



**SKN**

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**SKN INDUSTRIES LIMITED**

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**29TH  
ANNUAL  
REPORT**

**2020-21**



# COMPANY INFORMATION

## Board of Directors

Mr. Satish Chopra  
Managing Director

Mrs. Sonia Chopra  
Non Executive Director

Mr. Gautam Kapur  
Independent Director

Mr. Rajesh Khanna  
Independent Director

## Key Managerial Personnel

Mr. Pardeep Kr. Dhamija  
Chief Financial Officer

Mr. Akash Phalswal  
Company Secretary

## Registered Office

#368/369, 3rd Floor,  
Basant Building, Chaudhary  
Market, Sultanpur, New Delhi

## Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.  
#Nobel Heights, 1st Floor, C-1 Block,  
Near Savitri Market, Janakpuri, New  
Delhi

## Corporate Identification Number

U74999DL1992PLC050472

## Statutory Auditors

M/s M.A.R.S. & Associates  
Chartered Accountants  
LIG Flat No-27, Ground Floor,  
Ashoka Pahari, Faiz Road, Karol  
Bagh, New Delhi-110005

## Secretarial Auditors

M/s SKM & Associates  
Company Secretaries  
C-34, Nawada Housing Complex,  
Near Tarak Hospital, Dwarka More,  
New Delhi

## Bankers

HDFC Bank Ltd.

## Factories

#12/3, Mile Stone, Delhi Mathura  
Road, Faridabad-121003



**Chairman Speech**  
**The Speech of the Chairman, Mr. Satish Chopra,**  
**at the 29<sup>th</sup> Annual General Meeting of SKN Industries Limited**

Good Morning,  
Ladies and Gentlemen!

It gives me great pleasure to welcome you all to the 29<sup>th</sup> Annual General Meeting of **SKN Industries Limited**.

I would have very much liked to meet and address you in person, but as you know, we are holding this meeting over a virtual platform due to the prevailing unprecedented circumstances. I would like to thank you for sparing the time to join us today from wherever you are, and for your continued faith in SKN and its management. I hope you and your family members are remaining healthy and staying safe.

In our continues effort to provide liquidity to our esteemed numerous shareholders, we are finding all possible way to get relist shares of the company with the Stock Exchange and recently raised capital of Rs. 400 Lakh through preferential allotment of equity shares for financing working capital, and thus we are adequately capitalized.

When the country began witnessing early signs of the pandemic in January 2020 and followed by country wide lock down, business get affected for current fiscal 19-20 and at the same time, it became clear that the business for rest of FY20-21 would be challenging periods as well. As I speak, the infection rate continues to rise in several parts of the country, but we are learning to live and work in the changed circumstances. The advent of a few lifesaving medicines provides welcome relief and there is hope that a vaccine will be available before the end of this calendar year. I must salute the spirit of the authorities, healthcare workers, police, NGOs and public, in fighting the pandemic. I must acknowledge the understanding and support of our numerous shareholders, on whose trust we continue excited to do better. To remind you, the credo of your company is, "I am SKN.

I continue to look at SKN with great optimism and as a company with great deal of resilience. The road ahead is full of challenges, but it is equally exciting and promising. I wish to place on record my deep sense of gratitude to my colleagues on the Board for their counsel and support. I am thankful to KMP, the insights and advice of whom I deeply value. I thank you once again for your continued faith in SKN and its management. I wish you and your family members

All the best!

Thank you!

**SKN**

## **NOTICE**

### **SKN INDUSTRIES LIMITED (CIN: U74999DL1992PLC050472)**

Registered Office: 368/369, 3rd Floor, Basant Building  
Chaudhary Market, Sultanpur New Delhi 110030

Email: [info@sknindustries.in](mailto:info@sknindustries.in), Website: [www.sknindustries.in](http://www.sknindustries.in)

Phone: 0124-4272107

Notice is hereby given that 29<sup>th</sup> Annual General Meeting of the Members of **SKN Industries Limited** (CIN:- U74999DL1992PLC050472) will be held on Thursday, September 30, 2021 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 General Circular No. 14/2020 dated 08<sup>th</sup> April 2020, Circular no. 17/2020, dated 13<sup>th</sup> April 2020, Circular No. 20/2020 dated 05<sup>th</sup> May 2020 and Circular No. 02/2021 dated 13<sup>th</sup> January 2021 (collectively referred as circulars), 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, 2021.**

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

**"RESOLVED THAT** audited Financial Statements of the Company for the financial year ended 31st March 2021 along with Board's Report, Independent Auditors' Report thereon and Secretarial Auditor's Report and other Annexures therewith, be and are hereby received, considered, approved and adopted."

##### **Item no. 2: Re-appointment of Mr. Satish Chopra as a Director of the Company, liable to retire by rotation**

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

**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 as a Director of the Company, liable to retire by rotation**

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

**"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.

##### **Item no. 4: Appointment of M/s. A R M S & Associates, Chartered Accountant, as Statutory Auditors of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with rules made thereunder and other applicable provisions if any, M/s A R M S & Associates, Chartered Accountant [Firm Registration No.: 013019N be and is hereby appointed as the Statutory Auditor of the Company for the period of five years with effect from the conclusion of this Annual General Meeting of the Company (i.e. 29<sup>th</sup> AGM) till the conclusion of 34<sup>th</sup> Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors for the performance of their duties in connection with the audit of the Company for the financial years ending March 31, 2022 to March 31, 2027.

#### **SPECIAL BUSINESS:**

##### **Item No. 5. Re-Appointment of Mr. Satish Chopra as Managing 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 196, 197 & 203 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Schedule V of the Act, Mr. Satish Chopra (DIN: 01171175) be and is hereby reappointed as Managing Director of the Company, for a period of 5 years with effect from July 21, 2021, liable to retire by rotation, without any remuneration."

