knowledge & Technology Private Limited. Mr. Kapur is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He does not hold any shares in the Company. In terms of Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Kapur being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for a term up to August 27, 2025. The Company has received a notice in writing from Mr. Kapur, signifying his candidature for the office of Director of the Company. In the opinion of the Board, Mr. Gautam Kapur (holding DIN: 05308409) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the notice received under Section 160 of the Companies Act, 2013 and also letter for appointment of Mr. Kapur as an Independent Director setting out the terms and conditions would be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2020. Members seeking to inspect such documents can send an email to info@sknindustries.in on all working days of the Company up to the date of the Annual General Meeting. The Board considers that his vast knowledge and varied experience will be of great value to the Company and his continued association would be of immense benefit to the Company and it is desirable to continue to avail valuable services of Mr. Kapur as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Gautam Kapur as an Independent Director, for the approval by the shareholders of the Company. Being Non-Executive Director of the Company, Mr. Kapur may be entitled to receive sitting fee, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be determined by the Board of Directors upon recommendation of the Nomination and Remuneration Committee, within the overall approval given by the shareholders. As per the provisions of Section 197 read with Section 149 of the Companies Act, 2013.

Except Mr. Gautam Kapur, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

By Order of the Board of
SKN Industries Ltd

Sd/-

Akash Phalswal

Company Secretary

M No. 45233

Place: New Delhi
Dated: 28th August, 2020

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

Mr. Gautam Kapur (DOB – June 04, 1986) is a Non-Executive Independent Director of the Company. Based on

BOARD'S REPORT

To,
The Members of
SKN Industries Limited,

Your directors take pleasure in presenting 28th Annual Report on the business and operations of the Company, together with summary of Financial Statements for the year ended 31st March, 2020.

BACKGROUND

SKN is one of the branded names in the field of LPG products. With the development of new auto gas cylinder and 14.2 Kgs. cylinder, the Company has a good market potential. With the objective to deal in LPG and gas products, the Company incorporated on 28th September, 1992.

STATE OF COMPANY'S AFFAIR

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to enhance quality and -

FINANCIAL RESULTS

The Company's financial results for the financial year ended on the 31st March, 2020 are as under:

Particulars	Amount in INR	
	As at March 31, 2020	As at March 31, 2019
Net sales/ income	81,25,150.00	66,21,000.00
Gross Profit (before Interest and Depreciation)	29,09,875.00	21,95,250.00
Less Finance Costs	Nil	118.00
Profit (before Depreciation and amortization- (Cash Profit)	29,09,875.00	21,95,132.00
Less Depreciation and amortization	0.00	0.00
Profit (before exceptional items and tax)	29,09,875.00	21,95,132.00
Exceptional items	0.00	0.00
Less:- Provision for Tax	7,91,464	5,95,756
Less:- Deferred Tax Liability	0.00	0.00
Net Profit/ (Loss) after tax	21,18,411	15,99,376
other comprehensive income (OCI)	4,500.00	5,64,782.00
Appropriations	0.00	0.00
FVTOCI Reserve	0.00	0.00
Balance brought forward from last year	(6,01,79,491.62)	(6,17,78,868.68)
Balance carried forward to Balance Sheet	(5,80,61,080.62)	(6,01,79,491.62)
EPS (Basic/ diluted)	0.20	0.24

During the year, Company has earned total revenue of Rs.81.29 Lakh includes business income of Rs. 81.25 Lakh and your Board of Directors has been constantly focusing on operational activities. Your Company has recorded profit after tax Rs. 21.18 Lakh in the current fiscal, which is a significant improvement in performance as compare to previous year.

STATE OF COMPANY'S AFFAIR

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to enhance quality and customer service and to reduce costs. SKN as per the name MOA is engaged in electrical and electronic equipment's, food products and it had name for the complete range of LPG products also under one roof. SKN had manufactured a range of LPG products used not only for households but also for automobile sector. In the coming future automobile sector will got a good share in the turnover of the Company.

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MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Regulation 34 (2) (e) of the Listing Regulations, 2015 read with other applicable provisions, the detailed review of the operations, performance and future outlook of the Company and its business is given in the Management's Discussion and Analysis Report which forms part of this Annual Report and is incorporated herein by reference.

DIVIDEND

The management believes that the profits earned during the financial year must be retained and redeployed for the operations of the Company. As the Company needs further

funds to enhance its business operations, to upgrade the efficiency and to meet out the deficiencies in working capital,

the Directors do not recommend any dividend on Equity Shares for the financial year 2019-20.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account.

SHARE CAPITAL

During the year, the company had allotted 40 Lakh Equity shares at the face value of Rs. 10/- each to Mr. Satish Chopra, under promoter category through preferential allotment. After this allotment, the paid up Equity Share Capital of the Company as on March 31, 2020 is Rs. 10,73,91,000.00 comprising of 1,07,39,100 equity shares at Rs. 10/- each. Further it is stated as the company had forfeited 900 equity shares at Rs. 5/- each and not yet re-issued and therefore transferred into other income during the year and accordingly company cancelled said forfeited share capital from the paid up share capital.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of the business in the financial year under review.

DEPOSITS

Your Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) APPOINTED / RESIGNED

The members of the Board of Directors along with the details of the Directors and Key Managerial Personnel (KMP) appointed or resigned is as follows:

S. No.	Director/KMP	DIN/PAN	Designation	Date of appointment	Date of resignation
1.	Mr. Satish Chopra	01171175	Managing Director	30.09.2002	-
2.	Mr. Sunil Sharma	01724943	Independent Director	28.01.2001	-
3.	Mr. Rajesh Khanna	01851188	Independent Director	28.02.2001	-
4.	Mrs. Sonia Chopra	05198748	Non-Executive Director	21.07.2016	-
5.	Mr. Pardeep Kumar Dhamija	AHDPD8011C	Chief Financial Officer	28.08.2020	-
6.	Mr. Akash Phalswal	CRRPP7303M	Company Secretary	18.08.2017	-
7.	Mr. Gautam Kapur	05308409	Independent Director	28.08.2020	-

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Satish Chopra, Director and Mrs. Sonia Chopra are liable to retire by rotation at the ensuing Annual General Meeting of the Company. Mr. Satish Chopra and Mrs. Sonia Chopra being eligible to seek his/ her re-appointment. Further Mr. Sunil Sharma and Mr. Rajesh Khanna who were appointed as Director on 28.01.2001 and 28.02.2001 and categories as independent Directors without any specified tenure. Your

Board recommends to appoint two independent directors in place of Mr. Sunil Sharma and Mr. Rajesh Khanna, as both have completed tenure now they will be considered as non-executive director. As the company's paid up capital touched the benchmark of Rs. 10 crore to mandatory appoint Independent Director under the provisions of the Companies Act, 2013 and therefore your board proposed to appoint Mr. Gautam Kapur as Independent director for the period of five years.

MEETINGS

The Board meetings of your company are planned in advance in consultation with the Board Members. During the financial year ended March 31, 2020 the Board of Directors met five times to review strategic, operational and financial performance of the company. The board's meetings were held on April 18, 2019, May 30, 2019, August 20, 2019, November 20, 2019 and January 21, 2020. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Your directors would like to confirm that the Company has received declaration from all the Independent Directors confirming their independence as well as confirmation that "he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence".

Accordingly requirement of Section 149(6) of the Companies Act, 2013 are duly complied with.

Familiarisation Programme for Independent Director

All new Independent Directors ('IDs') inducted on the Board go through a structured orientation program. Executive Directors and Chief Financial Officer (CFO) makes presentations giving an overview of operations, to familiarize the new IDs with the Company's business operations. The new IDs are given an -

orientation on Company's product, corporate structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, role responsibilities, code of conduct of IDs and measure risk and risk management strategy. Visits to Plant and locations are organized on the request of the IDs with an objective to enable them to understand the business better.

BOARD EVALUATION

In line with the provisions of the Companies Act, 2013 and SEBI Guidance Note on Board evaluation issued on January 5, 2017 read with relevant provisions of the SEBI Listing Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual Directors through the separate meeting of independent directors and the Board as a whole. The Board evaluated the effectiveness of its functioning, that of the Committees and of individual directors, after taking feedback from the directors and committee members.

The performance of the independent directors was evaluated by the entire Board except the person being evaluated, in their meeting held on January 21, 2020.

A separate meeting of Independent Directors was held on January 21, 2020, to review the performance of Non-Independent Directors', performance of the Board and Committee as a whole and performance of the Chairman of the Company, taking into account the views of Executive Directors and the Non-Executive Directors.

