



**SIKKO INDUSTRIES LIMITED**  
**(CIN: L51909GJ2000PLC037329)**  
**ANNUAL REPORT 2020-21**

**Registered Office:**

508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad - 380051.



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### IMPORTANT COMMUNICATION TO SHAREHOLDERS

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent through e-mail to the Shareholders. Further, in compliance with the provisions of the Companies Act, 2013, the Rules framed thereunder and the recent Circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI), electronic copies of the Notice of the 21<sup>st</sup> (Twenty First) Annual General Meeting (AGM) and the Annual Report for the Financial Year 2020-21 will be sent to all the Shareholders whose e-mail addresses are registered with the Company / Depository Participant(s). Shareholders may note that the Notice of the 21<sup>st</sup> AGM and the Annual Report 2020-21 will also be available on the Company's website (at [www.sikkoindia.com](http://www.sikkoindia.com)), on the websites of the Stock Exchange where the Equity Shares of the Company are listed, i.e., National Stock Exchange of India Limited (at [www.nseindia.com](http://www.nseindia.com)) and on the website of National Securities Depository Limited (NSDL) (at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)).



## MD'S MESSAGE TO SHAREHOLDERS



Dear Shareholders,

As I prepare to present to you Sikko Industries Limited's Annual Report 2020-21, the world is continuing to face the greatest threat to life and livelihood due to the Covid-19 pandemic. This is impacting the global economy and all of its citizens.

Fiscal F.Y. 2020-21 will be remembered as the year of COVID-19. We are grateful to the frontline healthcare workers and other support teams who are selflessly and fearlessly serving humanity during these challenging times. The silver lining is the success of large-scale vaccination in a few countries in controlling the pandemic that is giving hope to humanity at large.

India was relatively successful in managing the first wave of the pandemic outbreak but unfortunately, the second wave of Covid-19 is spreading the virus much more rapidly across India, including the rural areas which were relatively less impacted in the first wave. We are cautious and hopeful that with an all-out effort, we will be able to overcome the challenging situation the country is facing.

We are proud of the resilience Sikko Industries Limited has shown in this challenging time to ensure personal safety and at the same time, running the operations with limited interruptions, which led to a sustained performance during the year.

Ensuring the safety and welfare of our people has always been our first priority and employees were encouraged to work from home as far as possible during the year. Safety measures and protocols as per government guidelines were implemented for those having to work on site. We leveraged technology to ensure internal and external communication virtually.

Coming to business matters, during the year under review, your company posted a gross revenue of ₹ 4,157.26 Lakhs against that of ₹ 3,252.02 Lakhs in the previous year, registering a growth of 27.84%. We achieved an all-time high Profit after Tax of ₹ 259.82 Lakhs as against ₹ 243.53 Lakhs in the previous year.

On behalf of the Board, I would like to thank all our customers, suppliers, Bankers and the government for their support to the company. I convey my sincere appreciation to Team SIKKO for its performance and thank all the shareholders for their trust reposed in us.

Stay safe.

With Warm regards,

**Jayantibhai Kumbhani**  
Managing Director



## CORPORATE INFORMATION

**SIKKO INDUSTRIES LIMITED**  
(CIN: L51909GJ2000PLC037329)

BOARD OF DIRECTORS		AUDIT COMMITTEE	
Mr. Jayantibhai Kumbhani	Managing Director	Mr. Rupen Patel	Chairperson
Mr. Ghanshyambhai Kumbhani	Whole-Time Director	Mr. Hasmukhbhai Vavaiya	Member
Mrs. Alpaben Kumbhani	Non-Executive Director	Mr. Jayantibhai Kumbhani	Member
Mrs. Mamtaben Thumbar	Independent Director	<b>STAKEHOLDERS' RELATIONSHIP COMMITTEE</b>	
Mr. Hasmukhbhai Vavaiya	Independent Director	Mrs. Mamtaben Thumbar	Chairperson
Mr. Rupen Patel	Independent Director	Mr. Hasmukhbhai Vavaiya	Member
<b>CHIEF FINANCIAL OFFICER</b>		Mrs. Alpaben Kumbhani	Member
Mr. Mukesh Shah		<b>NOMINATION AND REMUNERATION COMMITTEE</b>	
<b>COMPANY SECRETARY</b>		Mr. Hasmukhbhai Vavaiya	Chairperson
Ms. Ankita Lunagariya		Mrs. Mamtaben Thumbar	Member
<b>STATUTORY AUDITOR</b>		Mrs. Alpaben Kumbhani	Member
M/s. D G M S & Co., Chartered Accountants 217/218, Manek Centre, P.N. Marg, Jamnagar - 361 001		<b>REGISTRAR AND SHARE TRANSFER AGENT</b>	
<b>SECRETARIAL AUDITOR</b>		Purva Sharegistry (India) Private Limited  Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lowe Parel (E), Mumbai, Maharashtra - 400 011  <b>Tel:</b> 022 - 23012517/8261  <b>Email:</b> support@purvashare.com  <b>Web:</b> www.purvashare.com	
Mr. Anand Lavingia, Practicing Company Secretary  Office No. 415 - 416, "Pushpam", Opp. Seema Hall, Anandnagar Road, Satellite, Ahmedabad - 380 015		<b>BANKERS</b>	
<b>REGISTERED OFFICE</b>		Bank of India	
508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad - 380 051  <b>Tel No.:</b> +91 79 6616 8950; <b>Email:</b> compliance@sikkoindia.com  <b>Web:</b> www.sikkoindia.com		ICICI Bank	



**NOTICE OF 21ST (TWENTY-FIRST) ANNUAL GENERAL MEETING**

Notice is hereby given that the 21<sup>st</sup> (twenty-first) Annual General Meeting (AGM) of the Members of Sikko Industries Limited will be held on Tuesday, September 28, 2021 at 04:00 P.M. IST through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following businesses:

**ORDINARY BUSINESSES:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on March 31, 2021, together with the Reports of Board of Directors and the Auditor thereon.
2. To appoint a Director in place of Mr. Ghanshyam Mohanbhai Kumbhani (DIN: 00587855), who retires by rotation and being eligible, seeks re-appointment.

**SPECIAL BUSINESSES:**

3. **To regularize appointment of Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) as Promoter - Non-Executive Director of the Company:**

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

“**RESOLVED THAT**, pursuant to the provisions of Sections 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848), who was appointed as Promoter - Additional (Non-Executive) Director of the Company with effect from June 04, 2021, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Promoter - Non-Executive Director of the Company and whose appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors, be and is hereby appointed as a Promoter - Non-Executive Director of the Company whose office shall be liable to retire by rotation.”

4. **To regularize appointment of Mr. Rupen Jayantibhai Patel (DIN: 09247614) as Non-Executive Independent Director of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modifications or re-enactment thereof for the time being in force), Mr. Rupen Jayantibhai Patel (DIN: 09247614), who was appointed as an Additional (Non-Executive Independent) Director of the Company by the Board of Directors with effect from September 4, 2021 and who holds office till the date of this AGM in terms of Section 161 of the Companies Act, 2013, who is eligible for appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and who has submitted a declaration to that effect and declaration under Section 164 of the Companies Act, 2013 declaring that he is not disqualified to become the Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Rupen Jayantibhai Patel (DIN: 09247614) as a candidate for the office of a Non-Executive Independent Director of the Company and whose appointment has been recommended by Nomination and Remuneration Committee and Board of Directors of the Company, be and is hereby appointed as Non-Executive Independent Director of the Company to hold office as such for a period up to September 03, 2026, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution and filing of necessary forms and documents with the Registrar of Companies.”

**Registered Office**

508, Iscon Elegance, Nr. Jain Temple, Nr.  
Prahladnagar Pick up Stand, Vejalpur,  
Ahmedabad - 380 051.

For and on behalf of Board of Directors  
For, Sikko Industries Limited

Place: Ahmedabad  
Date: September 4, 2021

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807



**NOTES TO SHAREHOLDERS FOR AGM:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 10/2021 dated June 23, 2021 (the “MCA Circulars”) read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, issued by SEBI (hereinafter collectively referred to as “the applicable Circulars”) have permitted the companies to hold their Annual General Meeting (“AGM”) through video conferencing / any other audio visual means (“VC facility”) without the physical presence of the members at a common venue. Hence, in compliance with these Circulars, the AGM of the Company is being held through VC facility. The deemed venue of the meeting shall be the registered office of the Company.
2. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report for FY 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/Company/Depositories. Members may note that the Notice and Annual Report for FY 2020-21 are also available on the Company’s website [www.sikkoindia.com](http://www.sikkoindia.com) under 'Investors' section, websites of the Stock Exchange i.e. National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)), and on the website of NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)).
3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item No. 3 & 4 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard II on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) are also annexed.
4. Though, pursuant to the provisions of the Act, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. Since the AGM is being held through VC facility, the facility for appointment of proxies by the members will not be available. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [csanandlavingia@gmail.com](mailto:csanandlavingia@gmail.com) with copies marked to the Company at [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com) and to National Securities Depository Limited (NSDL) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
6. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com) upto September 18, 2021. Those Members who have registered themselves shall be given an opportunity of speaking live in AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM and avoid repetition of questions.
8. In case of joint holders attending the AGM together, only holder whose name appearing first will be entitled to vote.
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and will be available for Shareholders on first come first served basis.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 (“the Act”) and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act, and all other documents referred to in the Notice will be available electronically for inspection.
11. Participation of the members through VC/OAVM facility shall be reckoned for the purpose of quorum for the AGM as per the applicable Circulars.



12. Those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses submitted, by following the procedure given below;
- (a) In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com).
  - (b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com).
  - (c) Alternatively member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by proving the details mentioned in Point (a) or (b) as the case may be.
  - (d) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
  - (e) It is clarified that for permanent submission of e-mail address, the shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants.
  - (f) Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, PSIPL to enable servicing of notices / documents / annual Reports electronically to their e-mail address.
13. **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS AND PARTICIPATING AT THE ANNUAL GENERAL MEETING THROUGH VC/OAVM:**
- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the applicable circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL, as the Authorized e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.
  - ii. There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Tuesday, September 21, 2021, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Tuesday, September 21, 2021, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
  - iv. The remote e-voting will commence on 9:00 A.M. on Saturday, September 25, 2021 and will end on 5:00 P.M. on Monday, September 27, 2021. During this period, the members of the Company holding shares as on the Cut-off date i.e. Tuesday, September 21, 2021 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
  - v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
  - vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Tuesday, September 21, 2021.
  - vii. The Company has appointed CS Anand S Lavingia, Practicing Company Secretary, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.



**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**STEP 1. ACCESS TO NSDL E-VOTING SYSTEM**

**A) Login method for remote e-Voting and joining virtual AGM for Individual shareholders holding securities in demat mode**

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 are allowed to 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 in order to access e-Voting facility.

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

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. 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 options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>



Type of shareholders	Login Method
<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

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

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

**4. Your User ID details are given below:**

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***



5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **STEP 2. CAST YOUR VOTE ELECTRONICALLY AND JOIN ANNUAL GENERAL MEETING ON NSDL E-VOTING SYSTEM.**

### **How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com). The same will be replied by the company suitably.

**GENERAL GUIDELINES FOR SHAREHOLDERS:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csanandlavingia@gmail.com](mailto:csanandlavingia@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



## CONTACT DETAILS:

<b>Company</b>	<b>SIKKO INDUSTRIES LIMITED</b> 508 Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad - 380051 <b>Tel :</b> +91 79 6616 8950 / 6616 8951; <b>Email:</b> compliance@sikkoindia.com; <b>Web:</b> www.sikkoindia.com
<b>Registrar and Transfer Agent</b>	<b>PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED</b> 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai - 400 011, Maharashtra <b>Tel:</b> 022 23012517 / 8261; <b>Email:</b> support@purvashare.com; <b>Web:</b> www.purvashare.com
<b>E-Voting Agency &amp; VC / OAVM</b>	<b>Email:</b> evoting@nsdl.co.in <b>NSDL help desk:</b> 1800 1020 990 and 1800 22 44 30
<b>Scrutinizer</b>	Mr. Anand S Lavingia <b>Email:</b> csanandlavingia@gmail.com; <b>Tel No.:</b> +91 79 - 4005 1702



**EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013 ("Act") and Secretarial Standard - II, the following explanatory statements set out all material facts relating to the business mentioned under Item No. 3 & 4 of the accompanying Notice:

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**Item No.: 3**

The Board of Directors has, at its meeting held on June 04, 2021, appointed Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) as Promoter - Additional (Non-Executive) Director of the Company w.e.f. June 04, 2021 pursuant to Section 161 of the Companies Act, 2013.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, proposing the candidature of Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) for the office of Promoter - Non-Executive Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

Mrs. Alpaben Jayantibhai Kumbhani, aged 47 years, holds a Bachelor's degree in Commerce. She has around 17 years of experience of general administration.

The Company has received from Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

A copy of the draft letter for the appointment of Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) as Non-Executive Director setting out the terms and conditions is available on the website of the Company on [www.sikkoindia.com](http://www.sikkoindia.com) for inspection by the members.

The resolution seeking the approval of members is proposed for the appointment of Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) as Promoter - Non-Executive Director of the Company pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She will be liable to retire by rotation.

The Nomination and Remuneration Committee and the Board recommends the resolution set forth in Item no. 3 for the approval of the members.

Except Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) and Mr. Jayantibhai Mohanbhai Kumbhani (DIN: 00587807) and their relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolutions set out at Item No. 3 of the Notice.