**"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. 11273**

Place: New Delhi  
Dated: 27th August, 2021

## NOTES:

1. 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 05<sup>th</sup> May, 2020 read with General Circular No. 14/2020 dated 08<sup>th</sup> April, 2020 and also the General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 and circular no. 02/2021 dated 13<sup>th</sup> January 2021 issued by Ministry of Corporate Affairs (MCA) (hereinafter referred as "MCA Circulars"). The facility of VC or OVAM 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 Intime India Private Limited. The framework prescribed by MCA in said circulars would be available to the members for effective participation in following manner:
  - a. Company is convening 29<sup>th</sup> 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.
  - b. 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.
  - c. Notice of 29<sup>th</sup> AGM and Financial Statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for FY 2020-21, are being sent only through email to all members as on August 27, 2021 (i.e. based on Benpose report after the board meeting in which notice is approved) on their registered email id with the company and no physical copy of the same would be dispatched. 29<sup>th</sup> Annual Report containing Notice, Financial Statements and other documents are available on the on the website of the Company ([www.sknindustries.in](http://www.sknindustries.in)).
  - d. 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.
  - e. 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.
  - f. 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.
  - g. 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 authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
  - h. 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](mailto:info@sknindustries.in). Further, queries / questions may also be posed concurrently during the general meeting at given email id.
  - i. 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.
  - j. 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. 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.
    - b. **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.**
2. In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address

In case the shareholder has not registered his/her/ their email address with the Company/its RTA/ Depositories and or not

updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., [www.linkintime.co.in](http://www.linkintime.co.in) under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit. OR
- (ii) In the case of Shares held in Demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business in the notice is annexed hereto.

4. 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.

5. 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 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Link Intime India Pvt Ltd.
- 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. September 23, 2021, 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 September 27, 2021 and ends at 5:00 p.m. (IST) on September

29, 2021. The e-voting module shall be disabled by Link Intime India Pvt Ltd 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. 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:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9<sup>th</sup> June, 2021 Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

<u>Type of share holders</u>	<u>Login Method</u>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"> <li>•If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.</li> <li>•After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>•If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register</li> </ul>

	<p>Online for IDEAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <ul style="list-style-type: none"> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>	<p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ul style="list-style-type: none"> <li>• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>	<p><b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b></p>	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> <ul style="list-style-type: none"> <li>▶ Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ul style="list-style-type: none"> <li><b>A. User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>B. PAN:</b> 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.</li> <li><b>C. DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>D. Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ul> </li> <li>• Shareholders/ members holding shares in <b>physical form</b> but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above <ul style="list-style-type: none"> <li>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> </ul> </li> </ul> </li> </ol>

- ▶ Click "confirm" (Your password is now generated).
- 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.

- 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.
- 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.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at 022- 23058738 or 022-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

**Institutional Shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL 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.

**Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.



In case shareholders/ members holding securities in physical mode/ Institutional shareholders 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](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 –4918 6000.

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

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).

3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, 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:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”.
2. 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'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. 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’.
5. 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.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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.

### **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance i.e Monday, 27th September 2021 on or before 5:00 pm with the company on specific email id at [info@sknindustries.in](mailto:info@sknindustries.in) for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.

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](mailto: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. Mr. Manish Kumar, Practicing Company Secretary holding Certificate of Practice No. 19169 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 29<sup>th</sup> 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 29<sup>th</sup> AGM, who shall then countersign and declare the result of the voting forthwith.

5. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sknindustries.in](http://www.sknindustries.in) and on the website of Link In Time immediately after the result is declared by the Chairman;

6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be 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 30, 2021. Members seeking to inspect such documents can send an email to [info@sknindustries.in](mailto:info@sknindustries.in).

7. 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:

<b>Name of Director</b>	Mr. Satish Chopra
DIN	01171195
Brief Resume	<p>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 &amp; Switchgear(S) Private Limited and East Coast Natural Gas Distribution Private Limited.</p> <p>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.</p> <p>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.</p>
Date of birth	01/10/1956
Qualification	B.A
<b>Experience and expertise in specific functional area</b>	Corporate and business management
<b>Terms and conditions of Appointment</b>	Mr. Satish Chopra is Managing Director, liable to retire by rotation.
<b>Details of remuneration and remuneration last</b>	Nil

<b>drawn</b>	
<b>Date on which first appointed on the Board</b>	September 30, 2002
<b>Details of shareholding in the Company (as on 31st March, 2021)</b>	41,32,760 equity shares of the Company in his individual name and 5100 equity shares in Satish Chopra HUF
<b>Relationship with other Directors/ Key Managerial Personnel (if any)</b>	Husband of Mrs. Sonia Chopra, Non-executive director of the Company
<b>Number of Board Meetings attended during the year 2020-21</b>	4
<b>Details of Directorships /Committee Chairmanship and Memberships in other companies (as on 31st March, 2021)</b>	As detailed herein below

<b>Name of Director</b>	Mrs. Sonia Chopra
DIN	05198748
Brief Resume	<p>(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 &amp; Vijayalakshmi Associates Private Limited. She is a member of Audit committee, Nomination &amp; Remuneration Committee of the Company. She is neither a member of 10 Committees nor the Chairman of more than 5 Committees.</p> <p>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.</p>
<b>Date of birth</b>	20/10/1970
<b>Qualification</b>	B.A
<b>Experience and expertise in specific functional area</b>	Corporate and business management
<b>Terms and conditions</b>	Mrs. Sonia Chopra is non-

<b>of Appointment</b>	executive Director, liable to retire by rotation.
<b>Details of remuneration and remuneration last drawn</b>	Nil
<b>Date on which first appointed on the Board</b>	July 21, 2016
<b>Details of shareholding in the Company (as on 31st March, 2020)</b>	Nil
<b>Relationship with other Directors/ Key Managerial Personnel (if any)</b>	Wife of Mr. Satish Chopra, Managing director of the Company
<b>Number of Board Meetings attended during the year 2020-21</b>	4
<b>Details of Directorships /Committee Chairmanship and Memberships in other companies (as on 31st March, 2021)</b>	As detailed herein below

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

**Item No. 5:**

In line with the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on June 30, 2021, has re-appointed Mr. Satish Chopra (DIN: 01171175) as Managing Director of the Company for a period of five years with effect from July 21, 2021 without any remuneration. The disclosure in accordance with the provisions of Regulation 36 (3) of the Listing Regulations read with Section 102 of the Companies Act, 2013, Secretarial Standard-2 and other applicable provisions, if any, in regard to the re-appointment of Managing Director is given below:

Mr. Satish Chopra, (born on October 01, 1956), is a Director of SKN Industries Limited since July 20, 2005. He holds graduate in Commerce from University of Delhi and having a very wide experience in Operations and Marketing including green filed and brown filed projects. Mr. Satish Chopra has more than three decades of Industrial experience in many fold including electrical equipment's, City Gas Distribution and food grains. He is steering the group towards strategic investments in the City Gas Distribution 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. He is more concern for the environment and the increasing inequity in Indian society led him to mentor and initiate Vijay Lakshmi extensive corporate social responsibility (CSR) programmes. He believes that CSR initiatives would create immense value in the long run for the company via smoother

functioning through local partnerships and generate tremendous economic and social value for the country. Mr. Satish Chopra is a Director on the Board of total seven companies, where none is listed. He is the member of Stakeholders Relationship Committee. He is neither a member of 10 Committees nor the Chairman of more than 5 Committees. The details of number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards are available in Corporate Governance report of company annexed to Annual Report. Mr. Satish Chopra holds 4132760 equity shares of the Company in his individual name and 5100 equity shares as Karta of HUF. Mr. Satish Chopra fulfills the eligibility criteria set out under Part I of Schedule V to the Companies Act, 2013.