The performance evaluation of the Board and its constituents was conducted on the basis of functions, responsibilities, competencies, strategy, tone at the top, risk identification and its control, diversity, and nature of business. A structured questionnaire was circulated to the members of the Board covering various aspects of the Board's functioning, Board culture, execution and performance of specific duties, professional obligations and governance. The questionnaire is designed to judge knowledge of directors, their independence while taking business decisions; their participation in formulation of business plans; their constructive engagement with colleagues and understanding the risk profile of the company, etc. In addition to the above, the Chairman of the Board and / or committee is evaluated on the basis of his leadership, coordination and steering skills.

The Nomination and Remuneration Committee reviews the performance of individual Directors on the basis of their contribution as a member of the board or committee. The quantum of profit based commission, payable to directors is decided by the Nomination and Remuneration Committee on the basis of overall performance of individual directors.

Nomination and Remuneration Policy

Based on the recommendation of the Nomination & Remuneration Committee, the Board has approved the Nomination and Remuneration Policy for Directors, Key Managerial Personnel ('KMP') and all other employees of the Company. The Company's Nomination and Remuneration Policy and Practices have been formulated and maintained to meet the following objectives:

1. To attract, retain and motivate qualified and competent individuals at Director, Key Managerial and other employee levels to carry out company's business operations as assigned to them.
2. To ensure payment of salaries and perks that are comparable to market salary levels so as to remain competitive in the industry.

3. To revise the remuneration of its employees periodically for their performance, potential and value addition after systematic assessment of such performance and potential.

4. To ensure disbursement of salary and perks in total compliance to the applicable statutory provisions and prevailing tax laws of the Country.

The Nomination and Remuneration Policy is annexed to this report as Annexure and is available on website www.sknindustries.in of the company.

COMPOSITION OF AUDIT COMMITTEES

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Presently, the Audit Committee consists of two Independent directors and non-executive director having expertise in financial and accounting areas, comprising of Sh. Sunil Sharma, Sh. Rajesh Khanna and Mrs. Sonia Chopra.

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE

Nomination and Remuneration Committee of the Board has been constituted as per Section 178 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Nomination and Remuneration Committee shall determine qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee consists of three Non-Executive directors comprising of Sh. Sunil Sharma, Sh. Rajesh Khanna and Mrs. Sonia Chopra.

COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted as per section 178 (5) of the Companies Act, 2013. The Stakeholders Relationship Committee shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares and non-receipt of annual report etc. The Stakeholders Relationship committee consists of Executive & Non- Executive directors comprising of Sh. Satish Chopra and Sh. Sunil Sharma.

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report. In terms of the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employees drawing remuneration in excess of the limits set out in the said Rules.

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Mr. Satish Chopra, Managing Director, Mr. Pradeep Dhamija, CFO and Mr. Aakash Phalswal, Company Secretary. During the year, there

has been no change in the Key Managerial Personnel. However Mr. Kharak Singh Pal has resigned from the chief executive officer with effect from August 28, 2020 and board appointed Mr. Pradeep Dahmija as Chief financial officer (CFO) of the Company with effect from August 28, 2020.

SECRETARIAL AUDIT REPORT

Currently secretarial audit under Section 204 of the Companies Act, 2013 is not applicable over the company. However, the Company is under planning to direct listing and therefore it is proposed voluntarily obtain report on secretarial audit and shall annex with its Board's Report a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

In line with the above, the Board of Directors of the Company had appointed CS Manish Kumar representing M/s SKM & Associates, Practicing Company Secretaries, New Delhi, to conduct Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report for the financial year ended March 31, 2020 are annexed with the Board's report and formed as part of the Annual Report. As secretarial auditor mentioned about the consideration received against is given unsecured loan to company under same management, it is stated by Board that company has given unsecured loan to the company under the same management as temporary and payable on demand as company had surplus fund and it is not require for time being. Further Board affirm that funds will be turned back to the company on requirement and it is given merely to earn certain interest income over the said amount.

LISTING OF THE EQUITY SHARES

The Shares of the Company were listed in following stock exchange:

- Bombay Stock exchange
- The Delhi Stock Exchange Association Limited
- Jaipur Stock Exchange Limited
- Bangalore Stock Exchange Limited

As on date the all these stock exchanges are de-recognized by the SEBI and presently the Company has been moved to the Dissemination Board of BSE Ltd and company is deemed unlisted company. The Company is delisted from BSE in 2004. The management of the Company is planning to list the Company's shares at Metropolitan Stock Exchange of India Limited (MSEI). However, the Company is also look forward to comply the eligibility norms of MSEI for secondary listing and in this regard, your Board on March 17, 2020 allotted 40 Lakh equity shares at Rs. 10/- each to promoters' category by way of preferential allotment and accordingly net worth of company get enhanced as said allotment were also approved by shareholders by way of special resolution through postal ballot concluded on September 30, 2020.

WEB ADDRESS FOR ANNUAL RETURN AND OTHER POLICIES / DOCUMENTS

In line with the requirement of the Companies (Amendment) Act, 2017, effective from July 31, 2018, the extract of annual return, is no longer required to be part of the Board's Report.

However, for the compliance of conditions of Section 92 and Section 134, copy of the Annual Return for the financial year ended March 31, 2019 and other policies of the Company shall be placed on the Company's website www.sknindustries.in.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since Company is not meet out the conditions stipulated under section 135(1) of the Companies Act 2013, Hence, provisions relating to CSR is not applicable to the Company.

RELATED PARTY TRANSACTIONS

There are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions, as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company. All transactions with related parties were reviewed and approved by the Audit Committee.

Prior omnibus approval of the Audit Committee is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors on a quarterly basis. The statement is supported by a Certificate from the CFO. All Related Party Transactions are placed before the Audit Committee and also before the Board. The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company www.Sknindustries.in. None of the Directors has any material pecuniary relationships or transactions vis-a-vis the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RISK MANAGEMENT

Pursuant to the requirement of Regulation 21 of the Listing Regulations, the Company had voluntarily constituted a Risk Management Committee. The details of Committee and other details are also set out in the Corporate Governance Report forming part of the Board's Report. The policy on Risk Management as approved by the Board is uploaded on the Company's website www.sknindustries.in

Your company believes that several factors such as advancements in technology, prevalent geo-political environment and stringent regulatory and environmental requirements have consequential impacts across the value chain of a business. These impacts are likely to continue and intensify over time and for a business to be sustainable, it needs to adapt to the environment by managing risks and opportunities in a systematic manner.

The Board of Directors of the Company are responsible for risk oversight functions. Risk Management Committee provides guidance for implementing the risk management policy across

the organization. The operation heads of each business units are primarily responsible for implementing the risk

management policy of the company and achieving the stated objective of developing a risk intelligent culture that helps to improve the company's performance.

The responsibility of tacking and monitoring the key risks of the division / business unit periodically and implementing suitable mitigation plans proactively is with the senior executives of various functional units. These risk owners are expected to avoid any undue deviations or adverse events and ultimately help in creating value for the business.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014:

(A) Conservation of Energy

1. Energy Conservation Measures Taken

Energy Conservation continues to receive major emphasis and is being systematically mentioned and corrective measures are taken whenever required immediately.

2. Additional investment, and proposals, if any, being implemented.

At present the company has no proposal to make any substantial investments for further reduction of consumption of energy. However, regular up-gradation of facilities is being done as and when required. The Company has been able to control its energy cost substantially.

Total Energy consumption & energy consumption per unit of Production.

S. No.	Particulars	31.03.2020	31.03.2019
1.	Power & Fuel Consumption in respect of Electricity, Power & Water amount	Nil	Nil

(B) Technology Absorption: The Company is carrying on Research and Development in a routine manner along with its manufacturing activities. The initiatives taken by the Company have resulted in lower cost of energy consumption. Company has already absorbed technology fully.

Research, Development and improvement of products are an in built and on-going activity within the existing manufacturing operations of the Company. Expenditure on R&D is not separately allocated and identified.

(C) Foreign Exchange Earnings & Outgo: The Company did not earn or spent any foreign exchange during the year under review.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

Your Company is committed to creating and maintaining a secure work environment where its employees, agents,

vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation.

To empower women and protect women against sexual harassment, a policy for prevention of sexual harassment had been rolled out and Internal Complaints Committee as per legal guidelines had been set up at all major locations of the Company. This policy allows employees to report sexual harassment at the workplace.

The Internal Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines. There are no complaints reported during the year regarding sexual harassment.

STATUTORY AUDITORS

Your directors would like to inform that in the 25th AGM held on September 28, 2017, M/s **M A R S & Associates**, Chartered Accountants (Firm Reg. No. 010484N), was appointed as statutory auditors of the Company for a period of four years i.e. from the conclusion 25th AGM till the conclusion of 29th AGM subject to ratification by members at every AGM.

In terms of the provision relating to statutory auditors forming part of the Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the notice convening the ensuing AGM does not carry any resolution on ratification of the appointment of the Statutory Auditors. **M/s M A R S & Associates** has audited the books of accounts of the Company for the financial year ended March 31, 2020 and has issued the Auditors' Report thereon. There are no qualifications or reservations on adverse remarks or disclaimers in the said report.

