



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



**ANNUAL REPORT 2017-18**

**REGISTERED OFFICE:**

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

**CORPORATE INFORMATION**

BOARD OF DIRECTORS		COMMITTEES OF BOARD	
Mr. Ghanshyambhai Kumbhani	Chairman & Whole Time Director	<b>AUDIT COMMITTEE:</b>	
Mr. Jayantibhai Kumbhani	Managing Director	Mr. Hasmukh Vavaiya	Chairman
Mr. Pravinbhai Kumbhani	Non-Executive Director	Mrs. Mamtaben Thumbar	Member
Mrs. Mamtaben Thumbar	Independent Director	Mr. Jayantibhai Kumbhani	Member
Mr. Hasmukh Vavaiya	Independent Director		
<b>REGISTERED OFFICE:</b>		<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	
508, Iscon Eligance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad-380051.		Mrs. Mamtaben Thumbar	Chairperson
		Mr. Hasmukh Vavaiya	Member
		Mr. Pravinbhai Kumbhani	Member
<b>CHIEF FINANCIAL OFFICER:</b>			
Mr. Mukesh Shah		<b>NOMINATION AND REMUNERATION COMMITTEE</b>	
<b>STATUTORY AUDITORS:</b>	<b>SECRETARIAL AUDITOR:</b>	Mr. Hasmukh Vavaiya	Chairman
M/s. G. K. Choksi & Co. Chartered Accountants "Madhuban" Nr. Madalpur under bridge, Ellisbridge, Ahmedabad-380006	CS Anand Lavingia Practicing Company Secretary 415-416 4 <sup>th</sup> Floor Pushpam Complex, Opp. Seema Hall, 100 Feet Ring Road, Opp. Seema Hall, Satellite, Ahmedabad - 380015	Mr. Pravinbhai Kumbhani	Member
		Mrs. Mamtaben Thumbar	Member
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<b>BANKERS:</b>		<i>Boards' Report</i>	
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Bank of India Limited		<i>Auditors' Report</i>	
<b>REGISTRAR AND SHARE TRANSFER AGENT:</b>		<i>Balance Sheet</i>	
Purva Sharegistry (India) Private Limited, Unit no. 9, Shiv Shakti Industrial Estate, JR Boricha Marg, Lower Parel (East), Mumbai - 400 011 Tel: 022-23018261 Website: <a href="http://www.purvashare.com">www.purvashare.com</a>		<i>Statement of Profit &amp; Loss</i>	
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## SIKKO INDUSTRIES LIMITED

Corporate Identity Number (CIN): L51909GJ2000PLC037329

**Regd Office:** 508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, S.G. Highway, Vejalpur, Ahmedabad-380051; Tel: (079) 66168950/51 Visit us at: [www.sikkoindia.com](http://www.sikkoindia.com), Email-[compliance@sikkoindia.com](mailto:compliance@sikkoindia.com)

### NOTICE OF EIGHTEENTH (18TH) ANNUAL GENERAL MEETING

Notice is hereby given that the 18<sup>th</sup> (Eighteenth) Annual General Meeting (AGM) of the Members of Sikko Industries Limited will be held on Saturday, September 29, 2018, at 11.00 A.M. at the registered office of the company situated at 508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad-380051, to transact the following businesses:

#### ORDINARY BUSINESSES:

##### 1. Adoption of Financial Statements:

To receive, consider and adopt audited financial statement of account for the financial year ended on March 31, 2018 and the reports of the Directors' and the Auditors' thereon.

##### 2. Appointment of Mr. Ghanshyambhai M. Kumbhani (DIN: 00587855) as a director liable to retire by rotation:

To appoint Mr. Ghanshyambhai M. Kumbhani, Chairman & Whole Time Director (DIN: 00587855), who retires by rotation and being eligible, offers himself for re-appointment.

**Explanation:** Based on the terms of appointment, executive directors and the non-executive directors are subject to retirement by rotation. Mr. Ghanshyambhai M. Kumbhani (DIN 00587855), who was appointed on January 12, 2017 as Chairman and Whole-Time Director for the current term, and is the longest-serving member on the Board, retires by rotation and, being eligible, seeks re-appointment.

To the extent that Mr. Ghanshyambhai M. Kumbhani (DIN 00587855) is required to retire by rotation, he would need to be re-appointed as such. Therefore, shareholders are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

**RESOLVED THAT,** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to the reappointment of Mr. Ghanshyambhai M. Kumbhani (DIN 00587855) as such, to the extent that he is required to retire by rotation.

By the Order of Board of Directors  
Sikko Industries Limited

Sd/-  
Jayantibhai kumbhani  
Managing director  
DIN: 00587807

Place: Ahmedabad

Date: September 3, 2018

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting (on or before Thursday, September 27, 2018, 11:00 a.m.). A proxy form for the AGM is enclosed. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.

2. Corporate members intending to send their authorized representative(s) to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send the Company, a certified copy of the relevant Board Resolution together with the respective specimen signature of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
3. Members/ proxies/ authorized representatives are requested to bring the Attendance Slip enclosed herewith, duly filled and signed attending the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
4. In case of joint holders attending the meeting together, only holder whose name appearing first will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, September 22, 2018 to Saturday, September 29, 2018 (both days inclusive) and same will be re-opened from Sunday, September 30, 2018.
6. The route map showing directions to reach the venue of the 18th AGM is provided at the end of this Notice.
7. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. [www.sikkoindia.com](http://www.sikkoindia.com).
8. The Company has not declared any dividend. Further, the Company does not have any unpaid or unclaimed dividend amount outstanding as on the closure of financial year 2017-18. Therefore, the Company is not required to upload the details of Unpaid and unclaimed dividend amounts.
9. Further, during the year, the Company has not transferred any amount to fund established under Section 125 of the Companies Act, 2013.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
11. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
12. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Annual General Meeting.
13. In pursuance of the provisions of Section 108 of the Act and the Rules framed there under, as amended from time to time, the Company is exempted from giving the Members, the facility to cast their vote electronically, through the remote e-voting services on the resolutions set forth in this Notice. However, voting through permitted mode under the Companies Act, 2013 will be allowed at the venue of Annual General Meeting.
14. All documents specifically referred to in this Notice are opened for inspection at the registered office of the Company between 02.00 p.m. and 04.00 p.m. on all working days (except Saturdays, Sundays and Holidays) up to the date of AGM.
15. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking appointment or re-appointment as Director under Item Nos. 2 of the Notice are provided hereunder;

**Annexure to the Notice**

**Details of Directors Retiring by Rotation/ Seeking Appointment/ Re-Appointment at the ensuing Annual General Meeting**

{Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Secretarial Standards on General Meetings}

<b>Particulars</b>	<b>Mr. Ghanshyam Kumbhani</b>
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<b>DIN:</b>	00587855
<b>Age</b>	55 years
<b>Nationality</b>	Indian
<b>Date at current designation</b>	August 12, 1963
<b>Qualification</b>	B.Sc
<b>Brief Profile</b>	<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. Mr. G. M. Kumbhani has been a Director of the Company since its incorporation and was appointed as Chairman &amp; Whole-Time Director with effect from January 12, 2017.</p> <p>The experience of Mr. G. M. Kumbhani is very wide. He has 32 years of experience in agricultural field and almost 20 years of experience in agricultural business. Mr. G. M. Kumbhani has apt knowledge and understanding of the chemical processes that go into manufacturing and thus maintains the quality of products throughout the process.</p>
<b>Shareholding in the Company as on March 31, 2018</b>	3,60,740 Shares
<b>Directorships held in other Companies as on March 31, 2018</b>	Sikko Tradelink Private Limited
<b>Chairmanships/ Memberships of Committees of other Boards</b>	NA
<b>Relationship with other Directors</b>	Brother of Mr. Jayantibhai Kumbhani and Mr. Pravin Kumbhani

**Specific Attention of the Members is drawn to the followings:**

1. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
2. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents to provide efficient and better services.
3. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts.
4. As per the provisions of Section 72 of the Act, the facility for making nomination/nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The Nomination Form can be obtained from the RTA of the company. Members holding shares in electronic form may submit the same to their respective depository participant.

5. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request every member to update their email address with concerned Depository Participant and RTA to enable us to send you the communications via email.

By the Order of Board of Directors  
**Sikko Industries Limited**

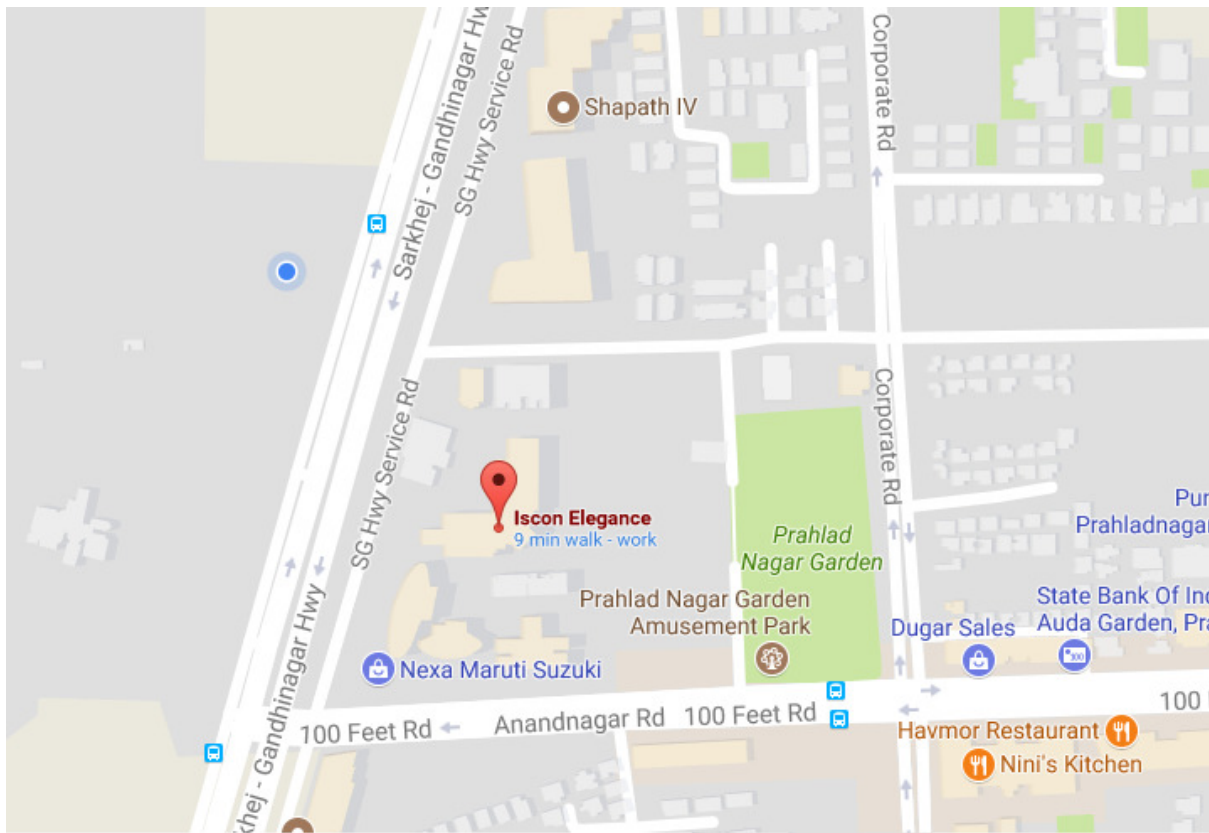
**Place:** Ahmedabad  
**Date:** September 3, 2018

Sd/-  
**Jayantibhai kumbhani**  
**Managing director**  
**DIN: 00587807**



## Route Map to the venue of the Annual General Meeting

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**Venue:** 508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, S.G. Highway, Vejalpur, Ahmedabad - 380051

**Landmark:** Nr. Prahladnagar Pick up Stand, S.G. Highway, Ahmedabad - 380051

## BOARD'S REPORT

Dear Members,

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, 2018.

### Financial Highlights

(Amount in Rs.)

PARTICULARS	FY 2017-18	FY 2016-17
Revenue from operations	25,66,54,121	17,37,20,613
Other income	61,95,017	3,10,505
<b>Total Income</b>	<b>26,28,49,138</b>	<b>17,40,31,118</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	22,88,63,765	15,37,88,512
<b>Operating Profits before Depreciation, Finance Cost and Tax</b>	<b>3,39,85,373</b>	<b>2,02,42,606</b>
Less: Finance cost	18,61,022	42,95,221
Less: Depreciation	70,63,454	71,37,393
<b>Profit / (Loss) Before Tax</b>	<b>2,50,60,897</b>	<b>88,09,992</b>
Less: - Provision for Income Tax (Current Year)	-	-
Less: Current Tax	75,00,000	42,00,000
Less: Deferred Tax Liabilities/ (Assets)	57,71,814	6,05,442
<b>Profit/ (Loss) after tax (PAT)</b>	<b>1,17,89,083</b>	<b>40,04,550</b>
Balance carried to balance sheet	1,17,89,083	40,04,550

### BUSINESS OPERATIONS

During the year under review, Company has earned total income of Rs. 2628.49 Lakh as against the total income of Rs. 1740.31 Lakh of previous year. The total income of the company was increased by 51.04% over previous year.