Keeping in view of the expertise of Mr. Satish Chopra and after considering the strategic advantage to the textiles business and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on June 30, 2021 considered and approved the re-appointment of Mr. Satish Chopra as Managing Director of the Company without any remuneration, subject to modification as per the applicable laws. Re-appointment of Mr. Satish Chopra as Managing Director of SKN industries Ltd will be for a period of 5 years with effect from July 21, 2021, liable to retire.

The remuneration payable to Mr. Satish Chopra, if any will be in line with the provisions of Schedule V to the Companies Act, 2013, as may be amended from time to time.

Hence, Your Board recommends the above resolution set out in Item No. 5 for your approval. Except Mrs. Satish Chopra, self and Mrs. Sonia Chopra, spouse of Mr. Satish Chopra, none other directors and Key Managerial Personnel and their relatives are interested in the resolution.

The explanatory statement together with accompanying notice may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 in respect of re-appointment of Mr. Satish Chopra as Managing Director of the Company.

**By Order of the Board of  
SKN Industries Ltd  
Sd/-  
Akash Phalswal  
Company Secretary  
M No. 11273**

Place: New Delhi  
Dated: 27th August, 2021

## BOARD'S REPORT

To,  
The Members,  
SKN Industries Ltd

Your directors take pleasure in presenting the 29<sup>th</sup> Annual Accounts on the business and operations of your Company, along with the summary of financial statements for the year ended March 31, 2021. The economic contraction in first half of FY 2020-21 was very challenging due to Covid – 19 lockdown; however, business activities returned to normalcy due to its zeal and commitment. The Company has witnessed gradual recovery in the domestic demand back to pre-COVID level in all the business segments. The financial highlights of the Company for FY 2020-21 are given below:

### FINANCIAL RESULTS

The Company's financial results for the financial year ended on the 31st March, 2021 are as under:

Particulars	Amount in INR	
	As at	As at
	31-Mar-21	31-Mar-20
Net sales/ income	30,34,110.00	81,25,150.00
<b>Gross Profit (before Interest and Depreciation)</b>	<b>24,41,642.00</b>	<b>29,09,875.00</b>
<b>Less</b> Finance Costs	236	Nil
<b>Profit (before Depreciation and amortization- (Cash Profit)</b>	<b>24,41,406.00</b>	<b>29,09,875.00</b>
<b>Less</b> Depreciation and amortization	0	0
<b>Profit (before exceptional items and tax)</b>	<b>24,41,406.00</b>	<b>29,09,875.00</b>
Exceptional items	0	0
<b>Less:-</b> Provision for Tax	6,60,000.00	7,91,464
<b>Less:-</b> Deferred Tax Liability	(3,07,234.00)	0
<b>Net Profit/ (Loss) after tax</b>	<b>20,88,640.00</b>	<b>21,18,411</b>
<b>other comprehensive income (OCI)</b>	0	4,500.00
<b>Appropriations</b>	0	0
FVTOCI Reserve	0	0
Balance brought forward from last year	(5,80,61,080.62)	(6,01,79,491.62)
Balance carried forward to Balance Sheet	(5,59,72,440.62)	(5,80,61,080.62)
EPS (Basic/ diluted)	0.19	0.2

Due to break out and second wave of Covid-19 pandemic, the revenue of the Company has rolled down to Rs. 60.26 Lakh which includes interest income of Rs. 29.92 Lacs whereas in previous year the revenue was 81.29 Lacs. The Company has registered a fall of sales by 65% in comparison to previous year, but during these hard times the board has a firm believe in the company that the company shall bounce back and will generate better revenue at a marking scale for its stakeholders.

### STATE OF COMPANY'S AFFAIR

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along

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with a renewed commitment to enhance quality and customer service and to reduce costs. SKN is engaged in trading of food products Innovations, investment and positive modifications are expected in the near future, boosting the Company's revenues. Together with forward looking strategy, the Company is also focusing extensively on expanding the business and operational improvements through various strategic projects for operational excellence and cost cutting initiatives.

### 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

This pandemic has impacted the social and economic life of every

person which has created a significant role of reserves and provisions to save guard the company in these situations. In the same line, 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 2020-21.

### TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of

profits in the profit and loss account.

## SHARE CAPITAL

The Paid Up Equity Share Capital of the Company as on 31<sup>st</sup> March 2021 is Rs. 10,73,91,000/- comprising of 1,07,39,100 equity shares at Rs. 10/- each. We would like to inform the shareholders that there is no change in the paid up capital of the company during the FY 2020-21.

## 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	1171175	Managing Director	30.09.2002	-
2	Mr. Sunil Sharma	1724943	Independent Director	28.01.2001	Demised May 2021
3	Mr. Rajesh Khanna	1851188	Independent Director	28.02.2001	-
4	Mrs. Sonia Chopra	5198748	Non-Executive Director	21.07.2016	-
5	Mr. Gautam Kapur	5308409	Independent Director	28.08.2020	-
6	Mr. Pardeep Kumar Dhamija	AHDPD8011C	Chief Financial Officer	28.08.2020	-
7	Mr. Akash Phalswal	CRRPP7303M	Company Secretary	18.08.2017	-

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Satish Chopra, Managing Director of the Company purposed himself to be re-appointed and with wide discussion and considering all factors, with the consent of Nomination and Remuneration Committee, Mr. Chopra subject to the approval of shareholder appointed as Managing director for a term of five years commencing from July 21, 2021 till July 20, 2026. Mrs. Sonia Chopra who is liable to retire by rotation, is re-appointed as director at the ensuing Annual General Meeting of the Company.

On demise of Mr. Sunil Sharma, Independent Director, in second wave of covid 19 in May 2021. Your Board recommends to appoint one independent director in place of Late Mr. Sunil Sharma. You Directors would like to confirm that as per opinion of the Board of Directors, all independent Directors of the company meet

the requirement of integrity, expertise and experience required for their appointment.

## MEETINGS

The Board meetings of your company are planned in advance in consultation with the Board Members. During the financial year ended March 31, 2021, 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 06, 2020, June 30, 2020, August 28, 2020, November 20, 2020 and January 21, 2021. 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, 2021.

A separate meeting of Independent Directors was held on January 21, 2021, 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 disbursal 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 available on website [www.sknindustries.in](http://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. Rajesh Khanna, Sh. Gautam Kapur and Mrs. Sonia Chopra.