The statement of additional information required to be disclosed as per Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard II issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

**Item No. 4**

**To regularize appointment of Mr. Rupen Jayantibhai Patel (DIN: 09247614) as Non-Executive Independent Director of the Company: ORDINARY RESOLUTIONS**

Mr. Rupen Jayantibhai Patel (DIN: 09247614) was appointed as an Additional (Non-Executive Independent) Director in accordance with the provisions of Section 161 of the Companies Act, 2013 by the Board of Directors at its Board Meeting held on September 4, 2021. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Rupen Jayantibhai Patel (DIN: 09247614) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. Rupen Jayantibhai Patel (DIN: 09247614) for the office of Non-Executive Independent Director of the Company and to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.



The Nomination and Remuneration Committee and the Board of Directors has, at their respective meetings held on September 4, 2021, considered and recommended the appointment of Mr. Rupen Jayantibhai Patel (DIN: 09247614) as a Non-Executive Independent Director of the Company to hold office for a period up to September 03, 2026, not liable to retire by rotation. In the opinion of Nomination and Remuneration Committee and the Board, Mr. Rupen Jayantibhai Patel (DIN: 09247614), the Non-Executive Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management.

The Company has received from Mr. Rupen Jayantibhai Patel (DIN: 09247614) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

A copy of the draft letter for the appointment of Mr. Rupen Jayantibhai Patel (DIN: 09247614) as Non-Executive Independent Director setting out the terms and conditions are uploaded on the website of the Company.

The resolution seeking the approval of members for the appointment of Mr. Rupen Jayantibhai Patel (DIN: 09247614) as Non-Executive Independent Director of the Company to hold office for a period up to September 03, 2026, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder is proposed by the Board of Directors. Further, he will not be liable to retire by rotation.

The Board recommends the matter and the resolution set out under Item No. 4 for the approval of the Members by way of passing Ordinary Resolutions.

Except Mr. Rupen Jayantibhai Patel (DIN: 09247614) himself and his relatives to the extent their shareholding in the Company, none of the Directors or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to their shareholding, in the aforesaid resolution.

The statement of additional information required to be disclosed as per Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard II issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

**Registered Office**

508, Iscon Elegance, Nr. Jain Temple,  
Nr. Prahladnagar Pick up Stand,  
Vejalpur, Ahmedabad - 380 051.

For and on behalf of Board of Directors  
For, Sikko Industries Limited

Place: Ahmedabad  
Date: September 4, 2021

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807



**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT/ APPOINTMENT AT THE ANNUAL GENERAL MEETING**  
*(Pursuant to Regulation 36(3) of SEBI (LODR), Regulations, 2015 and Secretarial Standard II)*

Name	Mr. Ghanshyam M. Kumbhani	Mrs. Alpaben Kumbhani	Mr. Rupen J. Patel
Date of Birth	August 12, 1963	November 05, 1973	August 03, 1995
Qualifications	Bachelors of Science	Bachelors of Commerce	Diploma in Computer Science
Experience - Expertise in Specific functional areas - Job profile and suitability	<p>Mr. G. M. Kumbhani, the Whole-Time Director of the Company, graduated with a Bachelor of Science (Chemistry) degree from the Sardar Patel University, Gujarat. He heads the Purchase, Production and Technical departments of the Company.</p> <p>Mr. G. M. Kumbhani has 34 years of experience in agricultural field and almost 22 years of experience in agricultural business. He has apt knowledge and understanding of the chemical processes that go into manufacturing and thus maintains the quality of products throughout the process.</p>	<p>She has around 17 years of experience of general administration.</p>	<p>Mr. Rupen Jayantibhai Patel has an Education Background in Diploma in Computer Science and having 5 years of experience in his own Business. Further, he has five years of experience in the field of accounts and finance as well.</p> <p>He is the Promoter Director of Scrucizers Industries Private Limited situated in Ahmedabad.</p>
No. of Shares Held	721480 Equity Shares	1118640 Equity Shares	176000 Equity Shares
Terms & Conditions	There is no change or modifications in the Terms and Conditions already approved by the Board and Shareholders.	Appointment shall be subject to liable for retire by rotation.	Not liable to retire by rotation.
Remuneration paid in FY 2020-21	₹ 39.00 Lakh	Not Applicable	Not Applicable
Remuneration sought to be paid	There is no change or modifications in the Terms and Conditions already approved by the Board and Shareholders.	Not Applicable	Not Applicable
No. of Board Meetings attended during the FY 2020-21	6 out of 6	Not Applicable	Not Applicable
Date of original Appointment	February 08, 2000 (Refer note hereunder)	June 04, 2021	September 4, 2021
Date of Appointment in current terms	January 12, 2017	June 04, 2021	September 4, 2021
Directorship held in other public Companies*	Nil	Nil	Nil
Memberships / Chairmanships of committees of public Companies**	Nil	Memberships - 1 Committee	Memberships - 1 Committee (including 1 Chairmanship)
Inter-se relationship with other Directors	Mr. Ghanshyam M. Kumbhani is brother of Mr. Jayantibhai M. Kumbhani and brother in law of Mrs. Alpaben J. Kumbhani	Mrs. Alpaben J. Kumbhani is spouse of Mr. Jayantibhai M. Kumbhani and sister in law of Mr. Ghanshyam M. Kumbhani	No Relation

\* Excluding foreign companies, Section 8 companies and Struck off Companies.

\*\*Includes only Nomination and Remuneration Committee and Stakeholders' Grievances and Relationship Committee.

Note: Mr. Ghanshyam M. Kumbhani is acting as a Director since incorporation of the Company. He resigned in the year 2007. Subsequently appointed as a Director in the year 2010. Presently he is acting Whole-time Director since January 12, 2017.



## BOARD'S REPORT

To  
The Members of  
Sikko Industries Limited

The Board of Directors hereby submits the report of the business and operations of your Company, along with the Audited Financial statements, for the financial year ended March 31, 2021.

**FINANCIAL HIGHLIGHTS:**

(Amount in ₹)

Particulars	F.Y. 2020-21	F.Y. 2019-20
Revenue from operations	39,65,81,272.67	31,98,69,718.00
Other income	1,91,45,079.72	53,31,726.27
<b>Total Income</b>	<b>41,57,26,352.39</b>	<b>32,52,01,444.27</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	37,03,09,157.22	27,83,85,468.68
<b>Operating Profits before Depreciation, Finance Cost and Tax</b>	<b>4,54,17,195.17</b>	<b>4,68,15,975.59</b>
Less: Finance cost	28,75,453.99	57,06,440.89
Less: Depreciation	59,54,679.00	70,11,278.13
<b>Profit / (Loss) Before Tax</b>	<b>3,65,87,062.18</b>	<b>3,40,98,256.57</b>
Less: Current Tax	1,09,50,000.00	1,00,80,000.00
Less: Deferred Tax Liabilities/ (Assets)	(3,45,000.00)	(3,35,000.00)
<b>Profit/ (Loss) after tax (PAT)</b>	<b>2,59,82,062.18</b>	<b>2,43,53,256.57</b>

**COMPANY'S PERFORMANCE:**

During the year under review, the Company has earned total income of ₹ 4,157.26 Lakhs as against the total income of ₹ 3,252.02 Lakhs of previous year which states 27.84% increase in the total income as compared to previous year. The profit before tax in the financial year 2020-21 stood at ₹ 365.87 Lakhs as compared to profit of ₹ 340.98 Lakhs for last year and net profit after tax stood at ₹ 259.82 Lakhs compared to profit of ₹ 243.53 Lakhs for the previous year which state 6.69% increase in profit of the Company.

**IMPACT OF COVID-19:**

Due to Covid-19 Pandemic, the Company's operations were temporarily disrupted at manufacturing facilities and sales depots across the Country. However, being the Company's products are covered under Essential Commodities, there is no major impact of Covid-19 on the business. The Factories and Depot were closed for short period during lockdown and thereafter opened with all safety, security and other measures / precautions as required by Government and Health advisories, for uninterrupted supply of essential commodities. All safety, security and other measures / precautions are taken at Factories, Depots and Offices as required by Government and Health advisories.

The Company was prompt to implement various measures to protect employees, communities, and operations from ensuring that the supply chain was not impacted. The Company also encouraged non-critical operations to work from home and carry out interactions electronically. The Company adheres to government advisories and guidelines in and around the sites. The Company closely engages with suppliers, vendors and distributors to ensure that there is a minimal impact on business operations. Further, relationships with the domestic manufacturers and distributors have helped the Company to sustain inventories in the pipeline during the lockdown period.

**DIVIDEND:**

Your Directors wish to conserve resources for future expansion and growth of the Company. Hence, no Dividend has been declared by the Directors during the Financial Year 2020-21 (Previous Year Nil).

**AMOUNT TRANSFERRED TO RESERVES:**

Your Directors do not propose transfer of any amount to the General Reserves. Full amount of net profit is carried to reserve & Surplus account of the Company.



**CHANGE IN THE NATURE OF BUSINESS:**

During the year, there was no change in the nature of business carried out by the Company.

**SHARE CAPITAL:**

During the year under review, following changes took place in the share capital of the Company.

**Authorized Capital:**

The Authorized Share Capital of the Company was increased from ₹ 600.00 Lakh divided in to 6000000 Equity Shares of ₹ 10.00 each to ₹ 1,200.00 Lakh divided in to 12000000 Equity Shares of ₹ 10.00 each by passing Special Resolution through Postal Ballot and Remote e-voting on March 8, 2021.

The present Authorized Capital of the Company is ₹ 1,200.00 Lakh divided in to 12000000 Equity Shares of ₹ 10.00 each.

**Issued, Subscribed & Paid-Up Capital:**

The Issued, Subscribed and Paid-up Capital of the Company was increased from ₹ 560.00 Lakh divided in to 5600000 Equity Shares of ₹ 10.00 each to ₹ 1,120.00 Lakh divided in to 11200000 Equity Shares of ₹ 10.00 each by way of allotment of Bonus Equity Shares on March 20, 2021, in the ratio of 1 bonus equity share of ₹ 10.00 for each 1 equity share of ₹ 10.00 held by the beneficial owners as on March 19, 2021.

The present Issued, Subscribed and Paid-up Capital of the Company is ₹ 1,120.00 Lakh divided in to 11200000 Equity Shares of ₹ 10.00 each.

**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairperson of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Director of the Company is serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company. Neither any of the Director of the Company is holding position as Director in more than 7 listed entities nor any of the Director of the Company serve as Independent Director in more than 7 listed entities.

The Board comprise following Directors;

Name of Director	Category Cum Designation	Date of Appointment at current Term	Total Directorship <sup>-</sup>	No. of Committee <sup>^</sup>		No. of Shares held as on March 31, 2021
				in which Director is Members	in which Director is Chairperson	
Mr. Ghanshyambhai Kumbhani	Chairman and Whole-Time Director (Promoter)	January 12, 2017	2	-	-	721480 Equity Shares
Mr. Jayantibhai Kumbhani	Managing Director (Promoter)	January 12, 2017	3	1	-	3054084 Equity Shares
Mrs. Alpaben Kumbhani	Non-Executive Director (Promoter Group)	June 4, 2021	1	1	-	1118640 Equity Shares
Mrs. Mamtaben Thumbar	Non-Executive Independent Director	February 10, 2017	1	1	1	-
Mr. Hasmukhbhai Vavaiya	Non-Executive Independent Director	May 4, 2017	1	2	-	-
Mr. Rupen Patel	Non-Executive Independent Director	September 4, 2021	2	1	1	176000 Equity Shares

<sup>^</sup> Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies.

<sup>-</sup> Excluding Foreign Companies, Section 8 Companies & struck off Companies.



**Board Meetings:**

During the year under review, the Board of Directors of the Company met 6 (Six) times, viz. on June 27, 2020, September 03, 2020, November 11, 2020, December 24, 2020, February 04, 2021 and March 20, 2021. The gap between two consecutive meetings was not more than one hundred and twenty days as provided under section 173 of the Act.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below:

Name of Director	Ghanshyambhai Kumbhani	Jayantibhai Kumbhani	Pravinbhai Kumbhani	Hasmukhbhai Vavaiya	Mamtaben Thumbar
Number of Board Meeting held	6	6	6	6	6
Number of Board Meetings Eligible to attend	6	6	6	6	6
Number of Board Meeting attended	6	6	6	6	6
Presence at the previous AGM	Yes	Yes	Yes	Yes	No

**Independent Directors:**

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has two Non-Promoter Non-Executive Independent Directors in line with the act. The Board of Directors, in their meeting held on September 4, 2021, has also appointed Mr. Rupen Patel as an Additioanl (Non-Executive Independent) Director of the Company w.e.f. September 4, 2021. Further, all three Independent Directors of the Company have registered themselves in the Independent Directors' Data Bank.

A separate meeting of Independent Directors was held on February 04, 2021 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at [www.sikkoindia.com](http://www.sikkoindia.com).

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

**Information on Directorate:**

During the year under review, there were no changes took place in the composition of board of directors of the Company.

After the closure of financial year, Mr. Pravinbhai Kumbhani, Non-Executive Director of the Company has tendered his resignation w.e.f. May 25, 2021. The Board placed on record its appreciation for the guidance and contribution made by Mr. Pravinbhai Kumbhani during his tenure on the Board.

