



SKN

SKN INDUSTRIES LIMITED

**30th
ANNUAL
REPORT**

2021-22



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. Anuj Kumar (appointed on 28/12/2021)
Company Secretary & Compliance Officer

Registered Office

#368/369, 3rd Floor,
Basant Building, Chaudhary Market,
Sultanpur, New Delhi-30

Registrar & Share Transfer Agent

* Skyline Financial Services Pvt Ltd.
D-153A, 1st Floor, Okhla Industrial Area,
Phase-1, New Delhi-110020

SKYLINE is appointed as new RTA on 30/05/2022 in place of Link Intime India Pvt. Ltd.
At Nobel Heights, 1st Floor, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-58

Corporate Identification Number

U74999DL1992PLC050472

Statutory Auditors

M/s A.R.M. S. & Associates
Chartered Accountants
D-1996, Palam Vihar, Gurugram-
122017

Secretarial Auditors

M/s SKM & Associates
Company Secretaries
C-34, Nawada Housing Complex, Near
Tarak Hospital, Dwarka More, New
Delhi-110059

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 30th Annual General Meeting of SKN Industries Limited

Dear Shareholders
Good Morning,

It gives me great pleasure to welcome you all to the 30th Annual General Meeting of **SKN Industries Limited**.

FY 22 was year that witnessed an abrupt transformation of the world. The conflict all over Europe affected the post COVID recovery of world economies, shook global supply chains, reduced growth forecasts and increased inflation levels. Furthermore, uncertainties about the fourth wave and virus mutations have increased risks towards future growth worldwide. Climate change and its impact is already alarming. If humanity doesn't act now to stop greenhouse gas emissions, major cities will be underwater, unprecedented heat waves will define summers, terrifying storms will become more frequent, and millions of plant and animal species will go extinct.

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, your Board of Directors taking steps to list shares of the company under direct listing with the Bombay Stock Exchange and raising fresh capital from the promoter Group through preferential allotment of equity shares upto 62.50 lakh to comply the BSE Ltd eligibility norms.

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!
Satish Chopra
Chairman

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, Website: www.sknindustries.in
Phone: 0124-4272107

Notice is hereby given that the 30th Annual General Meeting ("AGM") of the Members of **SKN Industries Limited** will be held on Tuesday, September 06, 2022 at 11:30 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 No. 14/2020 dated 08th April 2020, Circular no. 17/2020, dated 13th April 2020, Circular No. 20/2020 dated 05th May 2020, Circular No. 02/2021 dated 13th January 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated 05th May, 2022 and SEBI circular dated 12th May, 2020, 15th January, 2021 and 13th May, 2022 (collectively referred to 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, 2022.

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 2022 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.

SPECIAL BUSINESS:

Item No. 4: Increase in the authorised share capital

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

"RESOLVED FURTHER pursuant to the provisions of section 13,

read with Section 61 & 64, other applicable provisions, if any, of the Companies Act, 2013 (Act) and Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to approval of any statutory or other authority, if any necessary, consent of members be and is hereby accorded for the increase and alteration in the Authorized Share Capital of the Company from Rs. 12,70,00,000/- (Rupees Twelve Crore Seventy Lakh) divided into 1,27,00,000 (One Crore Twenty Seven Lakh) equity shares of Rs. 10 (Rupees Ten) each to Rs. 20,00,00,000/- (Rupees Twenty Crore) divided into 2,00,00,000 (Two Crore) equity shares of Rs. 10 (Rupees Ten) each ranking pari-passu with the existing Equity Shares in the Company.

RESOLVED FURTHER THAT consequent to the aforesaid increase and alteration in the Authorised Share Capital, the existing Clause V of the Memorandum of Association of the Company as to Share Capital be and is hereby deleted and in its place the following new Clause V be substituted:

"V. The Authorized Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crore), divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10 (Rupees Ten) each."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the board of directors of the Company be and is hereby authorized on behalf of the Company, to do all acts, deeds, matters and things, as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with the filling of necessary E-forms with the registered of companies NCT Delhi and Haryana."

Item No. 5: To consider and approve Issuance of up to 62,50,000 (Sixty Two Lakh Fifty Thousand) Equity Shares on a preferential basis to Mr. Karan Chopra, son of Mr. Satish Chopra (promoter of the Company)

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

"RESOLVED THAT pursuant to the provisions of Section 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the provisions of Memorandum and Articles of Association of the Company and rules, regulations, guidelines, notifications and circulars, if any issued by Government of India, Reserve Bank of India, and in accordance with provisions of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time ("**SEBI (ICDR) Regulations**") and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended from time to time ("**Takeover Code**") read with SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016- and any other guidelines and clarifications issued by any other competent authority, whether in India or abroad, from time to time, to the extant applicable including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and all other applicable provisions as stated by BSE Limited for the Exclusively Listed Companies (ELCs) at its Dissemination Board (DB) and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary and subject to such conditions and modifications as might be prescribed while granting such

approvals, consents, permissions, and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "Board", which term shall be deemed to include any committee (s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer, and allot from time to time in one or more tranches, up to 62,50,000 (Sixty Two Lakh Fifty Thousand) fully paid up equity shares of the Company having face value of Rs. 10/- each ("Equity Shares") at Rs. 10/- (Rupees each) or at a price as may be arrived at in accordance with Chapter V of SEBI (ICDR) Regulations whichever is higher, aggregating face value of Rs. 6,25,00,000/- (Rupees Six Crore Twenty Five Lakh Only), to the following allottee (hereinafter referred to as the proposed allottee) on a preferential basis for cash and in such form and manner as may be permitted under applicable law and in accordance with the provisions of Chapter V of the - SEBI (ICDR) Regulations at such time or times and on such terms and conditions and in such manner as the Board may think fit and proper and its absolute discretion in this regard."

S. No.	Name of Proposed Allottees	No of Equity Shares to be allotted	Category	PAN
1	Mr. Karan Chopra	Up to 62,50,000	*Promoter Group (Individual)	AHZPC3653K

*Mr. Karan Chopra is the son of Mr. Satish Chopra, the Promoter of the Company, however Mr. Karan Chopra is holding NIL shares in the Company till the date of issue of this notice dated 03.08.2022.

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

- in accordance with regulation 161 of the SEBI (ICDR) Regulations, the "Relevant Date", for determining the minimum price for the issue of up to 62,50,000 Equity shares to the proposed allottee on a preferential basis, is Friday, August 05, 2022, being the date which is 30 (Thirty) days prior to the date of this Annual General Meeting i.e., Tuesday, September 06, 2022.
- the price determined for preferential issue shall be subject to appropriate adjustments, if any in accordance with the provisions of regulation 165, 166 and 166A of the SEBI (ICDR) Regulations."

"RESOLVED FURTHER THAT

- The Equity shares to be issued and allotted pursuant to this resolution will be listed and traded on the BSE Limited ("BSE") upon being listed on BSE. Presently the Company is on the Dissemination Board of BSE, hence the Company shall also be required to obtain prior in-principal approval for the proposed preferential allotment from the BSE.
- The equity shares allotted to allottee shall rank pari-passu with the existing equity shares of the company in all respect including as to dividend subject to the relevant provisions contained in the Articles of Association of the Company.

- The equity shares allotted on preferential basis shall remain locked-in for the certain period as prescribed under regulation 167 of SEBI (ICDR) Regulations.

- The Board be and is hereby authorized to accept any modification(s) to or modify the terms of issue of equity shares including reduction of the size of the issue, subject to the provisions of Companies Act, 2013 and SEBI (ICDR) Regulations, without being required to seek any further consent or approval of the members of the Company."

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

"RESOLVED FURTHER THAT the monies received by the Company from the allottee for allotment of equity shares pursuant to this private placement shall be kept by the Company in a separate bank account opened by the Company -for this purpose and shall be utilized by the Company in accordance with section 42 of the Companies Act, 2013.

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

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

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue, the number of equity shares to be allotted, finalising the terms of agreement(s) and other related document(s), if any, to be executed including amendments thereto, provide any clarifications related to offer, issue and allotment Equity Shares, listing of Equity Shares on Stock Exchange and authorise to preparation, execution and entering into arrangement / agreements, offer letter, letter of allotment, all writings, instruments and such other documents (including documents in connection with appointment of agencies, intermediaries and advisors), utilisation of proceeds of issue and further to authorise all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, to do all such acts, deeds and things as also to execute such documents as may be necessary to give effect to the aforesaid resolution, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to

have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.”

By Order of the Board of
SKN Industries Ltd
Sd/-
Anuj Kumar
Company Secretary
M No. 60145

Place: New Delhi
Dated: August 03, 2022

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 Ministry of Corporate Affairs (MCA) vide General Circular No. 14/2020 dated 08th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 20/2020 dated 05th May, 2020, Circular no. 02/2021 dated 13th January 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated 05th May, 2022 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 (collectively referred to as circulars). The facility of VC or OAVM and also casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by Central Depository Services (India) Limited. The framework prescribed by MCA in said circulars would be available to the members for effective participation in following manner:

a. The Company is convening 30th 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 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. are allowed to attend the meeting without restriction on account of first-come-first-served principle.

c. Notice of 30th AGM and Financial Statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for FY 2021-22, are being sent only through email to all members as on July 29, 2022 (i.e. based on Benepos 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. However, physical copy of the Annual Report will be sent on demand. 30th Annual Report containing Notice, Financial Statements and other documents are available on the on the website of the Company (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. 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 join the annual general meeting through VC/OAVM mode 15 minutes before and after the schedule time of the commencement of the AGM by following the procedure mentioned in the notice.