Since Mr. Sunil Sharma has been expired and there was a casual vacancy on the Committee, Mr. Gautam Kapur has been nominated and appointed to fill the vacuum.

### **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. Gautam Kapur, Sh. Rajesh Khanna and Mrs. Sonia Chopra.

Since Mr. Sunil Sharma has been expired and there was a casual vacancy on the Committee, Mr. Gautam Kapur has been nominated and appointed to fill the vacuum.

### **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 Mr. Gautam Kapur.

Since Mr. Sunil Sharma has been expired and there was a casual vacancy on the Committee, Mr. Gautam Kapur has been nominated and appointed to fill the vacuum.

## **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. Akash Phalswal, Company Secretary. During the year, there has been no change in the Key Managerial Personnel.

## **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 Secretary, New Delhi, to conduct Secretarial Audit of the Company for the financial year 2021-22.

The Secretarial Audit Report for the financial year ended March 31, 2021 is 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 the loan is given as company has surplus fund and to avoid the opportunity loss, company has given loan to its sister concern with terms repayable on demand along with interest. During the year, company received interest from borrower against the loan and it would be repaid as and when funds are required to company.

## **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**

As required under Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the financial year ended March 31, 2021 and other policies of the Company shall be placed on the Company's website [www.skniindustries.in](http://www.skniindustries.in) stakeholders may access from there.

The extract of annual return as on the financial year ended 31<sup>st</sup> March 2021 in form MGT-9 is annexed herewith as Annexure- B.

## **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.Skniindustries.in](http://www.Skniindustries.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](http://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 is 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	31.03.2021	31.03.2020
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

Pursuant to the requirement of Rule 3(4) of Companies (Audit and Auditors) Rules, 2014, Board agreed on recommendation of the Audit Committee about the appointment of new auditor as term of previous auditor is completed. Hence, your directors would like to inform that in order to comply with said provisions read with other applicable provisions, if any and based on the recommendation of the Audit Committee, the Board of Directors has decided to place the proposal for appointment of M/s ARMS & Associates, Chartered Accountants, (proprietorship lead my CA Manoj Kumar Gupta) as an statutory auditors of the Company, for a period of 5 years i.e. from the conclusion 29<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 34<sup>th</sup> AGM. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for appointment as Auditors of the Company. As required under Regulation 33 (1) (d) of the Listing Regulations, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

## 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, 2021. 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 2020-21 which are mentioned in the financial statement annexure herewith.

## COMPANIES WHICH HAVE BECOME OR CEASED 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 17<sup>th</sup> 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 31.03.2021 is Rs.10.74 Crores and the Net-worth is Rs. 5.14 Crores which is less Rs. 25.00 Crores.

### 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, 2021, 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, 2021 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.

### General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following matters as there is no transaction on these items during the year under review:

- (i) Details relating to deposits covered under Chapter V of the Act.
- (ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- (iv) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- (v) No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the

going concern status and Company's operations in future.

- (vi) No fraud has been reported by the Auditors to the Audit Committee or the Board.

There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

#### **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

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

Place: New Delhi

Dated: 27/08/2021

# SKN

## **Annexure-A**

### **FORM MR-3**

#### **SECRETARIAL AUDIT REPORT**

For The Financial Year Ended March 31, 2021

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

#### **The Members,**

SKN Industries Limited,  
368/369, 3rd Floor, Basant Building,  
Chaudhary Market, Sultanpur, New Delhi -110030

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance 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 Company's 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 March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes 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 the Company for the financial year ended on March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- 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; ; **Not Applicable during the year under review**
- 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; **Not Applicable during the year under review**

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable during the year under review**
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable during the year under review**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the year under review**
- 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 to the extent of securities issued;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable during the year under review**
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable during the year under review**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-; **Not Applicable during the year under review.**

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that-

(i) the Board of Directors of the Company is duly constituted. As the Company had appointed Mr. Gautam Kapur as an independent Director w.e.f August 28, 2020 and demise of Late Sh. Sunil Sharma due to covid 19 in May, 2021. Independent Directors of the Company not yet register themselves at data bank.

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.

We further report that there are 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 and regulations and guidelines.

**For SKM & Associates**

Company Secretary  
Sd/-

**CS Manish Kumar**

Proprietor

Membership No. ACS 48883

Date: August 24, 2021

Certificate of Practice No. 19169

Place: New Delhi

UDIN: A048883C000822799

29th Annual Report 2020 – 2021

Notes:

i. This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

ii. Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/ expired on or before March 31, 2021 pertaining to FY 2020-21.

### **ANNEXURE-A1**

The Members,  
SKN Industries Limited,

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. 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 procedures on random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For SKM & Associates**

Company Secretary  
Sd/-

**CS Manish Kumar**

Proprietor

Membership No. ACS 48883

Date: August 24, 2021

Certificate of Practice No. 19169

Place: New Delhi

UDIN: A048883C000822799

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## MANAGEMENT DISCUSSION AND ANALYSIS

### Overview

Company is in business of trading of food grains. The company is utilizing capacity at reasonable level and making maximum utilization of available resources. The company is supplying to goods to vendors.

### Industry structure and developments

Better infrastructure will help to better growth under this industry including supply chain system

### Opportunity and threats

There are massive opportunity for the company and accordingly there are many challenges as well due to pandemic of COVID 19 and uncertain economic challenges. 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 to fall in economy growth and expected to rise in current financial year.

Emerging India is expected to be the only region with a positive growth rate.

### Internal Control system and their adequacy

The Company's internal control system are commensurate with the nature of business and the size and complexities of its operation. The system is designed as such to ensure things are safeguard and protected against any losses.

### Outlook, Risk And Concern

The continued effort to develop the business should stand in in good stead. However, the economic condition prevailing within the country have significant role to play in performance.

#### Human resource:-

It is believe to your company that people are at the heart of corporate purpose and constitute the primary source of competitive advantage.

### Disclosure

During the year, Company has not entered into any transaction of material nature with its promoters, directors or their relatives that may have potential conflict of interest at large.

## Cautionary Statement

Statement in the company management discussion and analysis describing the company's objective, project, and estimate expectation may be forwarded looking statement within the meaning of applicable law and regulation.

### Company Performance- Performance Highlights:

- Revenue for the financial year ended 31st March 2021 is Rs. 60.26 Lakh as against Rs. 81.29 Lakh for the previous Financial Year ended 31st March 2020.
- Profit before financial expenses and depreciation for the financial year ended 31st March 2021 is Rs. 24.41 Lakh as compared to Rs. 29.10 Lakh for the previous Financial Year ended 31st March 2020.
- PBT (Profit Before Tax) for the financial year ended 31st March, 2021 is at Rs. 20.88 Lakh against Rs. 21.18 Lakh for the previous Financial Year ended 31st March 2020.