The profit before tax in the financial year 2017-18 stood at Rs 250.61 Lakh as compared to profit of Rs. 88.10 Lakh for last year and net profit after tax stood at Rs. 117.89 Lakh compared to profit of Rs. 40.04 Lakh for previous year.

### DIVIDEND

To strengthen the financial position of the Company and to augment working capital your directors regret to declare any dividend.

### AMOUNT TRANSFERRED TO RESERVES

The board has not transferred any amount to Reserves for the year 2017-18.

### CHANGE IN THE NATURE OF BUSINESS

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

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company comprises five Directors out of which three are Promoter Directors and two are Non-Promoter Independent Directors. As on the date of this report, the Board comprises following Directors;

Name of Director	Designation
Mr. Ghanshyambhai Kumbhani	Chairman & Whole time Director
Mr. Jayantibhai Kumbhani	Managing Director
Mr. Pravinbhai Kumbhani	Non-Executive Director
Mrs. Mamtaben Thumbar	Non-Executive Independent Director
Mr. Hasmukhbhai Vavaiya	Non-Executive Independent Director



The composition of Board complies with the requirements of the Companies Act, 2013. 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 Listing Regulations as on the end of financial year 2017-18.

#### BOARD MEETINGS

During the year under review, Board of Directors of the Company met 7 (Seven) times, viz. May 04, 2017, July 25, 2017, September 05, 2017, September 07, 2017, November 14, 2017, February 12, 2018 and March 22, 2018.

The gap between two consecutive meetings was not more than one hundred and twenty days as provided in 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	Mr. Ghanshyambhai Kumbhani	Mr. Jayantibhai Kumbhani	Mr. Pravinbhai Kumbhani	Mr. Hasmukhbhai Vavaiya	Mrs. Mamtaben Thumbar	Mr. Mohanbhai Kumbhani *
No. of Board Meeting eligible to attend	7	7	6	7	7	1
No. of Board Meeting attended	7	7	6	7	7	1
Presence at the previous AGM	Yes	Yes	Yes	Yes	No	NO

*\*Mr. Mohanbhai Kumbhani resigned from directorship w.e.f July 10,2017.*

#### INDEPENDENT DIRECTORS

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has two Independent Directors in line with the Companies Act, 2013. 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 financial year 2017-18, Mr. Jagdish Ajudia has tendered his resignation w.e.f. April 28, 2017. The Board of Directors, in their Meeting held on May 04, 2017, has appointed Mr. Hashmukhbhai Vavaiya as an Additional (Independent) Director w.e.f. May 4, 2017 in his place.

Mr. Mohanbhai Kumbhani has tendered his resignation from directorship of the Company w.e.f. July 10, 2017. The Board of Directors, in their Meeting held on July 25, 2017 has appointed Mr. Pravinbhai M. Kumbhani (DIN 00587855) as an Additional Non-Executive Director w.e.f. July 25, 2017.

Further appointment Mr. Hashmukhbhai Vavaiya was regularized in AGM called for the FY 2016-17 and was appointed as Independent Director to hold office for a period of 5 (Five) years w.e.f. May 4, 2017. Appointment of Mr. Pravinbhai Kumbhani was regularized in AGM and was appointed as Non Executive Director w.e.f. July 25, 2017.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mr. Ghanshyambhai Kumbhani, 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 Board of Directors recommends 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”), of the person seeking re-appointment/ appointment as Director are also annexed to the Notice convening the annual general meeting.

#### KEY MANAGERIAL PERSONNEL

In accordance with Section 203 of the Companies Act, 2013, the Company has, Mr. Ghanshyambhai Kumbhani who is acting as Chairman & Whole Time Director, Mr. Jayantibhai Kumbhani who is acting as a

Managing Director, Mr. Mukesh Shah who is acting as Chief Financial Officer. Further No Key Managerial Personnel resigned from the post during the F.Y. 2017-18. However after the end of F.Y. 2017-18, Ms. Maitry Doshi resigned from the position of Company Secretary and Compliance Officer w.e.f August 15, 2018. Our Company is at verge to appoint Company Secretary and Compliance Officer.

### PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees 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 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, 2018, 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, 2018 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, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

#### (a) Audit Committee:

The Board of Directors of the Company has constituted Audit Committee in their Board Meeting held on February 10, 2017. The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. 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.

During the year under review, Composition of the Audit Committee was revised w.e.f. May 04, 2017 due to resignation of Mr. Jagdish Ajudiya. Mr. Hashmukhbhai Vavaiya, Independent Director of the Company was inducted as Chairman of the Committee in place of Mr. Jagdish Ajudiya.

During the year under review, Audit Committee met 6 (Six) times viz May 4, 2017, September 5, 2017, September 8, 2017, November 14, 2017, February 12, 2018 and March 22, 2018. The composition of the Committee and the details of meetings attended by its members are given below:

Name	Designation	Number of meetings during the financial year 2017-18	
		Eligible to attend	Attended
Mr. Hashmukhbhai Vavaiya	Chairman	6	6
Mrs. Mamtaben Thumbar	Member	6	6
Mr. Jayantibhai Kumbhani	Member	6	6

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever requires. Chief Financial Officer of the Company is a regular invitee at the Meeting.

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

#### **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 behaviour, 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 at [www.sikkoindia.com](http://www.sikkoindia.com).

#### **(b) Stakeholders Relationship Committee:**

The Board of Directors of the Company has constituted Stakeholders Relationship Committee in their Board Meeting held on February 10, 2017 in order to mainly 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. The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company.

During the year under review, Composition of the Stakeholders Relationship Committee was revised w.e.f. May 04, 2017 due to resignation of Mr. Jagdish Ajudiya. Mr. Hashmukhbhai Vavaiya, Independent Director of the Company was inducted as member of the Committee in place of Mr. Jagdish Ajudiya.

The Composition was further revised w.e.f. July 25, 2017 due to resignation of Mr. Mohanbhai Kumbhani. Mr. Pravinbhai M Kumbhani, Non-Executive Director of the Company was inducted as Member of the Committee in place of Mr. Mohanbhai Kumbhani.

During the year under review, Stakeholder's Grievance & Relationship Committee met 5 (Five) times viz on July 04, 2017, September 5, 2017, November 14, 2017, January 03, 2018 and March 22, 2018. The composition of the Committee and the details of meetings attended by its members are given below:

Name	Designation	Number of meetings during the financial year 2017-18	
		Eligible to attend	Attended
Mr. Jagdish Ajudiya	Member upto April 28, 2018	0	0
Mr. Mohanbhai Kumbhani	Member upto July 10, 2017	1	1
Mrs. Mamtaben Thumbar	Chairman	5	5
Mr. Hashmukhbhai Vavaiya	Member	5	5
Mr. Pravinbhai M Kumbhani	Member	4	4

During the year, the Company had not received any complaints from the Shareholders. There was no complaint pending as on March 31, 2018.

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

The Board of Directors of the Company has constituted Nomination and Remuneration committee in their Board Meeting held on February 10, 2017 in order to identify the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. 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, Composition of the Nomination and Remuneration Committee was revised w.e.f. May 4, 2017 due to resignation of Mr. Jagdish Ajudiya, Mr. Hashmukhbhai Vavaiya, Independent Director of the Company was inducted as chairman of the Committee in place of Mr. Jagdish Ajudiya.

The Composition was further revised w.e.f. July 25, 2017 due to resignation of Mr. Mohanbhai Kumbhani. Mr. Pravinbhai M Kumbhani, Non-Executive Director of the Company was inducted as Member of the Committee in place of Mr. Mohanbhai Kumbhani.

During the year under review, Nomination and Remuneration Committee met 4 (Four) times viz on May 4, 2017, July 25, 2017 and September 05, 2017 and March 22, 2018. The composition of the Committee and the details of meetings attended by its members are given below:

Name	Designation	Number of meetings during the financial year 2017-18	
		Eligible to attend	Attended
Mr. Jagdish Ajudiya	Member upto April 28, 2018	0	0
Mr. Mohanbhai Kumbhani	Member upto July 10, 2017	1	1
Mr. Hashmukhbhai Vavaiya	Chairman	4	4
Mrs. Mamtaben Thumbar	Member	4	4
Mr. Pravinbhai M Kumbhani	Member	3	3

**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 etc. to its Managing Director and the Executive Directors.

Key points of the Nomination and Remuneration Policy are;

**a. Policy on Appointment 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.ratnagroup.co.in](http://www.ratnagroup.co.in).

**Remuneration of Director:**

The details of remuneration paid during the financial year 2017-18 to directors of the Company is provided in Form MGT-9 which is the part of this report.

## **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.

## **SHARE CAPITAL**

During the year under review, the Authorized Share Capital of the Company was Rs. 6.00 Crore.

The Paid up Equity Share Capital as at March 31, 2018 stood at 5.60 Crore.

Moreover, the Company came up with an Initial Public Offer of 16,00,000 Equity Shares of Rs. 10/- each at price of Rs. 32/- per Equity Share. The issue was successfully subscribed by the public and entire share capital of the Company was listed at the Emerge Platform of National Stock Exchange of India Limited w.e.f April 18, 2017.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE 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”.

## **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.

## **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as “ANNEXURE - B” to the Board’s report.

## **DISCLOSURE OF REMUNERATION**

The ratio of the remuneration of each Executive 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 - C”. Refer to tables 3A(a) in “ANNEXURE - C”.

There are no employees who are posted outside India and in receipt of a remuneration of ` 60.00 lakh or more per annum or ` 5.00 lakh or more a month.

## **MATERIAL CHANGES AND COMMITMENT**

There are no material changes and commitments, affecting the financial position of the Company, have occurred between the date of end of financial year of the Company i.e. March 31, 2018 to the date of this Report except Working Capital Facility of Rs. 9,52,00,000 (Rupees Nine Crores and Fifty Two Lakh Only) sanctioned by ICICI Bank vide its Sanction letter dated June 12,2018.

## **INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2014**

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.

## **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 Auditor of the Company carries out review of the internal control systems and procedures. The internal audit reports are reviewed by Audit Committee.

#### **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.

#### **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**

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and is enclosed as "ANNEXURE - D".

#### **STATUTORY AUDITOR AND THEIR REPORT:**

M/s. G. K. Choksi, Chartered Accountants, Ahmedabad, has been appointed as Auditors of the Company for a term of five consecutive years at the Annual General Meeting held on September 29, 2017. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

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 Auditor's Report for the F.Y. 2017-18 contain qualification and the management's reply to the qualification is as under:

Management is of the opinion that the qualification marked is in the process of determining retirement benefits and shall implement the same in near future.

#### **REPORTING OF FRAUD**

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

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

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

#### **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.

#### **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 Lavingia,



Practicing Company Secretary, Ahmedabad to conduct the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report is annexed herewith as “ANNEXURE - E” to this Report.

**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;
- (v) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company’s operations in future;
- (vi) Information on subsidiary, associate and joint venture companies.