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, skyline financial services Private Ltd., www.skylinerta.com 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 Regulation 44 of SEBI (LODR) Regulations and any other applicable provisions, the Company is pleased to provide members the facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Central Depository Services (India) Ltd, (CDSL).
- 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. August 30, 2022, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.
- d. The remote e-voting period commences at 9:00 a.m. (IST) on Saturday, September 03, 2022 and ends at 5:00 p.m. (IST) on Monday September 05, 2022. The e-voting module shall be disabled by CDSL 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, joining virtual meeting and voting at AGM Instructions for Shareholders:

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 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. 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>
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> •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: https://eservices.nsdl.com 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. •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 & voting during the meeting. •If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp •Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 & voting during the meeting.

- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@sknindustries.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- Only those shareholders, who are present in the AGM through VC/OAVM 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 system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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 evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.

Additional facility for Non-Individual shareholders and custodians- for remote voting only:

- Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

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 30th 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 30th 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 and on the website of Central Depository Services India Limited 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 06, 2022. Members seeking to inspect such documents can send an email to 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:

Name of Director	Mr. Satish Chopra
DIN	01171175
Brief Resume	Mr. Satish Chopra is Managing Director of SKN Industries Limited. He holds a graduate degree from the reputed college. He has been leading and strategically guiding the company's overall growth sustainably. Mr. Satish Chopra is a Director on the Board of Luthra Metal Industries Pvt Ltd, Haryana City Gas Distribution Limited, Haryana City Gas Distribution (Bhiwadi) Limited, SKN .Haryana City Gas Distribution Private Limited, Bentex Control & Switchgear(S) Private Limited, East Coast Natural Gas Distribution Private Limited, SKN Freight Terminal Private Limited and S K N Associates Private Limited. His rich experience includes setting up green-field projects from planning, investment to implementation. He is today steering the group towards strategic investments in the business that will align with the company's long-term growth plans and create various opportunities for diversification and expansion. He has been a major contributor to initiate the company's move towards investing in captive green wind power in its portfolio and is looking further to enhance its green energy portfolio. Mr. Satish Chopra is a member of Risk Management Committee of the Company. He is neither a member of 10 Committees nor the Chairman of more than 5 Committees. Mr. Satish Chopra is not related to any other director except Mrs. Sonia Chopra or key managerial personal of the Company. Mr. Satish Chopra holds 41,32,760 shares in the Company.
Date of birth	01/10/1956
Qualification	B.A
Experience and	Corporate and business management

expertise in specific functional area	
Terms and conditions of Appointment	Mr. Satish Chopra is Managing Director, liable to retire by rotation.
Details of remuneration and remuneration last drawn	Nil
Date on which first appointed on the Board	September 30, 2002
Details of shareholding in the Company (as on 31st March, 2022)	41,32,760 equity shares of the Company in his individual name and 5100 equity shares in Satish Chopra HUF
Relationship with other Directors/ Key Managerial Personnel (if any)	Husband of Mrs. Sonia Chopra, Non-executive director of the Company
Number of Board Meetings attended during the year 2021-22	5
Details of Directorships /Committee Chairmanship and Memberships in other companies (as on 31st March, 2022)	As detailed herein above

and remuneration last drawn	
Date on which first appointed on the Board	July 21, 2016
Details of shareholding in the Company (as on 31st March, 2022)	Nil
Relationship with other Directors/ Key Managerial Personnel (if any)	Wife of Mr. Satish Chopra, Managing director of the Company
Number of Board Meetings attended during the year 2020-21	5
Details of Directorships /Committee Chairmanship and Memberships in other companies (as on 31st March, 2022)	As detailed herein above

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

Item No. 4: INCREASE IN THE AUTHORISED SHARE CAPITAL

The Company was incorporated in 1992 with a view to carry on the business of manufacturers, trading, importers etc in all kind of electrical and electronic equipments, foods, wines etc. In order to comply with the BSE direct listing norms, paid up share capitals to be increased, therefore Board of Directors decided to issue shares under preferential allotment, therefore unanimously assented to increase the existing limit of authorised share Capital of the Company in the Board meeting held on August 03, 2022. In view of the same, the board proposed to increase its authorized capital as below.

The Current Authorized Capital of the Company is Rs. 12,70,00,000/- (Rupees Twelve Crore Seventy Lakh Only) consisting of 1,27,00,000 (One Crore Twenty Seven Lakh) Equity Shares of Rs 10/- (Rupees Ten) each and the paid up share capital of the Company is Rs. 10,73,91,000/- (Rupee Ten Crore Seventy Three Lakh Ninety One Thousand Only) consisting of 1,07,39,100 (One Crore Seven Lakh Thirty Nine Thousand One Hundred) Equity Shares of Rs 10/- (Rupees Ten) each. The Company proposes to increase its authorized share capital to 20,00,00,000/- (Rupee Twenty Crore) to facilitate complying with the BSE direct listing norms.

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company.

Pursuant to Articles of Association and Section 13 and 61 of the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing Ordinary Resolution to that effect.

The Directors recommend the Resolution set out in the Notice as item no. 4 for the approval of the Members.

No Director and other key managerial personnel and their relatives are concerned or interested in the passing of this Resolution.

Item No. 5: TO CONSIDER AND APPROVE ISSUANCE OF UP TO 62,50,000 (SIXTY TWO LAKH FIFTY THOUSAND) EQUITY SHARES ON A PREFERENTIAL BASIS/ PRIVATE PLACEMENT TO MR. KARAN CHOPRA, SON OF MR. SATISH CHOPRA (PROMOTER OF THE COMPANY)

Name of Director	Mrs. Sonia Chopra
DIN	05198748
Brief Resume	<p>Mrs. Sonia Chopra is non-executive Director of the Company. She is a graduate. Mrs. Sonia Chopra is a Director on the Board of Haryana City Gas Distribution (Bhiwadi) Limited, Vijayalakshmi Associates Private Limited and Haryana City Gas Distribution Limited. She is a member of Audit committee, Nomination & Remuneration Committee and Stakeholder Relationship 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. Mrs. Sonia Chopra does not hold any shares of the Company in her individual name.</p>
Date of birth	20/10/1970
Qualification	B.A
Experience and expertise in specific functional area	Corporate and business management
Terms and conditions of Appointment	Mrs. Sonia Chopra is non-executive Director, liable to retire by rotation.
Details of remuneration	Nil

Presently the company is at the Dissemination Board of BSE, in order to comply with the Direct Listing Norms, your company intends to raise its paid-up capital by way of allotting fresh equity shares to the proposed allottee.

The following explanatory statements sets out all material facts relating to the business mentioned in the accompanying notice for the item no.5 and shall be taken as forming part of notice.

The company propose to raise additional capital of up to Rs. 6,25,00,000/- (Rupees Six Crore Twenty -Five Lakh Only) against 62,50,000 (Sixty Two Lakh Fifty Thousand) Equity shares at face value of Rs. 10/- each to be issued at a price of Rs. 10/- each share to Mr. Karan Chopra ("Promoter Group"), pursuant to a preferential allotment ("Preferential Allotment").

Approval of the members by way of special resolution is required inter-alia in terms of Sections 42 and 62(1)(c) of the Companies Act, 2013 and in accordance with the provisions of chapter V- "Preferential issue" of the SEBI (ICDR) Regulations as amended from time to time. The proposed issue of capital is subject to the applicable regulations issued by the Securities and Exchange Board of India and any other government / regulatory approvals as may be required in this regard.

In order to enable the Company to access the capital market through a private placement basis, the approval of the Members is hereby sought pursuant to the provisions of Sections 42 and 62 and other applicable provisions of the Companies Act, 2013 as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the SEBI (ICDR) Regulations, as amended. The Equity Shares created, offered, issued and allotted, if any, shall rank pari passu in all respects with the existing equity shares of the Company.

The Board has approved the creation, offer, issue and allotment of up to 62,50,000 (Sixty Two Lakh Fifty Thousand) fully paid-up Equity Shares for an aggregate consideration of Rs. 6,25,00,000/- (Rupees Six Crore Twenty Five Lakh only), by way of Preferential Allotment to the Promoter Group Mr. Karan Chopra pursuant to its resolution dated August 03, 2022.

Accordingly the Company proposes to issue and allot up to 62,50,000 (Sixty Two Lakh Fifty Thousand) fully paid up equity shares having face value of Rs. 10/- (Rupees Ten Only) each at or above the minimum price as determined as on relevant date, in accordance with Regulation 165 read with Regulation 166A of the SEBI (ICDR) Regulations to the proposed allottee as mentioned below; -

S N o.	Name of proposed allottees	Address	No. of equity shares to be allotted	Category
1.	Mr. Karan Chopra	12, Forest Line, Ghitorni Village, New Delhi 110030	Up to 62,50,000 (Sixty Two Lakh Fifty Thousand)	Promoter Group*

*Mr. Karan Chopra is the son of Mr. Satish Chopra, the Promoter of the Company, however Mr. Karan Chopra is holding NIL shares in the Company till the date of issue of this notice dated August 03, 2022

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

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

The object of the issue is to increase the paid up equity share capital of the Company in order to comply with the Direct Listing norms, as your Company will seek Direct Listing of its shares at BSE Limited post the allotment of proposed Equity shares.