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

### The Members,

#### SKN Industries Limited,

368/369, 3rd Floor, Basant Building,  
Chaudhary Market, Sultanpur, New Delhi -110030

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, 2021 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/-  
**(Sonia Chopra)**  
Director  
DIN: 05198748

# SKN



## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

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

## I. REGISTRATION &amp; 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	368/369, 3rd FLOOR, BASANT BUILDING CHAUDHARY MARKET, SULTANPUR, 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	Grains, oilseeds and oleaginous fruits, seeds etc.	9961111	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-2020]				No. of Shares held at the end of the year [As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	132,760	4,728,760	4,861,520	45.27%	4,132,760	-	4,132,760	38.48%	-14.99%
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	25.15%	-	2,296,880	2,296,880	21.39%	-14.95%

e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	132,760	7,429,440	7,562,200	70.42%	4,132,760	2,296,880	6,429,640	59.87%	-14.98%
<b>(2) Foreign</b>									
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%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	132,760	7,429,440	7,562,200	70.42%	4,132,760	2,296,880	6,429,640	59.87%	-14.98%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	4,800	4,800	0.04%	-	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) FIs	-	-	-	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%
<b>Sub-total (B)(1):-</b>	-	4,800	4,800	0.04%	-	4,800	4,800	0.04%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	7,200	82,000	89,200	0.83%	5500	485800	491,300	4.57%	450.78%
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	635,820	1,914,178	2,549,998	23.74%	636520	1926188	2,562,708	23.86%	0.50%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	139,600	382,300	521,900	4.86%	139600	1099050	1,238,650	11.53%	137.33%

c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	1000	-	1,000	0.01%	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/ HUF	10,802	-	10,802	0.10%	10,802	-	10,802	0.10%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	793,622	2,378,478	3,172,100	29.54%	793,622	3,511,038	4,304,660	40.08%	35.70%
<b>Total Public (B)</b>	793,622	2,383,278	3,176,900	29.58%	793,622	3,515,838	4,309,460	40.13%	35.65%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	926,382	9,812,718	10,739,100	100.00%	4,926,382	5,812,718	10,739,100	100.00%	20.67%

**(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	4,132,760	38.48%	0	4,132,760	38.48%	0	0.00%
2	M/s. SKN Associates Pvt Ltd	2,278,080	21.21%	0	2,278,080	21.21%	0	0.00%
3	M/s. SKN Associates Pvt Ltd	18,100	0.17%	0	18,100	0.17%	0	0.00%
4	M/s. Luthra Metal Industries Pvt Ltd	700	0.01%	0	700	0.01%	0	0.00%
	<b>TOTAL</b>	6,429,640	59.87%	0	6,429,640	59.87%	0	0.00%

**(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						
	Changes during the year			NO CHANGE			
	At the end of the year						

**(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	31.03.2020		159,400	1.48%	159,400	1.48%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		159,400	1.48%	159,400	1.48%
2	BENTEX TOWER PVT LTD						
	At the beginning of the year	31.03.2020		154,800	1.44%	48,700	0.45%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		154,800	1.44%	48,700	0.45%
3	RAMESHWAR DAYAL						
	At the beginning of the year	31.03.2020		113,400	1.06%	113,400	1.06%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		113,400	1.06%	113,400	1.06%
4	BENTEX CHITS PVT LTD						
	At the beginning of the year	31.03.2020		110,100	1.03%	110,100	1.03%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		110,100	1.03%	110,100	1.03%
5	KAPIL CHOPRA						
	At the beginning of the year	31.03.2020		103,060	0.96%	103,060	0.96%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		103,060	0.96%	103,060	0.96%
6	NISHIT CHOPRA						
	At the beginning of the year	31.03.2020		101,360	0.94%	101,360	0.94%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		101,360	0.94%	101,360	0.94%
7	DEVI CHAND						
	At the beginning of the year	31.03.2020		83,600	0.78%	83,600	0.78%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		83,600	0.78%	83,600	0.78%
8	K L CHOPRA						
	At the beginning of the year	31.03.2020		60,010	0.56%	60,010	0.56%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		60,010	0.56%	60,010	0.56%
9	VIJAY CHOPRA						
	At the beginning of the	31.03.2020		56,010	0.52%		0.52%

	year					56,010	
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		56,010	0.52%	56,010	0.52%
10	KUMAR INDL CORPORATION						
	At the beginning of the year	31.03.2020		55,300	0.51%	55,300	0.51%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2021		55,300	0.51%	55,300	0.51%

**(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	31.03.2020		4,132,760	38.48%	4,132,760	38.48%
	Changes during the year				0.00%		0.00%
	At the end of the year	31.03.2021		4,132,760	38.48%	4,132,760	38.48%

**V. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	(Amt. Rs./Lacs)	
				Total Indebtedness	
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount	-	6,735,348.00	-		6,735,348.00
ii) Interest due but not paid	-	-	-		-
iii) Interest accrued but not due	-	-	-		-
<b>Total (i+ii+iii)</b>	-	6,735,348.00	-		6,735,348.00
<b>Change in Indebtedness during the financial year</b>					
* Addition	-	-	-		-
* Reduction	-	6,235,348.00	-		6,235,348.00
Net Change	-	6,235,348.00	-		6,235,348.00
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	-	500,000.00	-		500,000.00
ii) Interest due but not paid	-	-	-		-
iii) Interest accrued but not due	-	-	-		-
<b>Total (i+ii+iii)</b>	-	500,000.00	-		500,000.00

**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
		Name		(Rs/Lac)
		Designation		
1	Gross salary	NIL		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(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	NIL		
	Fee for attending board committee meetings			-
	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	Pradip Kr. Dhamija	
			Akash Phalswal	
			CS	

1	Gross salary	NIL			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		598,000.00	570,000.00	1,168,000.00
	(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		598,000.00	570,000.00	1,168,000.00

**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)
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**A. COMPANY**

Penalty					
Punishment					
Compounding					

NIL

**B. DIRECTORS**

Penalty					
Punishment					
Compounding					

**C. OTHER OFFICERS IN DEFAULT**

Penalty					
Punishment					
Compounding					

## **Independent Auditor's Report**

**To The Members of**

**M/S SKN INDUSTRIES LIMITED**

**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone Financial Statements of **M/S SKN INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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, 2021, 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 there under, 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 financials.
- 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. Shilpi Gupta**

Partner

Membership No. 546061

UDIN: : **21546061AAAAAQ2742**

Place: New Delhi  
Date: 30<sup>th</sup> June, 2021

## **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. 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 loans to Haryana City Gas Distribution (Bhiwadi) Limited amounting to Rs. 3,23,00,000.
- 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. As per information & explanation given by the management, the Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- 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, 2021 for a period of more than six months from the date they became payable.