The Board of Directors of the Company in their Meeting held on June 04, 2021 has appointed Mrs. Alpaben J. Kumbhani (DIN: 00587848) as an Additional Non-Executive Director of the Company w.e.f. June 04, 2021. In the opinion of the Board of Directors and Nomination and Remuneration Committee, Mrs. Alpaben J. Kumbhani qualifies to be appointed as Non-Executive Director and hence recommends her appointment as Non-Executive Director on the Board of the Company. Necessary resolution for her appointment as Non-Executive Director is proposed for the approval of the Members at the ensuing Annual General Meeting.

Again, the Board of Directors, in their meeting held on September 4, 2021, has also appointed Mr. Rupen Patel as an Additioanl (Non-Executive Independent) Director of the Company w.e.f. September 4, 2021. In the opinion of Nomination and Remuneration Committee and the Board, Mr. Rupen Jayantibhai Patel (DIN: 09247614) fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management and hence recommends his appointment as Non-Executive Independent Director on the Board of the Company to hold office for a period up to September 03, 2026. Necessary resolution for his appointment as Non-Executive Independent Director is proposed for the approval of the Members at the ensuing Annual General Meeting.



In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mr. Ghanshyam Mohanbhai Kumbhani (DIN: 00587855), Whole Time Director of the Company, retires by rotation at the ensuing annual general meeting. He, being eligible, has offered himself for re-appointment as such and seeks re-appointment. The Nomination and Remuneration Committee and Board of Directors recommend his re-appointment on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard, of the person seeking re-appointment/ appointment as Director are also provided in Notes to the Notice convening the 21<sup>st</sup> Annual General meeting.

#### **KEY MANAGERIAL PERSONNEL:**

In accordance with Section 203 of the Companies Act, 2013, the Company has on its Board, Mr. Ghanshyambhai Kumbhani (DIN: 00587855) who is acting as Chairman & Whole Time Director, Mr. Jayantibhai Kumbhani (DIN: 00587807) who is acting as a Managing Director, Mr. Mukesh Shah who is acting as Chief Financial Officer and Ms. Ankita Lunagariya, Company Secretary and Compliance officer, continued to be Key Managerial Personnel of the Company during the Financial Year 2020-21.

#### **PERFORMANCE EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, chairman and individual directors pursuant to the provisions of the Act.

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held on February 04, 2021 to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a. In preparation of annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c. The Directors had taken proper and sufficient care 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. The Directors had prepared the annual accounts for the year ended March 31, 2021 on going concern basis.
- e. The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



**COMMITTEES OF THE BOARD**

The Board of Directors considering the requirement of the act, has formed various committees, details of which are given hereunder.

**(a) Audit Committee:**

Audit Committee meeting is generally held for the purpose of recommending the half yearly and yearly financial result. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. The detailed term of reference of the Committee is as per Section 177 of the Companies Act, 2013.

During the year under review, Audit Committee met 2 (Two) Times during the Financial Year 2020-21, viz. on June 27, 2020 and November 11, 2020.

The composition of the Committee and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mr. Hasmukhbhai Vavaiya	Independent Director	Chairperson	2	2	2
Mrs. Mamtaben Thumbar	Independent Director	Member	2	2	2
Mr. Jayantibhai Kumbhani	Executive Director	Member	2	2	2

The Statutory Auditors and Chief Financial Officer of the Company are invited in the meeting of the Committee wherever required. Further, the Company Secretary of the Company is acting as Secretary to the Audit Committee.

Mr. Hasmukhbhai Vavaiya, the Chairperson of the Committee had attended last Annual General Meeting of the Company held on September 29, 2020.

Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board.

The Audit Committee was reconstituted by the Board of Directors on September 4, 2021, by re-designating Mr. Hasmukhbhai Vavaiya as Member of the Committee and removing Mrs. Mamtaben Thumbar from the Committee. Again Mr. Rupen Patel was inducted in the Committee as Chairperson effective from September 4, 2021.

**(b) Stakeholder's Grievance & Relationship Committee:**

The Stakeholder's Grievance & Relationship Committee is made mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants etc.

During the year under review, Stakeholder's Grievance & Relationship Committee met 4 (Four) times viz. on June 27, 2020; September 03, 2020; November 11, 2020 and February 04, 2021.

The composition of the Committee and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mrs. Mamtaben Thumbar	Independent Director	Chairperson	4	4	4
Mr. Hasmukhbhai Vavaiya	Independent Director	Member	4	4	4
Mr. Pravinbhai Kumbhani	Non-Executive Director	Member	4	4	4

Company Secretary and Compliance officer of the Company provides secretarial support to the Committee.

During the year under review, the Company had received Nil complaints from the Shareholders. There was no complaint pending for resolution as on March 31, 2021.



**(c) Nomination and Remuneration Committee:**

The Nomination and Remuneration committee is formed in line with the provisions of Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. Further, the committee shall also meet as and when the need arises for review of Managerial Remuneration.

During the year under review, Nomination & Remuneration Committee met 2 (Two) times viz on September 03, 2020 and February 04, 2021.

The composition of the Committee and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2020-21		
			Held	Eligible to attend	Attended
Mr. Hasmukhbhai Vavaiya	Independent Director	Chairperson	2	2	2
Mrs. Mamtaben Thumbar	Independent Director	Member	2	2	2
Mr. Pravinbhai Kumbhani	Non-Executive Director	Member	2	2	2

**Vigil Mechanism:**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company [www.sikkoindia.com](http://www.sikkoindia.com).

**Nomination and Remuneration Policy:**

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors and Key Managerial Personnel.

Key points of the Nomination and Remuneration Policy are;

**A. Policy on Appointment and Nomination of Directors, Key Managerial Personnel and Senior Management Personnel:**

- The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel and Senior Management personnel and recommend to the Board for his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

**B. Policy on remuneration of Director, KMP and Senior Management Personnel:**

The Company's remuneration policy is driven by the success and performance of Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them with adequate compensation so that the compensation is used as a strategic tool that helps us to attract, retain and motivate highly talented individuals who are committed to the core value of the Company. The Company follows mixed of fixed pay, benefits and performance based variable pay. The Company pays remuneration by way of salary, benefits, perquisites and allowance. The remuneration and sitting fees paid by the Company are within the salary scale approved by the Board and Shareholders.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at [www.sikkoindia.com](http://www.sikkoindia.com).



## Remuneration of Directors:

(₹ in Lakh)

Name of Directors	Designation	Salary	Perquisite	Total
Mr. Ghanshyambhai Kumbhani	Chairman and Whole-Time Director	39.00	-	39.00
Mr. Jayantibhai Kumbhani	Managing Director	39.00	-	39.000

## PUBLIC DEPOSITS

The company has not accepted any deposits from the public. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

## PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS &amp; SECURITY

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

## WEB LINK OF ANNUAL RETURN

The Annual Return of the Company as on March 31, 2021 is available on the Company's website and can be accessed at <https://sikkoindia.com/wp-content/uploads/2021/09/Annual-Return-2020-21.pdf>.

## TRANSACTIONS WITH RELATED PARTIES

A particular of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is annexed to this Report as "ANNEXURE - A".

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control system, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition.

The Internal Auditors of the Company carry out review of the internal control systems and procedures. The internal audit reports are reviewed by Audit Committee.

Your Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

## MAINTENANCE OF COST RECORDS

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, the Company was not required to maintain the cost records and accordingly the Company has not maintained the Cost record for financial year 2020-21.

## MATERIAL CHANGES AND COMMITMENT

There are no material changes and commitments, affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. March 31, 2021 to the date of this Report.

## PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each whole-time director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as "Annexure - B".

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection Members of the Company.



**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate.

During the year under review, there were no incidences of sexual harassment reported.

**RISK MANAGEMENT**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time is annexed to this Report as “Annexure -C”.

**CORPORATE GOVERNANCE**

Your Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance, although few of the information are provided in this report under relevant heading.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of Regulation 34, and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a review of the performance of the Company, for the year under review, Management Discussion and Analysis Report, is presented in a separate section forming part of this Annual Report.

**STATUTORY AUDITOR AND THEIR REPORT:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. D G M S & Co., Chartered Accountants, Jamnagar (FRN: 0112187W), were appointed as Statutory Auditors of the Company to hold office till conclusion of the 24th Annual General Meeting (AGM) of the company to be held in the calendar year 2024.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

**SECRETARIAL AUDITOR AND THEIR REPORT**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Anand S. Lavingia, Practicing Company Secretary, Ahmedabad to conduct the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report is annexed herewith as “Annexure -D” to this Report.

**REPORTING OF FRAUD**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

**SECRETARIAL STANDARDS OF ICSI:**

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.



**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the Year under review, no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operation in future.

**DETAILS OF SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**GENERAL DISCLOSURE**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review;

- i Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- ii Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- iii Annual Report and other compliances on Corporate Social Responsibility;
- iv There is no revision in the Board Report or Financial Statement;

**ACKNOWLEDGMENT**

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment, enabling the Company to achieve good performance during the year under review.

Your Directors also take this opportunity to place on record the valuable co-operation and support extended by the banks, government, business associates and the shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavors.

**Registered Office**

508, Iscon Elegance, Nr. Jain Temple,  
Nr. Prahladnagar Pick up Stand,  
Vejalpur, Ahmedabad - 380 051.

For and on behalf of Board of Directors  
For, Sikko Industries Limited

Place: Ahmedabad  
Date: September 4, 2021

Ghanshyam M Kumbhani  
Chairman and Whole-Time Director  
DIN: 00587855

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807



## Annexure - A

## FORM NO. AOC-2 - PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

Forms for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

## A. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered in to by the Company during the financial year ended on March 31, 2021, which were not at arm's length basis.

## B. Details of Material Contracts or Arrangement or Transactions at Arm's Length Basis:

Sr. No.	Particulars	RPT-1
1.	Name(s) of the related party and nature of relationship	Sikkon Crop Technology Enterprise in which relative of Directors is having significant influence.
2.	Nature of contracts/ arrangements/ transactions	C & F Charges, Marketing Expenses, Office Rent Income, Purchase Of Goods
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2020-21
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	All the transactions entered by the Company is at Market rate and on arms' length basis. Total Purchase of ₹ 352.41 Lakh Total C & F Charges paid of ₹ 5.14 Lakh Total Marketing Income Received of ₹ 51.45 Lakh Total Office Rent Income Received of ₹ 1.20 Lakh
5.	Date(s) of approval by the Board	June 27, 2020
6.	Amount paid as advances, if any	Nil

**Registered Office**  
508, Iscon Elegance, Nr. Jain Temple,  
Nr. Prahladnagar Pick up Stand,  
Vejalpur, Ahmedabad - 380 051.

For and on behalf of Board of Directors  
For, Sikko Industries Limited

**Place:** Ahmedabad  
**Date:** September 4, 2021

**Ghanshyam M Kumbhani**  
Chairman and Whole-Time Director  
DIN: 00587855

**Jayantibhai M. Kumbhani**  
Managing Director  
DIN: 00587807



## Annexure - B

## PARTICULARS OF EMPLOYEES

(Pursuant to Section 197(12) read with Rules made thereunder)

Disclosures pertaining to remuneration and other details as required under  
Section 197(12) of the Companies Act, 2013 read with Rules made there under.

## A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) The ratio of remuneration of each director to the median remuneration of employees for the financial year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Nature of Payment	Ratio against median employee's remuneration	Percentage Increase
Mr. Ghanshyambhai Kumbhani	Chairman & Whole Time Director	Remuneration	10.40 : 1.00	Nil
Mr. Jayantibhai Kumbhani	Managing Director	Remuneration	10.40 : 1.00	Nil
Mr. Mukesh Shah	CFO	Remuneration	Not Applicable	6.33%
Ms. Ankita Lunagariya	CS	Remuneration	Not Applicable	Nil

- b) The percentage increase/decrease in the median remuneration of employees in the financial year:

Median remuneration of Employees decreased by 25.85% in F.Y 2020-21 as compared from F.Y. 2019-20.

- c) The number of permanent employees on the rolls of the Company: 33 Employees

- d) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average salaries of the employees decreased by 22.97% over a previous year.

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

## Registered Office

508, Iscon Elegance, Nr. Jain Temple,  
Nr. Prahladnagar Pick up Stand,  
Vejalpur, Ahmedabad - 380 051.

For and on behalf of Board of Directors  
For, Sikko Industries Limited

Place: Ahmedabad  
Date: September 4, 2021

Ghanshyam M Kumbhani  
Chairman and Whole-Time Director  
DIN: 00587855

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807



## Annexure - C

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Pursuant to Section 134(3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014]

**A. CONSERVATION OF ENERGY:****i. Steps taken or impact on conservation of energy:**

Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices. The key initiatives towards conservation of energy are:

- Improved monitoring of energy consumption through smart metering and integration with building management systems;
- Continuously replacing the inefficient equipment with latest energy efficient technology and up gradation of equipment's continually.
- Increasing the awareness of energy saving within the organization to avoid wastage of energy.

**ii. Steps taken by the Company to utilize alternate source of energy**

- Enhancing utilization of Renewable Energy Sources.
- Exploring the feasibility of utilization of solar power at plant locations wherever possible.

**iii. Capital investment on energy conservation equipment.**

- No major investments were made during the year on energy conservation equipment.

**B. TECHNOLOGY ABSORPTION:****1. The efforts made towards technology absorption**

- Development & Implementation of new technique & process for manufacture of products.
- Evaluation of the alternative materials to reduce the cost of raw material
- Solar technologies for common area, parking and street lighting.