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

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

The Company has received a letter of intent from the Mr. Karan Chopra, Promoter Group indicating his intention to subscribe 62,50,000 (Sixty Two Lakh Fifty Thousand) equity shares at Rs. 10/- each of the proposed Preferential Allotment. Post allotment, the shareholding of Promoter & Promoter Group in the Company will be up to 74.63% (assuming allotment of 62,50,000 equity shares to Mr. Karan Chopra) of the post issue paid-up Equity Share capital of the Company. None of the existing promoter, Directors and KMPs intends to subscribe to the Preferential Allotment.

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

The Company proposes to issue up to 62,50,000 (Sixty Two Lakh Fifty Thousand) equity shares at the issue price of Rs. 10/- each to Mr. Karan Chopra, Promoter Group of the company.

d) Issue Price and Relevant Date:

The Equity Shares in the Preferential Allotment shall be allotted at a price of Rs. 10/- each as determined in accordance with the relevant provisions of Regulation 165 read with Regulation 166A of SEBI (ICDR) Regulations considering the Relevant Date as Friday, August 05, 2022 i.e., 30 days prior to the date on which the resolution is deemed to be passed i.e. the date of Annual General Meeting.

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

After de-recognition of Delhi Stock Exchange, our Company has been shifted into Dissemination Board ("DB") of BSE Limited (BSE). As per Regulation 165 of Chapter V of SEBI (ICDR) Regulations-, when the Equity shares are infrequently traded, the price determined by the issuer shall take into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such Company and should be done by an Independent Registered Valuer. The Company has obtained a valuation report from **Mr. Ajay Kumar Siwach**, Independent Registered Valuer dated August 03, 2022. A copy of the Valuation report issued by Registered Valuer shall be available for inspection at the registered office of the Company on all working days from 11:00 A.M. and 1:00 P.M. till the conclusion of annual general meeting.

The said Valuation Report is made available on the website of the Company and the link for the same is www.skniindustries.in

The price per share has been determined in accordance with the provisions of Regulation 165 read with Regulation 166A of the SEBI (ICDR) Regulations-. The shares of the company being infrequently

traded, the price is determined taking into account valuation parameters including book value, comparable trading multiple etc.

As per valuation report, the floor price in terms of Regulations 165 and 166A of the SEBI (ICDR) Regulation, is Rs. 10/- (Rupees Ten only) per Equity Share.

Also, the Articles of Association of the Company doesn't contains any article which provides for determination of price in case of preferential issue.

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

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

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

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

Shareholding Pattern of the Company before and after proposed issue of equity shares					
S. N	Category & Name of the members	Pre-issue		Post-issue	
		No. of shares held	% of shares held	No. of shares held	% of shares held
A.	Promoter & Promoter				
(1)	Indian				
	Individual	4132760	38.48	10382760	61.11
	Body corporate	2296880	21.39	2296880	13.52
	Sub total (A)(1)	6429640	59.87	12679640	74.63
(2)	Foreign	-	-	-	-
	Sub total (A) (2)	-	-	-	-
	Total shareholding of Promoter and Promoter group (A)= (A)(1) + (A)(2)	6429640	59.87	12679640	74.63
B.	Public Shareholdings				
(1)	Institutional Investor	4800	0.04	4800	0.03
(2)	Private body corporate	492300	4.58	492300	2.90
(3)	Others (including NRI)	3812360	35.50	3812360	22.44
	Total shareholding of Public (B)= (B)(1)+(B)(2)+(B)(3)	4309460	40.13	4309460	25.37
	Grand Total (A+B)	10739100	100.00	16989100	100.00

*The above shareholding is based on the shareholding pattern as on June 30, 2022.

**Assuming full allotment of proposed equity shares i.e. 62,50,000 equity shares.

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

Further above shareholding pattern may change upon transfer of shares by existing shareholders of the Company from time to time

h) Proposed time within which allotment will be completed:

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

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

Mr. Karan Chopra is the son of Mr. Satish Chopra, the Promoter of the Company, however Mr. Karan Chopra is holding NIL shares in the

Name of proposed allottee	Pre-issue Category of allottee	Pre issue % holding	No of equity shares proposed to be allotted	Post issue % holding	Post - issue Category of allottee	Beneficial ownership
Mr. Karan Chopra	Promoter Group	Nil	Up to 62,50,000	36.79	Promoter	Self (Mr. Karan Chopra)

Company till the date of issue of this notice dated August 03, 2022.

j) Change in Control:

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

Pursuant to Regulation 166A(2) of the SEBI (ICDR) Regulations, the committee of independent directors of the Company after considering all the aspects related to the preferential issue (including pricing) to Mr. Karan Chopra, son of Mr. Satish Chopra (promoter of the Company) is in of a unanimous view that, this allotment, if made, will not result in change in control of the management of the Company. The meeting was held on August 03, 2022 and was attended by Mr. Gautam Kapur and Mr. Rajesh Khanna being the independent directors of the Company.

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

During the year, no preferential allotment has been made to any person.

l) Lock-in period:

i. The Equity Shares to be allotted on a preferential basis to the Promoter shall be locked in accordance with Regulation 167 of the SEBI (ICDR) Regulations.

ii. The proposed allottee does not hold any share in the Company, hence the provisions related to lock-in of pre-preferential shareholdings are not applicable.

m) Listing:-

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

n) Terms of payment:

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

o) Undertaking to re-compute the price:

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

p) Certificate from Practicing Company Secretaries

A certificate from Mr Manish Kumar, Practicing Company Secretaries certifying that the issue of equity shares on preferential basis is being made in accordance with requirements of Chapter V of the SEBI (ICDR) Regulations, 2018 shall be available for inspection at the Registered office of the Company on all working days (excluding Saturdays and Sundays) during 11:00 A.M. to 1:00 P.M. up to the date of this AGM and also be available during the AGM. The said certificate will also be available on the website of the Company and the link for the same is www.sknindustries.in

Other disclosures:-

i. The issue is authorized by the Articles of Association of the Company.

ii. All the documents referred to in the Notice and explanatory Statement are available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sunday and public holidays) between 11:00 a.m. to 01:00 p.m. upto the date of this AGM.

iii. None of the Company, the Promoter or the Directors has been declared as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

iv. Details of class or classes of persons to whom the allotment is proposed to be made {as per Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 as mentioned in point no. f above.

v. The Promoter and members of the Promoter Group have not sold Equity Shares of the Company in the 90 trading days preceding the Relevant Date.

vi. The Company has not made any preferential allotment of Equity Shares during the last financial year.

vii. The Company is an Exclusive Listed Company on the Dissemination Board and in order to facilitate listing on BSE Limited, the Company raise capital for meeting the listing requirements through preferential allotment route in terms of the provisions under the SEBI (ICDR) Regulations and the conditions of continuous listing of equity shares as specified in the listing agreement with the Stock Exchange(s) where the Equity Shares of the Company are listed are not applicable. The raising of capital pursuant to the proposed resolution is subject to force majeure circumstances and conducive capital market environment.

viii. The consent of the shareholders is sought for the issue of Equity Shares in terms of section 42, 62 (1) (c) and other applicable provisions if any of the Companies Act, 2013 and in terms of the provisions of SEBI (ICDR) Regulations and listing agreement entered into by the Company with stock exchange(s), where the Company's Equity shares are listed.

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

The resolutions as set out in Item No. 5 and the terms stated there-in and in the explanatory statement hereinabove shall be subject to the guidelines/ regulations issued/ to be issued by the Government of India or the Securities and Exchange Board of India or the Reserve Bank of India or the Ministry of Corporate Affairs or any other regulatory/ statutory authorities in that behalf and the Board shall have the absolute authority to modify the terms contained herein or in the said resolution, if required by the aforesaid regulatory/ statutory authorities or in case they do not confirm with the SEBI (ICDR) Regulations including any amendment, modification, variation or re-enactment thereof.

Except Mr. Satish Chopra and Mrs. Sonia Chopra who are interested in the above resolution none of the other Directors, KMPs and their relatives, other than to the extent of their shareholding in the Company, are concerned/ interested, financially or otherwise, in the above resolution. Further, (i) Mr. Satish Chopra is a Managing Director on the Board of the Company; and (ii) Mrs. Sonia Chopra, a Director on the Board of the Company is relative (spouse) of Mr. Satish Chopra.

The aforesaid proposal is in the interest of the Company and the Board thus recommends resolution at Item No. 5 for approval of the Members as a special resolution.