- c. There are no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of any dispute.
- vii. 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.
- viii. 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.
- ix. 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.
- x. 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.
- xi. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xii. 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.
- xiii. 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.
- xiv. 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.
- xv. 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

CA. Shilpi Gupta  
Partner  
Membership No. 546061  
UDIN: : 21546061AAAAAQ2742

Place: New Delhi  
Date: 30<sup>th</sup> June, 2021

## **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 Premier Polyfilm Limited ("the Company") as of March 31, 2021 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 judgement, 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 2021, 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.

Place: New Delhi

Date: 30<sup>th</sup> June, 2021

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

**CA. Shilpi Gupta**  
**Partner**

**Membership No. 546061**  
**UDIN: 21546061AAAAAQ2742**

# SKKN

**SKN INDUSTRIES LIMITED**

CIN: U74999DL1992PLC050472

Regd. Office: 368/369, 3rd FLOOR, BASANT BUILDING,  
CHAUDHARY MARKET, SULTANPUR, NEW DELHI - 110030

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

**BALANCE SHEET AS AT 31-03-2021**

Rs.

PARTICULARS	NOTE	31-03-21	31-03-20
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant & Equipment	3	8,604,707	8,604,707
<b>Financial Assets</b>			
Investments		-	-
Loans & Advances	4	32,300,000	37,200,000
Deferred Tax Asset (Net)	5	3,900,153	3,900,153
Other Non-current Assets		-	-
<b>Current Assets</b>			
Inventories		-	-
<b>Financial Assets</b>			
Trade Receivables	6	6,750,000	6,993,389
Cash & Cash Equivalents	7	761,116	172,688
Loans & Advances	8	68,883	-
Other Current Assets		-	-
<b>TOTAL Assets</b>		<b>52,384,859</b>	<b>56,870,937</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	9	107,391,000	107,391,000
(b) Other Equity	10	(55,972,441)	(58,061,081)
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Long-term Borrowings		-	-
Long-term Provisions		-	-
Deferred Tax Liability (Net)		-	-
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(a) Short-term Borrowings			
(i) Loan repayable on demand	11	500,000	6,735,348
(ii) Deposits		-	-
(b) Trade Payables		-	-
Other Current Liabilities	12	29,500	44,500
Short-term Provisions			
Current Tax Liabilities (Net)		436,800	761,170
<b>TOTAL Equity and liabilities</b>		<b>52,384,859</b>	<b>56,870,937</b>

**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)

**CA SHILPI GUPTA**

Partner  
Membership No. 546061

Place- New Delhi  
Date- 30/06/2021

**Satish Chopra**  
Managing Director  
DIN-01171175

**Akash Phalswal**  
Company Secretary  
PAN-CRRPP7303M

**Sonia Chopra**  
Director  
DIN- 05198748

**Pardeep Kr. Dhamija**  
Chief Financial officer  
PAN-AHDPD8011C



**SKN INDUSTRIES LIMITED**

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**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2021**

Rs.			
PARTICULARS	NOTE	31-03-21	31-03-20
Revenue From Operations	13	3,034,110	8,125,150
Other Income	14	2,992,494	4,500
<b>TOTAL REVENUE</b>		<b>6,026,604</b>	<b>8,129,650</b>
<b><u>EXPENSES</u></b>			
Cost of Material Consumed		-	-
Purchase of Stock-in-Trade	15	2,917,895	4,174,660
Changes in Inventories of Finished Goods and Work-in-Progress		-	-
Employee Benefits Expenses	16	205,650	444,800
Finance Cost	17	236	-
Manufacturing Expenses		-	-
Other Expenses	18	461,417	600,315
Depreciation		-	-
<b>TOTAL EXPENSES</b>		<b>3,585,198</b>	<b>5,219,775</b>
<b><u>Profit Before Tax &amp; Extraordinary Items</u></b>		<b>2,441,406</b>	<b>2,909,875</b>
Exceptional Items		-	-
Profit Before Tax		2,441,406	2,909,875
<b><u>Tax Expenses:-</u></b>			
Current Tax		660,000	761,170
Deferred Tax		-	-
Earlier Year		307,234	30,294
<b>Profit / (Loss) for the year</b>		<b>2,088,640</b>	<b>2,118,411</b>
<b>Profit for the year attributable to:-</b>			
<b><u>Equity Shareholders of the parent</u></b>		<b>2,088,640</b>	<b>2,118,411</b>
Non-Controlling Interest		-	-
<b>OTHER COMPREHENSIVE INCOME</b>			
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		-	-
<b>Total Comprehensive Income for the year</b>		<b>2,088,640</b>	<b>2,118,411</b>
Basic Earning Per Share		0.19	0.20
Diluted Earning Per Share		0.19	0.20

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)

**CA SHILPI GUPTA**  
Partner  
Membership No. 546061

Place- New Delhi  
Date- 30/06/2021

**Satish Chopra**  
Managing Director  
DIN-01171175

**Sonia Chopra**  
Director  
DIN- 05198748

**Akash Phalswal**  
Company Secretary  
PAN-CRRPP7303M

**Pardeep Kr. Dhamija**  
Chief Financial officer  
PAN-AHDPD8011C

**SKN INDUSTRIES LIMITED**

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**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2021**

Rs.