**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.

By the Order of Board of Directors  
**Sikko Industries Limited**

Sd/-

Sd/-

Place: Ahmedabad  
Date: September 3, 2018

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

**Jayantibhai kumbhani**  
Managing director  
DIN: 00587807

**ANNEXURE - A**

**Form No. AOC-2**

**Particulars of Contracts/arrangements made with related parties**

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

**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**

**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, 2018, which were not at arm's length basis.

**B. Details of material contracts or arrangement or transactions at arm's length basis:**

RPT No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1.	Sikkon Crop Technology-Enterprise in which relative of KMP is having significant influence.	Marketing expenses, C & F Charges, Marketing expenses, Machinery rent income, Office rent income, Purchase of goods	F.Y. 2017-18	All transactions entered by the Company is at Market rate and on arms' length basis. Value of Transaction:- Rs. 6,10,07,348.	May 04, 2017	NIL

By the Order of Board of Directors  
Sikko Industries Limited

Sd/-

Sd/-

Place: Ahmedabad  
Date: September 3, 2018

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

**Jayantibhai kumbhani**  
Managing director  
DIN: 00587807



(d) State Govet(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)									
* U.T.I.	0	0	0	0	0	0	0	0	0
* FINANCIAL INSTITUTIONS	0	0	0	0	0	0	0	0	0
* I.D.B.I.	0	0	0	0	0	0	0	0	0
* I.C.I.C.I.	0	0	0	0	0	0	0	0	0
* GOVERNMENT COMPANIES	0	0	0	0	0	0	0	0	0
* STATE FINANCIAL CORPORATION	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ANY OTHER	0	0	0	0	0	0	0	0	0
* OTC DEALERS (BODIES CORPORATE)	0	0	0	0	0	0	0	0	0
* PRIVATE SECTOR BANKS	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
(a) Bodies Corp.									
(i) Indian	0	0	0	0	48000	0	48000	0.86	0.86
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	524000	0	524000	9.36	9.36
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	764000	0	764000	13.64	13.64
(c) Others (specify)									
* IEPF	0	0	0	0	0	0	0	0	0
* LLP	0	0	0	0	0	0	0	0	0
* FOREIGN NATIONALS	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ALTERNATE INVESTMENT FUND	0	0	0	0	0	0	0	0	0
* N.R.I.	0	0	0	0	0	0	0	0	0
* FOREIGN CORPORATE BODIES	0	0	0	0	0	0	0	0	0
* TRUST	0	0	0	0	0	0	0	0	0
* HINDU UNDIVIDED FAMILY	0	0	0	0	60000	0	60000	1.07	1.07
* EMPLOYEE	0	0	0	0	0	0	0	0	0
* CLEARING MEMBERS	0	0	0	0	48000	0	48000	0.86	0.86
* DEPOSITORY RECEIPTS	0	0	0	0	0	0	0	0	0
* OTHER DIRECTORS & RELATIVES	0	0	0	0	0	0	0	0	0
* MARKET MAKERS	0	0	0	0	156000	0	156000	2.79	2.79
Sub-total (B)(2):	0	0	0	0	1600000	0	1600000	28.57	28.57
Total Public Shareholding (B) = (B)(1)+(B)(2)	0	0	0	0	1600000	0	1600000	28.57	28.57
C. Total Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total(A + B + C)	0	4000000	4000000	100	5600000	0	5600000	100	0

ii) Shareholding of Promoters including Promoter Group

SL No.	Shareholder's Name	Shareholding at the beginning of the	Shareholding at the end of the year
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		year						% change in share holding during the year***
		No of Shares	% of Total Shares of the Company*	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of Total Shares of the company**	% of Shares Pledged / Encumbered to total shares	
1	Jayantibhai Mohanbhai Kumbhani	1527042	38.18	0.00	1527042	27.27	0.00	10.91
2	Alpaben Jayantibhai Kumbhani	559320	13.98	0.00	559320	9.99	0.00	4.00
3	Bhavnaben Pravinbhai Kumbhani	385150	9.63	0.00	385150	6.88	0.00	2.75
4	Ghanshyambhai Mohanbhai Kumbhani	360740	9.02	0.00	360740	6.44	0.00	2.58
5	Nandaben Ghanshyambhai Kumbhani	340000	8.50	0.00	340000	6.07	0.00	2.43
6	Mohanbhai Nanjibhai Kumbhani	330740	8.27	0.00	330740	5.91	0.00	2.36
7	Pravinbhai Mohanbhai Kumbhani	325000	8.13	0.00	325000	5.80	0.00	2.32
8	Rudiben Mohanbhai Kumbhani	172008	4.30	0.00	172008	3.07	0.00	1.23

\* The % of total share capital of the company at the beginning of the year.

\*\* The % of total share capital of the company at the end of the year.

\*\*\* The changes in a % of promoter holding is due to dilution of equity shares by way of initial public offer of 1600000 equity shares.

iii) Change in Promoters Shareholding (Please Specify if there is no change)

SL No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No of Shares	% of Total Shares of the Company*	No. of Shares	% change in share holding during the year**
1	Jayantibhai Mohanbhai Kumbhani	1527042	38.18		
	31-03-2018			1527042	27.27
2	Alpaben Jayantibhai Kumbhani	559320	13.98		
	31-03-2018			559320	9.99
3	Bhavnaben Pravinbhai Kumbhani	385150	9.63		
	31-03-2018			385150	6.88
4	Ghanshyambhai Mohanbhai Kumbhani	360740	9.02		
	31-03-2018			360740	6.44
5	Nandaben Ghanshyambhai Kumbhani	340000	8.50		
	31-03-2018			340000	6.07
6	Mohanbhai Nanjibhai Kumbhani	330740	8.27		
	31-03-2018			330740	5.91
7	Pravinbhai Mohanbhai Kumbhani	325000	8.13		
	31-03-2018			325000	5.80
8	Rudiben Mohanbhai Kumbhani	172008	4.30		
	31-03-2018			172008	3.07

As per the record provided by RTA and weekly benpose received by the Company.

\* The % of total share capital of the company at the beginning of the year.

\*\* The % of total share capital of the company at the end of the year.

iv. Shareholding Pattern of Top ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADR's)

SL No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year		Type
		31/03/2017		31/03/2018		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	SURESHBHAI BACHUBHAI USDADIYA	0	0.00			
	29-09-2017	172000	3.07	172000	3.07	Buy
	31-03-2018			172000	3.07	
2	BEELINE BROKING LIMITED	0	0.00			
	14-04-2017	80000	1.43	80000	1.43	Buy
	21-04-2017	392000	7.00	472000	8.43	Buy
	28-04-2017	72000	1.29	544000	9.71	Buy
	05-05-2017	56000	1.00	600000	10.71	Buy
	12-05-2017	-4000	-0.07	596000	10.64	Sell
	02-06-2017	4000	0.07	600000	10.71	Buy
	09-06-2017	24000	0.43	624000	11.14	Buy
	16-06-2017	-4000	-0.07	620000	11.07	Sell
	30-06-2017	-52000	-0.93	568000	10.14	Sell
	14-07-2017	24000	0.43	592000	10.57	Buy
	21-07-2017	8000	0.14	600000	10.71	Buy
	28-07-2017	4000	0.07	604000	10.79	Buy
	11-08-2017	4000	0.07	608000	10.86	Buy
	18-08-2017	28000	0.50	636000	11.36	Buy
	01-09-2017	4000	0.07	640000	11.43	Buy
	15-09-2017	-4000	-0.07	636000	11.36	Sell
	29-09-2017	-512000	-9.14	124000	2.21	Sell
	20-10-2017	8000	0.14	132000	2.36	Buy
	27-10-2017	4000	0.07	136000	2.43	Buy
	17-11-2017	-12000	-0.21	124000	2.21	Sell
	24-11-2017	-4000	-0.07	120000	2.14	Sell
	01-12-2017	4000	0.07	124000	2.21	Buy
	15-12-2017	4000	0.07	128000	2.29	Buy
	22-12-2017	-67725	-1.21	60275	1.08	Sell
	05-01-2018	8000	0.14	68275	1.22	Buy
	19-01-2018	4000	0.07	72275	1.29	Buy
	25-01-2018	4000	0.07	76275	1.36	Buy
	02-02-2018	12000	0.21	88275	1.58	Buy
	09-02-2018	8000	0.14	96275	1.72	Buy
	16-02-2018	4000	0.07	100275	1.79	Buy
	23-02-2018	8000	0.14	108275	1.93	Buy
	02-03-2018	32000	0.57	140275	2.50	Buy
	09-03-2018	-8062	-0.14	132213	2.36	Sell
	16-03-2018	3862	0.07	136075	2.43	Buy
	23-03-2018	35925	0.64	172000	3.07	Buy
	30-03-2018	-16000	-0.29	156000	2.79	Sell
	31-03-2018			156000	2.79	
3	PUSHPABEN PANKJBHAI PATEL	0	0.00			
	29-09-2017	124000	2.21	124000	2.21	Buy
	31-03-2018			124000	2.21	
4	HITESHBHAI CHIMANBHAI KUMBHANI	0	0.00			
	14-04-2017	4000	0.07	4000	0.07	Buy
	29-09-2017	116000	2.07	120000	2.14	Buy
	31-03-2018			120000	2.14	
5	RUPEN JAYANTIBHAI PATEL	0	0.00			
	30-06-2017	48000	0.86	48000	0.86	Buy
	29-09-2017	40000	0.71	88000	1.57	Buy
	31-03-2018			88000	1.57	
6	DILIPSINH RANJITSINH MAKWANA	0	0.00			
	06-10-2017	88000	1.57	88000	1.57	Buy



	31-03-2018			88000	1.57	
7	BABUBHAI VIRABHAI PATEL	0	0.00			
	29-09-2017	48000	0.86	48000	0.86	Buy
	31-03-2018			48000	0.86	
8	ELITE ACCFIN SOLUTIONS PRIVATE LIMITED	0	0.00			
	30-03-2018	20000	0.36	20000	0.36	Buy
	31-03-2018			20000	0.36	
9	UMANG JITENDRAKUMAR SHAH	0	0.00			
	21-04-2017	20000	0.36	20000	0.36	Buy
	15-09-2017	-20000	-0.36	0	0.00	Sell
	02-03-2018	20000	0.36	20000	0.36	Buy
	31-03-2018			20000	0.36	
10	PRABHAT FINANCIAL SERVICES LIMITED - CLIENT ACCOUNT	0	0.00			
	21-04-2017	4000	0.07	4000	0.07	Buy
	12-05-2017	-4000	-0.07	0	0.00	Sell
	02-03-2018	40000	0.71	40000	0.71	Buy
	23-03-2018	-12000	-0.21	28000	0.50	Sell
	30-03-2018	-12000	-0.21	16000	0.29	Sell
	31-03-2018			16000	0.29	
11	JAINAM SHARE CONSULTANTS PVT. LTD - COLLATERAL ACCOUNT	0	0.00			
	21-04-2017	16000	0.29	16000	0.29	Buy
	05-05-2017	-4000	-0.07	12000	0.21	Sell
	26-05-2017	4000	0.07	16000	0.29	Buy
	09-06-2017	8000	0.14	24000	0.43	Buy
	16-06-2017	-4000	-0.07	20000	0.36	Sell
	21-07-2017	-8000	-0.14	12000	0.21	Sell
	08-09-2017	-4000	-0.07	8000	0.14	Sell
	17-11-2017	8000	0.14	16000	0.29	Buy
	31-03-2018			16000	0.29	
12	PATEL JALPABEN PARAG	0	0.00			
	22-12-2017	16000	0.29	16000	0.29	Buy
	31-03-2018			16000	0.29	

Note:- \* The trading in the shares of the Company took place on almost daily basis, therefore the date wise increase/ decrease in Shareholding of top ten Shareholders are taken on the basis of weekly Benpose.

v. Shareholding of Directors and Key Managerial Personnel:

S. NO	NAME OF THE DIRECTOR / KMP	SHAREHOLDING AT THE BEGINNING OF THE YEAR		Date	Reason	CHANGE IN SHAREHOLDING (No. of Shares)		SHAREHOLDING AT THE END OF THE YEAR	
		NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY*			INCREASE	DECREASE	NO OF SHARES	% OF TOTAL SHARES OF THE COMPANY**
1.	Jayantibhai Mohanbhai Kumbhani	1527042	38.18	-	-	-	-	1527042	27.27
2	Ghanshyam Mohanbhai Kumbhani	360740	9.02	-	-	-	-	360740	6.44
3.	Pravinbhai Mohanbhai Kumbhani	325000	8.13	-	-	-	-	325000	5.80

\* The % of total share capital of the company at the beginning of the year

\*\* The % of total share capital of the company at the end of the year

V. INDEBTEDNESS

	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year				
Principal Amount	4,86,94,355	2,07,55,000	-	6,94,49,355
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-

Total	4,86,94,355	2,07,55,000	NIL	6,94,49,355
Change in Indebtedness during the year				
Addition	-	1,81,00,000		1,81,00,000
Reduction	3,40,27,907	117,55,000	-	4,57,82,907
Indebtedness at the end of the financial year				
Principal Amount	1,46,66,448	2,71,00,000	-	4,17,66,448
Interest due but not paid	-	-	-	
Interest accrued but not due	-	-	-	
Total	1,46,66,448	2,71,00,000	NIL	4,17,66,448

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTORS AND/ OR MANAGER:**

Particulars of Remuneration	NAME OF THE MD / WTD / MANAGER		TOTAL
	Jayantibhai Kumbhani (Managing Director)	Ghanshyambhai Kumbhani (Whole time Director)	
Gross Salary			
a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 36,00,000/-	Rs. 36,00,000/-	Rs. 72,00,000/-
b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - Others (Specify)	-	-	-
Others (Pls Specify)	-	-	-
<b>Total A</b>	<b>Rs. 36,00,000/-</b>	<b>Rs. 36,00,000/-</b>	<b>Rs. 72,00,000/-</b>
Ceiling as per Act	As per Part-II of Schedule V of the Companies Act, 2013		

**B. REMUNERATION TO OTHER DIRECTORS: NIL**

Particulars of Remuneration	Name of the Directors			Total Amount
	Pravinbhai Kumbhani	Mamtaben Thumbar	Hasmukhbhai Vavaiya	
<b>INDEPENDENT DIRECTORS</b>				
a) Fee for attending Board/ Committee meetings	-	-	-	-
b) Commission	-	-	-	-
c) Others, Pls Specify	-	-	-	-
<b>TOTAL - 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER NON EXECUTIVE DIRECTORS</b>				
a) Fee for attending Board/ Committee	-	-	-	-

meetings				
b) Commission	-	-	-	-
c) Others, Pls Specify	-	-	-	-
Total 2	-	-	-	-
Total B (1+2)	-	-	-	-
Total Managerial Remuneration	-	-	-	-
Overall Ceiling as per Act	---			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ WTD/MANAGER:

Particulars of Remuneration	KEY MANAGERIAL PERSONNEL		
	CFO	COMPANY SECRETARY	TOTAL
	Mukesh Shah	Maitry Doshi	
Gross Salary			
a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 4,97,588/-	Rs. 1,70,342/-	Rs. 6,67,930/-
b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - Others (Specify)	-	-	-
Others (Pls Specify)	-	-	-
Total	Rs. 4,97,588/-	Rs. 1,70,342/-	Rs. 6,67,930/-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY/ PUNISHMENT /COMPOUNDING FEE IMPOSED	AUTHORITY [RD/NCLT/ COURT]	APPEAL MADE, IF ANY
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By the Order of Board of Directors  
Sikko Industries Limited

Sd/-

Sd/-

Place: Ahmedabad  
Date: September 3, 2018

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

Jayantibhai kumbhani  
Managing director  
DIN: 00587807

**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:**

Sr. No.	Name	Designation	Ratio against median Employee' Remuneration
1.	Mr. Ghanshyambhai Kumbhani	Chairman & Whole Time Director	9.2:1
2.	Mr. Jayantibhai Kumbhani	Managing Director	9.2:1

**b) The Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Sr. No.	Name	Designation	Percentage Increase as compared to Previous Year
1.	Mr. Ghanshyambhai Kumbhani	Chairman and Managing Director	NIL
2.	Mr. Mukesh Shah	Chief Financial Officer	NIL
3.	Ms. Maitry Doshi	Company Secretary and Compliance Officer	NIL

**c) The percentage increase in the median remuneration of employees in the financial year:**

Median remuneration of Employees increased by 426.96% in F.Y 2017-18 as compared from F.Y. 2016-17.