**By Order of the Board of
SKN Industries Ltd**

Sd/-

Anuj Kumar

Company Secretary

M No. 60145

Place: New Delhi

Dated: August 03, 2022

BOARD'S REPORT

To,
The Members,
SKN Industries Ltd

Your directors take pleasure in presenting the 30th Annual Accounts on the business and operations of your Company, along with the summary of financial statements for the year ended March 31, 2022. The economic contraction during FY 2021-22 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 2021-22 are given below:

FINANCIAL RESULTS

The Company's financial results for the financial year ended on the 31st March, 2022 are as under:

The revenue of the Company has increased to Rs. 3.08 Crores which includes interest income and miscellaneous income of Rs. 38.76 Lacs and 63.06 Lakhs respectively whereas in previous year the revenue was 60.26 Lacs. The Company has registered increase in sales by 578% in comparison to previous year

Particulars	Amount in INR	
	As at 31st March 2022	As at 31st March 2021
Net Sales/income	20,588,583.00	3,034,110.00
Gross profit (before interest and depreciation)	10,253,657.00	2,441,642.00
Less: Finance cost	0	236
Profit (before depreciation and amortization)- (cash profit)	10,253,657.00	2,441,406.00
Less: Depreciation and amortization	0	0
Profit (before exceptional items and tax)	10,253,657.00	2,441,406.00
Exceptional item	0	0
Less: Provision for tax	2,665,951.00	660,000.00
Less: Deferred tax liability	0	0
Less: Earlier year tax	(22,370.00)	(307,234.00)
Net Profit/(Loss) after tax	7,610,076.00	2,088,640.00
other comprehensive income	0	0
Appropriations	0	0
FVTOCI Reserve	0	0
Balance brought forward from last year	(55,972,441.00)	(58,061,081.00)
Balance carried forward to Balance sheet	(48,362,365.00)	(55,972,441.00)
EPS (Basic/ diluted)	0.71	0.19

STATE OF COMPANY'S AFFAIR

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to enhance quality and customer service and to reduce costs. SKN Industries Ltd 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.

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

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

S. no.	Director/KMP	DIN/PAN	Designation	Date of appointment	Date of Resignation
1	MR. SATISH CHOPRA	01171175	Managing Director	30-09-2002	
2	MR. RAJESH KHANNA	01851188	Independent Director	28-02-2001	
3	MRS. SONIA CHOPRA	05198748	Non-Executive Director	21-07-2016	
4	MR. GAUTAM KAPUR	05308409	Independent Director	28-08-2020	
5	MR. SUNIL SHARMA	01724943	Independent Director	28-01-2001	Demised On 11th May 2021
6	MR. PARDEEP KUMAR DHAMIJA	AHDPD8011C	Chief Financial officer	28-08-2020	
7	MR. ANUJ KUMAR	CJXPK0358M	Company Secretary	28-12-2021	
8	MR. AKASH PHALSWAL	CRRPP7303M	Company Secretary	18-08-2017	16-10-2021

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 proposed himself to be re-appointed and with wide discussion and considering all factors, with the consent of Nomination and Remuneration Committee, the appointment of Mr. Satish Chopra was approved by the shareholders at Annual General Meeting held on September 30, 2021 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 proposed to be re-appointed as director at the ensuing Annual General Meeting of the Company.

Mr. Sunil Sharma, Independent Director, was demised in second wave of covid 19 in May 2021. During the year, Mr. Akash Phalswal, Company Secretary of the Company has resigned and Mr. Anuj Kumar was appointed as Company Secretary of the Company w.e.f 28.12.2021. 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.

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.

DIVIDEND

This pandemic has impacted the social and economic life of every person which has created a significant role of reserves and provisions to safe 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 2021-22.

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 31st March 2022 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 2021-22.

MEETINGS

The Board meetings of your company are planned in advance in consultation with the Board Members. During the financial year ended March 31, 2022, 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 13, 2021, June 30, 2021, September 30, 2021, December 28, 2021 and January 17, 2022. 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 is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his 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 17, 2022.

A separate meeting of Independent Directors was held on January 17, 2022, to review the performance of Non-Independent Directors', performance of the Board and Committee as a whole and performance of the Chairman of the Company, taking into account the views of Executive Directors and the Non-Executive Directors.

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

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

NOMINATION AND REMUNERATION POLICY

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

1. To attract, retain and motivate qualified and competent individuals at Director, Key Managerial and other employee levels to carry out company's business operations as assigned to them.
2. To ensure payment of salaries and perks that are comparable to market salary levels so as to remain competitive in the industry.
3. To revise the remuneration of its employees periodically for their performance, potential and value addition after systematic assessment of such performance and potential.
4. To ensure disbursement of salary and perks in total compliance to the applicable statutory provisions and prevailing tax laws of the Country.

The Nomination and Remuneration Policy is available on website www.sknindustries.in of the company.

COMPOSITION OF AUDIT COMMITTEES

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

Kapur ((Independent Director) and Mrs. Sonia Chopra (Non-executive Director).

During the year Committee members met 4 times on April 13, 2021, June 30, 2021, September 30, 2021 and January 17, 2022.

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 two independent directors and one Non-Executive directors comprising of Sh. Gautam Kapur (Independent Director), Sh. Rajesh Khanna (Independent Director) and Mrs. Sonia Chopra (Non-executive director).

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 two independent director & one Non- Executive directors comprising of Sh. Rajesh Khanna (Independent Director) and Mrs. Sonia Chopra (Non-executive director) and Sh. Gautam Kapur (Independent director).

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(5) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable on the Company.

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. Anuj Kumar, Company Secretary. During the year, Mr. Anuj Kumar was appointed as Company Secretary of the Company

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, 2022 is annexed with the Board's Report and formed as part of the Annual Report. As Secretarial Auditor mentioned about the unsecured loan given 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 Bombay Stock Exchange Limited (BSE). However, the Company is also look forward to comply the eligibility norms of BSE for direct 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, 2022 and other policies of the Company shall be placed on the Company's website www.sknindustries.in stakeholders may access from there.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

RELATED PARTY TRANSACTIONS

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

S. No.	Particulars	31.03.2022	31.03.2021
1.	Power & Fuel Consumption in respect of Electricity, Power & Water amount	Nil	Nil

RISK MANAGEMENT

Pursuant to the requirement of Regulation 21 of the Listing Regulations, the Company had voluntarily constituted a Risk Management Committee. The policy on Risk Management as approved by the Board is uploaded on the Company's website www.sknindustries.in

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

The Board of Directors of the Company 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.

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

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

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

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

Your Company is committed to creating and maintaining a secure work environment where its employees, agents, vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation.

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

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

STATUTORY AUDITORS

Your directors would like to inform that in the 29th AGM held on September 30, 2021, M/s. A R M S & Associates, Chartered Accountant (ICAI Firm Reg. No. 013019N), was appointed as statutory auditors of the Company for a period of five consecutive years i.e. from the conclusion 29th AGM till the conclusion of 34th AGM.

M/s. A R M S & Associates has audited the books of accounts of the Company for the financial year ended March 31, 2022 and has issued the Auditors' Report thereon. There are no qualifications or reservations on adverse remarks or disclaimers in the said report. Further, there are no frauds has been reported by the Auditors to the Audit & Compliance Committee or the Board under Section 143(12) of the Companies Act, 2013.

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, 2022. Hence, they do not call for any further explanation or comment U/s 134 (3) (f) of the Companies Act, 2013. However Secretarial auditor have mentioned about the independent director is not yet qualified online test. Company is assisting director to enrol in database and qualify test.

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.

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.
Your Company is an associate company of S K N Associates Pvt Ltd.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No such any material changes.

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 OF MANAGERIAL PERSONNEL) RULES, 2014

No directors/employees of the Company was in receipt of amount exceeding a salary of Rs.8,50,000/-per month when employed for part of the financial year 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 were listed, have been either de-recognized or exit order passed by SEBI, therefore the Listing Agreement executed with the Stock Exchanges and other SEBI rules/regulations/guidelines are not applicable on the Company and the Company is a deemed unlisted company as per the SEBI Circular No. CIR/MRD/DSA/05/2015 dated 17th April, 2015.

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 31.03.2022 is Rs.10,73,91,000 and the Net-worth is Rs. 5,90,28,635/- which is less Rs. 25 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, 2022, 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, 2022 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.

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 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, 2022 complied with the statutory provisions listed hereunder and also that the Company has 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, 2022 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;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(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

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

Place: New Delhi

Dated: 30.06.2022

(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

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 with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review were carried out in compliance with the provisions of the Act, except reappointment of Mr Satish Chopra as managing Director effective from July 21, 2021 in the board meeting held on June 30, 2021 for the period of five years without remuneration. As the Company had appointed Mr. Gautam Kapur as an independent Director w.e.f. August 28, 2020. However, Mr. Gautam Kapur has been enrolled in MCA independent director database but not yet to qualified online test. Further Mr. Akash Phalswal, company secretary has resigned on 16/10/2021 and Board appointed Mr. Anuj Kumar as a Company secretary and KMP with effect from 28/12/2021
- (ii) All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be;
- (iii) The Company's equity shares were listed on Bombay Stock Exchange, (BSE), Jaipur Stock Exchange, Delhi Stock Exchange. However as per the BSE delisting data available at its website, company is delisted from BSE on 14.01.2004 under compulsory delisting and currently company is on dissemination board of BSE.
- (iv) During the review, company has given loan to its related party (East Coast Natural Gas Distribution Pvt Ltd) and others and complied provisions of section 186 of the act.
- (v) 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..

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.

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 during the audit period, board has decided to list the company with Bombay stock exchange (BSE) under direct listing instead of MSEI.

For **SKM & Associates**
Company Secretary
FRN

Sd/-
CS Manish Kumar
Proprietor
Membership No. ACS 48883
Certificate of Practice No. 19169
UDIN: A048883D000537558
Date: 28/06/2022
Place: New Delhi

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.