**2. Benefits derived like product improvement, cost reduction, product development or import substitution.**

- Cost optimization
- Improvement in quality of products.

**3. In case of imported technology (imported during the last three years reckoned from the beginning of financial year) - Not Applicable****4. Expenditure incurred on Research & Development - ₹ 4.10 Lakh****C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(₹ in Lakh)

Particulars	F.Y. 2020-21	F.Y. 2019-20
Export Sales	32.74	423.52
Import Purchases	3.93	5.30

**Registered Office**

508, Iscon Elegance, Nr. Jain Temple,  
Nr. Prahladnagar Pick up Stand,  
Vejalpur, Ahmedabad - 380 051.

For and on behalf of Board of Directors  
For, Sikko Industries Limited

Place: Ahmedabad  
Date: September 4, 2021

Ghanshyam M Kumbhani  
Chairman and Whole-Time Director  
DIN: 00587855

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807



## Annexure - D

## SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended March 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**SIKKO INDUSTRIES LIMITED**

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

Based on my 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, I hereby report that in my opinion read with **Annexure - I** forming part of this report, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. 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 (Depositories and Participants) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered with National Stock Exchange of India Limited; and
- v. The Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

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

Further company being engaged in the business of manufacturing of fertilizers, pesticides and other agro-chemical products, below are specific applicable laws to the Company, which require approvals or compliances under the respective laws;

1. The Essential Commodities Act, 1955;
2. The Fertilizers (Control) Order, 1985;
3. The Fertilizers (Movement Control) Order, 1973;
4. The Insecticides (Price, Stock Display and Submission of Report) Order, 1986;
5. The Insecticides Act, 1968 and the Insecticides Rules, 1971; and
6. The Seeds Act, 1966 and Rules framed thereunder.

I have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the aforesaid specific acts/rules/orders.



During the Period under review, provisions of the following Acts, Rules, Regulations and Standards were not applicable to the Company;

- i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and circulars/ guidelines/Amendments issued there under; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Purva Sharegistry (India) Private Limited as Registrar & Share Transfer Agent as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and circulars/ guidelines/Amendments issued there under;
- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars/ guidelines/Amendments issued there under;
- iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and circulars/ guidelines/Amendments issued there under;
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and circulars/ guidelines/Amendments issued there under; and
- vi. The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

**I further report that -**

The Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Director, Independent Directors and Woman Director in accordance with the act. During the period under review, no change took place in the composition of the Board of Directors except retirement of the director on the rotation basis which was carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**I further report that -**

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that -**

- Vide Special Resolution passed by the Members through postal ballot on March 8, 2021, the authorized share capital of the Company has been increased from ₹ 600.00 Lakh divided into 6000000 Equity Shares of ₹ 10.00 each to ₹ 1,200 Lakh divided into 12000000 Equity Shares of ₹ 10.00; and
- The Company had made bonus allotment of Equity Shares of ₹ 10.00 each, on March 20, 2021, in the proportion of 1 (One) Bonus Equity Share of ₹ 10.00 each for every 1 (One) existing fully paid-up Equity Share of ₹ 10.00 each held by the Member / Beneficial Owner of Equity Shares of the Company whose names appears in the Beneficial Owners list on March 19, 2021.

**Anand Lavingia**

**Practicing Company Secretary**

**Place:** Ahmedabad

**ACS No.: 26458 C P No.: 11410**

**Date:** September 4, 2021

**UDIN: A026458C000894226**

Note: This Report is to be read with my letter of even date which is annexed as **Annexure - I** which forms an integral part of this report.



## Annexure I

To,

The Members,

**SIKKO INDUSTRIES LIMITED**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. In respect of laws, rules and regulations other than those specifically mentioned in my report above, I have limited my review, analysis and reporting up to process and system adopted by the Company for compliance with the same and have not verified detailed compliance, submissions, reporting under such laws etc. nor verified correctness and appropriateness thereof including financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards and its proper and adequate presentation and submission in prescribed formats is the responsibility of management. My examination was limited to the verification of procedures on test basis and not its one to one contents.
6. The Secretarial Audit report is neither an assurance as to compliance in totality or the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Considering the limitations prevailing on account of global pandemic COVID - 19 and its severe repetition, particularly since March, 2021 and Lockdown and semi-lockdown situation, I am not able to verify all the information physically as well as in detail, and, therefore, in respect of some of the matters, I have relied up on the information and explanations as provided by the Company, its officers, agents and authorized representatives.

**Anand Lavingia**

**Practicing Company Secretary**

**ACS No.: 26458 C P No.: 11410**

**Place: Ahmedabad**

**Date: September 4, 2021**

**UDIN: A026458C000894226**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

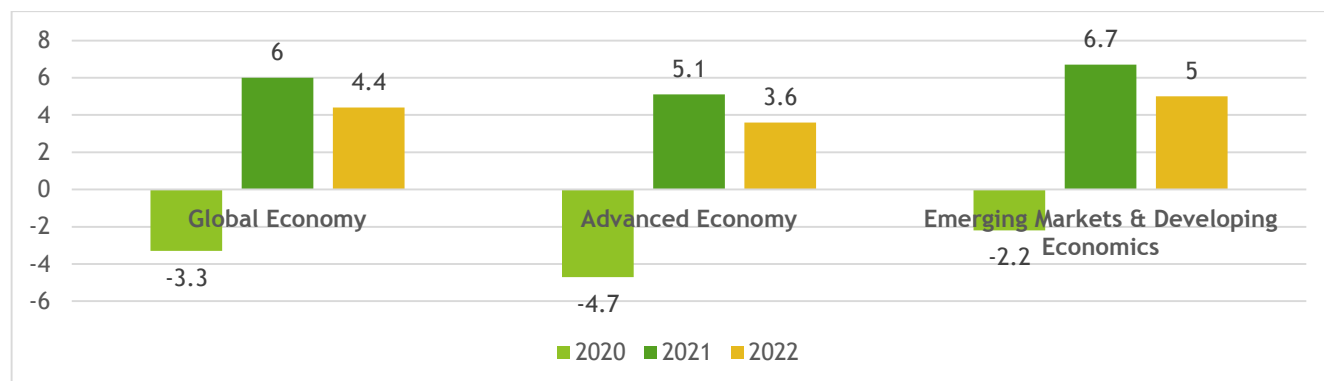
The discussion hereunder covers Company's performance and its business outlook for the future. This outlook is based on assessment of the current business environment and Government policies. The change in future economic and other developments are likely to cause variation in this outlook.

**GLOBAL ECONOMY:**

The last fiscal year has been an unprecedented one. It was dominated by the COVID-19 pandemic which began to impact the global economy towards the last quarter of FY20 and continued to impact the full year of FY21. According to IMF's World Economic Outlook April 2021, after witnessing a contraction of 3.3% in CY2021, the global economy is estimated to grow at 6% in CY2021 and moderate to 4.4% in CY2022. As the more vulnerable segments of the population get vaccinated, contact-intensive activities are expected to steadily resume.

More than a year into the arrival of the COVID-19 pandemic, the world's population is gradually being vaccinated, thanks to the discovery and production ingenuity of the global scientific community. Notwithstanding the resurgence of second and third waves, coupled with more infectious variants of the COVID-19 virus, the steady progress in gradual immunisation is expected to lessen the need for social restrictions and power recoveries in many countries during the latter half of CY2021.

The global growth forecast remains uncertain due to factors that are difficult to predict, including the pathway of the pandemic, the intensity and efficacy of containment efforts, supply disruptions, the repercussions of the dramatic tightening in global financial market conditions and shift in spending patterns. Moreover, although recent vaccination drives have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus could cause a reassessment of this outlook. The IMF also highlights that the strength of the recovery projected may vary significantly across countries, depending on access to medical interventions, effectiveness of policy support, exposure to cross country.

**WORLD ECONOMIC OUTLOOK APRIL 2021:****Growth Projections:**

Source: IMF's World Economic Outlook April 2021

**INDIAN ECONOMY:**

FY 2020-21 was an extraordinary year by any measure. It was a year of a global pandemic, global recession and unprecedented government actions. Ever since the first outbreak of Corona Virus (Covid-19) in India in March 2020, it led to huge economic damage on the Indian economy. The pandemic came with uncertainty and implications on all aspects of businesses. Despite India being ahead of most countries in announcing a near-total nationwide lockdown and implementing work from home measures, there was job and earning deficit, and free fall of employment, along with instability in prices. The lockdown impacted supply chain management and sent the GDP and import-export cycle plunging. The second wave of Covid-19 that emerged in India during the last quarter of FY 2020-21 had another devastating effect on economic activities. However, an anticipated vaccine-powered recovery and a faster vaccination drive have the capability to offer a back-ended upside to GDP growth in FY 2022.



As per the data released by the Government, the Indian economy is estimated to have reported a negative growth of 7.3% during FY 2020-21, compared with a growth of 4% in the earlier fiscal year of FY 2019-20, as the pandemic ravaged the economy. The contraction in FY 2020-21 GDP is worse in more than 40 years. In its monthly economic report for April 2021, the Reserve Bank of India (RBI) pointed out that the economic impact of the second wave of Covid-19 pandemic was disproportionately felt by individuals sustaining on daily livelihoods and small businesses, both organised as well as unorganised. Despite expansive Government spending designed to rescue thousands of severely battered businesses to blunt the pandemic's impact, India has been established among the worst-performing major economies.

During FY 2020-21, India's GDP shrunk by 24.4% and 7.3% in the first and second quarters of the fiscal year, respectively. The data reflected the deepening of India's severest recessions. However, in the third quarter, the economy witnessed a turnaround with growth coming in at 0.4%, officially signaling that India was out of a recession after two consecutive quarters of degrowth. In the fourth quarter of the year, the Indian economy grew by 1.6%, recording a slight pick-up in GDP despite Covid-19's second wave hitting the economy hard. This was the second consecutive quarter when India's economy grew in the positive territory after a negative growth in the previous two quarters.

#### **OUTLOOK:**

In its World Economic Outlook (April 2021), the International Monetary Fund (IMF) has noted that India's growth rate is projected to jump by an impressive 12.5% in FY 2021-22. This will be stronger than that of China, and India will perhaps be the only major economy to record a positive growth during the pandemic. Once more, India will become the fastest growing economy in the world, and the only one with double-digit growth in 2021.

Gauging the situation, RBI, in its Monetary Policy Committee meeting in April 2021, projected India's real GDP to grow by 10.5% in FY 2021-22. However, the escalating second wave of Covid-19 infections with the spread of new mutants is posing serious downside risks to the economy and heightens the possibility of business disruptions, in addition to the substantial loss of life and significant humanitarian concerns. Nevertheless, RBI has assured India is better prepared to meet the challenges posed by the second wave, as fiscal and monetary authorities stand ready to act in a coordinated manner to limit its spill-overs to the economy at large.

#### **Stimulus packages from the Government:**

To tackle the economic impact of the pandemic, in May 2020, the Government announced the Aatma Nirbhar Bharat Abhiyaan. A relief package of Rs 1.7 trillion was announced, with additional support coming in from State Governments and NGOs, widening the radius of the aid and boosting liquidity in the financial sector. In November 2020, the Government announced the Aatma Nirbhar 3.0 stimulus package with 12 measures rolled out to boost employment in the formal and informal economy. It also announced new production-linked incentives (PLIs) under another Rs 2 trillion PLI scheme for 10 major manufacturing sectors. Further, an additional outlay of Rs 180 billion was allocated for the PM Awas Yojana (PMAY) - Urban. This aimed at adding 1.2 million houses and completing construction of 1.8 million houses, while creating 7.8 million additional jobs and improving the production and sale of steel and cement.

#### **Government initiatives on Agriculture:**

The farming sector came into sharp focus in Union Budget 2021-22 as the Government allocated Rs 75,000 crore for Farmers Samman Nidhi. It also enhanced the agricultural credit target to Rs 16.5 lakh crore in FY2021-22 to help build agriculture infrastructure. Money in the hands of farmers through the Minimum Support Price (MSP) regime will keep the momentum going in agriculture during the COVID times. There are signs that the Government is clearing past arrears at an accelerated pace and has provided for doubling of expenditure in the fourth quarter. This will help boost demand and give further impetus to growth. Prime Minister Narendra Modi has envisioned India to become a US\$ 5 trillion economy and a global powerhouse by FY 2024-25. However, this may now take longer due to the disruptions induced by the Covid pandemic.

#### **COMPANY OVERVIEW:**

Sikko Industries Limited is a leading agrochemical company with presence across the agri input value chain and a strong and healthy pipeline of sustainable products. With its extensive R&D capabilities and innovative products, SIKKO has created a distinct identity for itself. It has been serving and positively impacting the lives of millions of Indian farmers for several decades.

SIKKO has set up a well-entrenched connection with Indian farmers, with a nationwide footprint powered by its brand, diversified portfolio and supported by a strong channel network of dealers and retailers. By way of its international business, it has partnered with global innovators through strong R&D and executional capabilities. Its proven capabilities make it a preferred partner of choice for these innovators.



**OUR COMPETITIVE STRENGTH:****Vast experience over 20 years with sound market knowledge:**

Our promoters are having experience of more than 20 years who have been involved in the business of manufacturing of agrochemicals which has enabled us to successfully implement our growth strategies. We benefit from the experience of the promoters and core management team.