**d) The number of permanent employees on the rolls of the Company: 20 Employees**

**e) Average percentile increase 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 92.40% 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.

**B. Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

**a) List of top ten employees in terms of remuneration drawn:**

Sr. No.	Employee Name	Designation	Qualifications of the employee	Date of Joining	Remuneration Received (in `)	Age	Last employment held by employee
1.	Narendra Solanki	GM	B.Sc. Agri	18.01.2017	1200000	56	Advance Pesticides
2.	Ganesh Pawar	ZSM- Central	Deploma In Agri	22.03.2017	797623	41	Advance Pesticides
3.	Shirish Shimpi	RSM - MH	B.Sc. Chemistry	05.04.2017	593333	39	Advance Pesticides
4.	Mukesh Shah	Chief Financial Officer	B.Com	12.01.2017	497588.00	50	Shree Ambica Plastic Industries (Partnership firm)
5.	Vishal Mistry	Account Manager	B.Com	24.06.2003	473546	35	-
6.	Mahesh Parmar	Production Manager - Ferti. Div.	B.Com	11.11.2010	467350	47	Dindayal Pesticides
7.	Dilipsinh Makwana	Production Manager - Pesti Div.	B.Com	01.06.2018	417500	45	-
8.	Sunil Patil	ASM	B .Sc. Electronic	10.04.2017	416910	49	Advance Pesticides
9.	Nitaben.D.Patel	FACTORY ADMIN	B.COM	01.04.2016	408000	40	-
10.	Chandan Kumar Sharma	Sales Executive	M. Sc. Agri	05.04.2017	386752	43	Advance Pesticides

All above employees are on roll of the Company on permanent basis.

**b) Employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees:**

There was no such employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees.

**c) Employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month:**

There was no such employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.

- d) **Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company:**

There was no such employees employed throughout the financial year or part who was in receipt of remuneration in that year in which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

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.

By the Order of Board of Directors  
Sikko Industries Limited

Place: Ahmedabad  
Date: September 1, 2018

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

Sd/-  
Jayantibhai kumbhani  
Managing director  
DIN: 00587807

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, 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 - NIL**

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Amount in Rs.)

Particulars	2017-18	2016-17
Earnings	Nil	Nil
Outgo	12,83,673	20,54,914

By the Order of Board of Directors  
Sikko Industries Limited

Sd/-

Sd/-

Place: Ahmedabad  
Date: September 3, 2018

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

**Jayantibhai kumbhani**  
Managing director  
DIN: 00587807



SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended March 31, 2018

[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,**  
508, Iscon Eligance, Nr. Jain Temple,  
Nr. Prahladnagar Pick up Stand,  
Vejalpur, Ahmedabad-380051.

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, minutes 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, the Company has, during the audit period covering the financial year ended on March 31, 2018, 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, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations");
- v. Secretarial Standards issued by The Institute of Company Secretaries of India w.r.t. meetings of the Board of Director (SS-1) and General Meetings (SS-2);

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

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company as given in **Annexure A**.

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

- i. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings; and
- ii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; - 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 in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

**I further report that -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and rules made thereunder.

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 of the Board and Committees were carried with requisite majority.

**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.

Place: Ahmedabad  
Date: August 31, 2018

Sd/-  
Anand Lavingia  
ACS No. : 26458  
C P No. : 11410

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

**Annexure A**

**Other Laws specifically applicable to Fertilisers & other Agri-Inputs and Shipping industry are as follows:-**

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

**List of other applicable Acts, Laws and Regulations during the Audit Period:-**

- i. Indian Boilers Act 1923
- ii. The Employees' State Insurance Act, 1948
- iii. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- iv. The Child Labor Law (Prohibition & Regulation) Act, 1986
- v. The Equal Remuneration Act, 1976
- vi. The Industrial Disputes Act, 1947
- vii. The Industrial Employment (Standing Orders) Act, 1946
- viii. The Labor Laws (Exemption from furnishing returns and maintaining registers by certain establishments) Act, 1988
- ix. The Maternity Benefit Act, 1961
- x. The Minimum Wages Act, 1948
- xi. The Payment of Bonus Act, 1965
- xii. The Payment of Wages Act, 1936
- xiii. The Employers Liability Act, 1938
- xiv. The Factories Act, 1948
- xv. The Personal Injuries (Compensation Insurance) Act, 1963
- xvi. The Personal Injuries (Emergency provisions) Act, 1962
- xvii. The Trade Unions Act, 1926
- xviii. The Workmen's Compensation Act, 1923
- xix. Competition Act, 2002
- xx. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- xxi. The Water (Prevention and Control of Pollution) Act, 1974
- xxii. The Air (Prevention and Control of Pollution) Act, 1981
- xxiii. The Income Tax Act, 1961
- xxiv. Various Central and State Indirect Taxation Laws like, Finance Act, 1994 read with Service Tax Rules, 1994

**Annexure B**

To,  
The Members,  
**Sikko Industries Limited,**  
508, Iscon Eligance, Nr. Jain Temple,  
Nr. Prahladnagar Pick up Stand,  
Vejalpur, Ahmedabad-380051.

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. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

Place: Ahmedabad  
Date: August 31, 2018

Sd/-  
Anand Lavingia  
ACS No. : 26458  
C P No. : 11410

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC AND INDUSTRY SCENARIO

The primary fertilisers sales witnessed a modest growth of around 2% in FY2018, on the back of low systemic inventory maintained by the fertiliser companies in view of pan-India implementation of Direct Benefit Transfer (DBT). As per ICRA’s report on the fertiliser industry released on Thursday, overall urea sales recorded a growth of 2% in FY2018. Non-urea fertiliser sales volume also grew at a fair rate of 2% during FY2018 driven by healthy sales of DAP, MOP and complexes. The fertiliser sales growth is back on a positive trajectory post a 7% decline witnessed in FY2017.

Mr. K. Ravichandran, senior vice-president & group head, Corporate Ratings, ICRA, says “The recent softening of spot R-LNG prices is expected to partially offset the higher domestic price in H1 FY2019 as well as crude oil linked long-term R-LNG prices, which have seen significant upward movement in recent months. The pooled prices are expected to remain subdued on the back of softening R-LNG prices, post abatement of the winters in key demand centres viz. South Korea, Japan and China. Subdued pooled gas prices will enable indigenous urea production to remain competitive against imported urea. This is because low gas prices result in lower subsidy for urea players which in turn, leads to lower working capital borrowings and associated interest costs. However, with pan-India implementation of Direct Benefit Transfer (DBT) the working capital cycle of the industry may witness marginal elongation owing to shifting of subsidy payment from point of dispatch to point of sale to farmers. The revision in the dealer margins for urea dealers before implementation of DBT is a positive step in the direction of onboarding them for the success of this key initiative from the government.”

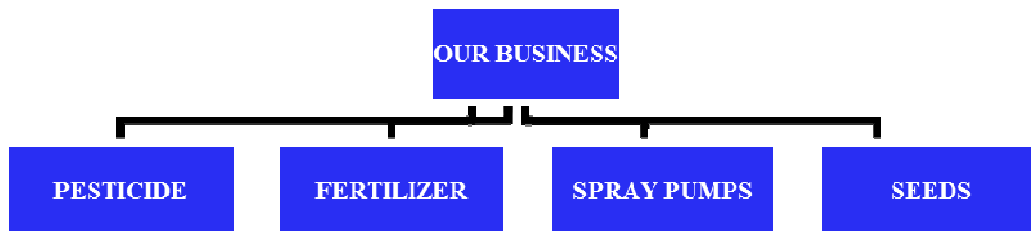
The Cabinet Committee on Economic Affairs (CCEA) has approved an increase in the nutrient-based subsidy (NBS) rates for phosphate and sulphur for financial year 2018-19 while reducing the same for potash and keeping it unchanged for nitrogen in a meeting held on March 28, 2018. The subsidy for phosphate (P) has been increased to Rs. 15.216/kg from Rs.11.997/kg (27% increase) while the rate for sulphur (S) has been raised by 22% to Rs.2.722/kg from 2.240/kg. The subsidy for Potash (K) has been reduced by 10% to Rs. 11.124/kg from Rs. 12.395/kg. With the revision in NBS rates the subsidy for Di-ammonium phosphate (DAP) will rise by nearly 16% while for various grades of complex fertilisers the increase in subsidy will be 4%-10% y-o-y. The subsidy for Muriate of Potash (MOP) will decline by 10% y-o-y.

Commenting on the outlook for FY2018 and the revision in NBS rates, Mr. Satyajee Senapati, Analyst, ICRA said: “The demand for fertilisers in H1 FY2019 is expected to remain stable given the outlook for normal monsoon during the kharif season and expected higher farm realisation for crops supported by assurance by the Government of India for MSP at 150% of the cost incurred by farmers. The revision in NBS rates comes on the back of rising international DAP and sulphur prices owing to higher raw material prices and tightening phosphatic supplies from China. This price revision should keep the retail price of various phosphatic fertilisers stable for the upcoming year, as higher subsidy will help in mitigating the rise in international DAP prices. However, retail price of MOP is expected to witness an increase of Rs. 500-700/MT, owing to lowering of subsidy. Overall, the change in subsidy levels is not expected to have any material impact on the demand for P&K fertilisers. In the union budget of FY2018-19, Gol had increased the subsidy allocation for P&K fertilisers to Rs. 250 billion from Rs. 222 billion in FY2017-18; the increased allocation should enable the government to meet the increased subsidy outgo for the P&K fertilisers (estimated at Rs. 230 billion for FY2018-19). The revision in NBS rates is largely neutral for the fertiliser industry unless monsoon acts as a disappointment in the upcoming kharif season leading to diminution of demand and thus impacting profitability of the industry.”

The fertiliser industry’s financial performance continued to remain moderate in 9M FY2018. Operating income witnessed 13% growth owing to the volume growth in fertiliser segment and growth in chemical segment realisation during the period while lower raw material prices continue to provide tailwinds to the operating profitability of the sector. Lower interest expenses, driven by lower working capital borrowings and a low interest rate environment, provided support to the net profitability of the sector. Lower interest expenses, driven by lower working capital borrowings and a low interest rate environment, provided support to the net profitability of the sector during 9M FY2018. While raw material prices had remained subdued for the P&K fertiliser manufacturers for major part of FY2018, most notably -phos acid and sulphur, the prices have firmed up in recent months. The companies have managed to pass the increase in raw material to farmers and have thus been able to protect their profitability.

(Source:-<https://economictimes.indiatimes.com/industry/indl-goods/svls/chem-fertilisers/fertilisers-sales-witnessed-growth-of-around-2-in-fy2018/articleshow/63626273.cms>)

OPERATIONS AND DEVELOPMENTS



During the year 2011 to 2018 following new products were added to our basket of pesticides, fertilizer and growth promoter which help in plant growth and work as a safeguard against pests.

1. VAKIL Capsule (Bio Stimulant Capsule),
2. VAKIL (Gr)(Concentrated Zyme GranulesOrganic Fertilizer),
3. MUNDAMAR (Grub Preventer Granules),
4. MOGAMBO(Growth Promoter Powder),
5. BPH Plus (Brown Plant Hooper Repellent),
6. SIGNATIC ( Amino Based Growth Promoter),
7. BLACK SURIYA (Best Soil Conditioner),
8. FUNGI Plus (Fungus Repellent Powder),
9. FERTISIK - 90% WG (Sulphur-90% WGGrowth Promoter + Anti Fungus agent),
10. BHAGAMBHAG(Pig Repellent),

11. DOKAMAR (Fruit & Shoot Borer Repellent),
12. SUPRA (White Fly & Sucking Pest Repellent),
13. MITE WIN (Red Mite Repellent), NILGO (Nil Gai Repellent).