AUDITOR'S REPORT

There is no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors of the Company in their report for the financial year ended March 31, 2020. Hence, they do not call for any further explanation or comment U/s 134 (3) (f) of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DECLARATION GIVEN BY INDEPENDENT DIRECTOR

The Company has received declarations from all the Independent Directors of the Company confirming that they met with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT U/S 186

The Company has provided give loans or provide guarantee or make investment during the financial year 2019-20 which are mentioned in the financial statement annexure herewith.

COMPANIES WHICH HAVE BECOME OR CEASEED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES FOR THE COMPANY

The Company did not have any subsidiary, joint venture or associate company during the financial year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No such any material changes.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There was no such order passed against the company during the year.

PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available at the registered office of the Company. The members may obtain the same.

DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014

No directors/employees of the Company was in receipt of amount exceeding a salary of Rs.8.50,000/-per month or Rs.1,02,00,000/- per annum or more when employed for whole of the year, under the provisions of Rule 5 (2) & (3) of The Companies (Appointment And Remuneration) Rules, 2014.

BUSINESS RISK MANAGEMENT

The prospects for the Company's business are dependent upon economic and industrial growth as well as resources available for implementation of liberalization policies of the Government. Adverse changes and delays of lack of funds can affect the business prospects of the Industry and the Company.

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and Senior Management Committees. The Risk Management Committee of the Board ("RMC") reviews compliance with risk policies, monitors risk

tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The RMC nurtures a healthy and independent risk management function to inculcate a strong risk management culture in the Company.

As part of the Risk Management framework, the management of Credit Risk, Market Risk, Operational Risk and Fraud Risk are placed under the Head-Risk, to ensure Integrated Risk Management for various Risks.

INTERNAL CONTROL SYSTEMS

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The Company's internal control system is commensurate with the size, nature and operations of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has vigil mechanism during the financial year. The Board of Directors are under discussion to derive a mechanism through which fraud risk, including corrective and remedial actions as regards people and processes can be determined and implemented.

HUMAN RESOURCES

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operations of the Company.

COMPLIANCE

Since all the stock exchanges where shares of the Company are listed, have been either de-recognized or exit order passed by SEBI, therefore the Listing Agreement executed with the Stock Exchanges and other SEBI rules/regulations/guidelines are not applicable on the Company and the Company is a deemed unlisted company as per the SEBI Circular No. CIR/MRD/DSA/05/2015 dated 17th April, 2015.

DEPOSITS

Your Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE GOVERNANCE

Corporate Governance provisions i.e. Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 and Para C to E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 are not applicable in respect of the Companies having paid up equity share capital not exceeding Rs. 10.00 Crores **AND** net-worth not exceeding Rs. 25.00 Crores as on the last day of the previous financial year. The Company's paid up equity share capital as on 31.03.2020 is Rs.10.74 Crores and the Net-worth is Rs. 4.46 Crores which is less Rs. 25.00 Crores.

REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT, 2013

There were no complaints reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention,

Prohibition and Redressal) Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

ACKNOWLEDGEMENT

The directors express their gratitude to customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, cooperation and support. We thank the Government of India, the State Governments and statutory authorities and other government agencies for their support and look forward to their continued support in the future.

For SKN Industries Ltd

Sd/-

Satish Chopra
(Chairman)

DIN: 01171175

Place: New Delhi
Dated: 28/08/2020

**Address: 12 Forest Lane, Farm Houses,
Ghitorni Village, New Delhi-110030**

Annexure-A
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SKN Industries Limited
12, Forest Lane,
Ghitorni Village,
New Delhi-1100300

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SKN Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SKN Industries Limited for the financial year ended on 31st March, 2020 according to the provisions of:

- (i). The Companies Act, 2013 and the rules made there under (hereinafter called the Act).
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- (iii). The Depositories Act, 1996 and the Regulations and Byelaws framed there under.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase

Scheme) Guidelines, 1999;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) NA..... (Mention the other laws as may be applicable specifically to the company).

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;- company is deemed to be delisted as company is not listed with any stock exchange and this clause is not applicable

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

Our Observations/ Non Compliances/ Adverse Remarks/ Qualifications in respect of the Companies Act, 2013 and rules made there under are as follows:

The Company has allotted shares and consideration of Rs. 4 Cr received against share allotment to promoter category under preferential allotment has been the given as unsecured loan of Rs. 3.72 Cr. to company under same management.

We further report that:

- (i) the Board of Directors of the Company is require to duly constituted. As the Company had appointed Mr. Sunil Sharma and Mr. Rajesh Khanna on 28.02.2001 and 28.02.2001 respectively, as an independent directors of the Company without any specific tenure. As per the documents/ records available with the Company, Mr. Sunil Sharma and Mr. Rajesh Khanna were not appointed / categories as independent directors for the period of five years under section 149 of the Companies Act, 2013. Further the Company has allotted 40 lakh equity shares at Rs. 10/- each to Mr. Satish Chopra and therefore the total capital post allotment turned to Rs. 10.73 Crores and now it is mandatory for the company to appoint minimum two independent directors as per the section 149 of the Companies Act, 2013. The management of company confirmed that they will complied the said provisions at the

earliest. No any changes in the composition of the Board of

Directors took place except as stated above, during the period under review;

(ii) The Company's equity shares were listed on Bombay Stock Exchange, (BSE) and BSE had delisted the equity shares of the Company on 14.01.2004 under compulsory delisting.

(iii) As per SEBI Circular CIR/MRD/DSA/14/2012 dated 30.05.2012 relating to exit policy for De-recognized/ non Operational Stock exchange, the company is exclusive listed company as company was listed on regional Stock Exchange. Further as per BSE notice vide no. 20180328-44 dated 28.03.2018, regarding initiating the action against 129 Exclusive listed companies (ELC) including SKN Industries Ltd as mentioned in serial no. 105 in said notice about consequent of non-compliant. However, the Company had submitted reply to the BSE stated about its proposal for relisting / listing with Metropolitan Stock Exchange of India (MSEI) under its direct listing.

As per para 3.5 of SEBI Circular CIR/MRD/DSA/18/2014 dated 22.05.2014 of 'Exit Circular' the exclusively listed companies, which fail to obtain listing on any other stock exchange, which do not voluntary delist or which are not considered as 'Vanishing companies', **will cease to be listed company** and will be moved to the dissemination board by the existing stock exchange. Further SEBI Circular No. CIR/MRD/DSA/05/2015 dated 17th April, 2015, had also stated that the Exclusively Listed Companies (ELC) which have failed to obtain listing in any other nationwide stock exchange **will cease to be a listed company** and will be moved to the Dissemination Board of by the existing stock exchange and currently, company is on dissemination Board of Bombay Stock exchange vide ISIN INE931C1014 as placed by Delhi Stock exchange.

Therefore, the Listing regulations and other SEBI rules/ regulations / guidelines were not applicable on the Company and the Company was a deemed unlisted company as per the SEBI Circular No. CIR/MRD/DSA/05/2015 dated 17th April, 2015.

(iv). Adequate notice is given to all directors to schedule the Board Meetings and Committee meetings agenda and detailed notes on agenda were sent.

We further report that the management is under process to implement adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For SKM & Associates
Company Secretaries**

Sd/-

Manish Kumar

ACS No.: 48883

CP No. 19169

UDIN No.-A048883B000627991

Date: 28.08.2020

Place: New Delhi

This Report is to be read with our letter of event date which is annexed as Annexure A1 and forms an integral part of this report.