**Relationship with Clients:**

We guide our loyal clients to purchase the hot products in advance, allocate the price-rising products at lower costs, what's more, and avoid purchasing abundant slack products. This has won much appreciation and good reputation from our loyal clients at home and abroad.

**Prime Location of our Unit:**

The Fertilizer and Pesticide unit is located at the outskirts of the Ahmedabad city on Sanand Highway and thus enjoys the good connectivity with different parts of the states, which makes the movements of the raw-material as well as our products easy and comfortable. Thus it helps in procurement of raw material and dispatch of our products to the various clients.

**Quality Assurance:**

All products that dispatch from the factory premises are inspected by the packing and dispatch department. Further, quality check is done at every stage of manufacturing to ensure the adherence to desired specifications. Since, our Company is dedicated towards quality of products, processes and inputs; we get repetitive orders from our buyers, as we are capable of meeting their quality standards, which enables them to maintain their brand image in the market.

**OUR BUSINESS STRATEGY:****1. Continuous Innovation of Products and diverse products:**

The management is of the opinion that in order to be successful and competitive in the market, the company needs to be innovative. We offer special and exclusive range of agrochemicals including organic pesticides, organic fertilizers and others. Such diverse product mix helps us to cater the diverse customer segments and to various sectors of Industry. The product mix helps us to sustain the growth level. Over the years we have developed various products which is used by farmer in agriculture.

**2. Well-equipped Research and Development facility:**

We have well equipped research and Development facility to improve quality of the products and to produce high performance growth promoters, pesticides and fertilizer. Company has in house sound R&D Department backed by technical expertise of our Managing Director Mr. Jayantibhai Kumbhani which helps the company to enhance our product range.

**3. Maintain and expand long-term relationships with clients:**

Our Company believes that business is a by-product of relationship. The business model is based on client relationships that are established over period of time rather than a project-based execution approach. Our Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

**4. Optimal Utilization of Resources:**

Our Company constantly endeavors to improve our production process, skill up-gradation of workers, modernization of machineries to optimize the utilization of resources. We regularly analyze our existing material procurement policy and manufacturing process to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.



**OPPORTUNITIES AND THREATS:**

Opportunities	Threats
<ul style="list-style-type: none"> <li>Government initiative to promote agriculture industry will help our industry to grow</li> <li>Continues development in R&amp;D work resulting into yielding of new product</li> <li>Abundant water, electricity and subsidies to farmer by government will help the agriculture industry to grow</li> </ul>	<ul style="list-style-type: none"> <li>Change in Policy and Regulations</li> <li>New entrants in the market and intense competition by existing players</li> <li>Technology may become obsolete due to Innovation in Technology</li> <li>The generic threat of economic slowdown exits, which may subdue the domestic demand for the products</li> </ul>

**BUSINESS OUTLOOK:**

SIKKO is well placed in the Indian agrochemical market, led by a robust domestic portfolio with focus on in-licensing and regular launch of new products. Over the years, the Company has demonstrated speedy progress in broad basing its revenue mix by adding new clients, new geographies and new products. The Company aims to become a world class agrochemical manufacturer and preferred partner of choice by creating compelling value for its customers by leveraging its R&D capabilities. SIKKO is relentlessly striving to improve its standards by benchmarking against the global best. The Company is also expanding its product portfolio by integrating backward for the manufacture of technical grade pesticides.

The Company is well equipped with alternative products in the pipeline in the event of any negative headwinds in terms of regulatory ban of any product in any geography. SIKKO will continue to derive strength from its experienced management and resourceful team, long track record of operations, advanced technology, talent and R&D skills, reputed customer base across the globe and increase in capacity as well as capabilities.

Although, COVID-19 has put uncertainty on the economic recovery of India and the world with increased fears of soaring infection rate, new mutant of virus and access to vaccination, the overall outlook remains positive. The Government's financial support to farmers and other COVID-19 related relief measures are likely to propel farmer investments in crop inputs. The Company also remains on a strong footing for the long-term despite the challenges of global recession, currency risks and liquidity concerns.

**RISKS AND CONCERNS:**

The Company is exposed to business risks which may be internal as well as external. The Company has a comprehensive risk management system in place, which is tailored to the specific requirements of its business considering various factors such as size and nature of inherent risks and the regulatory environment of the Company. The risk management system enables it to recognize and analyse risks early and to take the appropriate action. The senior management of the Company regularly reviews the risk management processes of the Company for effective risk management. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

SIKKO has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedure and Limits of authority manuals for conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. SIKKO uses a state-of-the art ERP system to record data for accounting and managing information with adequate security procedure and controls. Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Company's operations. It brings a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

**COMPANY'S PERFORMANCE:**

During the year under review, the Company has earned total income of ₹ 4,157.26 Lakhs as against the total income of ₹ 3,252.02 Lakhs of previous year which states 27.84% increase in the total income as compared to previous year. The profit before tax in the financial year 2020-21 stood at ₹ 365.87 Lakhs as compared to profit of ₹ 340.98 Lakhs for last year and net profit after tax stood at ₹ 259.82 Lakhs compared to profit of ₹ 243.53 Lakhs for the previous year which state 6.69% increase in profit of the Company.



**SEGMENT WISE OR PRODUCT WISE PERFORMANCE:**

Segments	% of FY 2020-21 Revenue	% of FY 2019-20 Revenue
Fertilizers	3.61	11.32
Pesticides	92.49	85.95
Seeds	3.90	2.38
Others	Nil	0.35

**KEY FINANCIAL RATIOS:**

Details of key financial ratios of the Company, changes therein as compared to previous financial year along with explanations for those ratios where change is 25% or more are as under:

Key Ratios	Units	F.Y. 2020-21	F. Y. 2019-20	Explanations
Debtors Turnover	Times	1.95	1.66	Ratio increased due to increase in credit sales
Inventory Turnover	Times	3.88	3.28	Ratio increased due to increase in credit purchase
Interest Coverage Ratio	Times	13.72	6.98	Due to lower interest on finance and higher operating profit, ratio has been improved
Current Ratio	Times	1.64	1.62	Slightly improved due to increase in current assets
Debt Equity Ratio	Times	1.31	1.33	Due to increase in liabilities, the ratio slightly decreased
Operating Profit Margin	%	19.53	31.36	Operating Margin decreased due to increase in raw material prices
Net Profit Margin	%	6.55	7.61	Margin decreased due to increase in raw material prices
Return on Net Worth	%	13.47	14.55	Decreased due to lower margin in the sold products

**HUMAN RESOURCES:**

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short- and long-term objectives. As on March 31, 2021, the Company had total 33 full time employees. The industrial relations have remained harmonious throughout the year.

**CAUTIONARY STATEMENT:**

Statements in this Management Discussion and Analysis contains "Forward Looking Statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to SIKKO's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. SIKKO undertakes no obligation to publicly revise any forward-looking statements to reflect future/ likely events or circumstances.



**AUDIT REPORT TO THE MEMBERS OF SIKKO INDUSTRIES LIMITED****Report on the Financial Statements****Opinion:**

We have audited the accompanying financial statements of Sikko Industries Limited, which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 accounting standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit and its cash flows for the year ended on that date.

**Basis for Opinion:**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

**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, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.



**Management's Responsibility for the Financial Statements:**

Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including accounting standards referred to in section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

**Auditor's Responsibility:**

Our objectives are to obtain reasonable assurance about whether the 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 control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.

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 section 143(11) of the Act, we give in "Annexure A", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief where 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 appears from our examination of those books;
  - c. The Balance Sheet and Statement of Profit and Loss dealt with this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Financial Statement comply with the Accounting Standards specified under Section 133 of Act, read with relevant rule issued thereunder.
  - e. On the basis of written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in "Annexure B".
  - 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - (a) The Company does not have any pending litigation as at March 31, 2021 on its financial position in its financial statements, except as provided in Annexure "A" clause (vii) Sub-Clause (b).
    - (b) The Company did not have any long-term and derivative contracts as at March 31, 2021.
    - (c) There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For, D.G.M.S. & Co.,  
Chartered Accountants

Sarvesh A. Gohil  
Partner  
M. No. 135782  
FRN: 0112187W  
UDIN: 21135782AAAAAMU2086

Place: Jamnagar  
Date: June 23, 2021



## ANNEXURE "A" TO THE AUDITORS' REORT

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

## i. In respect of Its Property Plant &amp; Equipment:

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) These fixed assets were physically verified by the management during the year. We have been informed that no material discrepancies were noticed on such physical verification.
- c) According to the information and explanation given to us and in the basis of our examination of the records of the company the title deeds of immovable properties are in the name of the company.

## ii. The stock of inventory has been physically verified during the year by the Management at reasonable intervals, except stock lying with third parties. Confirmations of such stocks with third parties have been obtained by the Company in most of the cases. The discrepancies noticed on physical verification of stocks as compared to book records were not material; however, the same have been properly dealt with the books of account.

## iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3 (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.

## iv. In our opinion and according to the information and explanations given to us, the Company has not provided any loans and advances under section 185 and 186 of the Companies Act, 2013.

## v. The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified.

## vi. The Central government has not prescribed the maintenance of cost records by the company under section 148(1) of the companies Act, 2013 for any of its products.

## vii. In respect of Statutory Dues:

- a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, GST, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at March 31, 2021 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, GST, excise duty and cess which have not been deposited on account of any dispute except following:

Name of the status	Nature of Dues	Amount ₹ in Lakh	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	254.40	F.Y. 2011-12 to F.Y. 2014-15	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	4.79	April - 2015 to January - 2016	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	4.18	February - 2016 to June - 2017	Customs, Excise & Service Tax Appellate Tribunal



- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to financial institutions, banks or Government. The company has not issued any debentures as at the balance sheet date.
- ix. The company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Moneys raised by way of term loan were applied for the purpose for which those are raised.
- x. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of such cases by the Management.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, D.G.M.S. & Co.,  
Chartered Accountants

Sarvesh A. Gohil  
Partner  
M. No. 135782  
FRN: 0112187W  
UDIN: 21135782AAAAMU2086

Place: Jamnagar  
Date: June 23, 2021



**ANNEXURE “B” TO AUDITOR’S REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')****Opinion**

We have audited the internal financial controls over financial reporting of **SIKKO INDUSTRIES LIMITED** ('the Company') as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

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

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

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

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



**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**For, D.G.M.S. & Co.,  
Chartered Accountants**

**Place:** Jamnagar  
**Date:** June 23, 2021

**Sarvesh A. Gohil  
Partner  
M. No. 135782  
FRN: 0112187W  
UDIN: 21135782AAAAMU2086**



**SIKKO INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2021**

(Amount in ₹)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	2	11,20,00,000.00	5,60,00,000.00
(b) Reserves and Surplus	3	8,09,26,329.81	11,13,94,267.08
<b>2 Non-current liabilities</b>			
(a) Long-term Borrowings	4	13,13,701.50	28,66,272.00
(b) Deferred tax liabilities (Net)		5,35,000.00	8,80,000.00
<b>3 Current liabilities</b>			
(a) Short-term Borrowings	5	6,50,44,138.17	6,20,25,518.97
(b) Trade payables	6	9,48,08,164.03	8,98,43,901.58
(c) Other Current Liabilities	7	6,50,52,174.03	5,02,47,449.68
(d) Short-term Provisions	8	2,68,26,206.00	1,59,42,339.00
<b>TOTAL</b>		<b>44,65,05,713.54</b>	<b>38,91,99,748.31</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	3,27,77,618.00	3,44,43,696.44
(ii) Intangible Assets	9	2,12,087.00	4,87,763.89
(b) Long-term Loans and Advances	10	10,09,660.00	10,09,660.00
(c) Other Non-Current Assets		-	-
(d) Deferred tax Asset(Net)		-	-
<b>2 Current assets</b>			
(a) Inventories	11	10,66,58,123.00	9,75,54,964.00
(b) Trade Receivables	12	21,47,29,700.51	19,26,33,217.46
(c) Cash and Cash Equivalents	13	13,60,015.72	42,92,086.46
(d) Short-term Loans and advances	14	8,93,76,071.31	5,83,63,380.06
(e) Other Current Assets	15	3,82,438.00	4,14,980.00
<b>TOTAL</b>		<b>44,65,05,713.54</b>	<b>38,91,99,748.31</b>
Accounting Policies & Notes on Accounts	1		

As per our Report on Even date attached  
For D G M S & Co.  
Chartered Accountants

For and on behalf of the Board of Directors,  
For Sikko Industries Limited

Sarvesh A. Gohil  
Partner  
M. No. 135782  
FRN No. 0112187W  
UDIN: 21135782AAAAMU2086

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807

Ghanshyam M. Kumbhani  
Whole Time Director  
DIN: 00587855

Ankita Lunagariya  
Company Secretary

Mukesh Shah  
Chief Financial Officer

Place: Ahmedabad  
Date : June 23, 2021

Place: Ahmedabad  
Date : June 23, 2021

Place: Ahmedabad  
Date : June 23, 2021



SIKKO INDUSTRIES LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Revenue from operations	16	39,65,81,272.67	31,98,69,718.00
II. Other Income	17	1,91,45,079.72	53,31,726.27
III. Total Revenue (I + II)		41,57,26,352.39	32,52,01,444.27
IV. Expenses:			
Cost of materials consumed	18	29,15,71,021.57	18,87,67,703.53
Purchase of Traded Goods		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19	10,34,893.00	(10,43,743.00)
Employee benefits expense	20	2,65,42,090.67	3,18,48,315.00
Finance Costs	21	28,75,453.99	57,06,440.89
Depreciation and amortization expense	22	59,54,679.00	70,11,278.13
Other expenses	23	5,11,61,151.98	5,88,13,193.15
Total expenses		37,91,39,290.21	29,11,03,187.70
V. Profit before tax (III- IV)		3,65,87,062.18	3,40,98,256.57
VI Tax expense:			
(1) Current tax		1,09,50,000.00	1,00,80,000.00
(2) Deferred tax		(3,45,000.00)	(3,35,000.00)
VII Profit (Loss) for the period (V + VI)		2,59,82,062.18	2,43,53,256.57
VIII Earnings per equity share:			
(1) Basic		4.49	4.35
(2) Diluted		4.49	4.35
Accounting Policies & Notes on Accounts	1		