To avail the rich experience of our promoters in the field of agrochemicals and after establishing strong foot hold in the field of agro chemicals and pesticides, Our Company also started fertilizer unit on March 30, 2011. This has improved our top line. The Company also started seed division and added following product to its existing portfolio: Seeds of Bhindi (Okra) F1 Hybrid, Bhindi (Okra Super - 350) OP, Cluster Bean Super-350, Cow Pea Super -350, Bottle Gourd Super-350, Bitter Gourd Super-350, Tomato Super -350, Brinje Super -350 etc. In addition to manufacturing of pesticides and fertilizer, our Company Our Company is in process of starting up of new project of Bio CNG and BIO Fertilizer for which we have made an application with UP State Bio Energy Development Board, Lucknow.

We had exported our Products to South Africa, Lomo Togo, Srilanka and Iran. To sum up our Company is engaged in manufacturing of Pesticides including organic Pesticides, Fertilizers including organic fertilizer, Spray Pump and Organic Seeds.

**Our competitive strength**

**Vast experience over 18 years with sound market knowledge**

Our promoters are having experience of more than 18 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.

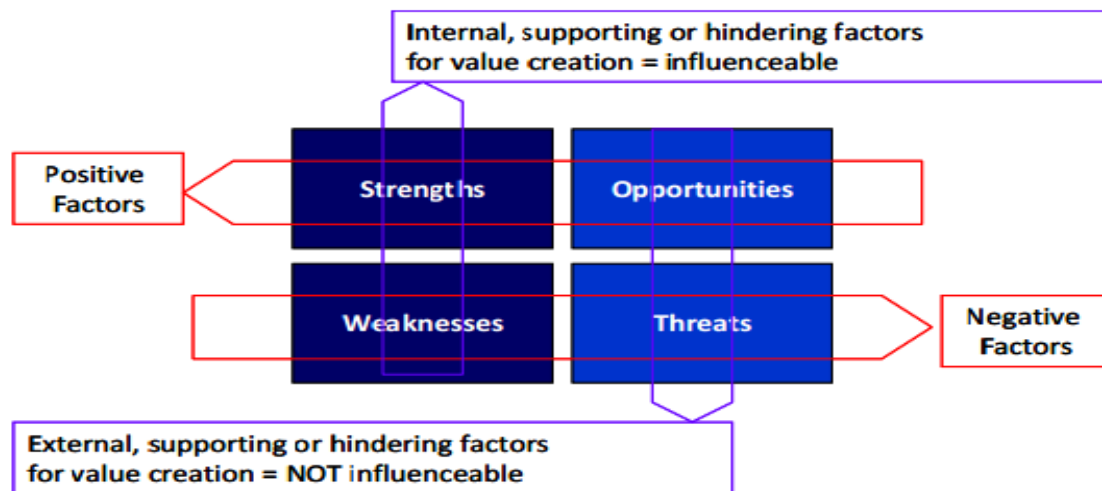
**Prime Location of our Unit**

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.

**SWOT Analysis**



**Strength**

- ✓ The Promoters have been involved in the agro chemical business for more than 16 years
- ✓ The weaving unit is located on Sanand Highway and thus enjoys excellent connectivity.
- ✓ Our Existing Unit is located on outskirts of Ahmedabad, Sanand Highway, having raw material suppliers units in the surrounding area of 10 Kms to 200 Kms belt; thus having easy access to raw material at best market rates and requisite manpower.

**Weakness**

- ✓ Our business is highly seasonal in our country and such seasonality may adversely affect the demand for our fertilizers and pesticide and also our operating results.
- ✓ Strict government and environmental policies and controls may pose real hurdle to the development of our products.

**Opportunity**

**Threat**

- ✓ The generic threat of economic slowdown exists, which may

- ✓ The Gujarat and Indian Government are supportive of agriculture. Department of Fertilizers, Ministry of Chemicals and Fertilizers introduced Nutrient Based Subsidy Policy for decontrolled Phosphatic & Potassic Fertilizers for import of P & K fertilizers.
- ✓ subdue the domestic demand for the products.
- ✓ Increasing popularity of agrochemical product may impact the pace of growth of agro chemicals industry, indirectly impacting the off-take and pace of growth of fertilizer and pesticides.

#### **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.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Internal Control system and adequacy Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. Thus, internal control is an integral component of risk management. The Internal control checks and internal audit programmes adopted by the Company plays an important role in the risk management feedback loop, in which the information generated in the internal control process is reported back to the Board and Management. The internal control systems are modified continuously to meet the dynamic change. Further the Audit Committee of the Board of Directors reviews the internal audit reports and the adequacy and effectiveness of internal controls.

#### **SEGMENT WISE /PRODOUCT WISE REPORTING**

For Segment wise/Product wise reporting please refer to notes of Profit and Loss Statement enclosed to this report.

#### **RISKS AND CONCERNS**

Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

- Political Stability of the Country.
- World Economy.
- Government policies for the capital markets.
- Investment Flow in the country from the other countries.
- Government policy for agro chemical products, fertilizer and pesticides sector.
- Competition from existing players
- Company's ability to successfully implement our growth strategy
- The loss of shutdown of operations of our Company at any time due to strike or labour unrest or any other reasons,
- Loss due to delay in execution of projects in time

#### **CAUTIONARY STATEMENT**

There are certain statements in this report which the Company believes are forward looking. The forward looking statements stated in this report could significantly differ from the actual results due to certain risks and uncertainties, including but not limited to economic developments, Government actions, etc.

## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
SIKKO INDUSTRIES LIMITED  
Ahmedabad.

### Report on the Financial Statements

We have audited the accompanying financial statements of SIKKO INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, 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.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

### Basis for Qualified Opinion

*Adhering to significant accounting policy, the company is accounting for Gratuity & Leave encashment on payment basis. This is not in accordance with Accounting Standard - 1 "Disclosure of Accounting Policies" and Accounting Standard - 15 (Revised) "Employee Benefits" prescribed by The Institute of Chartered Accountants of India and contrary to provision contained in Section 128(iii) of The Companies Act, 2013. The extent of non-compliance in terms of value is not ascertainable.*

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the matter described in the basis for Qualified Opinion paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2018 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, *except for the matter described in the basis for Qualified Opinion paragraph*, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to our best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer notes 28 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2018

Sd/-  
**ROHIT K. CHOKSI**  
*Partner*  
Mem. No. 31103

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**Annexure - A to the Independent Auditors' Report of even date on financial statements of Sikko Industries Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals having regard to size of company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on such physical verification during the year.
- (iii) The Company has not granted any secured / unsecured loan to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014 during the year under review. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) The provisions of Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of Companies Act, 2013 are not applicable. Accordingly the clause 3(vi) of the order is not applicable.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31<sup>st</sup> March, 2018 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31<sup>st</sup> March, 2018.
- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to banks. The company has not borrowed any funds from the financial institutions and government and the company does not have any dues to debentures holders.
- (ix) The Company has raised moneys by way of initial public offer. The Company has raised moneys by way of term loans during the year and such term loans have been applied by the Company for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noticed or reported during the year.
- (xi) According to the information and explanations give to us, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the 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, transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xv) According to the information and explanations given to us, the Company has not entered into 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, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2018

Sd/-  
**ROHIT K. CHOKSI**  
*Partner*  
Mem. No. 31103

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**Annexure-B to the Independent Auditors' Report of even date on the Financial Statements of SIKKO INDUSTRIES LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SIKKO INDUSTRIES LIMITED** ("the Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**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 issued by the Institute of Chartered Accountants of India ("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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by 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 Institute of Chartered Accountants of India. 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 authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, G. K. CHOKSI & CO.  
[Firm Registration No. 101895W]  
*Chartered Accountants*

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2018

Sd/-  
ROHIT K. CHOKSI  
*Partner*  
Mem. No. 31103

SIKKO INDUSTRIES LIMITED  
Balance Sheet as at 31st March, 2018

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
<b>Equity and Liabilities</b>			
<b>Shareholders' Fund</b>			
Share Capital	2	5 60 00 000	4 00 00 000
Reserves and Surplus	3	6 54 43 943	2 31 15 704
		12 14 43 943	6 31 15 704
<b>Non-Current liabilities</b>			
Long term borrowings	4	48 69 676	7 58 194
Deferred tax liabilities (Net)	5	42 28 653	0
Long term provisions		0	0
		90 98 329	7 58 194
<b>Current liabilities</b>			
Short term borrowings	6	3 68 96 772	6 86 91 161
Trade payables	7	7 46 42 174	6 18 49 445
Other current liabilities	8	1 77 33 240	1 00 49 898
Short term provisions	9	69 49 783	38 99 187
		13 62 21 969	14 44 89 691
<b>Total</b>		<b>26 67 64 241</b>	<b>20 83 63 589</b>
<b>Assets</b>			
<b>Non-Current assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	3 98 43 922	3 04 13 482
Intangible assets	11	10 69 262	2 57 709
Capital work-in-progress			
Intangible assets under development		0	0
		4 09 13 184	3 06 71 191
Non-current investments		0	0
Deferred Tax Asset (Net)	12	0	15 43 161
Long term - loans and Advances	13	8 43 086	8 43 086
Other non-current assets		0	0
<b>Current Assets</b>			
Inventories	14	8 88 08 777	5 56 25 700
Trade receivables	15	9 46 95 421	5 35 84 585
Cash & cash equivalents	16	13 94 655	2 59 98 585
Short term - Loans & advances	17	3 99 75 952	3 76 93 203
Other current assets	18	1 33 166	24 04 078
		22 50 07 971	17 53 06 151
<b>Total :</b>		<b>26 67 64 241</b>	<b>20 83 63 589</b>
Significant accounting policy	1	-	-

As per our report of even date  
For G. K. CHOKSI & CO.  
Chartered Accountants  
[Firm Registration No. 101895W]

For and on behalf of Board of Directors  
Sikko Industries Limited

ROHIT K. CHOKSI  
Partner  
Membership No: 31103  
Place: Ahmedabad  
Date: May 30, 2018

Sd/-  
Ghanshyambhai Kumbhani  
Chairman & Whole Time Director  
DIN 00587855

Sd/-  
Jayantibhai Kumbhani  
Managing Director  
DIN 00587807

Sd/-  
Mukesh Shah  
Chief Financial Officer

Sd/-  
Maitry Doshi  
Company Secretary

Place: Ahmedabad

Date: May 30, 2018

SIKKO INDUSTRIES LIMITED  
Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Notes	2017-18 (in Rs.)	2016-17 (in Rs.)
<b>Income</b>			
Revenue from operations	19	25 66 54 121	17 37 20 613
Other Income	20	61 95 017	3 10 505
<b>Total Revenue</b>		<b>26 28 49 138</b>	<b>17 40 31 118</b>
<b>Expenses</b>			
Purchase of Stock in trade		10 00 94 653	5 94 73 747
Cost of raw material consumed	21	10 06 96 602	5 69 30 776
Changes in inventories	22	(2 62 81 960)	33 22 686
Employee benefits expenses	23	2 31 46 809	1 39 73 854
Finance costs	24	18 61 022	42 95 221
Depreciation and amortization expenses		70 63 454	71 37 393
Manufacturing and Other Expenses	25	3 12 07 661	2 00 87 449
<b>Total Expenses</b>		<b>23 77 88 241</b>	<b>16 52 21 126</b>
<b>Profit before Tax</b>		<b>2 50 60 897</b>	<b>88 09 992</b>
<b>Tax Expenses</b>			
Provision for Income Tax (Current year)			25 00 000
Current tax		75 00 000	42 00 000
Deferred Tax Asset		57 71 814	6 05 442
		1 32 71 814	48 05 442
<b>Profit/(Loss) for the period carried to Balance sheet</b>		<b>1 17 89 083</b>	<b>40 04 550</b>
<b>Earnings per equity share:(Basic)</b>			
Basic and Diluted	26	2.13	1.00

As per our report of even date  
For G. K. CHOKSI & CO.  
Chartered Accountants  
[Firm Registration No. 101895W]

ROHIT K. CHOKSI  
Partner  
Membership No: 31103  
Place: Ahmedabad  
Date: May 30, 2018

For and on behalf of Board of Directors  
Sikko Industries Limited

Sd/-  
Ghanshyambhai Kumbhani  
Chairman & Whole Time Director  
DIN 00587855

Sd/-  
Jayantibhai Kumbhani  
Managing Director  
DIN 00587807

Sd/-  
Mukesh Shah  
Chief Financial Officer

Sd/-  
Maitry Doshi  
Company Secretary

Place: Ahmedabad

Date: May 30, 2018

SIKKO INDUSTRIES LIMITED  
Cash Flow Statement for the year ended 31st March, 2018 (Amt in Rs.)