'Annexure A1'

To,
The Members,
SKN Industries Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

**For SKM & Associates
Company Secretaries**

Sd/-

Manish Kumar

ACS No.: 48883

CP No. 19169

Date: 28.08.2020

UDIN No.-A048883B000627991

Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS

Disclaimer: Readers are cautioned that this Management Discussion and Analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate", "believe", "estimate", "intend", "will", and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward-looking statements. The important factors that would make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic markets, raw material prices, changes in the Governmental regulations, labour negotiations, tax laws and other statutes, economic development within India and incidental factors. The Company undertakes no obligation to publicly amend, modify or revise any forward-looking

statements on the basis, of any subsequent developments, information or events. This report is prepared on the basis of public information available on website / report / articles etc. of various institutions. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

Management Discussion and Analysis

The management of SKN Industries Limited presents the analysis of performance of the Company for the financial year ended March 31, 2020 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments in India. Review of Economy In its World Economic Outlook of January 2020, the International Monetary Fund (IMF) estimated global growth of 2.9 percent in 2019 to 3.3 percent in 2020 and 3.4 percent in 2021, a downward revision of 0.1 percentage point in 2019 and 2020 and 0.2 percentage point in 2021 compared to that in the World Economic Outlook of October (WEO). The sharp decline reflects mainly negative economic surprises in a few emerging market economies, particularly India, which resulted in a revaluation of growth potential over the next two years. However, as a result of the COVID-19 pandemic, the World Economic Outlook of April 2020 has projected the global economy to contract to negative 3 percent in 2020. Moreover, as per IMF's World Economic Outlook of April 2020, the global economy is projected to expand by 5.8 percent in 2021 as economic activity normalizes and with the aid of policy support. However, this projection is under the assumption that the COVID-19 pandemic fades in the second half of 2020, and containment efforts can be gradually unwounded. If recovery takes root in the third quarter, the global economy could rebound to 4.8 percent in 2021. Before COVID-19, the outlook for the global economy from various sources suggested a sluggish recovery growth year by year. However, post COVID-19, it is expected that falling demand and disrupted supply chains may trigger a global economic recession. Recovery post COVID-19 is extremely uncertain and depends on factors such as the pathway of the pandemic, the efficacy of containment efforts, the degree of supply disruptions, the consequences of the tightening in the global financial market, change in spending patterns, change in individual behavior (such as people avoiding shopping malls), confidence effects, and volatile commodity prices. The advanced economies such as the United States, Japan, the United Kingdom, Germany, France, Italy, and Spain are experiencing widespread outbreaks of the COVID-19 pandemic and are deploying containment measures. Therefore, for most of the advanced economy group countries, negative growth is projected for 2020. As per IMF's World Economic Outlook of April 2020, growth in the United States is expected to fall from 2.3 percent in 2019 to negative 5.9 percent in 2020 and rise to 4.7 percent in 2021. In the EU area, growth is forecasted to fall from 1.2 percent in 2019 to negative 7.5 percent in 2020 and rise to 4.7 percent in 2021. Growth in the United Kingdom is expected to fall at around negative 6.5 percent in 2020 and increase up to 4 percent in 2021. In Japan, growth is expected to fall from an estimated 0.7 percent in 2019 to negative 5.2 percent in 2020 and rise to 3 percent in 2021. For the emerging market and developing economy group, growth is expected to fall to a negative 1 percent in 2020 and increase to 6.6 percent in 2021 from an estimated 3.7 percent in 2019. In emerging and developing Asia, growth is estimated

to fall from 5.5 percent in 2019 to 1 percent in 2020 and again rise to 8.5 percent in 2021.

Emerging Asia is expected to be the only region with a positive growth rate in 2020, although more than 5 percentage points below its average in the previous decade. In China, growth is anticipated to edge down from a valued 6.1 percent in 2019 to 1.2 percent in 2020 and steeply increase to 9.2 percent in 2021.

Domestic Economy Overview International Monetary Fund (IMF), in its World Economic Outlook of April 2020, estimated India's growth at 4.2 percent in 2019, which is then projected to plunge to 1.9 percent in 2020 and rise sharply to 7.4 percent in 2021. While IMF highlights that India and China would be the only two major economies likely to register growth, with all others contracting the recovery will depend on how the pandemic is controlled in the second half of 2020, and how consumer and investor confidence restored. Moreover, the growth is expected to be supported by the monetary and fiscal stimulus as well as subdued oil prices. As per the Economic Survey 2019-20 by the Ministry of Finance, Government of India, the GDP growth moderated around 4.8 percent in 2019, amidst a weak environment for global manufacturing, trade, and demand. Inflation also increased from 3.3 percent in the first half of the financial year 2019-20 to 7.35 percent in December 2019-20 because of a temporary increase in food inflation. Similarly the World Bank, in its January 2020 Global Economic Prospects, has stated that weakness in credit from non-bank financial companies is expected to linger, and the growth is estimated to slow down to 5 percent by the end of the financial year 2019-20 (March 2020) and recover to 5.8 percent in the next fiscal year. However, as the forecasts were projected before the occurrence of COVID-19 pandemic, the growth projection for the next fiscal year is expected to plunge. The World Bank estimation is forecasted based on monetary policy stance remaining accommodative and stimulative fiscal and structural measures taken to pay off. Organisation for Economic Co-operation and Development in its March update has projected growth rates of 4.9 percent in 2019, 5.1 percent in 2020, and 5.6 percent in 2021 for the Indian economy.

As per the International organization, signs of stabilisation had appeared prior to the COVID-19 outbreak, although economic activity remained weak. However, in the near future, Global economic prospects will continue to remain subdued and uncertain due to the pandemic. The interim Union Budget was presented on 1st February 2020 amid an economic slowdown, along with concerns of rising food inflation. Through a combination of short-term, medium-term, and long-term measures the budget aimed at reviving the Indian economy. The focus in the budget was on three broad themes Aspirational India - better standards of living with access to health, education and better jobs for all sections of the society, Economic Development for all - "Sabka Saath, Sabka Vikas, Sabka Vishwas" and Caring Society - both humane and compassionate. The budget emphasised personal tax rates for the individual taxpayers and gave the option to choose between the existing income tax regime and a new regime. The new regime will slash the income tax rates and new income tax slabs, but no tax exemptions will be allowed. However, which tax regime would be beneficial is likely to depend on the income composition and investments done by the individual. As per the Ministry of Finance, the fiscal deficit for the financial

year 2019-20 settled at 3.8 percent of the GDP, up from the earlier budget target of 3.3 percent. The fiscal deficit target for the financial year 2020-21 is pegged at 3.5 percent of the GDP.

The consumer price inflation had averaged 4.1 percent during the period from April to December 2019 and stood at a high of 7.3 percent in December, mainly due to the rising food prices. Similarly, Wholesale Price Index inflation had averaged 1.5 percent during the period from April to December 2019, which was lower with respect to 4.7 percent in April to December 2018. Despite continuing sluggishness in global demand, the current account deficit narrowed to 1.5% of GDP in the first half of FY 2020 from 2.1% in FY 2019. India has also emerged as an important player in the world, and the medium-term growth prospects of the economy are decent due to the various structural reforms that have been initiated in the last few years. Various economic indicators, such as the improvement in the ease of doing business and the gross FDI inflows, suggest that there has been growing confidence in the Indian economy on a global scale. According to the World Bank's Ease of Doing Business 2020, India is placed 63rd among 190 economies, rising an impressive 14 positions since 2019. Credit rating company Moody's Investor Service in November 2019 has changed India's ratings to negative from stable and has affirmed India's Baa2 local-currency senior unsecured rating and its P-2 other short-term local currency rating. The decision to change the outlook to negative reflects increasing risks that the economic growth would remain lower than in the past due to the gradual rise in the debt burden of the country. The rating balances India's credit strengths, which includes its diverse economy and a stable domestic finance base for government debt. India's long-term foreign-currency bond and bank deposit ceilings remain unchanged.

Company Performance- Performance Highlights

- Revenue for the financial year ended 31st March 2020 is Rs. 81.25 Lakh as against Rs. 60.56 Lakh for the previous Financial Year ended 31st March 2019
- Profit before financial expenses and depreciation for the financial year ended 31st March 2020 is Rs. 29.09 Lakh as compared to Rs. 21.95 Lakh for the previous Financial Year ended 31st March 2019.
- PBT (Profit Before Tax) for the financial year ended 31st March, 2020 is at Rs. 29.09 Lakh against Rs. 21.95 Lakh for the previous Financial Year ended 31st March 2019

Certificate under Regulation 17 (8) of the SEBI (LODR) Regulations, 2015

The Board of Directors SKN Industries Ltd.

We the undersigned certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief :

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee-

- (i) significant changes in internal control over financial reporting during the year;
- (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For SKN Industries Limited

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

**Sd/-
Pradeep Dhamija
CFO**

Annexure-B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U74999DL1992PLC050472
2	Registration Date	28-Sep-1992
3	Name of the Company	SKN INDUSTRIES LIMITED
4	Category/Sub-category of the Company	PUBLIC COMPANY LIMITED BY SHARES
5	Address of the Registered office & contact details	12, FOREST LANE, GHITORNI VILLAGE, NEW DELHI-110030
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PVT. LTD., NOBEL HEIGHTS, 1ST FLOOR, PLOT NO. 2, C-1 BLOCK LSC, NEAR SAVITRI MARKET, JANAK PURI, NEW DELHI-58

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	LPG Products	23209	99.90%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NOT APPLICABLE				

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	132,760	728,760	861,520	12.78%	4,132,760	728,760	4,861,520	45.27%	464.30%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	2,700,680	2,700,680	40.07%	-	2,700,680	2,700,680	25.15%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	132,760	3,429,440	3,562,200	52.86%	4,132,760	3,429,440	7,562,200	70.42%	112.29%