As per our Report on Even date attached  
For D G M S & Co.  
Chartered Accountants

For and on behalf of the Board of Directors,  
For Sikko Industries Limited

Sarvesh A. Gohil  
Partner  
M. No. 135782  
FRN No. 0112187W  
UDIN: 21135782AAAAMU2086

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807

Ghanshyam M. Kumbhani  
Whole Time Director  
DIN: 00587855

Ankita Lunagariya  
Company Secretary

Mukesh Shah  
Chief Financial Officer

Place: Ahmedabad  
Date : June 23, 2021

Place: Ahmedabad  
Date : June 23, 2021

Place: Ahmedabad  
Date : June 23, 2021



**SIKKO INDUSTRIES LIMITED**  
**Cash Flow Statement for the year ended March 31, 2021**

(Amount in ₹)

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit Before tax as per Statement of Profit & Loss	3,65,87,062.18	3,40,98,256.57
	Adjustments for:		
	Depreciation & Amortization Exp.	59,54,679.00	70,11,278.13
	Stamp duty for increase in Capital	(4,50,000.00)	-
	Interest Income	(77,137.00)	(25,020.00)
	Previous Year Income Tax Written Off	-	(16,599.09)
	Finance Cost	28,75,453.99	57,06,440.89
		<b>83,02,995.99</b>	<b>1,26,76,099.93</b>
	Operating Profit before working capital changes	<b>4,48,90,058.17</b>	<b>4,67,74,356.50</b>
	Changes in Working Capital		
	Trade receivable	(2,20,96,483.05)	(7,05,13,006.05)
	Other Loans and advances receivable	(3,10,12,691.25)	25,08,908.22
	Inventories	(91,03,159.00)	(1,72,55,252.00)
	Trade Payables	49,64,264.33	3,98,45,172.61
	Other Current Liabilities and other assets	1,48,37,266.35	85,49,803.47
	Short term Provisions	1,08,83,867.00	69,76,374.00
		<b>(3,15,26,935.62)</b>	<b>(2,98,87,999.75)</b>
	Net Cash Flow from Operation	<b>1,33,63,122.55</b>	<b>1,68,86,356.75</b>
	Tax Paid	1,09,50,000.00	1,00,80,000.00
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>24,13,122.55</b>	<b>68,06,356.75</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(40,12,925.00)	(39,48,453.63)
	Interest Income	77,137.00	25,020.00
		<b>(39,35,788.00)</b>	<b>(39,23,433.63)</b>
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(39,35,788.00)</b>	<b>(39,23,433.63)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds From Issue of shares capital	-	-
	Proceeds From long Term Borrowing (Net)	(15,52,570.50)	(14,29,321.28)
	Short Term Borrowing (Net)	30,18,619.20	(2,40,05,559.66)
	Interest Paid	(28,75,453.99)	(57,06,440.89)
	Dividend paid ( Including DDT)	-	-
		<b>(14,09,405.29)</b>	<b>(3,11,41,321.83)</b>
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(14,09,405.29)</b>	<b>(3,11,41,321.83)</b>
<b>D.</b>	<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(29,32,070.74)</b>	<b>(2,82,58,398.71)</b>
<b>E.</b>	<b>Opening Cash &amp; Cash Equivalents</b>	<b>42,92,086.46</b>	<b>3,25,50,485.17</b>
<b>F.</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>13,60,015.72</b>	<b>42,92,086.46</b>
<b>G.</b>	<b>Cash And Cash Equivalents Comprise:</b>		
	Cash	4,24,135.33	5,98,344.17
	Bank Balance:		
	Current Account	4,63,454.39	32,36,944.29
	Deposit Account	4,72,426.00	4,56,798.00
	<b>Total</b>	<b>13,60,015.72</b>	<b>42,92,086.46</b>

As per our Report on Even date attached  
 For D G M S & Co.  
 Chartered Accountants

For and on behalf of the Board of Directors,  
 For Sikko Industries Limited

Sarvesh A. Gohil  
 Partner  
 M. No. 135782  
 FRN No. 0112187W  
 UDIN: 21135782AAAAMU2086

Jayantibhai M. Kumbhani  
 Managing Director  
 DIN: 00587807

Ghanshyam M. Kumbhani  
 Whole Time Director  
 DIN: 00587855

Ankita Lunagariya  
 Company Secretary

Mukesh Shah  
 Chief Financial Officer

Place: Ahmedabad  
 Date : June 23, 2021

Place: Ahmedabad  
 Date : June 23, 2021

Place: Ahmedabad  
 Date : June 23, 2021



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note: - 1 Significant accounting policies:**

**1.0 Corporate Information:**

Sikko Industries Limited is a Limited Company, incorporated under the provisions of Companies Act, 2013 and having CIN: L51909GJ2000PLC037329. The Company is mainly engaged in the business of Manufacturing and trading & Exporting of Bio-Agro chemicals, Pesticides, Fertilizers, Seeds, Sprayers, Packaging, Machineries and FMCG products etc. The Registered office of the Company is situated at office No. 508, Iscon Eligance, Nr. Jain Temple Nr. Prahladnagar pick up stand, Vejalpur, Ahmedabad - 380 051.

**1.1 Basis of preparation of financial statements**

**a. Accounting Convention:**

These financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the Historical Cost Convention and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013.

**b. Use of Estimates and Judgments:**

The preparation of financial statement in conformity with accounting standard requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual result could differ from those estimates. As soon as the Management is aware of the changes, appropriate changes in estimates are made. The effect of such changes are reflected in the period in which such changes are made and, if material, their effect are disclosed in the notes to financial statement.

**c. Current and Non - Current Classification:**

An asset or a liability is classified as Current when it satisfies any of the following criteria:

- i. It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;
- ii. It is held primarily for the purpose of being traded.
- iii. It is expected to be realized / due to be settled within twelve months after the end of reporting date;
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

**All other assets and liabilities are classified as Non - Current:**

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

**1.2 Basis of Preparation:**

**a) Presentation and Disclosure of Standalone Financial Statements:**

These standalone financial statements have been prepared as per "Schedule - III" notified under the Companies Act, 2013. The Company has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the current year.



**b) Property, Plant & Equipment and Intangible Assets:**

- i. The company has adopted Cost Model to measure the gross carrying amount of fixed assets.
- ii. Tangible Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.
- iii. Intangible assets are stated at the consideration paid for acquisition and customization thereof less accumulated amortization.
- iv. Cost of fixed assets not ready for use before the balance sheet date is disclosed as Capital Work in Progress.
- v. Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets under Development.

**c) Depreciation / Amortization:**

Depreciation has been provided under Written Down Value Method at the rates prescribed under schedule II of the Companies Act, 2013 on single shift and Pro Rata Basis to result in a more appropriate preparation or presentation of the financial statements.

In respect of assets added/sold during the year, pro-rata depreciation has been provided at the rates prescribed under Schedule II.

Intangible assets being Software are amortized over a period of its useful life on a straight line basis, commencing from date the assets is available to the company for its use.

**d) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount.

**e) Investments:**

- Long term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary.
- Current investments are stated at lower of cost or market value. The determination of carrying amount of such investment is done on the basis of specific identification.

**f) Government Grants and Subsidies:**

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- Grants in the nature of subsidies which are non - refundable are credited to the respective accounts to which the grants relate, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.
- Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Balance Sheet at the Reporting date.

**g) Retirement Benefits:****a) Short Term Employee Benefits:**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.



**b) Employment Benefits:****i) Defined Contribution Plans:**

The company has Defined Contribution Plans for post-employment benefit in the form of Provident Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

**ii) Defined Benefit Plans:****a) Provident Fund:**

Provident fund is a defined contribution scheme as the company pays fixed contribution at pre-determined rates. The obligation of the company is limited to such fixed contribution. The contributions are charged to Profit & Loss A/c.

**b) Gratuity:**

The Management has decided to apply pay-as-you-go method of gratuity provision. So gratuity will be accounted in the Profit & Loss A/c in the financial year in which the employee retires and provision will not be made on yearly basis and charged to the profit and loss accounts on the basis of actual payment.

**c) Leave Encashment:**

The Management has decided to apply pay-as-you-go method for payment of leave encashment. So amount of leave encashment will be accounted in the Profit & Loss A/c in the financial year in which the employee retires and provision will not be made on yearly basis and charged to the profit and loss account on the basis of actual payment.

**h) Valuation of Inventory:**

Inventories of the raw material, finished goods, packing material, stores and spares, components, consumables and stock in trade are carried at lower of cost and net realizable value. However, raw material and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis.

Cost of inventories included the cost incurred in bringing each product to its present location and conditions are accounted as follows:

**a) Raw Material:** Cost included the purchase price and other direct or indirect costs incurred to bring the inventories into their present location and conditions. Cost is determined on *First in First out basis (FIFO)*.

**b) Finished Goods:** Finished Goods are valued at cost or Net realizable value whichever is lower. Cost included cost of direct materials and the labor cost and a proportion of manufacturing overhead based on the normal operating capacity, but excluding the borrowing costs. Cost is determined on *"First in First out basis (FIFO)"*.

All other inventories of stores and spares, consumables, project material at site are valued at cost. The stock of waste or scrap is valued at net realizable value.

"Net Realizable Value" is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

**i) Revenue Recognition:**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.



Other operating revenues comprise of income from ancillary activities incidental to the operations of the Company and is recognized when the right to receive the income is established as per the terms of the contract. Service income is recognized as and when services are rendered as per the terms of the contract.

Revenue includes only the gross inflows of economic benefits, including the excise duty, received and receivable by the Company, on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

**Interest Income** is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

**Dividend** from investments in shares / units is recognized when the company.

Other items of Income are accounted as and when the right to receive arises.

**j) Accounting for effects of changes in foreign exchange rates:**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transactions.

In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognized in the Profit and Loss Account except Exchange differences arising on the settlement or on reinstatement of Long Term Foreign Currency Monetary Items, in so far as it relates to acquisition of a depreciable capital assets, are added to or deducted from the cost of relevant assets and is depreciated over balance life of assets and incase Long Term Foreign Currency Monetary Items relates to other than an acquisition of depreciable capital assets, the exchange differences so arise is accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the life of the monetary item but not beyond March 31, 2021.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge existing asset / liability, is amortized as expense or income over the life of the contract. Exchange differences on such a contract are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expenses for the period.

**k) Borrowing Cost:**

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipment are capitalized as a part of cost of that property, plants and equipment. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards - 16 "Borrowing Costs". Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard - 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such property, plants and equipment if they are directly attributable to their acquisition or charged to the Standalone Statement or Profit and Loss.

**l) Segment Reporting:**

The accounting policies adopted for segment reporting are in the line with accounting policy of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities."

**m) Related Party Disclosure:**

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given in notes of accounts.



**n) Accounting for Leases:**

A lease is classified at the inception date as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership to the Company is classified as a finance lease.

The Company as a lessee:

- a) **Operating Lease:** Rental payable under the operating lease are charged to the Standalone Statement of Profit and Loss on a Straight line basis over the term of the relevant lease.
- b) **Finance Lease:** Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

**o) Cash flow:**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

**p) Earnings Per Share:**

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

**q) Taxes on Income:****1. Current Tax:**

Provision for current tax is made after taken into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

**2. Deferred Taxes:**

Deferred Income Tax is provided using the liability method on all temporary difference at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes.

- i. Deferred Tax Assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available in the future against which this items can be utilized.
- ii. Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled, based on tax rates ( and the tax) that have been enacted or enacted subsequent to the balance sheet date.

**r) Discontinuing Operations:**

During the year the company has not discontinued any of its operations.



**s) Provisions Contingent liabilities and contingent assets:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measured reliably, it is classified as Contingent Liability. The Company does not recognize a Contingent Liability but disclosed its existence in the standalone financial statements.

**t) Event after Reporting Date:**

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

All the events occurring after the Balance Sheet date up to the date of the approval of the standalone financial statement of the Company by the board of directors on June 23, 2021 have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Accounting Standards.

**u) Global Health Pandemic COVID - 19:**

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant slow disturbance and slowdown of economic activity. The company has evaluated impact of this pandemic on its business operations and based on its review and current indicators for future economic conditions, there is no significant impact on its financial statements.