Particulars	2017-18	2016-17
<b>A Cash from Operating Activities</b>		
Net Profit Before Tax from Continuing Operation	2 50 60 897	88 09 992
Depreciation	70 63 454	71 37 393
Interest and Finance Charges	18 61 022	42 95 221
Interest Received	(28 570)	(9 305)
Dividend Income	0	0
Excess Depreciation Written Back	(51 46 031)	0
	<b>37 49 875</b>	<b>1 14 23 309</b>
Adjustment for Movements in Working Capital:		
Increase/(decrease) in Trade Payable	1 27 92 729	(2 74 03 490)
Increase/(decrease) in Other Current Liability	76 83 342	30 77 635
Decrease/(increase) in Trade Receivable	(4 11 10 836)	1 78 97 643
Decrease/(increase) in Inventories	(3 31 83 077)	61 54 733
Decrease/(increase) in Long Term Loans and Advances	0	50 000
Decrease/(increase) in Short Term Loans and Advances	(22 82 749)	(90 68 019)
Decrease/(increase) in Other Current Assets	22 70 912	(20 08 920)
	<b>(5 38 29 679)</b>	<b>(1 13 00 418)</b>
Cash Generated from Operations	(2 50 18 907)	89 32 883
Direct Taxes paid	(44 49 404)	19 32 390
<b>Net cash (used in) / generated from Operating Activities [A]</b>	<b>(2 94 68 311)</b>	<b>1 08 65 273</b>
<b>B Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(1 21 59 416)	(23 96 438)
Maturity of / (Investment in) Fixed Deposits	(3 62 000)	0
Interest Received	28 570	9 305
<b>Net cash (used in) / generated from Investing Activities [B]</b>	<b>(1 24 92 846)</b>	<b>(23 87 133)</b>
<b>C Cash flow from Financing Activities</b>		
Short Term Borrowing Taken During the year	(3 17 94 389)	2 25 49 643
Long Term Borrowing (Paid) / Taken During the year	41 11 482	(16 91 752)
Proceed from issue of shares including premium	4 65 39 156	0
Interest paid	(18 61 022)	(42 95 221)
<b>Net cash (used in) / generated from Financing Activities [C]</b>	<b>1 69 95 227</b>	<b>1 65 62 670</b>
<b>Net Increase/(Decrease) in cash and cash equivalents [A+B+C]</b>	<b>(2 49 65 930)</b>	<b>2 50 40 810</b>
Cash and cash equivalent Opening Balance	2 59 94 585	9 53 775
Cash and cash equivalent Closing Balance	10 28 655	2 59 94 585
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>(2 49 65 930)</b>	<b>2 50 40 810</b>

- The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Accounting Standard 3 as prescribed by The Institute of Chartered Accountants of India.
- Figures in brackets indicate cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current year's presentation.

This is the Cash Flow referred to in our report of the even date

As per our report of even date  
For G. K. CHOKSI & CO.  
Chartered Accountants  
[Firm Registration No. 101895W]

For and on behalf of Board of Directors  
Sikko Industries Limited

ROHIT K. CHOKSI  
Partner  
Membership No: 31103  
Place: Ahmedabad  
Date: May 30, 2018

Sd/-  
Ghanshyambhai Kumbhani  
Chairman & Whole Time Director  
DIN 00587855

Sd/-  
Jayantibhai Kumbhani  
Managing Director  
DIN 00587807

Sd/-  
Mukesh Shah  
Chief Financial Officer

Sd/-  
Maitry Doshi  
Company Secretary

Place: Ahmedabad

Date: May 30, 2018

### Significant Accounting Policies

**(a) Basis of preparation of financial statements**

- (i). The financial statements of the company have been prepared and presented in accordance with the generally accepted accounting principle under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- (ii). The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

**(b) Use of estimates**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known/ determined.

**(c) Fixed Assets**

**(i). Tangible Assets**

Fixed Assets are stated at their original cost net of cost including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

**(ii). Intangible Assets**

Intangible assets are stated at acquisition cost net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

- (iii). At the balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

After recognition of impairment loss, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on Written Down Value basis over its remaining useful life.

**(d) Depreciation**

- (i). Depreciation on Tangible Fixed Assets is provided on Written down Value method over the useful lives of assets specified in Part C of Schedule II to the Companies Act 2013 read with the relevant notifications issued by the Department of Company affairs.
- (ii). Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.
- (iii). 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 i.e. three years estimated by the Management.

In accordance with the provisions contained in Schedule II to the Companies Act, 2013 components of an asset, which have significant cost to total cost of assets and its own useful life, are required to be depreciated separately over its useful life. Pursuant to such requirement, the company has retained a technical expert to identify such components and based on certificate obtained from such technical expert, the company does not have any such components. Accordingly, the company is not required to determine depreciation separately

**(e) Inventories**

- (i). Raw Materials and Finished Goods are valued at lower of cost or net realizable value. Cost of finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location and this purpose, cost is determined on First-In-First-Out basis.
- (ii). Stock of packing materials are valued at cost or N.R.V.

**(f) Revenue Recognition**

- (i). Revenue in respect of domestic sale of products is recognized when the risks and rewards of ownership are passed on to the customers, which is upon dispatch of products. Sales are stated at contractual realizable values, net of excise duty, goods and service tax, sales tax and trade discount.
- (ii). Interest income

Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(g) Foreign Currency Transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date 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 31st March, 2020.

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.

**(h) Retirement Benefits**

**(i). Defined Contribution Plan**

Contribution to Defined Contribution Schemes such as Provident Fund and Employees State Insurance Corporation are charged to the Statement of Profit and loss as and when incurred.

**(ii). Defined Benefit Plan**

Gratuity and Leave Encashment is charged to profit and loss account on the basis of payment.

**(i) Excise/Custom Duty**

Excise duty has been accounted based on both payments made in respect of goods cleared from factory premises and provision made for manufactured goods lying unsold at year-end in factory premises.

**(j) Segment information**

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."

**(k) Taxation**

(i). Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

(ii). Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**(l) Earnings per Share**

Earning per equity share (basic/diluted) is arrived at based on Net Profit after taxation available to equity shareholders to the basic/weighted average number of equity shares.

**(m) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTES FORMING PARTS OF ACCOUNTS

[Amount in ` ]

2	Share Capital	31/03/2018	31/03/2017
	<b>a) Authorized</b>		
	6000000 (Previous Year 6000000) Equity Shares of ` 10/- each	6 00 00 000	6 00 00 000
	<b>b) Issued, Subscribed and Paid up</b>		
	5600000 (Previous Year 4000000) Equity Shares of ` 10/- each fully paid	5 60 00 000	4 00 00 000
		5 60 00 000	4 00 00 000

**Note**

- (i). The company has vide resolution passed by Board of Directors in the meeting held on 10th February, 2017, allotted 20,00,000 equity shares as bonus shares in the ratio of 1:1 on 10th February, 2017.
- (ii). During the period of five financial years immediately preceding the Balance Sheet date, the company has not;
- (i). Allotted any equity shares pursuant to any contract without payment being received in cash.
- (ii). brought back any equity shares

<b>c) Reconciliation of Issued, Subscribed and Paid up shares</b>		31/03/2018	31/03/2017
Particulars		No. of Shares	No. of Shares
	As at April 1	40 00 000	20 00 000
	Add. : Shares issued for Cash	16 00 000	0
	Add. : Bonus shares issued	0	20 00 000
		56 00 000	40 00 000
	Less : Shares bought back / Redemption etc.	0	0
	As at March 31	56 00 000	40 00 000

**d) Rights, Preferences and Restrictions**

- a. All shares issued are fully paid up ordinary shares. The company has only one class of shares referred to as equity shares having a par value of ` 10/-.
- b. The holders of equity shares are entitled to receive dividends as declared from time to time. No dividend shall be payable except out of profits of the Company arrived at in the manner provided for in Section 123 of the Companies Act, 2013.
- c. All shares rank equally with regard to Company's residual assets. The distribution will be in proportion to the number of equity shares held by shareholders.

<b>e) Details of Shareholding</b>	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	%	No. of Shares	%
<b>Shareholders holding more than 5 % Equity Shares</b>				
Ganshyambhai M Kumbhani	3 60 740	6.44	3 60 740	9.02
Bhavnaben P. Kumbhani	3 85 150	6.88	3 85 150	9.63
Alpaben J Kumbhani	5 59 320	9.99	5 59 320	13.98
Mohanbhai N Kumbhani	3 30 740	5.91	3 30 740	8.27
Nandaben G Kumbhani	3 40 000	6.07	3 40 000	8.50
Jayantibhai M Kumbhani	15 27 042	27.27	15 27 042	38.18
Pravinbhai M. Kumbhani	3 25 000	5.80	3 25 000	8.12

[Amount in ` ]

3	Reserves and Surplus	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	<b>(I) Surplus / (Deficit) in Statement of Profit &amp; Loss</b>		
	Balance as per previous financial statements	2 31 15 704	3 68 87 565
	Add : Profit / (Loss) for the year	1 17 89 083	40 04 550
	Add: IT Refund	0	22 25 830
	Less: Fixed Assets Written Off	0	(2 241)
	Balance available for appropriation	3 49 04 787	4 31 15 704
	Less : Appropriations	0	2 00 00 000



3	Reserves and Surplus	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
		3 49 04 787	2 31 15 704
	(ii)Securities Premium Account		
	Balance brought forward from previous year	0	0
	Add : Premium on shares issued during the year	3 52 00 000	0
		3 52 00 000	0
	Less: Share Issue Expense	46 60 844	0
		3 05 39 156	0
		6 54 43 943	2 31 15 704

[Amount in ` ]

4	Long Term Borrowings	Non - Current	Current Maturities	Non - Current	Current Maturities
	Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Term Loan - From Banks				
	Secured				
	BOI Tata Zest Car Loan A/C	2 32 810	1 94 265	0	0
	(Refer Note i Below)				
	BOI-(New Duster)-Car Loan A/C	7 48 713	1 09 864	0	0
	(Refer Note ii Below)				
	HDFC Bank Ltd-(Bmw Car Loan)	61 317	6 96 877	7 58 194	6 29 866
	(Refer Note iii Below)				
	SBI Car Loan-(Range Rover Car)	38 26 836	8 05 382	0	0
	(Refer Note iv Below)				
	H.D.F.C-(Grand I10) Car Loan	0	0	0	1 39 713
		48 69 676	18 06 388	7 58 194	7 69 579
	Less : Amount disclosed under the head "Other Current Liabilities"	0	18 06 388	0	7 69 579
	(Refer Note 8)				
		48 69 676	0	7 58 194	0

**Note: Terms of Repayment and Interest**

- i. BOI Tata Zest Car Loan A/C: It is secured against hypothecation of vehicles.
- ii. It is repayable in 36 numbers of monthly installments of ` 18,827/- commencing from 30th May, 2017. The last installment falls due on 30th April, 2020 and rate of interest is 9.35%.
- iii. BOI-(New Duster)-Car Loan A/C: It is secured against hypothecation of vehicles.
- iv. It is repayable in 84 numbers of monthly installments of ` 15,454/- commencing from 30th May, 2017. The last installment falls due on 30th April, 2024 and rate of interest is 9.35%.
- v. HDFC Bank Ltd-(BMW Car): It is secured against hypothecation of vehicles.
- vi. It is repayable in 60 numbers of monthly installments of ` 61,835/- commencing from 5th May, 2014. The last installment falls due on 5th April, 2019 and rate of interest is 10.50%.
- vii. SBI Car Loan-(Range Rover Car): It is secured against hypothecation of vehicles.
- viii. It is repayable in 60 numbers of monthly installments of ` 96,754/- commencing from 30th January, 2018. The last installment falls due on 30th December, 2022 and rate of interest is 7.75%.

[Amount in ` ]

5	Deferred Tax Liability (Net)	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	Deferred Tax Liability		
	Tax Impact of difference between book depreciation and tax depreciation (Net)	53 04 003	0
	Tax Impact of difference in allow ability of Share Issue Expense	(10 75 350)	0
		42 28 653	0

[Amount in ` ]

6	Short Term Borrowings	As at 31st March, 2018	As at 31st March, 2017
Particulars			
	Repayable on demand		
	Secured		
	From Bank (Refer Note Below)	97 96 772	4 79 36 161
	Unsecured		
	From Directors	2 71 00 000	90 00 000
	From Others	0	1 17 55 000
		<b>3 68 96 772</b>	<b>6 86 91 161</b>

**Note**

The above loan is secured against hypothecation of stock of raw materials, work in process, finished goods, consumer durables, stores & spares, packing material and hypothecation of all present and future book debts, Accounts Receivable etc. The loan is further secured by equitable mortgage of factory land and building (Pesticides Unit) situated at Plot No. 55/A & 55/B, Ambica Ind. Estate, Sanand lyava, Dist. Ahmedabad owned by the company adm. land area 3655 Sq. Mtr. RV: Rs. 2.40 crores, DSV: Rs. 2010 Crores, Registered Value as per Jantri Rs. 1.21 crores. The loan is further secured by equitable mortgage of existing plant & machinery of pesticides unit and fertilizer unit. The rate of interest is 12.75% p. a.