(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	132,760	3,429,440	3,562,200	52.86%	4,132,760	3,429,440	7,562,200	70.42%	112.29%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	4,800	4,800	0.07%	-	4,800	4,800	0.04%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FII's	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	4,800	4,800	0.07%	-	4,800	4,800	0.04%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	13,800	82,100	95,900	1.42%	7200	82000	89,200	0.83%	-6.99%
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	619,520	1,923,678	2,543,198	37.74%	635820	1914178	2,549,998	23.74%	0.27%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	139,600	382,400	522,000	7.75%	139600	382300	521,900	4.86%	-0.02%
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	200	-	200	0.00%	200	-	200	0.00%	0.00%
Trusts	10,802	-	10,802	0.16%	10,802	-	10,802	0.10%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	783,922	2,388,178	3,172,100	47.07%	793,622	2,378,478	3,172,100	29.54%	0.00%

Total Public (B)	783,922	2,392,978	3,176,900	47.14%	793,622	2,383,278	3,176,900	29.58%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	916,682	5,822,418	6,739,100	100.00%	4,926,382	5,812,718	10,739,100	100.00%	112.29%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Satish Chopra	132,760	1.97%	0	4,132,760	38.48%	0	3012.96%
2	Mr. Rameshwar Dayal	113,400	1.68%	0	113,400	1.06%	0	-0.63%
3	Mr. Kapil Chopra	103,060	1.53%	0	103,060	0.96%	0	-0.57%
4	Mr. Nishit Chopra	101,360	1.50%	0	101,360	0.94%	0	-0.56%
5	Mr. Devi Chand	83,600	1.24%	0	83,600	0.78%	0	-0.46%
6	Mr. K.L. Chopra	60,010	0.89%	0	60,010	0.56%	0	-0.33%
7	Mrs. Vijay Chopra	56,010	0.83%	0	56,010	0.52%	0	-0.31%
8	Mrs. Rafi Chopra	50,410	0.75%	0	50,410	0.47%	0	-0.28%
9	Mr. S.R. Sehgal	45,500	0.68%	0	45,500	0.42%	0	-0.25%
10	Mr. Kalu Ram	44,000	0.65%	0	44,000	0.41%	0	-0.24%
11	Mr. Krishan Lal Manchanda	32,400	0.48%	0	32,400	0.30%	0	-0.18%
12	Mr. Sanjeev Bajaj	27,000	0.40%	0	27,000	0.25%	0	-0.15%
13	M/s. Satish Chopra HUF	5,100	0.08%	0	5,100	0.05%	0	-0.03%
14	Mrs. Raj Chopra	3,700	0.05%	0	3,700	0.03%	0	-0.02%
15	Mrs. Poonam Chopra	3,210	0.05%	0	3,210	0.03%	0	-0.02%
16	M/s. SKN Associates Pvt Ltd	2,278,080	33.80%	0	2,278,080	21.21%	0	-12.59%
17	M/s. Bentex Tower Pvt Ltd	154,800	2.30%	0	154,800	1.44%	0	-0.86%
18	M/s. Bentex Chits Pvt Ltd	110,100	1.63%	0	110,100	1.03%	0	-0.61%
19	M/s. Kumar Indl Corporation	55,300	0.82%	0	55,300	0.51%	0	-0.31%
20	M/s. Bentex Exports Pvt Ltd	47,500	0.70%	0	47,500	0.44%	0	-0.26%
21	M/s. SKN Breweries Ltd	36,100	0.54%	0	36,100	0.34%	0	-0.20%
22	M/s. SKN Associates Pvt Ltd	18,100	0.27%	0	18,100	0.17%	0	-0.10%
23	M/s. Luthra Metal Industries Pvt Ltd	700	0.01%	0	700	0.01%	0	0.00%
	TOTAL	3,562,200	52.86%	0	7,562,200	70.42%	0	17.56%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	31.03.2019	Preferential Issue	132,760	1.97%	132,760	1.24%
	Changes during the year	17.03.2020	Allot	4,000,000	59.36%	4,000,000	37.25%
	At the end of the year	31.03.2020		4,132,760	61.33%	4,132,760	38.48%

(iv) Shareholding Pattern of top ten Shareholders*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Sushma Jain						
	At the beginning of the year	31.03.2019		159,400	2.37%	159,400	1.48%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		159,400	0.00%	159,400	1.48%
2	Narender Kumar Aggarwal						
	At the beginning of the year	31.03.2019		48,700	0.72%	48,700	0.45%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		48,700	0.72%	48,700	0.45%
3	Kanishka Jain						
	At the beginning of the year	31.03.2019		41,300	0.61%	41,300	0.38%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		41,300	0.61%	41,300	0.38%
4	Dev Raj Khattar						
	At the beginning of the year	31.03.2019		40,400	0.60%	40,400	0.38%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		40,400	0.60%	40,400	0.38%
5	Arun Kumar						
	At the beginning of the year	31.03.2019		26,700	0.40%	26,700	0.25%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		26,700	0.40%	26,700	0.25%
6	Mangal Chand						
	At the beginning of the year	31.03.2019		25,800	0.38%	25,800	0.24%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		25,800	0.38%	25,800	0.24%
7	Aloke Kumar Singhania						
	At the beginning of the year	31.03.2019		21,400	0.32%	21,400	0.20%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		21,400	0.32%	21,400	0.20%
8	Mukund Mohan Chugh						
	At the beginning of the year	31.03.2019		21,000	0.31%	21,000	0.20%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		21,000	0.31%	21,000	0.20%
9	Ritesh Chopra						
	At the beginning of the year	31.03.2019		18,600	0.28%	18,600	0.17%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		18,600	0.28%	18,600	0.17%

10	Ved Prakash Mehta						
	At the beginning of the year	31.03.2019		16,700	0.25%	16,700	0.16%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		16,700	0.25%	16,700	0.16%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Satish Chopra						
	At the beginning of the year	31.03.2019		132,760	1.97%	4,132,760	38.48%
	Changes during the year	17.03.2020	Allot	4,000,000	59.36%	4,000,000	37.25%
	At the end of the year	31.03.2020			0.00%	4,132,760	38.48%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	6,735,348.00	-	6,735,348.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	6,735,348.00	-	6,735,348.00
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	6,735,348.00	-	6,735,348.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	6,735,348.00	-	6,735,348.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		Name	Designation	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		NIL	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-

2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
		Total (A)	-	-
		Ceiling as per the Act		

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors				
	Fee for attending board committee meetings			NIL	-
	Commission				-
	Others, please specify				-
	Total (1)	-	-		-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name			(Rs/Lac)
		Designation	CEO	CFO	CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		NIL		525,000.00
	(b) Value of perquisites u/s 17(2) Income-tax				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	525,000.00	525,000.00

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)	
A. COMPANY						
Penalty			NIL			
Punishment						
Compounding						
B. DIRECTORS						
Penalty						
Punishment						
Compounding						
C. OTHER OFFICERS IN DEFAULT						
Penalty						
Punishment						
Compounding						

Independent Auditor's Report

**To The Members of
SKN INDUSTRIES LIMITED**

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SKN INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have no key audit matter to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's 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, based on our audit 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 purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. 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, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For M A R S & Associates
Chartered Accountants
(Firm Registration No. 010484N)

Sd/-
CA. Vipul Kumar Gupta
Partner
Membership No. 522310
UDIN:

Place: New Delhi
Date: 28th August 2020

"Annexure- A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.)

- i. In respect of the Company's Fixed Assets:
- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such physical verification.
 - c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

- d. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii. As explained to us, the inventories of the Company have been physically verified by the management at regular intervals during the year. There were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii. The Company has granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. The Company has granted unsecured loan to Haryana City Gas Distribution (Bhiwadi) Limited amounting to Rs. 3,72,00,000.
- iv. According to the information and explanations given to us, since the company has not given any loan or guarantee or provided any security in connection with loan or acquired securities during the year, paragraph 3(iv) of the order is not applicable to the company.
- v. The Company has not accepted any deposits from the public. Therefore the provisions of clause (v) of para 3 of the order are not applicable to the Company.
- vi. The Central Government has prescribed the maintenance of cost records under Section 148(1) of the Act. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues :
- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- c. Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2020 on account of dispute are given below :

Nature of the Statute	Nature of the Dues	Forum where dispute is pending	Amount (Rs.)
Not Applicable			

- viii. The Company has not defaulted in the repayment of dues to banks. The Company has not borrowed from financial institutions or Government and has not issued any debentures during the year.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. The Company has raised monies only by way of Cash Credit/Term Loans and the Loans are applied for the purpose for which the loans are raised.
- x. According to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M A R S & Associates
Chartered Accountants
(Firm Registration No. 010484N)

Sd/-
CA. Vipul Kumar Gupta
Partner
Membership No. 522310
UDIN:

Place: New Delhi
Date: 28th August 2020

“Annexure- B” to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 SKN Industries Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 the 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 risk. 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.