## Note 2: Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount in ₹	Number	Amount in ₹
<b><u>Authorized</u></b>				
Equity Shares of ₹ 10.00 each	12000000	12,00,00,000.00	6000000	6,00,00,000.00
<b><u>Issued</u></b>				
Equity Shares of ₹ 10.00 each	11200000	11,20,00,000.00	5600000	5,60,00,000.00
<b><u>Subscribed &amp; Paid up</u></b>				
Equity Shares of ₹ 10.00 each fully paid	11200000	11,20,00,000.00	5600000	5,60,00,000.00
<b>TOTAL</b>	<b>11200000</b>	<b>11,20,00,000.00</b>	<b>5600000</b>	<b>5,60,00,000.00</b>

## Note 2.1: Reconciliation of Number of Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	5600000	5,60,00,000.00	5600000	5,60,00,000.00
Shares Issued during the year	5600000	5,60,00,000.00	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	11200000	11,20,00,000.00	5600000	5,60,00,000.00

## Note 2.2: Details of Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jayantibhai M. Kumbhani	3054084	27.27	1527042	27.27
Alpaben J. Kumbhani	1118640	9.99	559320	9.99
Ghanshyambhai M. Kumbhani	721480	6.44	360740	6.44
Bhavnnaben P. Kumbhani	212300	1.90	385150	6.88
Mohanbhai N. Kumbhani	661480	5.91	330740	5.91
Nandaben G. Kumbhani	680000	6.07	340000	6.07
Pravinbhai M. Kumbhani	1208000	10.78	325000	5.80



## Note 3: Reserve &amp; Surplus

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>A. Securities Premium Account</b>		
Opening Balance	3,05,39,156.00	3,05,39,156.00
Add : Securities premium credited on Share issue	-	-
<u>Less : Premium Utilized for various reasons</u> For Bonus Issue during the year	3,05,39,156.00	-
<b>Closing Balance</b>	-	<b>30,539,156.00</b>
<b>B. Surplus</b>		
Opening balance	8,08,55,111.08	5,65,18,454.11
(+) Net Profit/(Net Loss) For the current year	2,59,82,062.18	2,43,53,256.57
(-) Income Tax expenses write off	-	16,599.60
(-) Other write off	(0.55)	-
(-) Bonus Issue Expense	4,50,000.00	-
(-) Bonus Issue during the Year	2,54,60,844.00	-
<b>Closing Balance</b>	<b>8,09,26,329.81</b>	<b>8,08,55,111.08</b>
<b>TOTAL</b>	<b>8,09,26,329.81</b>	<b>11,13,94,267.08</b>

## Note 4: Long Term Borrowings

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
<b><u>Secured</u></b>		
<b>(a) Term loans</b>		
From banks		
BOI New Duster Car Loan	3,64,237.50	3,72,994.00
ICICI Bank TATA Tigor Car Loan	30,246.00	1,34,823.00
ICICI Bank Brezza Car Loan	60,270.00	5,34,921.00
SBI Range Rover Car Loan	8,58,948.00	18,23,534.00
<b>Sub-total (a)</b>	<b>13,13,701.50</b>	<b>28,66,272.00</b>
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)		
1. Period of default	-	-
2. Amount	-	-
<b><u>Unsecured</u></b>		
<b>(b) Loan and advances from related parties</b>		
<b>Sub-total (b)</b>	-	-
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)		
1. Period of default	-	-
2. Amount	-	-
<b>TOTAL</b>	<b>13,13,701.50</b>	<b>28,66,272.00</b>



## Note 5: Short Term Borrowings

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
<b><u>Secured</u></b>		
(a) Working Capital Loans		
from banks		
ICICI Bank CC	3,25,50,107.17	3,21,25,518.97
ICICI Bank	89,11,631.00	-
<b>Sub-total (a)</b>	<b>4,14,61,738.17</b>	<b>3,21,25,518.97</b>
<b><u>Unsecured</u></b>		
(b) Loans and advances from related parties	2,35,82,400.00	2,99,00,000.00
<b>Sub-total (b)</b>	<b>2,35,82,400.00</b>	<b>2,99,00,000.00</b>
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
1. Period of default	-	-
2. Amount	-	-
<b>TOTAL</b>	<b>6,50,44,138.17</b>	<b>6,20,25,518.97</b>

## Note 5.1:

Working Capital loan from bank referred above to the extent of:

Cash Credit from ICICI Bank is secured by Hypothecation of present and future stock &amp; Book Debts.

## Note 6: Trade Payables

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Micro, Small and Medium Enterprise	-	-
(b) Others	9,48,08,164.03	8,98,43,901.58
<b>TOTAL</b>	<b>9,48,08,164.03</b>	<b>8,98,43,901.58</b>



## Note 7: Other Current Liabilities

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Current maturities of Long Term Debt		
(i.e. Term Liability classified as current)		
BOI Tata Zest Car Loan	-	19,733.00
BOI New Duster Car Loan	1,46,410.50	2,55,631.00
ICICI Bank Tata Tigor	77,543.00	1,17,739.00
ICICI Brezza Car Loan	1,86,166.00	-
SBI Range Rover Car Loan	10,35,224.00	10,25,685.00
(ii) Statutory Remittance		
(i) TDS Payable	2,72,221.00	13,77,894.00
(ii) TCS Payable	19,879.11	-
(iii) GST Payable	1,20,95,737.68	86,17,464.02
(iv) EPF Payable	17,133.00	-
(v) ESIC Payable	2,119.00	-
(vi) Professional Tax Payable	12,700.00	26,750.00
(iii) Advanced from Customer	2,48,50,509.11	1,27,27,390.03
(iv) Dealer Deposits	2,63,36,531.63	2,60,79,163.63
<b>TOTAL</b>	<b>6,50,52,174.03</b>	<b>5,02,47,449.68</b>

## Note 8: Short Term Provisions

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision For		
(a) Employee benefits		
(i) Contribution to PF	-	33,725.00
(ii) Bonus Payable	7,25,200.00	6,26,600.00
(iii) ESIC Payable	-	1,204.00
(b) Others (Specify nature)		
(i) Electricity Burning Expense	-	1,23,288.00
(ii) C & F Charges	55,451.00	52,042.00
(iii) Security Charges	23,000.00	25,800.00
(iv) Telephone Charges	980.00	980.00
(v) Director Sitting Fees	30,000.00	60,000.00
(vi) Audit Fees	1,22,875.00	1,00,000.00
(vii) Income Tax	2,58,68,700.00	1,49,18,700.00
<b>TOTAL</b>	<b>2,68,26,206.00</b>	<b>1,59,42,339.00</b>



## Note 9: Fixed Assets

(Amount in ₹)

Fixed Assets	Gross Block			Accumulated Depreciation					Net Block		
	Balance as at April 1, 2020	Additions	Disposal/ Adjustment	Balance as at March 31, 2021	Balance as at April 1, 2020	Amount Charged to Reserves	Depreciation charge for the year	Deductions/ Adjustments	Balance as at March 31, 2021	Balance as at March 31, 2021	Balance as at March 31, 2020
<b>Tangible Assets</b>											
Land	50,000.00	-	-	50,000.00	-	-	-	-	-	50,000.00	50,000.00
Factory Land	70,68,650.00	-	-	70,68,650.00	-	-	-	-	-	70,68,650.00	70,68,650.00
Factory Building	1,36,80,657.00	-	-	1,36,80,657.00	68,00,916.29	-	4,59,243.00	-	72,60,159.00	64,20,498.00	68,79,740.71
Office Equipment	14,67,990.00	6,36,289.00	-	21,04,279.00	12,99,828.62	-	62,665.00	-	13,62,494.00	7,41,785.00	1,68,161.38
Computer & Software	14,98,090.36	1,15,114.00	-	16,13,204.00	12,86,797.74	-	1,60,491.00	-	14,47,289.00	1,65,915.00	2,11,292.62
Furniture & Fixtures	1,17,25,064.00	9,26,105.00	-	1,26,51,169.00	96,81,493.77	-	5,66,449.00	-	1,02,47,943.00	24,03,226.00	20,43,570.23
Plant & Machinery	4,95,21,923.00	23,17,417.00	-	5,18,39,340.00	3,67,60,051.73	-	28,10,094.00	-	3,95,70,146.00	1,22,69,194.00	1,27,61,871.27
Laboratory equipment	10,91,101.00	-	-	10,91,101.00	6,39,616.63	-	1,15,877.00	-	7,55,494.00	3,35,607.00	4,51,484.37
Motor Vehicle	1,61,06,956.00	-	-	1,61,06,956.00	1,12,98,455.14	-	14,86,183.00	-	1,27,84,638.00	33,22,318.00	48,08,500.86
Bike	36,800.00	-	-	36,800.00	36,375.00	-	-	-	36,375.00	425.00	425.00
Software	8,97,620.00	-	-	8,97,620.00	6,31,904.66	-	2,65,715.00	-	8,97,620.00	-	2,65,715.34
<b>Intangible Assets</b>	4,28,750.00	18,000.00	-	4,46,750.00	2,06,701.45	-	27,962.00	-	2,34,663.00	2,12,087.00	2,22,048.55
<b>TOTAL</b>	<b>10,35,73,601.36</b>	<b>40,12,925.00</b>	<b>-</b>	<b>10,75,86,526.00</b>	<b>6,86,42,141.03</b>	<b>-</b>	<b>59,54,679.00</b>	<b>-</b>	<b>7,45,96,821.00</b>	<b>3,29,89,705.00</b>	<b>3,49,31,460.33</b>



## Note 10: Long Term Loan and Advances

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured and Considered Good)		
Security Deposits	10,09,660.00	10,09,660.00
<b>TOTAL</b>	<b>10,09,660.00</b>	<b>10,09,660.00</b>

## Note 11: Inventories

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Raw Materials and components	6,77,40,098.00	5,98,99,420.00
(Valued at Lower of Cost or NRV as per FIFO Method)		
b. Work-in-progress	-	-
(Valued at Estimated Cost)		
c. Finished goods	3,25,97,954.00	3,36,32,847.00
(Valued At Lower of Cost or NRV)		
d. Packing Material	63,20,071.00	40,22,697.00
(Valued at Lower of Cost or NRV as per FIFO Method)		
<b>TOTAL</b>	<b>10,66,58,123.00</b>	<b>9,75,54,964.00</b>

## Note 12: Trade Receivables

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured and Considered Good)		
Over Six Months	-	-
Others	21,47,29,700.51	19,26,33,217.46
<b>TOTAL</b>	<b>21,47,29,700.51</b>	<b>19,26,33,217.46</b>



## Note 13: Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>a. Balances with Banks</b>		
Bank of India (Ferti) - S.G. Highway	1,13,457.21	7,79,178.94
Bank of India Paldi	-	2,39,743.71
ICICI Bank Bopal	20,597.18	20,597.18
ICICI Bank	3,29,400.00	21,97,424.46
<b>b. Cash on hand</b>	4,24,135.33	5,98,344.17
<b>Other Bank Balance</b>		
<i>Deposit With Maturity for more than 12 Months</i>		
Fixed Deposit - BOI	4,68,426.00	4,52,798.00
Fixed Deposit	4,000.00	4,000.00
<b>TOTAL</b>	<b>13,60,015.72</b>	<b>42,92,086.46</b>

## Note 14: Short Term Loans and Advances

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured and Considered Good)</b>		
a. Balance with Government Authorities	7,25,35,437.09	5,21,01,692.47
b. Deposits	1,05,000.00	1,05,000.00
c. Others (specify nature)		
Advance to Creditors	1,62,15,634.22	54,54,687.59
Advance to Employees	5,20,000.00	7,02,000.00
<b>TOTAL</b>	<b>8,93,76,071.31</b>	<b>5,83,63,380.06</b>

## Note 15: Other Current Assets

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured and Considered Good)</b>		
Prepaid Expenses	3,82,438.00	4,14,980.00
<b>TOTAL</b>	<b>3,82,438.00</b>	<b>4,14,980.00</b>



## Note 16: Revenue from Operations

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products	39,09,21,456.67	31,43,83,004.00
Other Operating Revenue	56,59,816.00	54,86,714.00
<b>TOTAL</b>	<b>39,65,81,272.67</b>	<b>31,98,69,718.00</b>

## Note 16.1: Particulars of Sale of Products

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Manufactured Goods</b>		
Fertilizers	1,41,19,172.80	3,55,74,096.00
Pesticides	36,15,60,691.13	27,02,04,766.00
Seeds	1,52,41,592.74	75,00,230.00
Others	-	11,03,912.00
<b>TOTAL</b>	<b>39,09,21,456.67</b>	<b>31,43,83,004.00</b>

## Note 16.2: Other Operating Revenue

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Reimbursement of C & F Charges	5,14,528.00	4,98,792.00
Reimbursement of Marketing Expense	51,45,288.00	49,87,922.00
<b>TOTAL</b>	<b>56,59,816.00</b>	<b>54,86,714.00</b>

## Note 17: Other Income

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest Income</b>		
From Bank FD Deposits	15,628.00	25,020.00
Interest on Late Goods	61,509.00	-
<b>Other Income</b>		
Kasar Income	1,02,587.35	-
Duty Drawback Income	40,296.00	3,41,290.00
Income tax Refund	-	350.00
Rate Difference Exp.	18,80,828.00	13,87,853.00
Late Payment Charges	1,66,77,868.37	32,90,023.27
Bad Debts Recovery	1,33,890.00	1,56,190.00
Machinery Rent Income	12,000.00	1,19,000.00
Office Rent Income	1,20,000.00	12,000.00
Penalty Charges	20,000.00	-
Other Income	4.00	-
Shortage Material	80,469.00	-
<b>TOTAL</b>	<b>1,91,45,079.72</b>	<b>53,31,726.27</b>