[Amount in ` ]

7	Trade Payables	As at 31st March, 2018	As at 31st March, 2017
Particulars			
	Dues to Micro, Small and Medium Enterprise	0	0
	[Refer Note 30]		
	Others		
	For Goods and Services	7 46 42 174	6 18 49 445
		<b>7 46 42 174</b>	<b>6 18 49 445</b>

[Amount in ` ]

8	Other Current Liabilities	As at 31st March, 2018	As at 31st March, 2017
Particulars			
	Current Maturities of Long Term Debt	18 06 388	7 69 579
	[Refer Note 4]		
	Dealer Deposits	1 39 59 504	81 73 504
	Statutory Liabilities	19 67 348	4 44 625
	Payable to Bank	0	6 62 190
		<b>1 77 33 240</b>	<b>1 00 49 898</b>

[Amount in ` ]

9	Short Term Provisions	As at 31st March, 2018	As at 31st March, 2017
Particulars			
	Provision for Tax (Net of Advance Tax)	69 49 783	38 99 187
		<b>69 49 783</b>	<b>38 99 187</b>

10 Tangible Assets										[Amount in ` ]
Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 01, 2017	Additions	Deletions/ Adjustments	As at March 31, 2018	Up to March 31, 2017	For the year	Deletions/ Adjustments	Up to March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land	50 000	0	0	50 000	0		0	0	50 000	50 000

Factory Land (*)	0	0	7068650	7068650	0	0	0	70 68 650	0	
Factory Building (*)	8336312	0	(2408730 )	5927582	5033430	242207	(15 10 202)	37 65 435	21 62 147	33 02 882
Office Building	7086500	0	0	70 86 500	18 06 212	2 64 014	0	20 70 226	50 16 274	52 80 288
Plant machinery (*)	4734366 7	19 16 238	( 46 59 920)	4 45 99 985	3 02 79 491	35 89 689	(36 35 829)	3 02 33 351	1 43 66 634	1706417 6
Electric Installation	1867 717	0	0	18 67 717	12 27 318	1 90 288	0	14 17 606	4 50 111	640399
Laboratory Equipment	1 17 982	9 58 529	0	10 76 511	75 914	2 04 169	0	2 80 083	7 96 428	42068
Office Equipment	15 43 607	1 48 262	0	16 91 869	12 06 682	1 81 717	0	13 88 399	3 03 470	336925
Vehicle	69 85 978	74 19 482	0	1 44 05 460	47 20 713	16 61 268	0	63 81 981	80 23 479	2265265
Computer	3 68 610	3 16 907	0	6 85 517	2 90 300	1 47 998	0	4 38 298	2 47 219	78310
Furniture & Fixtures	79 04 343	4 61 878	0	83 66 221	65 51 174	4 55 537	0	70 06 711	13 59 510	1353169
<b>Total :</b>	8 16 04 716	1 12 21 296	0	9 28 26 012	5 11 91 234	69 36 887	(51 46 031)	5 29 82 090	3 98 43 922	3041348 2
<b>Previous Year</b>	7 92 40 778	23 63 938		8 16 04 716	4 40 77 835	71 11 158	2 241	5 11 91 234	3 04 13 482	

(\*) The company capitalized land of pesticides unit along with the building and charged depreciation on land portion as well at depreciation rate of the building, the company further capitalized land of fertilizers unit along with the plant and machinery and charged depreciation on land portion as well at depreciation rate of the plant and machinery. The depreciation so charged from the date of capitalization up to financial year 2016-17. During the year under review the block of land identified at ` 70,68,650/- and capitalized separately. The depreciation of ` 51,46,031/- charged up to the year 2016-17 written back during the year under review and disclosed as Prior Period Item in Note - '20'.

11 Intangible Assets										[Amount in `]
Description of Assets	Gross Block at Cost			Depreciation				Net Book Value		
	As at April 01, 2017	Additions	Deletion s/ Adjustm ent	As at March 31, 2018	Up to March 31, 2017	For the year	Deletion s/ Adjustm ent	Up to March 31, 2018	As at March 31, 2018	As at March 31, 2017
Trademarks	3 83 750	40 500	0	4 24 250	1 26 041	26 093	0	1 52 134	2 72 116	2 57 709
Computer Software	0	8 97 620	0	8 97 620	0	1 00 474	0	1 00 474	7 97 146	0
<b>Total</b>	3 83 750	9 38 120	0	13 21 870	1 26 041	1 26 567	0	2 52 608	10 69 262	2 57 709
<b>Previous Year</b>	3 51 250	32 500	0	3 83 750	99 806	26 235	0	1 26 041	2 57 709	

[Amount in `]

12	Deferred Tax Asset (Net)	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	Deferred Tax Assets		
	Difference of book depreciation and tax depreciation (Net)	0	15 43 161
		0	15 43 161

[Amount in `]

13	Long Term Loans and Advances	As at	As at

	Particulars	31st March, 2018	31st March, 2017
	Office No-508- Maintenance Deposit	2 11 000	2 11 000
	Electricity Deposit - GEB	6 32 086	6 32 086
		<b>8 43 086</b>	<b>8 43 086</b>

[Amount in ` ]

14	Inventories (As taken, valued and certified by the Management)	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	<b>Deferred Tax Assets:</b>		
	Raw Material	4 47 51 306	4 05 60 144
	Packing Material	66 13 312	39 03 357
	Finished goods	3 74 44 159	1 11 62 199
	Inventory items have been valued considering the significant accounting policy disclosed in note 1(e) to this financial statement.	<b>8 88 08 777</b>	<b>5 56 25 700</b>

[Amount in ` ]

15	Trade Receivable	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	<b>Unsecured, Considered good:</b>		
	Debt outstanding for the period exceeding six months	4 98 92 982	3 02 35 025
	Others	4 48 02 439	2 33 49 560
		<b>9 46 95 421</b>	<b>5 35 84 585</b>
	<b>Trade Receivable include amounts due from:</b>		
	Directors	NIL	NIL
	Other officers of the Company	NIL	NIL
	Firms or private companies in which any director is partner or director or a member	NIL	NIL

[Amount in ` ]

16	Cash and Bank Balances	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	<b>Cash and Cash Equivalents</b>		
	Balances with Banks		
	In Current accounts	6 37 965	2 51 18 201
	Cash on hand	3 90 690	8 76 384
	Other Bank Balances		
	Deposit with Maturity for more than 3 Months but less than 12 months	3 66 000	4 000
		<b>13 94 655</b>	<b>2 59 98 585</b>

[Amount in ` ]

17	Short Term Loans And Advances (Considered good unless otherwise stated)	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	Advance Recoverable in cash or in kind		
	Contractors and Suppliers	54 95 491	44 23 825
	Earnest Money Deposit	10 00 000	10 00 000
	Other Deposits	0	9 39 000
	Staff Loan	3 41 000	3 33 000
	Duty Paid Under Protest (Refer Note - '28')	2 59 44 049	2 59 44 049
	Balance with / Recoverable from Revenue Authorities	61 73 654	45 57 967
	Prepaid Expenses	10 21 758	4 95 362
		<b>3 99 75 952</b>	<b>3 76 93 203</b>
	<b>Short Term Loans and Advances include amounts due from:</b>		
	Directors	NIL	NIL
	Other officers of the Company	NIL	NIL

	Firms or private companies in which any director is partner or director or a member	NIL	NIL
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[Amount in ` ]

18	Other Current Asset (Considered good unless otherwise stated)	As at 31st March, 2018	As at 31st March, 2017
	Particulars		
	Employee PF	0	87 555
	Interest Accrued on Fixed Deposit	28 166	0
	Deposits	1 05 000	23 16 523
		<b>1 33 166</b>	<b>24 04 078</b>

[Amount in ` ]

19	Revenue From Operations	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Particulars		
	Sale of Products	25 15 31 062	16 09 00 294
	Less: Excise Duty	3 30 941	22 18 479
		<b>25 12 00 121</b>	<b>15 86 81 815</b>
	Other Operating Revenue		
	Reimbursement of C & F Charges	4 95 818	6 45 604
	Reimbursement of Marketing Expense	49 58 182	1 43 93 194
		54 54 000	1 50 38 798
		<b>25 66 54 121</b>	<b>17 37 20 613</b>

[Amount in ` ]

	Breakup of Sale of Products [Net of Excise]	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Particulars		
	Manufactured Products		
	Fertilizers	5 77 06 931	4 13 44 610
	Pesticides	10 21 50 863	8 07 04 459
	Seeds	8 80 72 877	3 49 86 324
	Others	32 69 450	16 46 422
		<b>25 12 00 121</b>	<b>15 86 81 815</b>

[Amount in ` ]

20	Other Income	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Particulars		
	Interest Income on		
	Bank Deposits	14 570	9 305
	Staff Loan	14 000	0
	Income Tax Refund	0	1 00 160
	Sundry Balance Written Back (Net)	0	410
	Kasar	30 826	0
	Rent Income	1 57 000	1 92 000
	Prior Period Income (Net) (Refer Note (i) below)	55 01 215	0
	Late Payment Charges	4 77 406	8 630
		<b>61 95 017</b>	<b>3 10 505</b>

[Amount in ` ]

Breakup of Prior period items (Net)		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income			
Excess Provision of Depreciation Written Back		51 46 031	0
IPO Expense Written Back		4 84 888	0
		56 30 919	0
Expenses			
Factory Mehsul Vero Tax		1 11 704	0
Panchayat Tax - Factory		18 000	0
		1 29 704	0
		55 01 215	0

[Amount in ` ]

21	Cost of Materials Consumed	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Particulars		
	<b>Raw Material</b>		
	Opening Stock	4 05 60 144	4 31 27 346
	Add : Purchases ( Net of discounts)	9 53 07 163	4 98 23 085
		13 58 67 307	9 29 50 431
	Less: Closing stock of Raw Material	4 47 51 306	4 05 60 144
		9 11 16 001	5 23 90 287

[Amount in ` ]

Other Material		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Packing Materials			
Opening Stock		39 03 357	41 68 202
Add : Purchases ( Net of discounts)		1 22 90 556	42 75 644
		1 61 93 913	84 43 846
Less: Closing stock of Raw Material		66 13 312	39 03 357
		95 80 601	45 40 489
		10 06 96 602	5 69 30 776

[Amount in ` ]

Breakup of Raw Material Consumed		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Particulars			
Fertilizers		3 49 98 098	1 94 62 943
Pesticides		4 29 93 901	2 47 22 757
Seeds		1 31 24 002	82 04 588
Others		0	0
		9 11 16 001	5 23 90 287

[Amount in ` ]

Breakup of Packing Material Consumed		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Particulars			
Fertilizers		33 79 647	13 15 717
Pesticides		62 00 954	32 24 772
Seeds		0	0
Others		0	0
		95 80 601	45 40 489

[Amount in ` ]

Breakup of Purchase of Traded Goods		For the year ended	For the year ended
Particulars		31st March, 2018	31st March, 2017
	Fertilizers	0	0
	Pesticides	3 48 12 965	4 43 35 815
	Seeds	6 32 44 046	1 30 83 012
	Others	20 37 642	20 54 920
		<b>10 00 94 653</b>	<b>5 94 73 747</b>

[Amount in ` ]

22	Changes in Inventories	For the year ended	For the year ended
	Particulars	31st March, 2018	31st March, 2017
	<b>Opening Stock</b>		
	Finished Goods	1 11 62 199	1 44 84 885
		<b>1 11 62 199</b>	<b>1 44 84 885</b>
	<b>Less : Closing Stock</b>		
	Finished Goods	3 74 44 159	1 11 62 199
		<b>3 74 44 159</b>	<b>1 11 62 199</b>
	<b>Decrease / (Increase) in Inventories</b>	<b>(2 62 81 960)</b>	<b>33 22 686</b>

[Amount in ` ]

23	Employee Benefit Expenses	For the year ended	For the year ended
	Particulars	31st March, 2018	31st March, 2017
	Salaries, Wages and Bonus	1 55 35 480	65 95 112
	Director's Remuneration	72 00 000	72 00 000
	Contribution to Provident Fund & Other Funds	4 11 329	1 54 772
	Staff Welfare Expenses	0	23 970
		<b>2 31 46 809</b>	<b>1 39 73 854</b>

[Amount in ` ]

24	Finance Costs	For the year ended	For the year ended
	Particulars	31st March, 2018	31st March, 2017
	Interest to bank	18 61 022	42 95 221
		<b>18 61 022</b>	<b>42 95 221</b>

[Amount in ` ]

25	Manufacturing and Other Expenses	For the year ended	For the year ended
	Particulars	31st March, 2018	31st March, 2017
	Electricity Expense	14 46 081	15 32 890
	Factory Expense	7 13 800	5 10 242
	Freight Inward	10 39 911	38 62 675
	Research and Development Cost	22 80 544	16 76 219
	Import and Shipping Charges	87 511	66 051
	Lab Testing Expense	20 382	10 222
	Repairs & Maintenance	11 63 570	9 79 568
	Rent Expenses	1 26 500	1 56 000
	Rates & Taxes	10 21 873	12 18 304
	Insurance	2 60 281	5 79 809
	Professional Fees and Legal	8 40 574	9 43 842
	Auditor's Remuneration	1 00 000	29 000
	IPO Listing Expense	0	4 84 888
	Communication Expenses	7 12 838	4 24 035

	Travelling, Conveyance & Vehicle Expenses	46 01 758	18 60 458
	Selling, Promotional & Distribution Expenses	99 59 181	40 94 929
	Bad Debts	57 17 962	0
	Other Expenses	2 08 803	5 26 470
	Miscellaneous Expenses	9 06 092	11 31 847
		<b>3 12 07 661</b>	<b>2 00 87 449</b>
	<b>Payment to Auditor</b>		
	Audit Fees	1 00 000	29 000
		<b>1 00 000</b>	<b>29 000</b>

[Amount in ` ]

<b>26</b>	<b>Earnings Per Share</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
	<b>Particulars</b>		
	Profit after tax for Equity Shareholder `	1 17 89 083	40 04 550
	Number of Equity shares	55 25 479	40 00 000
	Face Value of Shares `	10	10
	Basic Earnings Per Shares `	2.13	1.00
	<b>Note:</b> There is no change in the number of equity shares during the year.		