	Year ended 31-03-2021	Year ended 31-03-2020
<b>A. Cash Flow from Operating Activities:</b>		
<b>Net Profit before tax for the year</b>	<b>2,441,406</b>	<b>2,909,875</b>
<b>Adjusted for:</b>		
<i>i. Depreciation</i>	-	-
<i>ii. Earlier Year Tax Liability</i>	-	-
<i>iii. Provision for Tax</i>	-	-
<i>iv. Interest</i>	-	-
<i>v. Previous Year Tax Adjustment</i>	-	-
<i>vi. Interest on Income Tax</i>	81,924	-
<i>vii. Profit on sale of fixed assets</i>	-	-
	<u>81,924</u>	<u>-</u>
<b>Operating profit before working capital changes</b>	<b>2,523,330</b>	<b>2,909,875</b>
<b>Adjusted for changes in:</b>		
<i>i. Inventories</i>	-	-
<i>ii. Trade &amp; Other Receivables</i>	243,389	(6,701,330)
<i>iii. Short Term Loans &amp; Advances</i>	(68,883)	-
<i>iii. Trade Payable &amp; Other Liabilities</i>	(15,000)	(190,000)
	<u>159,506</u>	<u>(6,891,330)</u>
<b>Cash Generated from Operations</b>	<b>2,682,836</b>	<b>(3,981,455)</b>
Taxes Paid	(759,060)	(626,050)
<b>Net Cash flow from Operating Activities (A)</b>	<b>1,923,776</b>	<b>(4,607,505)</b>
<b>B. Cash Flow from Investing Activities:</b>		
<i>i. Purchase/Sale of Fixed Assets</i>	-	-
<i>ii. Increase/ decrease in Non-current assets</i>	4,900,000	(37,200,000)
<i>iv. Increase/(decrease) in Bank balances not considered as cash and cash equivalents</i>	-	-
	<u>4,900,000</u>	<u>(37,200,000)</u>
<b>Net Cash flow from Investing Activities (B)</b>	<b>4,900,000</b>	<b>(37,200,000)</b>
<b>C. Cash Flow from Financing Activities:</b>		
<i>i. Increase in Share Capital &amp; Securities Premium</i>	-	39,995,500
<i>ii. Net Increase/(decrease) in Long Term Borrowings</i>	-	-
<i>iii. Net Increase/(decrease) in Non-current Liabilities</i>	-	-
<i>iv. Net Increase/(decrease) in Short Term Borrowings</i>	(6,235,348)	-
<i>v. Interest Paid</i>	-	-
	<u>(6,235,348)</u>	<u>39,995,500</u>
<b>Net Cash flow from Financing Activities (C)</b>	<b>(6,235,348)</b>	<b>39,995,500</b>
<b>Net increase/decrease in Cash &amp;</b>	<b>588,428</b>	<b>(1,812,005)</b>
Opening Balance of Cash & Cash Equivalents	172,688	1,984,693
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>761,116</b>	<b>172,688</b>

**Reconciliation of Cash and Bank Balances with Balance Sheet**

Cash and Bank Balances as per Balance Sheet	761,116	172,688
Less: Bank Balances not considered as Cash and Cash Equivalents	-	-
<b>Cash &amp; Cash Equivalents as on Balance Sheet Date</b>	<b>761,116</b>	<b>172,688</b>

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)

**CA SHILPI GUPTA**

Partner  
Membership No. 546061

Place- New Delhi  
Date- 30/06/2021

**Satish Chopra**

Managing Director  
DIN-01171175

**Akash Phalswal**  
Company Secretary  
PAN-CRRPP7303M

**Sonia Chopra**

Director  
DIN- 05198748

**Pardeep Kr. Dhamija**  
Chief Financial officer  
PAN-AHDPD8011C

**SKN INDUSTRIES LIMITED**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2021

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31-03-2021**

Rs.

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			
<b>As at 1 April 2020</b>	67,395,500.00	(58,061,080.62)	-	-	9,334,419.38	-	9,334,419.38
Change in Policy	-	-	-	-	-	-	-
Balance	67,395,500.00	(58,061,080.62)	-	-	9,334,419.38	-	9,334,419.38
Profit for the period	-	2,088,640.00	-	-	2,088,640.00	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Proposed Dividend	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
<b>As at 31 MARCH 2021</b>	67,395,500.00	(55,972,440.62)	-	-	11,423,059.38	-	9,334,419.38

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31-03-2020**

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			
<b>As at 1 April 2019</b>	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	-	-	-	-	-	-	-
<b>As at 31 MARCH 2020</b>	67,395,500.00	(58,061,080.62)	-	-	9,334,419.38	-	7,216,008.38

**SKN INDUSTRIES LIMITED**

CIN: U74999DL1992PLC050472

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2021

**Note 3 Property, Plant and Equipment**

Rs.

Particulars	Plant & Machinery	Furniture & Fixture	Office Equipment	Computer & Data Processing Units	Total
<b>Cost</b>					
<b>At 01/04/2020</b>	35,403,104	876,445	1,743,540	854,392	38,877,481
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
Exchange Difference	-	-	-	-	-
<b>At 31/03/2021</b>	<b>35,403,104</b>	<b>876,445</b>	<b>1,743,540</b>	<b>854,392</b>	<b>38,877,481</b>
<b>Depreciation &amp; Impairment</b>					
<b>At 01/04/2020</b>	27,349,757	873,922	1,269,456	779,639	30,272,774
Depreciation charged during the year	-	-	-	-	-
Impairment	-	-	-	-	-
Disposal	-	-	-	-	-
Exchange Difference	-	-	-	-	-
<b>At 31/03/2021</b>	<b>27,349,757</b>	<b>873,922</b>	<b>1,269,456</b>	<b>779,639</b>	<b>30,272,774</b>
<b>Net Book Value</b>					
<b>At 31/03/2021</b>	8,053,347	2,523	474,084	74,753	8,604,707
<b>At 31/03/2020</b>	8,053,347	2,523	474,084	74,753	8,604,707

**4. LONG TERM LOANS AND ADVANCES****( Unsecured and Considered Good )**

Particulars	31.03.2021	31.03.2020
Haryana City Gas Distribution (Bhiwadi) Ltd	32,300,000	37,200,000
<b>TOTAL</b>	<b>32,300,000</b>	<b>37,200,000</b>

**5. DEFERRED TAX ASSETS**

Particulars	31.03.2021	31.03.2020
<b>Deferred tax liabilities</b>		
On fiscal allowances on fixed assets	-	-
<b>Deferred tax assets</b>		
On fiscal allowances on fixed assets	3,900,153	3,900,153
	3,900,153	3,900,153
<b>Deferred tax assets / (Liabilities) (Net)</b>	<b>3,900,153</b>	<b>3,900,153</b>

**6. TRADE RECEIVABLES (Unsecured )**

Particulars	31.03.2021	31.03.2020
Sundry Debtors	6,750,000	6,993,389
<b>TOTAL</b>	<b>6,750,000</b>	<b>6,993,389</b>

**7. CASH AND CASH EQUIVALENTS**

Particulars	31.03.2021	31.03.2020
Balances with Banks	717,460	166,575
Cheque Deposited and not Presented	-	-
Cash in Hand	43,656	6,113
<b>TOTAL</b>	<b>761,116</b>	<b>172,688</b>

**8. Loans & Advances**

Particulars	31.03.2021	31.03.2020
Loan & Advances	68,883	-
<b>TOTAL</b>	<b>68,883</b>	<b>-</b>

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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2021**