ANNEXURE-A

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, management have assured to provide 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 Secretaries
FRN

Sd/-

CS Manish Kumar
Proprietor

Membership No. ACS 48883

Certificate of Practice No. 19169

UDIN: A048883D000537558

Date: 28/06/2022

Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

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

Industry structure and developments

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

Opportunity and threats

There are massive opportunities for the company and accordingly there are many challenges as well after the COVID 19 pandemic 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 possibilities of fourth wave, the degree of supply disruptions, the consequences of the tightening in the global financial market, change in spending patterns, change in demand, confidence effects, and volatile commodity prices. The advanced economies are experienced positive recovery of economy leading to expected economic growth and expected further 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 systems 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 good stead. However, the economic condition prevailing within the country have significant role to play in performance.

Human resource

It is believed to your company that people are at the heart of corporate and it 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, except repayment of loan.

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 2022 is Rs. 3.08 Crores as against Rs. 60.26 Lakh for the previous Financial Year ended 31st March 2021.
- Profit before financial expenses and depreciation for the financial year ended 31st March 2022 is Rs. 1.02 Crore as compared to Rs. 24.41 Lakh for the previous Financial Year ended 31st March 2021.
- PBT (Profit Before Tax) for the financial year ended 31st March, 2022 is at Rs. 1.02 Crore against Rs. 24.41 Lakh for the previous Financial Year ended 31st March 2021.

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, 2022 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 Ltd

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

Sd/-
(Pardeep Kumar Dhamija)
CFO

Dated: 30.06.2022
Place: New Delhi

SKN

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, 2022, 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, 2022, 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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
 - ii. standalone financials.
 - iii. 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.
 - iv. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For A R M S & ASSOCIATES
Chartered Accountants
ICAI Firm Reg. Number: 013019N

Sd/-
MANOJ KUMAR GUPTA
Proprietor
Membership No.: 089677
UDIN: 22089677AKWWNG9660

Place: Gurgaon
Date: 30/05/2022

'Annexure A' to the Independent Auditors' Report:

Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of M/S SKN INDUSTRIES LIMITED of even date:

1) In Respect of Property Plant & Equipment

(a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.

(ii) The Company has maintained proper records showing full particulars of intangible assets, if any.

(b) The Company has program of physical verification of Property, Plant and Equipment and right of use assets so to cover all the assets in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreements for land on which building is constructed, registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title in respect of self constructed buildings and the title deeds of all other immovable properties (other than properties where the company in the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right to use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) (i) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

(ii) According to the information and explanations given to us, no material discrepancies were noticed on such verification,

(iii) The Company has not availed working capital limit in excess of Rs. 5 Crore during the year, in aggregate from banks and financial institution on the basis of security of current assets.

(iv) The company is not required to file quarterly returns with filed with banks & financial institution.

3) According to the information and explanations given to us, the company has granted any loan, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013, details of the same have been by the Company disclosed in the notes to financial statements.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security given to directors or any other person in whom the director is interested.

5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

6) 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.

7) In respect of statutory dues:

(a) According to information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961)

- 9) (a) According to the information and explanation given to us and records examined by us, the Company has not defaulted in repayment of dues to banks, financial institutions and Government. The Company does not have any dues to debenture holders during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or any other lender.
- (c) On an overall examination of the financial statements of the Company, the term loan were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans during the year by pledging securities held in their subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 10) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 11) (a) To the best of our knowledge and 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.
- (b) No report under sub-section(12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures. No complaint has been received during the year under consideration.
- 12) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination the records of the company, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013. Where applicable, the details of such transactions have been disclosed in the Financial Statement as required by the applicable accounting standards.
- 14) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (15) According to the information and explanations given to us and based on our examination the records of the company, the company has not entered into any non-cash transaction with directors or persons connected with them. Accordingly, the paragraph 3(xv) of the Order is not applicable.
- 16) According to the information and explanations given to us and based on our examination the records of the company, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.
- 17) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors of the Company during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no remaining unspent amounts under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For A R M S & ASSOCIATES
Chartered Accountants
ICAI Firm Reg. Number: 013019N

Sd/-
MANOJ KUMAR GUPTA
Proprietor
Membership No.: 089677
UDIN: 22089677AKWWNG9660

Place: Gurgaon
Date: 30/05/2022

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 M/S SKN INDUSTRIES LIMITED (“the Company”) as of March 31, 2022 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

- (4) 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A R M S & ASSOCIATES
Chartered Accountants
ICAI Firm Reg. Number: 013019N

Sd/-
MANOJ KUMAR GUPTA
Proprietor
Membership No.: 089677
UDIN: 22089677AKWWNG9660

Place: Gurgaon
Date: 30/05/2022

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 31-03-2022

			Rs.
PARTICULARS	NOTE	31-03-22	31-03-21
ASSETS			
Non-current Assets			
Property, Plant & Equipment	3	8,604,707	8,604,707
Financial Assets			
Investments		-	-
Loans & Advances	4	48,838,400	32,300,000
Deferred Tax Asset (Net)	5	3,900,153	3,900,153
Other Non-current Assets		-	-
Current Assets			
Inventories		-	-
Financial Assets			
Trade Receivables	6		6,750,000
Cash & Cash Equivalents	7	401,548	761,116
Loans & Advances	8	407,080	68,883
Other Current Assets		-	-
TOTAL Assets		62,151,887	52,384,859
EQUITY & LIABILITIES			
Equity			
(a) Equity Share Capital	9	107,391,000	107,391,000
(b) Other Equity	10	(48,362,365)	(55,972,441)
Non-Current Liabilities			
Financial Liabilities			
Long-term Borrowings		-	-
Long-term Provisions		-	-
Deferred Tax Liability (Net)		-	-
Current Liabilities			
Financial Liabilities			
(a) Short-term Borrowings			
(i) Loan repayable on demand	11	-	500,000
(ii) Deposits		-	-
(b) Trade Payables	12	29,106	-
Other Current Liabilities	13	428,195	29,500
Short-term Provisions		-	-
Current Tax Liabilities (Net)		2,665,951	436,800
TOTAL Equity and liabilities		62,151,887	52,384,859

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1&2

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

For A R M S & Associates
Chartered Accountants
(Firm Registration No. :013019N)

Satish Chopra
Managing Director
DIN-01171175

Sonia Chopra
Director
DIN- 05198748

CA Manoj Kumar Gupta
Proprietor
Membership No. 089677
Place- Gurugram
Date- 30/05/2022

Anuj Kumar
Company Secretary
PAN-CJXP0358M

Pardeep Kr. Dhamija
Chief Financial officer
PAN-AHDPD8011C

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
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2022

PARTICULARS	NOTE	Rs.	
		31-03-22	31-03-21
Revenue From Operations	14	20,588,583	3,034,110
Other Income	15	10,223,423	2,992,494
TOTAL REVENUE		30,812,006	6,026,604
EXPENSES			
Cost of Material Consumed		-	-
Purchase of Stock-in-Trade	16	19,379,346	2,917,895
Changes in Inventories of Finished Goods and Work-in-Progress		-	-
Employee Benefits Expenses	17	411,500	205,650
Finance Cost	18	-	236
Manufacturing Expenses		-	-
Other Expenses	19	767,504	461,417
Depreciation		-	-
TOTAL EXPENSES		20,558,350	3,585,198
Profit Before Tax & Extraordinary Items		10,253,657	2,441,406
Exceptional Items		-	-
Profit Before Tax		10,253,657	2,441,406
Tax Expenses:-			
Current Tax		2,665,951	660,000
Deferred Tax		-	-
Earlier Year		22,370	307,234
Profit / (Loss) for the year		7,610,076	2,088,640
Profit for the year attributable to:-			
Equity Shareholders of the parent		7,610,076	2,088,640
Non-Controlling Interest		-	-
OTHER COMPREHENSIVE INCOME			
Items that will not reclassified to profit & loss		-	-
Balance Other Comprehensive Income for the year		-	-
Other Comprehensive Income for the year attributable to:-			
Equity Shareholders of the parent		-	-
Non-Controlling Interest		-	-
Total Comprehensive Income for the year		7,610,076	2,088,640
Basic Earning Per Share		0.71	0.19
Diluted Earning Per Share		0.71	0.19

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

For A R M S & Associates
Chartered Accountants
(Firm Registration No. :013019N)

Satish Chopra
Managing Director
DIN-01171175

Sonia Chopra
Director
DIN- 05198748

CA Manoj Kumar Gupta
Proprietor
Membership No. 089677
Place- Gurugram
Date- 30/05/2022