**27. Contingent Liabilities and Commitments**

[Amount in ` ]

<b>Particulars</b>	<b>2017-2018</b>	<b>2016-2017</b>
<b>Contingent Liabilities</b>	NIL	NIL
<b>Capital and Other Commitments</b>	NIL	NIL

28. (i) The factory premises of fertilizer unit of the company were searched on 8th January, 2014 by the excise department. The contention of the department was that the company was clearing excisable products i.e. Soil Conditioners in the guise of Fertilizers and Bio-Fertilizers to avail the benefit of various notifications and thereby clearing the goods without payment of duty. During the proceedings the company paid Central Excise Duty of ` 2,59,44,049/- under protest. The excise department issued show cause notice to the company as to why not to determine the duty liability. The company filed appeal against the said show cause notice in front of the CESTAT, Pending outcome of the adjudication the same has been classified and disclosed under Short Term Loans and Advances.
- (ii) Further, excise department during the course of search ceased stock of finished goods lying at fertilizer unit valued at ` 22,84,396/- because according to the department the company has not paid Central Excise Duty on past clearance of the excisable products and had not obtained registration under Central Excise and issued show cause notice to the company as to why not to determine the duty liability amounting to ` 2,82,352/-. The company filed reply against the said show cause notice, pending outcome of the same, the central excise duty liability cannot be determined.

**29. Related Party Disclosures**

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

- (a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	Relationship
1	Ghanshyam M. Kumbhani	Key Management Personnel
2	Jayanti M. Kumbhani	Key Management Personnel
3	Sikkon Crop Technology	Enterprise in which relative of KMP is having significant influence

- (b) Transactions with related parties

[Amount in ` ]

Description of the Nature of Transaction	Description of Relationship	Related Party	2017-2018	2016-2017
Loan Taken	Key Management Personnel	Ghanshyam M. Kumbhani	55 00 000	5 00 000
	Key Management Personnel	Jayanti M. Kumbhani	1 01 00 000	50 00 000
Loan Repaid	Key Management Personnel	Ghanshyam M. Kumbhani	25 00 000	--
Purchases	Enterprise in which relative of KMP is having significant influence	Sikkon Crop Technology	5 53 96 348	3 53 06 470
C & F Charges	Enterprise in which relative of KMP is having significant influence	Sikkon Crop Technology	4 95 818	4 76 230
Marketing Expense	Enterprise in which relative of KMP is having significant influence	Sikkon Crop Technology	49 58 182	1 26 99 457
Machinery Rent Income	Enterprise in which relative of KMP is	Sikkon Crop Technology	12 000	12 000



Description of the Nature of Transaction	Description of Relationship	Related Party	2017-2018	2016-2017
	having significant influence			
Office Rent Income	Associate	Sikkon Crop Technology	1 45 000	1 20 000
Remuneration	Key Management Personnel	Ghanshyam M. Kumbhani	36 00 000	36 00 000
		Jayanti M. Kumbhani	36 00 000	36 00 000

(c) Outstanding Balance as at March 31, 2018

[Amount in ` ]

Sr. No	Particulars	Relationship	2017-2018	2016-2017
(i)	Balance Payable			
	- Unsecured Loan			
	Ghanshyam M. Kumbhani	Key Management Personnel	55 00 000	25 00 000
	Jayanti M. Kumbhani	Key Management Personnel	1 66 00 000	65 00 000
	- Purchases			
	Sikkon Crop Technology	Enterprise in which relative of KMP is having significant influence	2 84 86 623	2 21 42 736

30. Due to Micro, Small and Medium Enterprise

[Amount in ` ]

Sr. No.	Particulars	2017-2018	2016-2017
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	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.

31. Disclosure under Regulation 34(3) read with para A of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 is NIL.

32. IPO Disclosure

The Company during the financial year 2017-18, has made an Initial Public Offer (IPO) of ` 1,60,00,000/- comprising of 16,00,000 equity shares of ` 10 each at premium of ` 22 per share. The Company has incurred ` 46,60,844/- towards the offer related expenses as tabulated below. These expenses have been incurred in connection with raising of fresh equity capital and the same has been appropriated out of "Securities Premium Account". However, for Income Tax purpose the same will be claimed in five equal installments under section 35D of Income Tax Act, 1961.

Sr. No.	Particulars	Amount
1	Payment to BRLMs (including brokerage, selling commission, and Bidding fees)	N.A.
2	Brokerage and selling commission, processing / uploading charges to Syndicate Members, RTAs and CDPs; Processing / uploading charges for Registered Brokers; Commission and processing fees for SCSBs(2)(4)	70,595
3	Fees to the Registrar to the Offer	31,36,109
4	SEBI, BSE, and NSE processing fees, other regulatory expenses and listing fees	1,78,500
5	Printing and stationery expenses	1,83,596
6	Advertising, Publicity and Miscellaneous expenses	10,92,044
	<b>Total Expense</b>	<b>46,60,844</b>

33. Additional information, to the extent applicable, required under paragraphs 5(viii) (c) of general instructions for preparation of the statement of profit and loss as per Schedule III to the Companies Act, 2013, are as under:

A. Composition of Raw Materials Consumption

Particulars	2017-2018		2016-2017	
	Value	Percentage	Value	Percentage
Imported	12,83,673	1.41	20,54,914	3.92
Indigenous	89,832,328	98.59	5,03,35,373	96.08
<b>Total :</b>	<b>9,11,16,001</b>	<b>100.00</b>	<b>5,23,90,287</b>	<b>100.00</b>

**B. Value of Imports on CIF Basis:**

[Amount in ` ]

Particulars	2017-2018	2016-2017
Raw Materials	12,83,673	20,54,914

**C. Expenditure in Foreign Currency**

[Amount in ` ]

Particulars	2017-2018	2016-2017
Raw Materials	12,83,673	20,54,914

**D. Inventory Consist of**

[Amount in ` ]

Particulars	2017-2018	2016-2017
<b>Finished Goods</b>		
Opening Inventory		
Pesticides	1,37,37,134	1,93,88,361
Fertilisers	3,97,35,716	4,16,60,947
Seeds	8,57,114	7,31,125
Sprayers	12,95,736	--
Closing Inventory		
Pesticides	4,22,06,118	1,37,37,134
Fertilisers	3,85,14,569	3,97,35,716
Seeds	71,60,020	8,57,114
Sprayers	9,28,070	12,95,736

**34. Segment information**

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Fertilizers, 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.

**(A) Primary Segment (Business Segment)**

[Amount in ` ]

Particulars	2017-2018	2016-17
<b>Segment Revenue</b>		
<b>Revenue from Operations</b>		
(a) Fertilizers	5 77 06 931	4 13 44 610
(b) Pesticides	10 76 04 863	9 57 43 257
(c) Seeds	8 80 72 877	3 49 86 324
(d) Others	32 69 450	16 46 422
<b>Total</b>	<b>25 66 54 121</b>	<b>17 37 20 613</b>
<b>Other Income</b>		
(a) Fertilizers	35 70 968	--
(b) Pesticides	21 39 161	3 10 505
	57 10 129	3 10 505
<b>Total</b>	<b>26 23 64 250</b>	<b>17 40 31 118</b>
<b>Segment Expense</b>		
(a) Fertilisers	5 72 99 707	3 90 86 080

Particulars	2017-2018	2016-17
(b) Pesticides	9 32 59 651	8 85 84 233
(c) Seeds	8 29 13 072	3 13 78 561
(d) Others	27 95 947	11 57 397
<b>Total</b>	<b>23 62 68 377</b>	<b>16 02 06 271</b>
Segment Result before Unallocated Expenditure	2 60 95 873	1 38 24 847
Unallocated Income	4 84 888	--
Unallocated Expenditure	15 19 864	50 14 855
	(10 34 976)	(50 14 855)
<b>Profit Before Tax</b>	<b>2 50 60 897</b>	<b>88 09 992</b>
<b>Provision for Tax</b>	<b>1 32 71 814</b>	<b>48 05 442</b>
<b>Profit After Tax</b>	<b>1 17 89 083</b>	<b>40 04 550</b>
<b>Other Information</b>		
<b>Segment Assets</b>		
(a) Fertilizers	9 60 88 038	12 90 35 087
(b) Pesticides	12 42 90 139	6 51 25 080
(c) Seeds	3 12 97 139	40 88 331
(d) Others	33 64 778	18 31 582
(e) Unallocated Assets	1 17 24 147	82 83 509
<b>Total</b>	<b>26 67 64 241</b>	<b>20 83 63 589</b>
<b>Segment Liabilities</b>		
(a) Fertilizers	1 18 82 956	1 23 60 864
(b) Pesticides	5 71 21 028	5 59 23 517
(c) Seeds	2 52 34 546	30 92 472
(d) Others	14 84 385	6 18 494
(e) Unallocated Liabilities	4 95 97 383	7 32 52 538
<b>Total</b>	<b>14 53 20 298</b>	<b>14 52 47 885</b>
<b>Depreciation</b>		
(a) Fertilizers	43 55 564	51 58 691
(b) Pesticides	25 43 201	18 44 482
(c) Seeds	1 64 689	1 34 220

**(B) Secondary Segment (Geographical by Customers)**

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

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

**36. Statement of Management**

(a) 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.

(b) 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.

37. The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year.

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

As per our attached report of even date.

As per our report of even date  
For **G. K. CHOKSI & CO.**  
Chartered Accountants  
[Firm Registration No. 101895W]

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

Sd/-  
**Ghanshyambhai Kumbhani**  
Chairman & Whole Time Director  
DIN 00587855

Sd/-  
**Jayantibhai Kumbhani**  
Managing Director  
DIN 00587807

**ROHIT K. CHOKSI**  
Partner  
Membership No: 31103  
Place: Ahmedabad  
Date: May 30, 2018

Sd/-  
**Mukesh Shah**  
Chief Financial Officer

Sd/-  
**Maitry Doshi**  
Company Secretary

Date: May 30, 2018

Place: Ahmedabad



**SIKKO INDUSTRIES LIMITED**

Corporate Identity Number (CIN): U51909GJ2000PLC037329

**Regd Office:** 508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, S.G. Highway, Vejalpur, Ahmedabad-380051;  
Tel: (079) 66168950/51 Visit us at: www.sikkoindia.com, Email-compliance@sikkoindia.com

**ATTENDANCE SLIP**

Regd. Folio No./DP Id No.*/Client Id No.* (*Applicable for investor holding shares in electronic form.)	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the 18<sup>th</sup> Annual General Meeting of Sikko Industries Limited held on Saturday, September 29, 2018, at 11.00 A.M. at the registered office of the company situated at 508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad - 380 051.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

**Notes:** Please fill up this attendance slip and hand it over at the entrance of the venue of meeting. Members are requested to bring their copies of the Annual Report to the AGM.

-----Please tear here-----

**PROXY FORM**

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 Rules made thereunder)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client Id	

I/We, being the member (s) of.....shares of the above named company, hereby appoint

- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18<sup>th</sup> Annual General Meeting and/or any adjournment thereof of Sikko Industries Limited to be held on Saturday, September 29, 2018, at 11.00 A.M. at the registered office of the company situated at 508, Iscon Elegance, Nr. Jain Temple, Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad - 380 051 and/or any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary businesses</b>				
1.	To receive, consider and adopt audited financial statement of account for the financial year ended on March 31, 2018 and the reports of the Directors' and the Auditors' thereon.			
2.	To appoint a Director in place of Mr. Ghanshyambhai Kumbhani (DIN 00587855), who retires by rotation and being eligible, seeks re-appointment.			

Signed this.....day of.....2018

Signature of shareholder

Signature of Proxy holder(s)

Note:

Affix  
Revenue  
Stamp of not  
less than  
Rs. 1

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting (on or before September 27, 2018 at 11:00 a.m.)
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.