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

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of 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 periods 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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, 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 M A R S & Associates
Chartered Accountants
(Firm Registration No. 010484N)

Sd/-
CA. Vipul Kumar Gupta
Partner
Membership No. 522310
UDIN:

Place: New Delhi
Date: 28th August 2020

BALANCE SHEET AS AT 31ST MARCH 2020

Amount in Rs.

PARTICULARS	NOTE	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
ASSETS			
Non-current Assets			
Property, Plant & Equipment	2.12	8,604,707	8,604,707
Financial Assets			
Investments	2.13	-	-
Loans & Advances	2.14	37,200,000	-
Deferred Tax Asset (Net)	2.4	3,900,153	3,900,153
Other Non-current Assets	2.15	-	-
Current Assets			
Inventories	2.16	-	-
Financial Assets			
Trade Receivables	2.17	6,993,389	292,059
Cash & Cash Equivalents	2.18	172,688	1,984,693
Loans & Advances	2.19	-	-
Other Current Assets	2.20	-	-
TOTAL Assets		56,870,937	14,781,612
EQUITY & LIABILITIES			
Equity			
(a) Equity Share Capital	2.1	107,391,000	67,395,500
(b) Other Equity	2.2	(58,061,081)	(60,179,492)
Non-Current Liabilities			
Financial Liabilities			
Long-term Borrowings	2.3	-	-
Long-term Provisions	2.5	-	-
Deferred Tax Liability (Net)	2.4	-	-
Current Liabilities			
Financial Liabilities			
(a) Short-term Borrowings			
(i) Loan repayable on demand	2.6 & 2.7	6,735,348	6,735,348
(ii) Deposits	2.8	-	-
(b) Trade Payables	2.9	-	205,000
Other Current Liabilities	2.10	44,500	29,500
Short-term Provisions	2.11	-	-
Current Tax Liabilities (Net)		761,170	595,756
TOTAL Equity and liabilities		56,870,937	14,781,612

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1&2

The Notes referred to above from an internal part of the Balance Sheet.

For M A R S & Associates

Chartered Accountants
 (Firm Registration No. :010484N)

Sd/-
Vipul Kumar Gupta
 Partner
 Membership No. 522310
 UDIN:

Place- New Delhi
 Date- 28.08.2020

For SKN Industries Limited

Sd/-
Satish Chopra
 Managing Director
 DIN-01171175

Sd/-
Sonia Chopra
 Director
 DIN- 05198748

Sd/-
Akash Phalswal
 Company Secretary

Sd/-
Pardeep Kr. Dhamija
 CFO

SKN INDUSTRIES LIMITED

CIN: U74999DL1992PLC050472

Regd. Office: 12, Forest Lane, Ghitorni Village, New Delhi-110030

Email: info@sknindustries.com, Cont: 0124-4272107

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	NOTE	AS AT 31ST MARCH 2020 Amount (in Rs.)	AS AT 31ST MARCH 2019 Amount (in Rs.)
Revenue From Operations	2.21	8,125,150	6,056,218
Other Income	2.22	4,500	564,782
TOTAL REVENUE		8,129,650	6,621,000
EXPENSES			
Cost of Material Consumed	2.23	-	-
Purchase of Stock-in-Trade	2.24	4,174,660	2,604,876
Changes in Inventories of Finished Goods and Work-in-	2.25	-	-
Employee Benefits Expenses	2.26	444,800	426,862
Finance Cost	2.27	-	118
Manufacturing Expenses	2.28	-	-
Administrative and Other Expenses	2.29	561,255	640,083
Selling & Distribution Expenses	2.30	39,060	18,900
Change In DTA due to effective rate of Tax	2.4	-	735,029
Depreciation	2.10	-	-
TOTAL EXPENSES		5,219,775	4,425,868
Profit Before Tax & Extraordinary Items		2,909,875	2,195,132
Exceptional Items	-	-	-
Profit Before Tax		2,909,875	2,195,132
Tax Expenses:-			
Current Tax		761,170	595,756
Deferred Tax		-	-
Earlier Year		30,294	-
Profit / (Loss) for the year		2,118,411	1,599,376
Profit for the year attributable to:-			
Equity Shareholders of the parent		2,118,411	1,599,376
Non-Controlling Interest		-	-
OTHER COMPREHENSIVE INCOME			
Items that will not reclassified to profit & loss		-	-
Balance Other Comprehensive Income for the year		-	-
Other Comprehensive Income for the year attributable to:-			
Equity Shareholders of the parent		-	-
Non-Controlling Interest		-	-
Total Comprehensive Income for the year		2,118,411	1,599,376
Basic Earning Per Share		0.20	0.24
Diluted Earning Per Share		0.20	0.24

The Notes referred to above from an internal part of the Balance Sheet.

For M A R S & Associates

Chartered Accountants
(Firm Registration No. :010484N)

For SKN Industries Limited

Sd/-
Vipul Kumar Gupta
Partner
Membership No. 522310
UDIN:

Sd/-
Satish Chopra
Managing Director
DIN-01171175

Sd/-
Sonia Chopra
Director
DIN- 05198748

Place- New Delhi
Date- 28.08.2020

Sd/-
Akash Phalswal
Company Secretary

Sd/-
Pardeep Kr. Dhamija
CFO

SKN INDUSTRIES LIMITED

CIN: U74999DL1992PLC050472

Regd. Office: 12, Forest Lane, Ghitorni Village, New Delhi-110030

Email: info@sknindustries.com, Cont: 0124-4272107

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2020

Amount in Rs.

	Year ended 31-03-2020	Year ended 31-03-2019
A. Cash Flow from Operating Activities:		
Net Profit before tax for the year	2,909,875	2,195,132
Adjusted for:		
i. Depreciation	-	-
ii. Earlier Year Tax Liability	-	-
iii. Provision for Tax	-	-
iv. Interest	-	118.00
v. Previous Year Tax Adjustment	-	-
v. Gratuity Paid	-	-
vi. Interest on Income Tax	-	-
vii. Profit on sale of fixed assets	-	-
	-	118
Operating profit before working capital changes	2,909,875	2,195,250
Adjusted for changes in:		
i. Inventories	-	-
ii. Trade & Other Receivables	(6,701,330)	(292,059)
iii. Short Term Loans & Advances	-	-
iii. Trade Payable & Other Liabilities	(190,000)	165,384.00
	(6,891,330)	(126,675)
Cash Generated from Operations	(3,981,455)	2,068,575
Taxes Paid	(626,050)	(647,672)
Net Cash flow from Operating Activities (A)	(4,607,505)	1,420,903
B. Cash Flow from Investing Activities:		
i. Purchase of Fixed Assets	-	-
ii. Sale of Fixed Assets	-	-
iii. Increase/ decrease in Non-current assets	(37,200,000)	735,029
iv. Increase/(decrease) in Bank balances not considered as cash and cash equivalents	-	-
	(37,200,000)	735,029
Net Cash flow from Investing Activities (B)	(37,200,000)	735,029
C. Cash Flow from Financing Activities:		
i. Increase in Share Capital & Securities Premium	39,995,500	-
ii. Net Increase/(decrease) in Long Term Borrowings	-	-
iii. Net Increase/(decrease) in Non-current Liabilities	-	-
iv. Net Increase/(decrease) in Short Term Borrowings	-	(240,000)
v. Interest Paid	-	(118)
	39,995,500	(240,118)
Net Cash flow from Financing Activities (C)	39,995,500	(240,118)
Net increase/decrease in Cash &	(1,812,005)	1,915,814
Opening Balance of Cash & Cash Equivalents	1,984,693	68,879
Closing Balance of Cash & Cash Equivalents	172,688	1,984,693

Reconciliation of Cash and Bank Balances with Balance Sheet

Cash and Bank Balances as per Balance Sheet	172,688	1,984,693
Less: Bank Balances not considered as Cash and Cash Equivalents	-	-
Cash & Cash Equivalents as on Balance Sheet Date	172,688	1,984,693

The Notes referred to above from an internal part of the Balance Sheet.