Anuj Kumar
Company Secretary
PAN-CJXPK0358M

Pardeep Kr. Dhamija
Chief Financial officer
PAN-AHDPD8011C

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2022

	Rs.	
	Year ended 31-03-2022	Year ended 31-03-2021
A. Cash Flow from Operating Activities:		
Net Profit before tax for the year	10,253,657	2,441,406
Adjusted for:		
i. Depreciation	-	-
ii. Earlier Year Tax Liability	-	-
iii. Provision for Tax	-	-
iv. Interest	-	-
v. Previous Year Tax Adjustment	-	-
vi. Interest on Income Tax	-	81,924
vii. Profit on sale of fixed assets	-	-
	-	81,924
Operating profit before working capital changes	10,253,657	2,523,330
Adjusted for changes in:		
i. Inventories	-	-
ii. Trade & Other Receivables	6,750,000	243,389
iii. Short Term Loans & Advances	(338,197)	(68,883)
iii. Trade Payable & Other Liabilities	427,801	(15,000)
	6,839,604	159,506
Cash Generated from Operations	17,093,261	2,682,836
Taxes Paid	(414,430)	(759,060)
Net Cash flow from Operating Activities (A)	16,678,831	1,923,776
B. Cash Flow from Investing Activities:		
i. Purchase/Sale of Fixed Assets	-	-
ii. Increase/ decrease in Non-current assets	(16,538,400)	4,900,000
iv. Increase/(decrease) in Bank balances not considered as cash and cash equivalents	-	-
Net Cash flow from Investing Activities (B)	(16,538,400)	4,900,000
C. Cash Flow from Financing Activities:		
i. Increase in Share Capital & Securities Premium	-	-
ii. Net Increase/(decrease) in Long Term Borrowings	-	-
iii. Net Increase/(decrease) in Non-current Liabilities	-	-
iv. Net Increase/(decrease) in Short Term Borrowings	(500,000)	(6,235,348)
v. Interest Paid	-	-
Net Cash flow from Financing Activities (C)	(500,000)	(6,235,348)
Net increase/decrease in Cash &	(359,569)	588,428
Opening Balance of Cash & Cash Equivalents	761,116	172,688
Closing Balance of Cash & Cash Equivalents	401,548	761,116

Reconciliation of Cash and Bank Balances with Balance Sheet

Cash and Bank Balances as per Balance Sheet	401,548	761,116
Less: Bank Balances not considered as Cash and Cash Equivalents	-	-
Cash & Cash Equivalents as on Balance Sheet Date	401,548	761,116

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

For A R M S & Associates
Chartered Accountants
(Firm Registration No. :013019N)

Satish Chopra
Managing Director
DIN-01171175

Sonia Chopra
Director
DIN- 05198748

CA Manoj Kumar Gupta
Proprietor
Membership No. 089677

Anuj Kumar
Company Secretary
PAN-CJXP0358M

Pardeep Kr. Dhamija
Chief Financial officer
PAN-AHDPD8011C

Place- Gurugram
Date- 30/05/2022

SKN Industries Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-March-2022

1. CORPORATE INFORMATION

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Accounting Convention:

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, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results materialize.

2.3 Fixed Assets and Depreciation:

All tangible fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and other attributable costs including financing & other cost of borrowed funds attributable to construction or acquisition of tangible fixed assets for the period upto the date when the assets are first put to use. Modvat credit, service tax credit and VAT credit on tangible fixed assets has been reduced from the cost. Expenditure during construction is being capitalized.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act 2013 and written down value method is used. Fixed Assets have been fully depreciated to scrap value.

2.4 Intangibles and Amortisation:

Intangible assets are recognized if it is probable that the future economic benefits attributable to those assets will flow to the enterprise and cost of the asset can be measured reliably in accordance with Ind-AS

Intangibles assets are amortised on straight line basis over their useful lives, which range from 1-5 years, determined on the basis of expected future economic benefits. The amortization period and method would be reviewed at the end of each financial year.

2.5 Inventories:

Closing Stock of Raw Materials and Stores and spares have been valued at cost or net realizable value whichever is less and cost has been calculated on FIFO Basis (Excluding Duty & VAT).

Finished stocks are valued at cost or net realisable value whichever is lower. Cost for this purpose includes direct costs, all appropriate allocable overheads and Excise Duty thereon (Excluding Duty & VAT).

Work in process is valued at cost or net realizable value whichever is less and cost has been determined on FIFO basis plus direct overhead expenses up to the stage of completion (Excluding Duty & VAT).

Disposable Stores, Used items & Scrap have been valued at net realizable value.

2.6 Foreign Currency Transactions:

The transactions in Foreign exchange are accounted for at the exchange rates prevailing on the date of the transactions. The current assets and current liabilities are converted at the exchange rate prevailing at the last working day of the accounting year. The resultant gains / losses are recognized in the Statement of profit & loss account relating to current assets & current liabilities. Premium in respect of forward contracts is accounted over a period of contract. This is in accordance with the revised AS-11.

2.7 Employee Benefits:

- a) **Provident Fund:** Retirement benefits in the form of provident fund whether in pursuance of law or otherwise is accounted on accrual basis and charged to Statement of Profit & Loss of the year.
- b) **Gratuity & Leave Encashment:** The retirement benefit in the form of Gratuity and Leave Encashment is accounted for on accrual basis and charged to the Statement of Profit and Loss of the year .

2.8 Borrowing Costs:

To capitalize the borrowing costs that are directly attributable to the acquisition or construction of that capital assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

2.9 Revenue Recognition:

Sales and conversion charges represent the amount receivable for goods sold including Excise Duty thereon. Excise duty is reduced from Gross Sale to arrive at Net Sale.

Revenues/ Incomes and Cost Expenditures are being generally accounted on accrual basis, as they are earned or incurred.

Expenditures have been disclosed net of taxes which are Modvatable.

2.10 Investments

Long term investments are carried at cost less provision for permanent diminution, if any in value of such investment; Current investment is carried at lower of cost and fair realizable value.

2.11 Segment Reporting:

The Company is engaged in the business of distribution of Natural Gas which in context of Accounting Standard -17 'Segment Reporting' issued by the Institute of Chartered Accountants of India is considered the only business segment. So separate segment reporting is not necessary.

2.12 Taxes on Income:

Provision for Taxation is made on the basis of the taxable profit computed for the current accounting period in accordance with the Income Tax Act 1961. Deferred Tax is recognized, subject to the consideration of prudence on timing difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In case Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which Deferred Tax Assets can be reduced.

2.13 Impairment of 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.

2.14 Provisions for Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resource. Contingent Liabilities are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

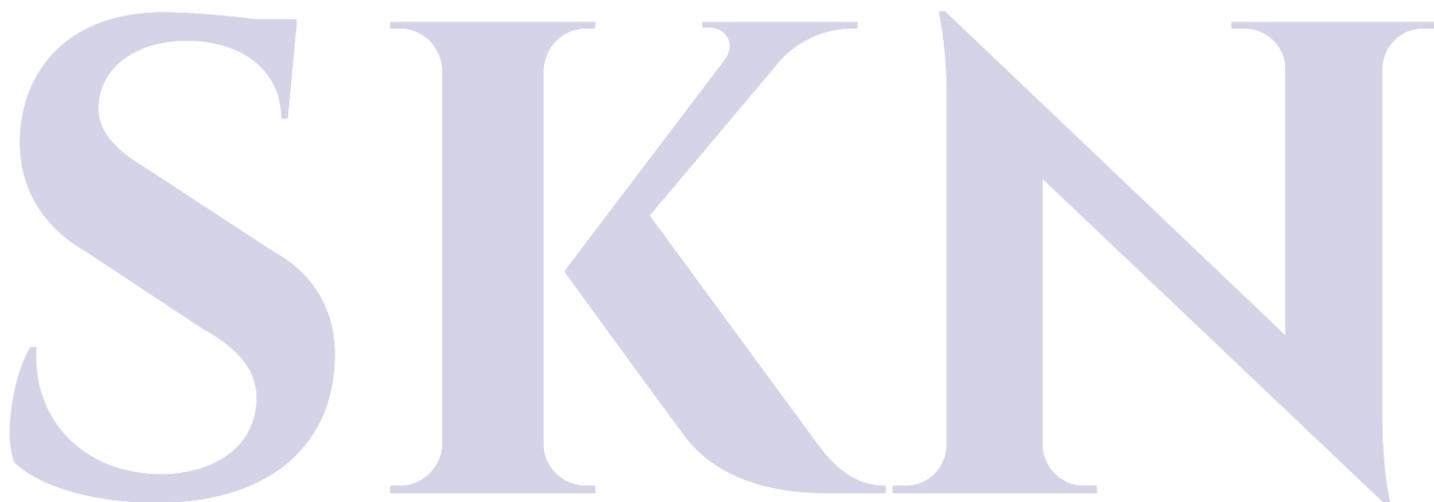
2.15 Cash Flow Statement

The Cash Flow statement has been prepared in accordance

2.16 Accounting policies not specifically referred to above are consistent with generally accepted accounting practices (GAAP).

2.17 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.



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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31-03-2022

Rs.

Particulars	Attributable To Equity Shareholders Of The Parent				Total	Non-Controlling Interest	Total Equity
			Item of OCI				
	Share Capital	P&L	FVTOCI Reserve	Other Reserve			
As at 1 April 2021	107,391,000.00	(55,972,440.62)	-	-	51,418,559.38	-	51,418,559.38
Change in Policy	-	-	-	-	-	-	-
Balance	107,391,000.00	(55,972,440.62)	-	-	51,418,559.38	-	51,418,559.38
Profit for the period	-	7,610,075.81	-	-	7,610,075.81	-	7,610,075.81
Other Comprehensive Income	-	-	-	-	-	-	-
Proposed Dividend	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
As at 31 MARCH 2022	107,391,000.00	(48,362,364.81)	-	-	59,028,635.19	-	59,028,635.19

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

Particulars	Attributable To Equity Shareholders Of The Parent				Total	Non-Controlling Interest	Total Equity
			Item of OCI				
	Share Capital	P&L	FVTOCI Reserve	Other Reserve			
As at 1 April 2020	107,391,000.00	(58,061,080.62)	-	-	49,329,919.38	-	49,329,919.38
Change in Policy	-	-	-	-	-	-	-
Balance	107,391,000.00	(58,061,080.62)	-	-	49,329,919.38	-	49,329,919.38
Profit for the period	-	2,088,640.00	-	-	2,088,640.00	-	2,088,640.00
Other Comprehensive Income	-	-	-	-	-	-	-
Proposed Dividend	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
As at 31 MARCH 2021	107,391,000.00	(55,972,440.62)	-	-	51,418,559.38	-	49,329,919.38

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2022

Note 3 Property, Plant and Equipment

Rs.