## Note 18: Cost of Material Consumed

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Stock Raw Materials	5,98,99,420.00	3,92,31,528.00
Add:- Purchase of Raw Materials	30,16,85,473.57	19,19,80,517.53
Less: Closing Stock of Raw Materials	6,77,40,098.00	5,98,99,420.00
<b>TOTAL (A)</b>	<b>29,38,44,795.57</b>	<b>17,13,12,625.53</b>
Opening Stock Packing Material Consumed	40,22,697.00	84,79,080.00
Add:- Purchase of Packing Material Consumed	23,600.00	12,99,8695.00
Less: Closing Stock of Packing Material Consumed	63,20,071.00	40,22,697.00
<b>TOTAL (B)</b>	<b>(22,73,774.00)</b>	<b>1,74,55,078.00</b>
<b>COST OF RAW MATERIALS CONSUMED</b>	<b>29,15,71,021.57</b>	<b>18,87,67,703.53</b>

## Note 18.1: Particulars of Cost of Material Consumed

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Breakup of Raw Material Consumed</b>		
Fertilisers	93,17,224.40	1,71,25,252.53
Pesticides	27,43,95,735.31	14,92,60,387.00
Seeds	1,01,31,835.86	43,03,436.00
Others	-	6,23,550.00
<b>TOTAL (A)</b>	<b>29,38,44,795.57</b>	<b>17,13,12,625.53</b>
<b>Breakup of Packing Material Consumed</b>		
Fertilizers	(3,96,606.00)	38,04,682.00
Pesticides	(19,00,768.00)	1,36,50,396.00
Seeds	-	-
Others	23,600.00	-
<b>TOTAL (B)</b>	<b>(22,73,774.00)</b>	<b>1,74,55,078.00</b>
<b>TOTAL</b>	<b>29,15,71,021.57</b>	<b>18,87,67,703.53</b>



## Note 19: Changes in Inventories of Finished Goods, Stock in Process and WIP

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Inventories at the end of the year</b>		
Finished Goods	3,25,97,954.00	3,36,32,847.00
<b>Inventories at the beginning of the year</b>		
Finished Goods	3,36,32,847.00	3,25,89,104.00
<b>NET(INCREASE)/DECREASE</b>	<b>10,34,893.00</b>	<b>(10,43,743.00)</b>

## Note 20: Employee Benefits Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Salaries and Wages	2,58,89,873.67	3,15,69,161.00
(b) Contributions to Provident Fund & Other Fund		
Provident fund	2,45,478.00	2,14,333.00
ESIC	23,964.00	20,544.00
(c) Staff welfare expenses	3,82,775.00	44,277.00
<b>TOTAL</b>	<b>2,65,42,090.67</b>	<b>3,18,48,315.00</b>

## Note 21: Finance Cost

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(a) Interest expense :-</b>		
(i) Borrowings	28,10,294.84	53,30,388.40
(ii) Interest on TDS	38,033.00	3,580.00
(iii) Interest on Professional Tax	11,369.00	2,651.00
(iv) Interest on Provident Fund	-	139.00
<b>(b) Other borrowing costs</b>	<b>15,757.15</b>	<b>3,69,682.49</b>
<b>TOTAL</b>	<b>28,75,453.99</b>	<b>57,06,440.89</b>

## Note 22: Depreciation and Amortization

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation Expense	59,54,679.00	70,11,278.13
<b>TOTAL</b>	<b>59,54,679.00</b>	<b>70,11,278.13</b>



## Note 23: Other Expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Manufacturing Expenses</b>		
Loading & Unloading Charges	2,30,719.00	93,984.00
Electric Power & Fuel	33,358.00	12,670.00
Electric Burning Exp.	12,82,178.16	19,63,335.60
Factory Exp.	1,53,892.96	10,26,794.16
Factory Rent Exp.	2,40,000.00	2,40,000.00
C & F Charges	21,40,081.14	34,81,857.47
C & F Commission Exp.	11,25,000.00	-
Farming & Nursing Exp.	26,460.00	-
Field Assistant Exp.	4,35,000.00	3,10,294.00
Leakage Material	34,626.00	59,958.00
Freight & Forwarding Expense	55,28,219.08	1,07,11,468.32
Rate Difference	-	25,62,930.00
<b>Selling &amp; Distribution Expenses</b>		
Sales Promotion Exp.	23,07,297.84	12,20,728.22
Sales Commission Exp.	4,00,015.41	1,79,200.00
Exhibition Exp.	-	3,55,000.00
<b>Establishment Expenses</b>		
Advertisement Expenses	28,497.50	13,69,898.00
Rent Exp.	5,54,200.00	1,66,740.00
Rates & Taxes	10,77,426.00	2,35,940.00
Payment To auditor	1,00,000.00	1,00,000.00
Discounts	81,70,740.90	94,53,259.40
Donation	2,100.00	5,600.00
Insurance Exp.	5,91,519.00	7,46,908.00
Legal & Professional Fees	10,94,635.00	16,58,038.06
Travelling Conveyance Exp.	39,74,820.68	82,32,423.47
Repairs & Maintenance	20,68,618.19	7,30,152.44
Communication Exp.	2,84,647.28	4,04,691.42
Research and Development Cost	4,09,890.00	60,82,375.03
Foreign Exchange Loss	34,732.52	-
Bad Debts Exp.	1,59,19,551.78	65,37,134.00
Late Payment Reverse Charge	7,79,514.98	41,274.73
Other Charges	11,67,312.00	-
Miscellaneous Expense	9,66,098.56	8,30,538.83
<b>TOTAL</b>	<b>5,11,61,151.98</b>	<b>5,88,13,193.15</b>



## Note 23.1: Payment to Auditor as

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Auditor	1,00,000.00	1,00,000.00
b. For taxation matters	-	-
c. For Company law matters	-	-
d. For management services	-	-
e. For other services	-	-
f. For reimbursement of expenses	-	-
<b>TOTAL</b>	<b>1,00,000.00</b>	<b>1,00,000.00</b>

## Note 24:

The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.

## Note 25:

Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

## Note 26:

Balances of Trade Payables, Trade Receivable and Loans and Advances are subject to confirmations and reconciliation if any, by the respective parties.

## Note 27:

The account balances existing at the beginning of the period have been relied upon the audited financial statements audited by the previous auditor.

## Note 28: Statement of Management

- The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- Balance Sheet, Statement of Profit and Loss and Cash Flow Statement read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

## Note 29: Deferred tax Assets and Liabilities are as under:

Components of which are as under

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Deferred Tax Asset</b>		
Block of assets (Depreciation)	23.87	45.52
Net Differed Tax Asset (Liability)	(5.35)	(8.80)



## Note 30: Earning Per Share

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit / (Loss) after tax attributable to Equity Shareholders (A)	2,59,82,062.18	24,353,256.57
Weighted Number of Equity Share outstanding During the year (B) (In Nos.)	5784110	5600000
Basic Earnings Per Share for each Share of ₹ 10/- (A) / (B)	4.49	4.35

## Note 31: Foreign Currency Transactions: -

Expenditure in Foreign Currency	(Amount in ₹)	
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Import Purchases	3,92,706.60	529,873.00
<b>TOTAL</b>	<b>3,92,706.60</b>	<b>529,873.00</b>

Earnings in Foreign Currency	(Amount in ₹)	
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Export Sales	32,74,433.28	42,352,216.00
<b>TOTAL</b>	<b>32,74,433.28</b>	<b>42,352,216.00</b>

## Note 32: Related Parties Transactions

As per Accounting Standard 18, issued by the Chartered Accountants of India, The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given below:

## (a) List of related parties with whom transactions have taken place and relationships: -

Name of Related Parties	Relationship
Ghanshyam M. Kumbhani	Key Managerial Personnel
Jayantibhai M. Kumbhani	Key Managerial Personnel
Sikkon Crop Technology	Enterprise in which relative of KMP is having significant interest
Mukesh V. Shah	Chief Financial Officer
Ankita K. Lunagariya	Company Secretary



## (b) Transaction during the current financial year with related parties: -

(Amount in ₹)

Sr. No.	Name related Parties	Of	Nature of relation	Nature of Transaction	Amount Debited	Amount Credited	O/s at the End Receivable/ (Payable)
1	Jayantibhai M. Kumbhani		Key Managerial Person	Director Remuneration	39,00,000.00	39,00,000.00	-
2	Ghanshyam M. Kumbhani		Key Managerial Person	Director Remuneration	39,00,000.00	39,00,000.00	-
3	Ghanshyam M. Kumbhani		Key Managerial Person	Loan Repayment	65,00,000.00	-	(1,80,000.00)
4	Sikkon Crop Technology		Enterprise in which relative of KMP is having significant interest	Purchase	3,52,41,491.00	3,52,41,491.00	-
				C & F Charges	5,14,228.00	5,14,228.00	
				Marketing Income	51,45,228.00	51,45,228.00	
				Office Rent Income	1,20,000.00	1,20,000.00	
5.	Mukesh Shah	V.	Chief Financial Officer	Salary Expenses	6,43,963.00	6,43,963.00	-
6.	Ankita Lunagariya	K.	Company Secretary	Salary Expenses	3,00,000.00	3,00,000.00	-

**Note 33: Notes forming part of accounts in relation to Micro and small enterprise**

Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below:

(Amount in ₹)

Sr. No.	Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
		Principal	Interest	Principal	Interest
I	Amount due as at the date of Balance sheet	Nil	Nil	Nil	Nil
II	Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
III	Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil
IV	The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.



**Note 34: Defined Contribution Plan: -**

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

Contribution to Defined Contribution Plans, recognized as expenses for the year is as under:

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	2,47,665.00	2,01,260.00

**Note 35: Segment Reporting:**

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Fertilisers, Pesticides and Seeds. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

**Secondary Segment (Geographical by Customers)**

The company does not operate in multiple geographical area; hence Secondary Segment Information has not been disclosed.

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>1 Segment Revenue</b>		
a) Fertilizer	1,41,19,172.80	3,55,74,096.00
b) Pesticides	36,72,20,507.13	27,56,91,480.00
c) Seeds	1,52,41,592.74	75,00,230.00
d) Others	-	11,03,912.00
<b>Gross Turnover (Turnover and Inter Segment transfer)</b>	<b>39,65,81,272.67</b>	<b>31,98,69,718.00</b>
<b>Less:</b>		
Inter Segment Transfers	-	-
<b>Revenue from Operation</b>	<b>39,65,81,272.67</b>	<b>31,98,69,718.00</b>
<b>2 Segment Results</b>		
a) Fertilizer	(44,62,395.89)	5,22,579.54
b) Pesticides	4,12,53,933.14	4,24,39,264.70
c) Seeds	26,94,578.92	(34,23,746.63)
d) Others	(23,600.00)	2,66,599.85
<b>Total Segment profit before Unallocated Interest and Tax</b>	<b>3,94,62,516.17</b>	<b>3,98,04,697.46</b>
i. Finance Cost	28,75,453.99	57,06,440.89
ii. Other Income	-	-
iii. Other Un-allocable Expenses (Net of Income)	-	-
<b>Profit before Tax</b>	<b>3,65,87,062.18</b>	<b>3,40,98,256.57</b>
i. Current Tax	1,09,50,000.00	1,00,80,000.00
ii. Deferred Tax	(3,45,000.00)	(3,35,000.00)
<b>Profit after Tax</b>	<b>2,59,82,062.18</b>	<b>2,43,53,256.57</b>



(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>3 Segment Assets</b>		
a) Fertilizer	6,31,70,654.86	8,56,52,609.56
b) Pesticides	32,94,89,710.55	27,05,01,292.95
c) Seeds	71,53,960.04	58,28,527.00
d) Others	-	7,38,960.00
Unallocated	4,66,91,388.09	2,64,78,358.81
<b>Total Segment Assets</b>	<b>44,65,05,713.54</b>	<b>38,91,99,748.31</b>
<b>4 Segment Liabilities</b>		
a) Fertilizer	1,81,51,761.80	2,63,21,513.07
b) Pesticides	16,96,50,250.81	9,71,40,808.82
c) Seeds	36,16,102.44	1,06,24,329.40
d) Others	-	10,75,036.95
Unallocated	6,21,61,268.68	8,66,43,792.99
<b>Total Segment Liabilities</b>	<b>25,35,79,383.73</b>	<b>22,18,05,481.23</b>

**Note 36: Contingent Liabilities and Commitments:**

Particulars	As at March 31, 2021	As at March 31, 2020
Contingent Liabilities	Nil	Nil
Capital and Other Commitments	Nil	Nil

As per our Report on Even date attached  
For D G M S & Co.  
Chartered Accountants

For and on behalf of the Board of Directors,  
For Sikko Industries Limited

Sarvesh A. Gohil  
Partner  
M. No. 135782  
FRN No. 0112187W  
UDIN: 21135782AAAAAMU2086

Jayantibhai M. Kumbhani  
Managing Director  
DIN: 00587807

Ghanshyam M. Kumbhani  
Whole Time Director  
DIN: 00587855

Ankita Lunagariya  
Company Secretary

Mukesh Shah  
Chief Financial Officer

Place: Ahmedabad  
Date : June 23, 2021

Place: Ahmedabad  
Date : June 23, 2021

Place: Ahmedabad  
Date : June 23, 2021



# SIKKO INDUSTRIES LIMITED

CIN: L51909GJ2000PLC037329

Regd. Off: 508 Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur,  
Ahmedabad - 380051, Gujarat, India.

Telephone: +91 79-66168950/66168951

Website: [www.sikkoindia.com](http://www.sikkoindia.com)

E-mail: [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com)