For M A R S & Associates

Chartered Accountants

(Firm Registration No. :010484N)

Sd/-

Vipul Kumar Gupta

Partner

Membership No. 522310

UDIN:

Place- New Delhi

Date- 28.08.2020

Sd/-

Satish Chopra

Managing Director

DIN: 01171175

Sd/-

Sonia Chopra

Director

DIN: 5198748

Sd/-

Pardeep Kr. Dhamija

CFO

Sd/-

Akash Phalswal

Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2020

Particulars	Attributable To Equity Shareholders Of The Parent				Total	Non-Controlling Interest	Total Equity
	Share Capital	P&L	Item of OCI				
			FVTOCI Reserve	Other Reserve			
As at 1 April 2019	67,395,500.00	(60,179,491.62)	-	-	7,216,008.38	-	7,216,008.38
Change in Policy	-	-	-	-	-	-	-
Balance	67,395,500.00	(60,179,491.62)	-	-	7,216,008.38	-	7,216,008.38
Profit for the period	-	2,118,411.00	-	-	2,118,411.00	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Proposed Dividend	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
As at 31 MARCH 2020	67,395,500.00	(58,061,080.62)	-	-	9,334,419.38	-	7,216,008.38

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2019

Particulars	Attributable To Equity Shareholders Of The Parent				Total	Non-Controlling Interest	Total Equity
	Share Capital	P&L	Item of OCI				
			FVTOCI Reserve	Other Reserve			
As at 1 April 2018	67,395,500.00	(61,778,867.30)	-	-	5,616,632.70	-	5,616,632.70
Change in Policy	-	-	-	-	-	-	-
Balance	67,395,500.00	(61,778,867.30)	-	-	5,616,632.70	-	5,616,632.70
Profit for the period	-	1,599,375.68	-	-	1,599,375.68	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Proposed Dividend	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
As at 31 MARCH 2019	67,395,500.00	(60,179,491.62)	-	-	7,216,008.38	-	5,616,632.70

NOTE - 2 : NOTES ON ACCOUNTS
2.1 : EQUITY SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31.03.20		As at 31.03.2019	
	Number	Amount	Number	Amount
Authorised Capital				
Equity Shares of Rs.10.00 each	12,700,000	127,000,000	7,500,000	75,000,000
Issued Capital				
Equity Shares of Rs. 10.00 each fully paid up As per Last Balance Sheet	10,739,100	107,391,000	6,739,100	67,391,000
Subscribed Capital				
Equity Shares of Rs. 10.00 each fully paid up As per Last Balance Sheet	10,739,100	107,391,000	6,739,100	67,391,000
Paid up Capital				
Equity Shares of Rs. 10.00 each fully paid up At the beginning and at the end of the year	10,739,100	107,391,000	6,739,100	67,391,000
Foreited Shares of Rs. 5/- each As per Last Balance Sheet	-	-	900	4,500
TOTAL	10,739,100	107,391,000	6,740,000	67,395,500
Reconciliation of Number of Equity Shares				
(A) Shares Outstanding at the beginning of the financial year	6,739,100	67,391,000	6,739,100	67,391,000
(B) Issued During the Year	4,000,000	40,000,000	-	-
© Shares Forfeited/Brought Back/Cancelled During the Year	-	-	-	-
(D) Shares Outstanding at the end of the financial year	10,739,100	107,391,000	6,739,100	67,391,000

2.1.1 Shareholders holding more than 5% of the equity shares in the Company

Name of the Shareholder	As at 31.03.2020		As at 31.03.2019	
	Number of shares of the Company held by the shareholder	% holding	Number of shares of the Company held by the shareholder	% holding
SKN ASSOCIATES PVT LTD.	2,296,180.00	21.38	2,296,180.00	34.07
BENTEX TOWER PVT LTD	154,800.00	1.44	154,800.00	2.30
SATISH CHOPRA	4,132,760.00	38.48	132,760.00	1.97
RAMESHWAR DAYAL	113,400.00	1.06	113,400.00	1.68
BENTEX CHITS PVT LTD	110,100.00	1.03	110,100.00	1.63
KAPIL CHOPRA	103,060.00	0.96	103,060.00	1.53
NISHIT CHOPRA	101,360.00	0.94	101,360.00	1.50
DEVI CHAND	83,600.00	0.78	83,600.00	1.24
	7,095,260.00	66.07	3,095,260.00	45.93

2.1.2. Rights, preferences and restrictions attached to the Equity Shares

The Equity Shares of the Company, having par value of Rs. 10.00 per share, in all respects including voting rights and entitlement to dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining number assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the of equity shares held by the share holders.

2.2 : OTHER EQUITY

Particulars	As at 31.03.2020	As at 31.03.2019
	Rs.	Rs.
Surplus	(58,061,081)	(60,179,492)
TOTAL	(58,061,081)	(60,179,492)

2.3 : SECURED LOANS - LONG TERM

Particulars	As at 31.03.2020	As at
	Rs.	Rs.
TOTAL	-	-

2.3.1 Company had not acquired any Secured Loans from any Bank or any other Financial Institution

2.4 : DEFERRED TAX LIABILITIES

Particulars	As at 31.03.2020	As at 31.03.2019
	amount in Rs.	amount in Rs.
Deferred tax liabilities		
On fiscal allowances on fixed assets	-	-
	-	-
Deferred tax assets		
On fiscal allowances on fixed assets	3,900,153	3,900,153
	3,900,153	3,900,153
Deferred tax assets / (Liabilities) (Net)	3,900,153	3,900,153

2.5 : LONG TERM PROVISIONS

Particulars	As at 31.03.2020 amount in Rs.	As at 31.03.2019 amount in Rs.
TOTAL	-	-

2.6 : LOANS FROM BANK - SECURED

Particulars	As at 31.03.2020 amount in Rs.	As at 31.03.2019 amount in Rs.
TOTAL	-	-

2.7 : LOANS FROM OTHER PARTIES - UNSECURED

Particulars	As at 31.03.2020 amount in Rs.	As at 31.03.2019 amount in Rs.
Satish Chopra	6,235,348.00	6,235,348.00
Sonia Chopra	500,000.00	500,000.00
TOTAL	6,735,348	6,735,348

2.8 : DEPOSITS

Particulars	As at 31.03.2020 amount in Rs.	As at 31.03.2019 amount in Rs.
TOTAL	-	-

2.9 : TRADE PAYABLES

Particulars	As at 31.03.2020	As at 31.03.2019
Purvi Pratap Udeshi	-	205,000.00
TOTAL	-	205,000

2.10 : OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2020	As at 31.03.2019
Other Liabilities		
TDS Payable	15,000.00	-
Audit Fee Payable	29,500.00	29,500.00
TOTAL	44,500.00	29,500

2.11 : SHORT TERM PROVISIONS

Particulars	As at 31.03.2020	As at 31.03.2019
TOTAL	-	-

Note 2.12 Property, Plant and Equipment

Particulars	Plant & Machinery	Furniture & Fixture	Office Equipment	Computer & Data Processing Units	Total
<u>Cost</u>					
At 01/04/2018	35,403,104	876,445	1,743,540	854,392	38,877,481
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
Exchange Difference	-	-	-	-	-
At 31/03/2019	35,403,104	876,445	1,743,540	854,392	38,877,481
<u>Depreciation & Impairment</u>					
At 01/04/2018	27,349,757	873,922	1,269,456	779,639	30,272,774
Depreciation charged during the year	-	-	-	-	-
Impairment	-	-	-	-	-
Disposal	-	-	-	-	-
Exchange Difference	-	-	-	-	-
At 31/03/2019	27,349,757	873,922	1,269,456	779,639	30,272,774
Net Book Value					
At 31/03/2019	8,053,347	2,523	474,084	74,753	8,604,707
At 31/03/2018	8,053,347	2,523	474,084	74,753	8,604,707

2.13: NON- CURRENT INVESTMENTS

(Trade - Fully paid up)

Investment in Equity Instruments - Quoted

Name of the company	Face Value per	As at 31.03.2020	As at 31.03.2019

2.14 : LONG TERM LOANS AND ADVANCES

(Secured and Considered Good)

Particulars	As at 31.03.2020 Amount in Rs.	As at 31.03.2019 Amount in Rs.
Haryana City Gas Distribution (Bhiwadi) Limited	37,200,000.00	-
TOTAL	37,200,000.00	-

2.15 : OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2020 Amount in Rs.	As at 31.03.2019 Amount in Rs.
Total	-	-

2.16: INVENTORIES

Particulars	As at 31.03.2020 Amount in Rs.	As at 31.03.2019 Amount in Rs.
TOTAL	-	-

2.17: TRADE RECEIVABLES (Unsecured)

Particulars	As at 31.03.2020 Amount in Rs.	As at 31.03.2019 Amount in Rs.
Sundry Debtors	6,993,389.00	292,059.00
TOTAL	6,993,389.00	292,059.00

2.18: CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2020 Amount in Rs	As at 31.03.2019 Amount in Rs
Balances with Banks		
HDFC Bank Ltd-50200031741956	8,830	16,000
HDFC Bank Ltd-50200026240205	157,745	37,360
Cheque Deposited and not Presented	0	1,470,420
Cash in Hand	6,113	460,913
TOTAL	172,688	1,984,693

2.19: SHORT TERM LOANS AND ADVANCES

(Unsecured – Considered Good)

Particulars	As at 31.03.2020 Amount in Rs	As at 31.03.2019 Amount in Rs
Advances to	-	-
	-	-

Advances due from Companies/ Firms under same Management

Luthra Metal Industries Pvt. Ltd.	-	-
Mr. Satish Chopra	-	-
Mr. Karan Chopra	-	-
SKN Associates PVT. LTD.	-	-
TOTAL	-	-