Particulars	Plant & Machinery	Furniture & Fixture	Office Equipment	Computer & Data Processing Units	Total
Cost					
At 01/04/2021	35,403,104	876,445	1,743,540	854,392	38,877,481
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
Exchange Difference	-	-	-	-	-
At 31/03/2022	35,403,104	876,445	1,743,540	854,392	38,877,481
Depreciation & Impairment					
At 01/04/2021	27,349,757	873,922	1,269,456	779,639	30,272,774
Depreciation charged during the year	-	-	-	-	-
Impairment	-	-	-	-	-
Disposal	-	-	-	-	-
Exchange Difference	-	-	-	-	-
At 31/03/2022	27,349,757	873,922	1,269,456	779,639	30,272,774
Net Book Value					
At 31/03/2022	8,053,347	2,523	474,084	74,753	8,604,707
At 31/03/2021	8,053,347	2,523	474,084	74,753	8,604,707

Rs.

4. LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

Particulars	31.03.2022	31.03.2021
Haryana City Gas Distribution (Bhiwadi) Ltd	35,788,400	32,300,000
East Coast Natural Gas Distribution Private	13,050,000	-
TOTAL	48,838,400	32,300,000

5. DEFERRED TAX ASSETS

	31.03.2022	31.03.2021
Deferred tax liabilities		
On fiscal allowances on fixed assets	-	-
Deferred tax assets		
On fiscal allowances on fixed assets	3,900,153	3,900,153
	3,900,153	3,900,153
Deferred tax assets / (Liabilities) (Net)	3,900,153	3,900,153

6. TRADE RECEIVABLES (Unsecured)	31.03.2022	31.03.2021
Particulars		
Sundry Debtors	-	6,750,000
TOTAL	-	6,750,000

Trade Receivable ageing schedule for the year ended as on March 31,2022 and March 31,2021					
Particulars	Outstanding for following periods from due date of payments				
	Less Than 6 Month:	6 Months-1Year	1-2 Years	More Than 3 Years	Total
As at 31st March 2022					
Undisputed Trade receivables -Considered good	-	-	-	-	-
Undisputed Trade receivables -Considered doubtful	-	-	-	-	-
Total	-	-	-	-	-
As at 31st March 2021					
Undisputed Trade receivables -Considered good	6,750,000	-	-	-	6,750,000
Undisputed Trade receivables -Considered doubtful	-	-	-	-	-
Total	6,750,000	-	-	-	6,750,000

7. CASH AND CASH EQUIVALENTS		
Particulars	31.03.2022	31.03.2021
Balances with Banks	373,392	717,460
Cheque Deposited and not Presented	-	-
Cash in Hand	28,156	43,656
TOTAL	401,548	761,116

8. Loans & Advances		
Particulars	31.03.2022	31.03.2021
Loan & Advances	407,080	68883
TOTAL	407,080	68,883

SKKN

9 : EQUITY SHARE CAPITAL
Rs.

Particulars	31.03.2022		31.03.2021	
	Number	Amount	Number	Amount
Authorised Capital				
Equity Shares of Rs.10.00 each	12,700,000	127,000,000	12,700,000	127,000,000
Issued Capital				
Equity Shares of Rs. 10.00 each fully paid up As per Last Balance Sheet	10,739,100	107,391,000	10,739,100	107,391,000
Subscribed Capital				
Equity Shares of Rs. 10.00 each fully paid up As per Last Balance Sheet	10,739,100	107,391,000	10,739,100	107,391,000
Paid up Capital				
Equity Shares of Rs. 10.00 each fully paid up At the beginning and at the end of the year	10,739,100	107,391,000	10,739,100	107,391,000
Foreited Shares of Rs. 5/- each As per Last Balance Sheet	-	-	-	-
TOTAL	10,739,100	107,391,000	10,739,100	107,391,000

Reconciliation of Number of Equity Shares				
(A) Shares Outstanding at the beginning of	10,739,100	107,391,000	10,739,100	107,391,000
(B) Issued During the Year	-	-	-	-
(C) Shares Forfeited/Brought Back/Cancelled During the Year	-	-	-	-
(D) Shares Outstanding at the end of the financial year	10,739,100	107,391,000	10,739,100	107,391,000

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

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	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
	6,428,940	59.86	6,428,940	59.86

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.

Details of Shareholding of all the Promoters

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021		Change During the Year	
	Number of shares of the Company held by the shareholder	% holding	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	0.00	0.00
SATISH CHOPRA	4,132,760	38.48	4,132,760	38.48	0.00	0.00
Luthra Metal Industries (P)	700	0.01	700	0.01	0.00	0.00

10. OTHER EQUITY

Particulars	Rs.	
	31.03.2022	31.03.2021
Surplus	(48,362,365)	(55,972,441)
TOTAL	(48,362,365)	(55,972,441)

11. LOANS FROM OTHER PARTIES - UNSECURED

Particulars		
	31.03.2022	31.03.2021
Satish Chopra	-	-
Sonia Chopra	-	500,000
TOTAL	-	500,000

12. Trade Payables

Particulars		
	31.03.2022	31.03.2021
Link Intime India Private Limited	29,106.00	-
TOTAL	29,106	-

Trade Payable ageing schedule for the year ended as on March 31,2022 and March 31,2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years		
As at 31st March 2022						
Outstanding Dues for MSME	29,106	-	-	-	-	29,106
Others	-	-	-	-	-	-
Total	29,106	-	-	-	-	29,106
As at 31st March 2021						
Outstanding Dues for MSME	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

13. OTHER CURRENT LIABILITIES

Particulars	31.03.2022	31.03.2021
Other Liabilities		
TDS Payable	5,195	1,875
Audit Fee Payable	27,000	27,625
Expenses Payable	396,000	-
TOTAL	428,195	29,500

14. REVENUE FROM OPERATIONS

Particulars	31.03.2022	31.03.2021
Sale of Goods	20,588,583	3,034,110
TOTAL	20,588,583	3,034,110.00

15. OTHER INCOME

Particulars	31.03.2022	31.03.2021
Miscellaneous Income	6,306,700	-
Discount Received	40,723	16,494
Interest Income	3,876,000	2,976,000
TOTAL	10,223,423	2,992,494

16. PURCHASE OF STOCK IN TRADE

Particulars	31.03.2022	31.03.2021
Finished Goods	19,379,346	2,917,895
TOTAL	19,379,346	2,917,895

17. EMPLOYEE BENEFIT EXPENSES

Particulars	31.03.2022	31.03.2021
Salary & Wages	240,000	165,000
Staff Welfare	15,500	5,150
Wages	156,000	35,500
Labour Welfare Contribution	-	-
TOTAL	411,500	205,650

18. FINANCE COST

Particulars	31.03.2022	Rs. 31.03.2021
Bank Charges	-	236
TOTAL	-	236

19. ADMINISTRATIVE AND OTHER EXPENSES

Particulars	31.03.2022	31.03.2021
Auditors Remuneration	29,500	29,500
Annual General Meeting Expenses	85,000	62,500
Fee , Rates & Taxes	112,043	47,605
Legal & professional	480,138	206,861
Interest on Income Tax	-	81,924
Printing & Stationary	-	33,027
Short & Excess	2	-
Selling & Distribution Expenses	1,820	-
Misc Bal Written Off	59,000	-
TOTAL	767,504	461,417