**9 : EQUITY SHARE CAPITAL**

Particulars	Rs.			
	31.03.2021		31.03.2020	
	Number	Amount	Number	Amount
<b>Authorised Capital</b>				
Equity Shares of Rs.10.00 each	12,700,000	127,000,000	12,700,000	127,000,000
<b>Issued Capital</b>				
Equity Shares of Rs. 10.00 each fully paid up As per Last Balance Sheet	10,740,000	107,400,000	10,740,000	107,400,000
<b>Subscribed Capital</b>				
Equity Shares of Rs. 10.00 each fully paid up As per Last Balance Sheet	10,740,000	107,400,000	10,740,000	107,400,000
<b>Paid up Capital</b>				
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	10,739,100	107,391,000
Foreited Shares of Rs. 5/- each* As per Last Balance Sheet	-	-	-	-
<b>TOTAL</b>	<b>10,739,100</b>	<b>107,391,000</b>	<b>10,739,100</b>	<b>107,391,000</b>
Reconciliation of Number of Equity Shares				
(A) Shares Outstanding at the beginning of the	10,739,100	107,391,000	6,739,100	67,391,000
(B) Issued During the Year			4,000,000	40,000,000
(C) Shares Forfeited/Brought Back/Cancelled During the Year	-	-	-	-
(D) Shares Outstanding at the end of the financial year	<b>10,739,100</b>	<b>107,391,000</b>	<b>10,739,100</b>	<b>107,391,000</b>

\* 900 Equity Partly Paid Shares forfeited at Rs. 5/- each amounting to Rs. 4500/- and adjusted the same.

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

Name of the Shareholder	As at 31.03.2021		As at 31.03.2020	
	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	21.38	2,296,180	21.38
SATISH CHOPRA	4,132,760	38.48	4,132,760	38.48
	<b>6,428,940</b>	<b>59.86</b>	<b>6,428,940</b>	<b>59.86</b>

**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 shareholders.

**SKN INDUSTRIES LIMITED**

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2021

**10. OTHER EQUITY**

Particulars	Rs.	
	31.03.2021	31.03.2020
Surplus		
Opening Balance	(58,061,081)	(60,179,492)
Profit for the period	2,088,640	2,118,411
Closing Balance	(55,972,441)	(58,061,081)
<b>TOTAL</b>	<b>(55,972,441)</b>	<b>(58,061,081)</b>

**11. LOANS FROM OTHER PARTIES - UNSECURED**

Particulars	31.03.2021	31.03.2020
Satish Chopra	-	6,235,348
Sonia Chopra	500,000	500,000
<b>TOTAL</b>	<b>500,000</b>	<b>6,735,348</b>

**12. OTHER CURRENT LIABILITIES**

Particulars	31.03.2021	31.03.2020
<b>Other Liabilities</b>		
TDS Payable	1,875	15,000
Audit Fee Payable	27,625	29,500
<b>TOTAL</b>	<b>29,500</b>	<b>44,500</b>

**13. REVENUE FROM OPERATIONS**

Particulars	31.03.2021	31.03.2020
Sale of Goods	3,034,110	8,125,150
<b>TOTAL</b>	<b>3,034,110</b>	<b>8,125,150.00</b>

**14. OTHER INCOME**

Particulars	31.03.2021	31.03.2020
Miscellaneous Income	-	4,500
Discount Received	16,494	-
Interest Income	2,976,000	-
<b>TOTAL</b>	<b>2,992,494</b>	<b>4,500</b>

**15. PURCHASE OF STOCK IN TRADE**

Particulars	31.03.2021	31.03.2020
Finished Goods	2,917,895	4,174,660
<b>TOTAL</b>	<b>2,917,895</b>	<b>4,174,660</b>

**16. EMPLOYEE BENEFIT EXPENSES**

Particulars	31.03.2021	31.03.2020
Salary & Wages	165,000	315,000
Staff Welfare	5,150	10,200
Wages	35,500	119,600
Labour Welfare Contribution	-	-
<b>TOTAL</b>	<b>205,650</b>	<b>444,800</b>

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2021

**17. FINANCE COST**

Rs.

Particulars	31.03.2021	31.03.2020
Bank Charges	236	-
<b>TOTAL</b>	<b>236</b>	<b>-</b>

**18. ADMINISTRATIVE AND OTHER EXPENSES**

Particulars	31.03.2021	31.03.2020
Auditors Remuneration	29,500	29,500
Annual General Meeting Expenses	62,500	119,368
Fee , Rates & Taxes	47,605	187,720
Legal & professional	206,861	153,951
Interest on Income Tax	81,924	-
Printing & Stationary	33,027	70,716
Short & Excess	-	(0.25)
Selling & Distribution Expenses		39,060
<b>TOTAL</b>	<b>461,417</b>	<b>600,315</b>

# SKN

# M/S SKN INDUSTRIES LIMITED

CIN: U74999DL1992PLC050472

Email :- info@sknindustries.com

368/369, 3rd FLOOR, BASANT BUILDING,  
CHAUDHARY MARKET, SULTANPUR, NEW DELHI - 110030

Ph :- 0124-4272107

## NOTE-1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2021

### 1. CORPORATE INFORMATION

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

### 2. Significant Accounting policies

These financial statements are prepared as per Ind AS. 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 their 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**

There are No Foreign Currency Transactions during the reporting year. Generally, 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 6,60,000.00 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 an 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
- ⇒ Rajesh Khanna
- ⇒ Sonia Chopra
- ⇒ Gautam Kapur
- ⇒ Pardeep Kumar Dhamija
- ⇒ Akash Phalswal

## **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)

**Particular****For the year  
Ended 31/03/2021**

Capital Advances From Directors

Satish Chopra

-

Sonia Chopra

5,00,000.00

**Loans Given to Relative of Key Management Personnel & their enterprises**

Haryana City Gas Distribution (Bhiwadi) Limited

3,23,00,000/-

**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 extra ordinary 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.

	<b>31.03.2021</b>	<b>31.03.2020</b>
PAT as per statement of Profit & Loss	20,88,640	21,18,411
Number of Equity shares Outstanding	1,07,39,100	1,07,39,100
Basic and Diluted Earning per share	0.19	0.20

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

**For M A R S & Associates****Chartered Accountants****Firm Registration Number: 010484N****CA Shilpi Gupta****Partner****Membership No. 546061****Place: New Delhi****Date : 30-06-2021****Satish Chopra****Managing Director****DIN : 01171175****Akash Phalswal****Company Secretary****PAN-CRRPP7303M****Sonia Chopra****Director****DIN : 05198748****Pradeep Dhamija****CFO****PAN-AHDPD8011C**