2.20: OTHER CURRENT ASSETS

Particulars	As at 31.03.2020	As at 31.03.2019
	Rs.	Rs.
TOTAL	-	-

2.21: REVENUE FROM OPERATIONS

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Amount in Rs.	Amount in Rs.
Sale of Goods	8,125,150.00	6,056,218.00
TOTAL	8,125,150.00	6,056,218.00

2.22: OTHER INCOME

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Amount in Rs.	Amount in Rs.
Miscellaneous Income	4,500.00	324,782.00
Sundry Written off	-	240,000.00
Subscription Income	-	-
TOTAL	4,500.00	564,782.00

2.23: COST OF MATERIAL CONSUMED

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Amount in Rs.	Amount in Rs.
Opening Stock of Raw Materials	-	-
Add : Purchases	-	-
Less : Closing Stock of Raw Materials	-	-
TOTAL	-	-

2.24: PURCHASE OF STOCK IN TRADE

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Amount in Rs.	Amount in Rs.
Finished Goods	4,174,660.00	2,604,876.00
TOTAL	4,174,660.00	2,604,876.00

2.25: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Amount in Rs.	Amount in Rs.
Opening Stock		
Finished Goods	-	-
Work-in-Progress	-	-
Less : Closing Stock		
Finished Goods	-	-
Work-in-Progress	-	-
TOTAL	-	-

2.26: EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Amount in Rs.	Amount in Rs.
Salary & Wages	315,000.00	300,000.00
Staff Welfare	10,200.00	9,000.00
Wages	119,600.00	117,862.00
Labour Welfare Contribution	-	-
TOTAL	444,800.00	426,862.00

2.27: FINANCE COST

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Rs.	Rs.
Interest Expenses- Bank	-	-
Interest Expenses- Other	-	-
Bank Charges	-	118
TOTAL	-	118

2.28: MANUFACTURING EXPENSES

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Rs.	Rs.
TOTAL	-	-

2.29: ADMINISTRATIVE AND OTHER EXPENSES

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Rs.	Rs.
Auditors Remuneration	29,500.00	29,500.00
Annual General Meeting Expenses	119,368.00	33,998.00
Electricity & Water Charges	-	-
Fee , Rates & Taxes	187,720.24	256,970.00
Sale Tax written off	-	-
Legal & professional	153,951.01	187,460.03
Misc. Balance W/OFF	-	-
Interest on Income Tax	-	-
Postage & Telegram	-	45,639.45
Printing & Stationary	70,716.00	46,517.00
PF Demand	-	-
E.S.I. Demand	-	40,000.00
Short & Excess	(0.25)	(1.16)
Telephone Expenses	-	-
Repairs & Maintenance-Vehicle	-	-
TOTAL	561,255.00	640,083.32

2.29.1: AUDITORS REMUNERATION

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Rs.	Rs.
Audit Fees	29500	29500
TOTAL	29,500	29,500

2.30: SELLING & DISTRIBUTION EXPENSES

Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
	Rs.	Rs.
Advertisement & Publicity	39060	18900
TOTAL	39,060	18,900

NOTE-1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2020

1. CORPORATE INFORMATION

SKN INDUSTRIES LIMITED (the Company) is a Private Limited Company incorporated under the provisions of The Companies Act 1956 on 28th September 1992. The Company is engaged in Business of manufacturers, trading, importers etc in all kind of electrical and electronic equipment's, foods, wines etc..

2. Significant Accounting policies

These financial statements are per Ind AS financial statement. The entity has adopted all the Ind AS standards and the adoptions were carried out in accordance with Ind AS 101 First Time Adoption of Indian Accounting Standards during the year 2017-18. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) , which was previous GAAP. Background M/s SKN INDUSTRIES LIMITED (the Company) was incorporated on 28th day of September 1992 under the Companies Act, 1956..

2.1. Basis of Accounting

The Company follows the Mercantile System of Accounting under historical cost convention except otherwise stated. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

2.2. Use of Estimates

The Preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

2.3. Property, Plant & Equipment

a) Property Plant & Machinery are stated at actual cost, less accumulated depreciation and impairment. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the assets ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the assets is ready for its intended use. Subsequent expenses on fixed assets after its purchase is capitalized only if such expenses results in an increase in the future benefits from such assets beyond the previously assessed standards of performance. The cost and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are recognized in the Statement of Profit and Loss.

b) Expenditure incurred during period of construction, including all direct and indirect expenses , incidental and related to construction are allocated to Fixed Assets.

c) The Carrying amount of assets including those assets that are not available for use, are reviewed at each balance sheet date to determine whether there is any indication of Impairment, if any.

2.4. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated (intangibles, excluding capitalized development costs, are not capitalized and there related expenditure Is reflected in profit or loss in the period in which the expenditure is incurred.

2.5. Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Equity investments An equity investments In scope of Ind AS 109 are

measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind ASI 03 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is Irrevocable. If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.6. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.7. Impairment of Non-Financial Assets

The entity, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash Inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 27th Annual Report 2018-2019. In assessing value In use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions" can be identified, inappropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

2.8. Provision Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

2.9. Revenue Recognition

Revenue from the sale of goods are recognized upon passing the risk and reward of the goods to the customers coincides with their delivery.

2.10. Depreciation

No depreciation has been charged during the year because assets have already been depreciated to their residual values.

2.11. Foreign Currency Transaction

Foreign Currency Transaction are recorded at the exchange rates prevailing on the date of transaction. Foreign Currency balance of monetary items as on the balance sheet date are realigned in the accounts on the basis of exchange rates prevailing at the close of the year .Any income or expenses on account of exchange difference

other than Non-Monetary Item either on settlement or on transaction is recognized as revenue. Gain or Loss on non-monetary item is recognized in other comprehensive income.

2.12. Employee Benefit

The company has Defined Contribution Plans for post-employment benefits namely Provident Fund Contribution which is made at the prescribed rates to the Provident Fund Commissioner and is charged to the Profit & Loss Account. There are no other obligation other than the contribution payable. The company has defined benefit plans namely leave encashment as Compensated Absence and Gratuity for employees. The liability for leave encashment and gratuity is determined on the basis of an actuarial valuation at the end of the year. Gains or Losses arising out of actuarial valuation are recognized in other comprehensive income.

2.13. Provision for Current and Deferred Tax

Provision for current tax is made for an amount of Rs 7,61,170.00 after taking into consideration of benefits admissible under the provisions of the income tax act, 1961. As per Ind AS 12, Deferred Tax is based on balance sheet approach. It requires recognition of tax consequences of differences between carrying amounts of assets and liabilities and their tax base.

2.14. Company did not call for the confirmation of accounts from sundry Creditors, Debtors, Accounts payable and other Loans & Advances. However, in the opinion of the directors, Current assets , Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

2.15. Unsecured Loans are scrutinized , Terms & conditions of loan taken by the company are prima-facie not prejudicial to the interest of the company except to the extent there are no covenants with regard to repayment of loan.

2.16. Company is a Associate company of M/S SKN ASSOCIATES PRIVATE LIMITED.

2.17. The Balance Sheet and Profit & Loss Account have complied the accounting standards as required in the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules,2014.

2.18. Information on related parties as required by Accounting Standard-AS 18 "Related Party disclosures".

As per the Accounting Standard 18 regarding Related Party Disclosure issued by The Institute of Chartered Accountants of India regarding Related party Disclosure, the Company has given the following Disclosure for the year.

The Company has identified the related parties having transaction during the year, as per the details given below, No provision for doubtful debts is required to be made and no amount was written off or written off or written back from such parties.

I. Related party disclosures

1. Associate Company

M/S SKN Associate Private Ltd Holding of 21.38% of Equity Capital

2. Key Management Personnel

⇒ Satish Chopra

⇒ Sunil Sharma

II. Details of transactions with related parties

(Financial Transactions have been carried at in the ordinary course of business and/or in discharge of contractual obligation)

For the year		Ended 31/03/2020
Particular		
Capital Advances From Directors		
Satish Chopra		62,35,348.00
Sonia Chopra		5,00,000.00

2.19. Earning per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of any extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

	<u>31.03.2020</u>	<u>31.03.2019</u>
PAT as per statement of Profit & Loss	21,18,411	15,99,376.68
Number of Equity shares Outstanding	1,07,39,100	67,39,100
Basic and Diluted Earning per share	0.20	0.24

2.20. Auditors Remuneration Charged to Accounts is Rs 29500.00 (inclusive of GST)

For M A R S & Associates

Chartered Accountants

(Firm Registration No. :010484N)

Sd/-

Vipul Kumar Gupta

Partner

Membership No. 522310

UDIN:

Place- New Delhi

Date- 28.08.2020

For SKN Industries Limited

Sd/-

Satish Chopra

Managing Director

DIN-01171175

Sd/-

Sonia Chopra

Director

DIN- 05198748

Sd/-

Pardeep Kr. Dhamija

CFO