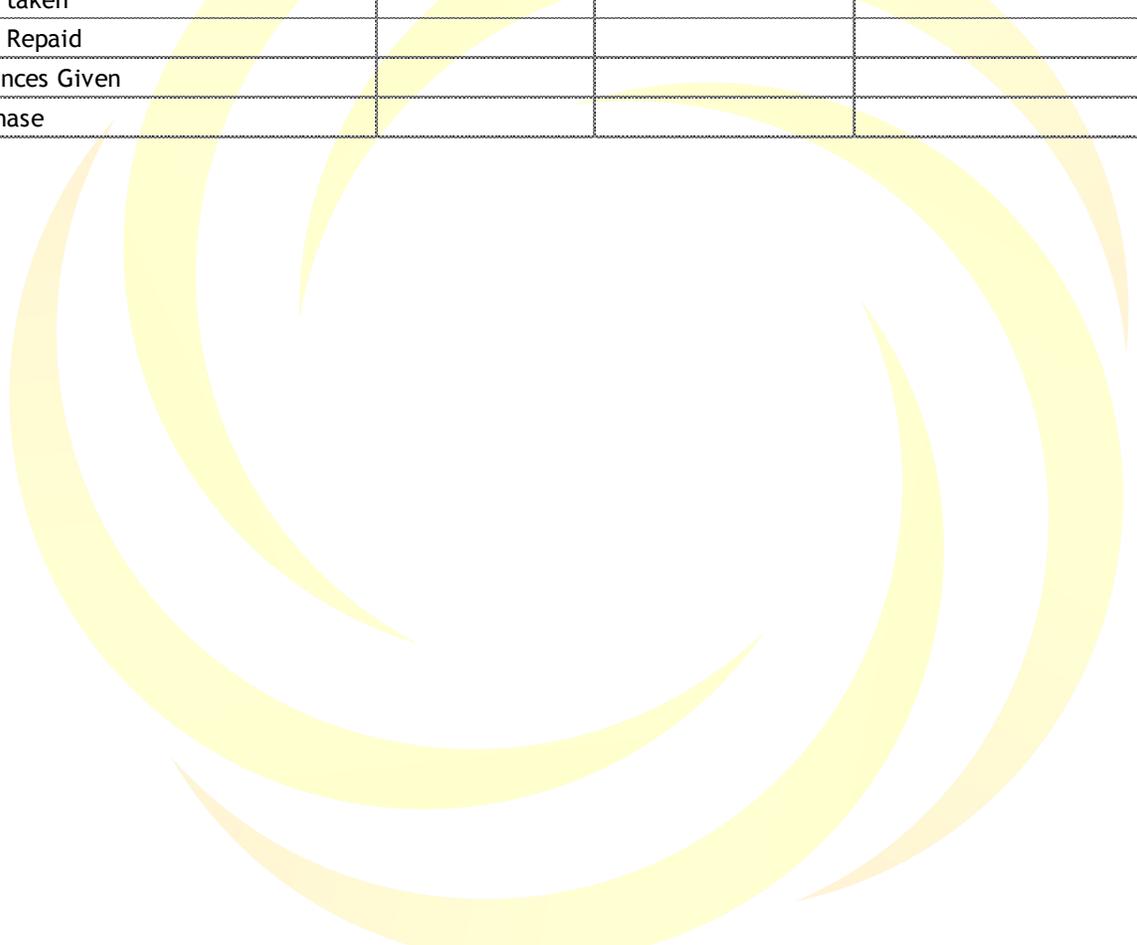
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-March-2022		Amount in Rs.	
20	EARNINGS PER SHARE		
		<u>31-03-2022</u>	<u>31-03-2021</u>
	Profit after tax as per Statement of Profit & Loss	(61,050)	9,489
	Number of equity shares outstanding	2,015,000	2,015,000
	Basic and diluted earnings per share (face value Rs.10/- each)	-0.03	0.00

21	CONTINGENT LIABILITIES	<u>31-03-2022</u>	<u>31-03-2021</u>
	Contingent Liabilities	Nil	Nil

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

S.No.	Particulars	Name of the party
1	Associates	SKN Associates Private Limited
2	Key Management Personnel	Satish Chopra, Rajesh Khanna, Sonia Chopra, Gautam Kapur, Pardeep Kumar Dhamija
3	Relatives of key Management Personnel & their enterprises	Haryana City Gas Distribution (Bhiwadi) Limited, East Coast Natural Gas Distribution Private Limited

B. Transactions with Related Parties:				
S.No.	Particulars	Key management Personnel	Holding Company	Relative of Key management Personnel & their enterprises
1	Remuneration			
2	Rent Paid			
3	Loan taken			
4	Loan Repaid			500,000
5	Advances Given			48,838,400
6	Purchase			



SKKN

23 Ratio Analysis					
S.No	Name of the Ratio	Units	Methodolgy	2021-22	2020-21
1	Current Ratio	Times	(Current Assets/Current Liabilities)	1.77	7.84
2	Debt Equity Ratio	Times	(Total Debt/Total Equity)	N.A	0.01
3	Debt Service Coverage Ratio	Times	EBIT/Interest Expense+Principal Repayments made during the period for long term loans.	N.A	N.A
4	Return on Equity Ratio	%	Profit after Tax/Avg Net Worth	0.13	0.04
5	Inventory Turnover Ratio	Times	COGS/Avg Inventory	N.A	N.A
6	Trade Receivable Ratio	Times	Sales/Avg Trade Receivables	6.1	0.44
7	Trade Payable Turnover Ratio	Times	Purchase/Avg Trade Payable	1331.64	N.A
8	Net Capital Turnover Ratio	Times	Revenue From Operations/Average Working Capital.	8.33	1.62
9	Net Profit Ratio	%	Profit After Tax/Total Revenue	0.25	0.35
10	Return on Capital Employed	%	PAT+Deferred Tax Expense(Income)+Finance Cost+Other Income/Average Capital Employed	0.13	0.04
11	Return on Investment	%	(Interest Income, net fair value gain/Average Investments)	N.A	N,A

24	In the opinion of the Board of Directors, Current Assets, Loan and Advances have value on realization in the ordinary course of business at least equal to the amounts at which they are stated and provision for all known liabilities have been made in accounts.		
25	PREVIOUS YEAR FIGURES		
	Figures for the previous year have been regrouped / rearranged wherever considered necessary.		
	For A R M S & Associates	Satish Chopra	Sonia Chopra
	Chartered Accountants	Managing Director	Director
	(Firm Registration No. :013019N)	DIN-01171175	DIN- 05198748
	CA Manoj Kumar Gupta	Anuj Kumar	Pardeep Kr. Dhamija
	Proprietor	Company Secretary	Chief Financial officer
	Membership No. 089677	PAN-CJXPK0358M	PAN-AHDPD8011C
	Place- Gurugram		
	Date- 30/05/2022		

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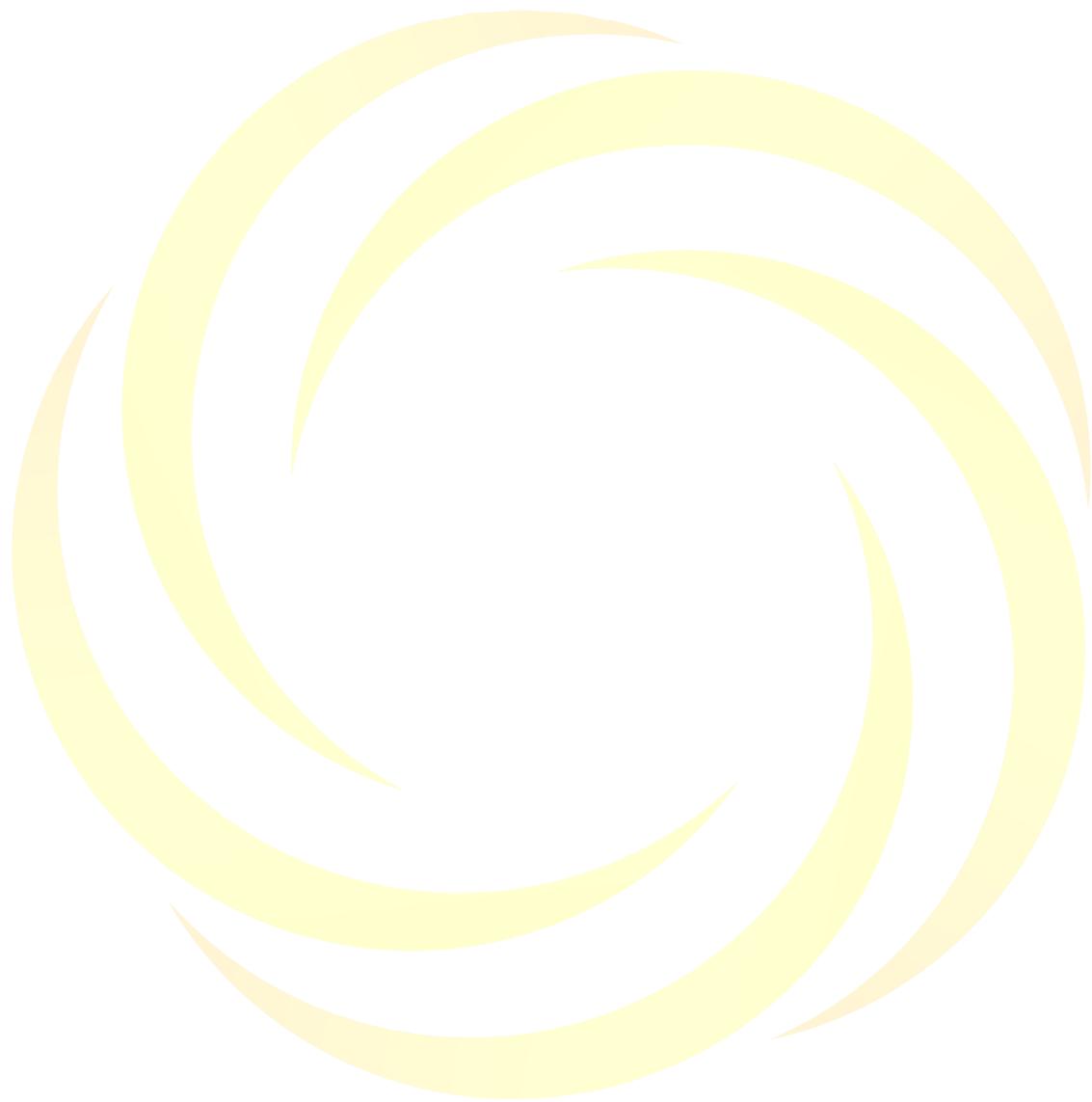
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SKN Industries Ltd

Regd office- 368/369, 3rd Floor,
Basant Building, Chaudhary Market, Sultanpur, New Delhi-30

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